Freddie Mac Announces $120 Million Non-Performing Loan Sale

March 6, 2024

Includes Extended Timeline Pool Offering Targeting Smaller Investors

MCLEAN, Va., March 06, 2024 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) announced today it will offer approximately $120 million in non-performing loans (NPL) for sale via auction. The NPLs being offered consist of seasoned, deeply delinquent residential first lien whole loans held in Freddie Mac's mortgage-related investments portfolio. The NPLs are currently serviced by Specialized Loan Servicing LLC or NewRez LLC, d/b/a Shellpoint Mortgage Servicing.

The NPLs are being marketed via two pools: a Standard Pool Offering (SPO®) and an Extended Timeline Pool Offering (EXPO®), which targets participation by smaller investors, including non-profits and Minority, Women, Disabled, LGBTQ+, Veteran or Service-Disabled Veteran-Owned Businesses (MWDOBs).

Bids are due from qualified bidders by April 4, 2024 for the SPO pool, and April 25, 2024 for the EXPO pool.

All eligible bidders, including private investors, MWDOBs, non-profits and neighborhood advocacy organizations are encouraged to bid. To participate, all potential bidders must be approved by Freddie Mac and successfully complete a qualification package to access the secure data room containing information about the NPLs and to bid on the NPL pool(s). The bids are to be made on an all-or-none basis for any pool. The winning bidder for each pool will be determined on the basis of the economics of the bids, subject to meeting Freddie Mac's internal reserve levels, at Freddie Mac's sole discretion.

Advisors to Freddie Mac on the transaction are BofA Securities, Inc. and First Financial Network, Inc., a woman-owned business.

Freddie Mac's seasoned loan offerings focus on reducing less-liquid assets in the company's mortgage-related investments portfolio in an economically sensible way. This includes sales of NPLs, securitizations of re-performing loans (RPLs) and structured RPL transactions. Since 2011, Freddie Mac has sold $10.2 billion of NPLs and securitized approximately $77.7 billion of RPLs consisting of $30.4 billion via fully guaranteed MBS, $34.9 billion via the Seasoned Credit Risk Transfer (SCRT) program, and $12.4 billion via the Seasoned Loans Structured Transaction (SLST) program. Requirements guiding the servicing of these transactions are focused on improving borrower outcomes and stabilizing communities. Additional information about Freddie Mac's seasoned loan offerings is available at http://www.freddiemac.com/seasonedloanofferings/.

The financial and other information contained in the documents that may be accessed on this page speaks only as of the date of those documents. The information could be out of date and no longer accurate. Freddie Mac undertakes no obligation, and disclaims any duty, to update any of the information in those documents.

Freddie Mac's mission is to make home possible for families across the nation. We promote liquidity, stability, affordability and equity in the housing market throughout all economic cycles. Since 1970, we have helped tens of millions of families buy, rent or keep their home. Learn More: Website | Consumers | LinkedIn | Facebook | Instagram | YouTube

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