



Freddie Mac Prices \$464 Million Multifamily K-Deal, K-MP1, Backed by Properties Controlled by Morgan Properties

September 22, 2017

MCLEAN, VA--(Marketwired - Sep 22, 2017) - [Freddie Mac](#) (OTCQB: FMCC) recently priced a new offering of Structured Pass-Through Certificates ([K Certificates](#)), backed by fixed-rate multifamily mortgages with seven-year terms. The approximately \$464 million in K Certificates (K-MP1 Certificates) are backed by fourteen properties indirectly controlled by Morgan Properties or their affiliates. K-MP1 is expected to settle on or about September 28, 2017.

The transaction collateral is part of Freddie Mac's single-asset, single borrower (SASB) execution. The SASB execution transfers first loss credit risk on either one or multiple properties owned or controlled by a single sponsorship group.

K-MP1 Pricing

Class	Principal/Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-1	\$55.000	4.53	S + 34	2.2330%	2.2091%	\$99.9964
A-2	\$409.832	6.91	S + 49	2.9820%	2.5237%	\$102.7883
X1	\$464.832	6.40	Non-Offered			

Details

- Co-Lead Managers and Bookrunners: Merrill Lynch, Pierce, Fenner & Smith Incorporated and PNC Capital Markets LLC
- Co-Managers: Barclays Capital Inc., Cantor Fitzgerald & Co., Credit Suisse Securities (USA) LLC and Drexel Hamilton, LLC

Related Links

- The K-MP1 preliminary offering circular supplement: <http://www.freddiemac.com/mbs/data/kmp01oc.pdf>
- Freddie Mac Multifamily [Investor Presentation pdf](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

The K-MP1 Certificates will not be rated, and will include two senior principal and interest classes and one interest only class. The K-MP1 Certificates are backed by corresponding classes issued by the FREMF 2017-KMP1 Mortgage Trust (KMP1 Trust) and guaranteed by Freddie Mac. The KMP1 Trust will also issue certificates consisting of the Class B, C and R Certificates, which will be subordinate to the classes backing the K-MP1 Certificates. The KMP1 Trust Class B, C and R Certificates will not be guaranteed by Freddie Mac.

[Freddie Mac Multifamily](#) is a leading issuer of agency-guaranteed structured multifamily securities. K-Deals are part of the company's business strategy to transfer a portion of the risk of losses away from taxpayers and to private investors who purchase the unguaranteed subordinate bonds. K Certificates typically feature a wide range of investor options with stable cash flows and structured credit enhancement.

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 Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission (SEC) on February 16, 2017; 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, 2016, 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 press releases sometimes contain forward-looking statements. A description of factors that could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements can be found in the company's Annual Report on Form 10-K for the year ended December 31, 2016, and its reports on Form 10-Q and Form 8-K, filed with the SEC and available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors and the SEC's Web site at www.sec.gov.

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](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

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the information in those documents. Freddie Mac's future performance, including financial performance, is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the company's future results are discussed more fully in our reports filed with the SEC.