



Freddie Mac Prices \$608 Million Multifamily K-Deal, K-W01 Supporting Workforce Housing

May 25, 2016

MCLEAN, VA--(Marketwired - May 24, 2016) - [Freddie Mac](#) (OTCQB: FMCC) expands its support of workforce housing with a new series of K Certificates multifamily mortgage-backed security. The K-W Series offerings of Structured Pass-Through Certificates (K Certificates) are backed by loans on multifamily properties where rent is affordable to the majority of low- to middle-income households in a geographic location.

The company expects to issue approximately \$608 million in K-W01 Certificates, which are expected to settle on or about May 26, 2016. The K-W01 Certificates are guaranteed by Freddie Mac and are backed by a majority of mortgages in which the properties have rents that are less than the average market rent for the area and are affordable to individuals earning 80 percent or less of the area median Income in areas other than high cost housing markets. The loans were originated through the company's [workforce housing pdf](#) loan initiative.

"This K-Deal is important because it brings an additional private capital focus to support workforce housing, which accounts for only a fraction of new multifamily supply across the country," said Robert Koontz, vice president of Multifamily Capital Markets.

K-W01 Pricing

Class	Principal/ Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-1	\$173.567	6.78	S + 75	2.5870%	2.2502%	\$101.9944
A-2	\$435.000	9.36	S + 80	2.8530%	2.4838%	\$102.9978
X1	\$608.567	8.36	T + 335	1.1182%	5.0855%	\$6.9067
X3	\$33.809*	9.44	T + 850	4.1948%	10.3029%	\$24.8258

* 50% of the Class X3 notional size

Details

- Lead Manager and Sole Bookrunner: J.P. Morgan Securities LLC
- Co-Managers: Citigroup Global Capital Markets Inc., Goldman, Sachs and Co., Stern Brothers & Co., and Wells Fargo Securities, LLC

Related Links

- The K-W01 Offering Circular Supplement: <http://www.freddiemac.com/mbs/data/kw01oc.pdf.pdf>.
- Freddie Mac Multifamily [Investor Presentation pdf](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages
- Freddie Mac [workforce housing pdf](#) loan initiative details

The K-W01 Certificates are backed by corresponding classes issued by the FREMF 2016-KW01 Mortgage Trust (K-W01 Trust) and guaranteed by Freddie Mac. The K-W01 Trust will also issue certificates consisting of the Class X2-A, X2-B, B and R Certificates, which will not be guaranteed by Freddie Mac and will not back any class of K-W01 Certificates.

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 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.