



## Freddie Mac Sells \$667 Million NPLs

March 17, 2017

### First Sale of the Year; Second Multi-Servicer Transaction To Date

MCLEAN, VA--(Marketwired - Mar 17, 2017) - Freddie Mac (OTCQB: FMCC) today announced it sold via auction 3,621 deeply delinquent non-performing loans (NPLs) from its mortgage investments portfolio. The loans, totaling \$667 million, are currently serviced by either Nationstar Mortgage LLC or Specialized Loan Servicing LLC. The transaction is expected to settle in May 2017, and servicing will be transferred post-settlement. The sale is part of Freddie Mac's Standard Pool Offerings (SPO®). Freddie Mac, through its advisors, began marketing the transaction on February 16, 2017, to potential bidders, including minority and women-owned businesses (MWOBs), non-profits, neighborhood advocacy funds and private investors active in the NPL market.

The loans were offered as four separate pools of geographically diverse mortgage loans. Investors had the flexibility to bid on each pool individually and/or a combination of pools.

The loans have been delinquent for over two years, on average. Given the deep delinquency status of the loans, the borrowers have likely been evaluated previously for or are already in various stages of loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 50 percent of the aggregate pool balance. The aggregate pool is geographically diverse and has a loan-to-value ratio of approximately 89 percent, based on Broker Price Opinion (BPO).

The pools and winning bidders are summarized below:

Description	Pool #1	Pool #2	Pool #3	Pool #4
Unpaid Principal Balance	\$203.0 million	\$111.4 million	\$171.2 million	\$181.4 million
Loan Count	1,171	700	830	920
CLTV Range	Less than 90	Less than 90	Greater than or equal to 90 and less than 110	Greater than or equal 110
BPO CLTV	71	69	99	136
Average Months Delinquent	31	20	26	26
Average Loan Balance (\$000)	173.3	159.1	206.3	197.2
Geographical Distribution	National	National	National	National
Winning Bidder	Pretium Mortgage Credit Partners I Loan Acquisition, LP	Pretium Mortgage Credit Partners I Loan Acquisition, LP	Upland Mortgage Acquisition Company II, LLC	Rushmore Loan Management Services LLC
Cover Bid Price (second-highest bid price)	Mid \$80s	High \$80s	High \$60s	High \$40s

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

Freddie Mac's Seasoned Loan Offerings are focused on reducing less liquid assets in an economically sensible way from the company's mortgage investments portfolio. This includes sales of NPLs, securitizations of re-performing loans (RPL) and structured RPL transactions. Prior to this trade, Freddie Mac has sold more than \$6.6 billion in NPLs, securitized \$26 billion in RPLs and transacted \$1 billion in structured offerings. [Requirements pdf](#) guiding the servicing of these transactions are focused on improving borrower outcomes and stabilizing communities. Additional information about the company's seasoned loan offerings is at <http://www.freddie.com/seasonedloanofferings/index.html>.

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](http://FreddieMac.com), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](http://FreddieMac.com/blog).

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