



Freddie Mac Prices \$732 Million Multifamily K-Deal, K-C01

April 26, 2016

MCLEAN, VA--(Marketwired - Apr 25, 2016) - [Freddie Mac](#) (OTCQB: FMCC) recently priced a K-C Series offering of Structured Pass-Through Certificates ([K Certificates](#)), which are multifamily mortgage-backed securities. The company expects to issue approximately \$732 million in K Certificates (K-C01 Certificates), which are expected to settle on or about May 4, 2016. The K-C01 Certificates are guaranteed by Freddie Mac and are backed by a majority of 7-year, fixed rate loans that feature longer than typical periods of reduced prepayment penalties before maturity.

K-C01 Pricing

Class	Principal/ Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-1	\$123.000	4.23	S + 58	1.9710%	1.6993%	\$100.9979
A-2	\$608.898	6.63	S + 73	2.6320%	2.1278%	\$102.9991
X1	\$731.898	6.23	T + 100	0.8454%	2.3415%	\$3.3988
X3	\$40.661*	6.69	T + 700	3.9692%	8.5601%	\$18.8159

*50% of the Class X3 notional size

Details

- Lead Manager and Sole Bookrunner: Credit Suisse Securities (USA) LLC
- Co-Managers: J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated and Stern Brothers & Co.

Related Links

- The K-C01 Offering Circular Supplement: <http://www.freddiemac.com/mbs/data/kc01oc.pdf>
- Freddie Mac Multifamily [Investor Presentation pdf](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

The K-C01 Certificates are backed by corresponding classes issued by the FREMF 2016-KC01 Mortgage Trust (K-C01 Trust) and guaranteed by Freddie Mac. The K-C01 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-C01 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.

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