



Freddie Mac Announces Pricing of \$308 Million Multifamily Small Balance Loan Securitization

October 19, 2016

MCLEAN, VA--(Marketwired - Oct 19, 2016) - [Freddie Mac](#) (OTCQB: FMCC) announces the pricing of the SB23 offering, a multifamily mortgage-backed securitization backed by small balance loans underwritten by Freddie Mac and issued by a third-party trust. The company expects to guarantee approximately \$308 million in Multifamily SB Certificates (SB23 Certificates), which are anticipated to settle on or about October 28, 2016. This is the thirteenth SB Certificate transaction in 2016.

SB23 Pricing

| Class | Principal / Notional Amount (mm) | Weighted Average Life (Years) | Spread (bps) | Coupon | Yield | Dollar Price |
|-------|----------------------------------|-------------------------------|--------------|---------|---------|--------------|
| A-5F | \$43.734 | 4.08 | S + 40 | 1.7300% | 1.5852% | \$100.4748 |
| A-5H | \$91.349 | 4.10 | S + 65 | 1.9800% | 1.8367% | \$100.4586 |
| A-7F | \$36.764 | 5.53 | S + 60 | 2.0000% | 1.8954% | \$100.4512 |
| A-7H | \$27.476 | 5.57 | S + 80 | 2.2000% | 2.0984% | \$100.4312 |
| A-10F | \$82.226 | 7.23 | S + 80 | 2.3100% | 2.2216% | \$100.4955 |
| A-10H | \$26.028 | 7.27 | S + 100 | 2.5100% | 2.4239% | \$100.4771 |
| X1 | \$341.752 | 4.76 | Non-Offered | | | |

Details

- Sole lead manager and bookrunner: J.P. Morgan Securities LLC
- Co-managers: Amherst Pierpont Securities LLC, Academy Securities Inc., Wells Fargo Securities, LLC and Stifel, Nicolaus & Company, Incorporated
- 123 mortgages originated by affiliates of Arbor Realty Trust Inc. and by Pinnacle Bank
- [SB23 Certificates Offering Circular pdf](#)
- [Small Balance Securitization Investor Presentation pdf](#)

Freddie Mac is guaranteeing six senior principal and interest classes and an interest only class of securities issued by the FRESB 2016-SB23 Mortgage Trust and is also acting as mortgage loan seller and master servicer to the trust. In addition to the seven classes of securities guaranteed by Freddie Mac, the trust will issue certificates consisting of the Class X2-P, B and R Certificates, which will not be guaranteed by Freddie Mac and will be sold to private investors.

The [Small Balance Loan](#) (SBL) origination initiative was first announced in October 2014, and expands the company's continuing effort to better serve less populated markets and provide additional liquidity to smaller apartment properties. Loans in the program generally range from \$1 million to \$5 million and are backed by properties with five or more units. Freddie Mac has a specialty network of Seller/Servicers and SBL lenders with extensive experience in this market who source loans across the country.

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 and the SEC's Web site at 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, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog 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.