Freddie Mac Multifamily to Offer Social Bonds Issuance Supporting Housing for Individuals with Intellectual and Developmental Disabilities

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MCLEAN, Va., June 17, 2024 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) Multifamily today announced that it will soon go to market with the issuance of $186 million in Social Bonds supporting 641 rental homes for individuals with intellectual and developmental disabilities across 26 states. The proceeds from these Social Bonds help address the significant shortage of community-based homes critical to the deinstitutionalization of care for individuals with disabilities.

The properties provide 2,633 beds, with approximately 79% of beds affordable to people with very low incomes making 50% of the area median income or below, ensuring more individuals with disabilities can live and work in their communities.

This Social Bond structured transaction is a PC-REMIC, Series 2024-P016, issuance backed by a pool of six Multifamily Participation Certificates.

“Freddie Mac Multifamily created Social Bonds to encourage innovative solutions that meet the unique needs of underserved communities and advance our mission,” said Robert Koontz, senior vice president of Capital Markets for Freddie Mac Multifamily. “This transaction advances our commitment to safe, affordable housing that meets the needs of the community it serves. We are proud to partner with investors to deliver this essential support to the multifamily housing market.”

Freddie Mac Multifamily’s Impact Bonds help meet specific housing challenges. Under the company’s Social Bonds Framework, the proceeds of Freddie Mac’s Social Bonds are used to provide liquidity to social impact financial institutions for financing affordable housing or to finance multifamily properties originated by the Freddie Mac Multifamily Optigo® network that are affordable to an underserved population. Freddie Mac Multifamily has issued more than $7.2 billion in Social Bonds since 2020.

This transaction aligns with the Social Bonds Framework, supporting housing for some of the most vulnerable populations. Freddie Mac's Housing for the Intellectually and Developmentally Disabled Social Bonds are aimed at supporting affordable housing for individuals with intellectual and developmental disabilities to live and work within their communities while gaining the assistance they need. These properties will be leased out to health care service providers who provide housing to individuals with developmental disabilities, cognitive or mental health issues, as well as housing to teenagers and young adults with the need for drug rehabilitation.

Read more about Freddie Mac Multifamily’s Social Bonds here.

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.

This announcement is not an offer to sell any Freddie Mac securities. Offers for any given security are made only through applicable offering circulars and related supplements, which incorporate Freddie Mac’s most recent Annual Report on Form 10-K; all other reports Freddie Mac filed with the SEC pursuant to Section 13(a) of the Securities Exchange Act of 1934 (Exchange Act) since December 31, 2023, excluding any information "furnished" to the SEC on Form 8-K; and all documents that Freddie Mac files with the SEC pursuant to Sections 13(a), 13(c) or 14 of the Exchange Act, excluding any information “furnished” to the SEC on Form 8-K.

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:
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