



## Freddie Mac Prices \$43.1 Million in Structured Credit Risk Debt Notes

December 29, 2016

MCLEAN, VA--(Marketwired - Dec 29, 2016) - [Freddie Mac](#) (OTCQB: FMCC) today announced it recently priced its second offering of a Multifamily Structured Credit Risk (SCR) Debt Note, which gives private investors a portion of the credit risk on certain multifamily mortgage loans backing targeted affordable rental housing tax-exempt bonds guaranteed by Freddie Mac. The approximately \$43.1 million in [SCR Notes](#) (pronounced SCORE Notes) are expected to settle on or around December 29, 2016.

Introduced in May 2016, SCR Notes are unsecured and unguaranteed corporate bonds that build on the company's successful multifamily securities offerings and single-family Structured Agency Credit Risk® debt notes, and reduce taxpayers' exposure to mortgage default risk. With SCR Notes, the first-loss credit risk of a specified pool of mortgages is transferred to private capital markets credit investors. Freddie Mac retains the senior loss credit risk.

### SCR Notes Series 2016-MDN2 Pricing

The \$43.1 million SCR Notes Series 2016-MDN2, Class B, is linked to the credit and principal payment risk of a reference pool of multifamily mortgage loans backing state and local housing finance agency tax-exempt bonds for which Freddie Mac provides credit enhancement. The SCR Notes are not backed or secured by the reference pool itself. Wells Fargo is the sole structuring agent, lead manager and sole bookrunner. Systima Capital Management is the sole investor for the issued notes.

The amount of periodic principal and ultimate principal paid by Freddie Mac is determined by the performance of the reference pool consisting of approximately 68 multifamily mortgage loans originated between 1999 and 2016 with an approximate unpaid principal balance of \$863 million. The mortgage loans were primarily funded by the issuance of targeted affordable rental housing tax-exempt bonds guaranteed by Freddie Mac. The loans adhere to Freddie Mac's underwriting, internal fraud prevention and quality control standards.

This announcement is not an offer to sell any securities of Freddie Mac or any other issuer. 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, 2015, filed with the Securities and Exchange Commission (SEC) on February 18, 2016; 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, 2015, 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, 2015, 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](http://www.FreddieMac.com/investors) and the SEC's Web site at [www.sec.gov](http://www.sec.gov).

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is the largest source of financing for multifamily housing. Additional information is available at [FreddieMac.com](http://FreddieMac.com), Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog [FreddieMac.com/blog](http://FreddieMac.com/blog).

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 does not undertake an obligation, and disclaims any duty, to update any of 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.