



Freddie Mac Prices First STACR Credit Risk Sharing Transaction of 2015

January 29, 2015

MCLEAN, VA--(Marketwired - Jan 28, 2015) - [Freddie Mac](#) (OTCQB: FMCC) today priced its first Structured Agency Credit Risk ([STACR\(R\)](#)) transaction of the year, a \$880 million offering of STACR debt notes, Series 2015-DN1. This transaction is the first one in which the company sold a portion of the first loss risk. When STACR DN1 settles, Freddie Mac will have laid off a portion of its credit risk on more than one million loans since the program began in 2013.

Pricing for the STACR Series 2015-DN1, M-1 class was one-month LIBOR plus a spread of 125 basis points. Pricing for the M-2 class was one month LIBOR plus a spread of 240 basis points. Pricing for the M-3 class was one month LIBOR plus a spread of 415 basis points. Pricing for the B class was one month LIBOR plus a spread of 1150 basis points. The offering is scheduled to settle on or around February 3, 2015.

"This is a great start to the year," said Mike Reynolds, Freddie Mac vice president of Credit Risk Transfer. "This is the first time we sold a share of the first loss through STACR and we think it's a step forward in the development of the credit risk transfer market. The benchmark 2015-DN1 transaction had very strong demand with several new domestic and foreign investors."

J.P. Morgan and Citigroup served as co-lead managers and joint bookrunners for STACR Series 2015-DN1, which has a reference pool of recently-originated Single-Family mortgages with an unpaid principal balance of more than \$27.6 billion. STACR 2015 DN1 Class M-1, Class M-2 and Class M-3 Notes will be listed on the Global Exchange Market of the Irish Stock Exchange.

Freddie Mac holds the senior loss risk in the capital structure, and a portion of the risk in the Class M-1, M-2, M-3 and the first loss Class B tranche. The M-1 and M-2 bonds are rated by Moody's and DBRS. The M3 bonds are rated by Moody's.

Freddie Mac has led the market in introducing new risk-sharing initiatives with 10 [STACR debt note](#) offerings and seven [ACIS\(SM\)](#) (Agency Credit Insurance Structure) transactions since 2013. Through STACR and ACIS, Freddie Mac has laid off a substantial portion of credit risk on more than \$233 billion of UPB in Single-Family mortgages, representing more than one million loans.

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, 2013, filed with the Securities and Exchange Commission (SEC) on February 27, 2014; 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, 2013, 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, 2013, 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 one of the largest sources 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.