Freddie Mac Multifamily Securitized a Record $80.6 Billion in 2021

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MCLEAN, Va., Jan. 11, 2022 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) issued a record $80.6 billion of multifamily securities in 2021 affirming the company's leadership and innovation in risk transfer. Freddie Mac has settled more than $500 billion in multifamily securities through its K-Deal® and various other risk-transfer offerings since the inception of the program in 2009. In 2021, the company settled:

- $63.5 billion in K-Deals, including $2.0 billion in When-Issued K-Deals®
- $5.1 billion in SB-Deals®
- $7.0 billion in Multi PCs®
- $4.2 billion M-Deals®, ML-Deals®, Q-Deals and MF REMICs (P and RR series)
- $0.8 billion in MSCR Notes
- $5.2 billion of Impact Bonds issuance across various deal types

“Beyond record issuance volume, Freddie Mac Multifamily continued to optimize and innovate in 2021 with the introduction of our ‘when-issued’ K-Deals, more PC volume and further use of our backend risk transfer technologies,” said Robert Koontz, senior vice president of Multifamily Capital Markets at Freddie Mac. “Underscoring the success of the program and overall confidence in our multifamily business, we continued to see record-tight spreads throughout the year. We have our committed investor base to thank for yet another great year, and we look forward to further innovations that will support their unique and varied needs in the year ahead.”

In 2021, Freddie Mac Multifamily introduced the When-Issued K-Deal, providing investors with an opportunity to purchase certain K-Deal certificates prior to K-Deal settlement.

Freddie Mac Multifamily also issued three novel MSCR Note deals, which featured a new structure that further facilitates credit risk reduction on loans securitized through PC issuance.

The company further bolstered its commitment to affordable, quality rental housing, issuing a combined $5.2 billion in securities across its three Impact Bonds offerings: Green, Social and Sustainability.

Freddie Mac grew its Multi PC issuance from $6 billion 2020 to a record $7 billion in 2021. PCs have a single-tier pass-through structure, are fully guaranteed, and typically securitize a single mortgage.

In 2021, 502 different investors participated in Freddie Mac's K- and SB-Deal programs, including 362 in the K-Deal program and 244 in the SB-Deal program. An average of nearly 35 investors participated in each K- and SB-Deal. Since the inception of the K-Deal structure in 2009, the company securitized a total of approximately $562.8 billion across all offerings, including $480.9 billion in K-Deals and $35.0 billion in SB-Deals. Since 2009, 1,194 different investors have participated in Freddie Mac's K- and SB-Deal programs, including 936 in the K-Deal program and 582 in the SB-Deal program.

Freddie Mac Multifamily is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income. Freddie Mac securitizes about 90% of the multifamily loans it purchases, thus transferring the majority of the expected credit risk from taxpayers to private investors.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at FreddieMac.com, Twitter @FreddieMac and Freddie Mac's blog FreddieMac.com/blog.

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