



## Freddie Mac Prices Second Whole Loan Security, Senior/Sub Credit Risk Offering

November 19, 2015

MCLEAN, VA--(Marketwired - Nov 19, 2015) - [Freddie Mac](#) (OTCQB: FMCC) announced another industry leading GSE credit risk transfer activity -- the pricing of its second Freddie Mac Whole Loan Security(SM)(WLS(SM)), an offering of approximately \$634.5 million of guaranteed senior and unguaranteed subordinate actual loss securities. This offering represents the first rated WLS and is twice the size of the first WLS.

By shifting some of its credit risk from the underlying super-conforming mortgages to subordinate investors, WLS compliments the Freddie Mac award-winning and innovative Structured Agency Credit Risk (STACR<sup>®</sup>) and Agency Credit Insurance Structure (ACIS<sup>®</sup>) offerings, and continues the company's path to selling a portion of its credit risk to private investors.

"This is our first rated senior/subordinate RMBS securitization," said Kevin Palmer, senior vice president of Freddie Mac Credit Risk Transfer. "We continue to grow WLS and expect to have quarterly issuances in 2016."

Freddie Mac Whole Loan Securities Trust, Series 2015-SC02, a Freddie Mac trust, will issue approximately \$593 million in guaranteed senior certificates and approximately \$41 million in unguaranteed subordinate certificates. The collateral backing the certificates are 1,186 fixed-rate super conforming loans.

BofA Merrill Lynch and Credit Suisse are co-lead managers and joint bookrunners; Barclays and Nomura are co-managers; and Loop Capital is a selling group member. WLS 2015-SC02 is expected to settle later this month.

WLS preserves many of the features found in Freddie Mac Gold PC's while leveraging traditional private label characteristics. Key features include:

- The underlying loans were originated, and will be serviced, in accordance with the Freddie Mac Single Family Seller/Service Guide.
- The certificates are backed by newly-originated super-conforming fixed-rate loans that, while eligible, were not delivered into TBA loan pools.
- Senior certificates guaranteed by Freddie Mac as to timely interest and ultimate principal.
- Principal payments on loans are allocated to senior and subordinate certificates on a pro-rata basis, subject to certain collateral performance and credit enhancement tests.
- The senior certificates, other than the interest-only certificates, have fixed coupons.
- The interest-only certificates and subordinate certificates have net weighted average coupons.

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, 2014, filed with the Securities and Exchange Commission (SEC) on February 19, 2015; 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, 2014, 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, 2014, 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 one of the largest sources 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.