



Freddie Mac Prices \$475 Million STACR Offering

March 10, 2016

MCLEAN, VA--(Marketwired - Mar 9, 2016) - [Freddie Mac](#) (OTCQB: FMCC) yesterday priced its second Structured Agency Credit Risk ([STACR®](#)) transaction this year, STACR 2016-HQA1. Through the award-winning and innovative STACR program, Freddie Mac transfers a portion of its credit risk on certain single-family loans to private capital market investors.

"We saw secondary spreads tighten with this transaction," said Mike Reynolds, vice president of Credit Risk Transfer for Freddie Mac. "This may be the reversal of spreads widening."

Pricing for STACR Series 2016-HQA1:

- M-1 class was one-month LIBOR plus a spread of 175 basis points.
- M-2 class was one month LIBOR plus a spread of 275 basis points.
- M-3 class was one month LIBOR plus a spread of 635 basis points.
- B class was one month LIBOR plus a spread of 1,275 basis points.

With the \$475 million STACR 2016-HQA1 offering of loans with LTVs ranging from 80 to 95 percent, Freddie Mac holds the senior loss risk in the capital structure and a portion of the risk in the Class M-1, M-2 and M-3 tranches, and the first loss Class B tranche.

Barclays and Wells Fargo Securities are co-lead managers and joint bookrunners. Cantor Fitzgerald, Deutsche Bank Securities, J.P. Morgan and Nomura are co-managers. Ramirez and Co., Inc. is the selling group member.

STACR 2016-HQA1 has a reference pool of single-family mortgages with an unpaid principal balance of more than \$17.5 billion. The reference pool consists of a subset of 30-year fixed-rate single-family mortgages acquired by Freddie Mac between April 1, 2015 and June 30, 2015.

Freddie Mac has a STACR issuance calendar to help investors plan their allocations. The calendar is available on the [Credit Risk Offerings](#) page of the company's web site at www.FreddieMac.com.

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, 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](#) and Freddie Mac's blog FreddieMac.com/blog.

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