Freddie Mac Sells $188 Million in Non-Performing Loans

October 1, 2024

Awards SPO Pool to One Winner

MCLEAN, Va., Oct. 01, 2024 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today announced it sold via auction 982 deeply delinquent non-performing residential first lien loans (NPLs) from its mortgage-related investments portfolio. The loans, with a balance of approximately $188 million, are currently serviced by Select Portfolio Servicing Inc., NewRez LLC, d/b/a Shellpoint Mortgage Servicing and Nationstar Mortgage LLC, d/b/a Rushmore Servicing. The transaction is expected to settle in November 2024. The sale is part of Freddie Mac's Standard Pool Offerings (SPO ®). Freddie Mac, through its advisors, began marketing the transaction on September 3, 2024, to potential bidders, including non-profits and Minority, Women, Disabled, LGBTQ+, Veteran or Service-Disabled Veteran-Owned Businesses (MWDOBs), neighborhood advocacy organizations and private investors active in the NPL market. Bids for the upcoming Extended Timeline Pool Offerings (EXPO®), which are smaller sized pools of loans, are due from qualified bidders by October 10, 2024.

The loans in the SPO® offering were offered as one pool of mortgage loans. The pool consists of mortgage loans secured by geographically diverse properties.

Given the delinquency status of the loans, the borrowers have likely been evaluated previously for loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 57 percent of the aggregate pool balance. Additionally, purchasers are required to honor the terms of existing loss mitigation agreements and solicit distressed borrowers for additional assistance except in limited cases and ensure all pending loss mitigation actions are completed.

The SPO pool and winning bidder is summarized below:

Description	Pool #1
Unpaid Principal Balance	$ 188.3 million
Loan Count	982
BPO-weighted* CLTV (in %)	45
UPB-weighted CLTV (in %)	53
Average Months Delinquent	32
Average Loan Balance (in $000s)	191.7
Geographical Distribution	National
Winning Bidder	J.P. Morgan Mortgage Acquisition Corp.
Cover Bid Price (% of UPB) (second-highest bid price)	Low 100s Area

*Broker Price Opinions (BPOs)

Advisors to Freddie Mac on the transaction are Citigroup Global Markets 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 $10.3 billion of NPLs and securitized approximately $79.3 billion of RPLs consisting of $30.4 billion via fully guaranteed MBS, $36.2 billion via the Seasoned Credit Risk Transfer (SCRT) program, and $12.7 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/.

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 | X | LinkedIn | Facebook | Instagram | YouTube

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