



Freddie Mac Funds \$1 Billion in Small Property Loans in Less Than a Year

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400 Loans Funded, Many for Affordable Rental Properties

MCLEAN, VA--(Marketwired - Sep 10, 2015) - Freddie Mac (OTCQB: FMCC) this week reached a milestone of funding more than \$1 billion in small multifamily property loans. Close to one-third of renters live in smaller properties with five to 50 units, many of which are affordable to low- and very low-income households.

"With this country's growing gap between affordable housing demand and supply, it is critical to provide capital to this market," said Stephen Johnson, Freddie Mac senior director of Multifamily Production for Small Balance Loans. "We want to be the go-to source for small multifamily property financing and our first \$1 billion is a step toward that goal."

"It's incredible to see what we've achieved with our experienced Small Balance Loan Seller/Service providers in such a short period of time," Johnson added. "In 11 months, we've on-boarded and trained 10 Seller/Service providers, inspected nearly 500 properties and underwritten and funded nearly 400 loans with an average balance of \$2.5 million."

The [Small Balance Loan](#) (SBL) initiative was announced in October 2014 and expanded the company's continuing effort to better serve less populated markets and provide additional liquidity to smaller apartment properties. Loans in the program generally range from \$1 million to \$5 million and have five or more units. Freddie Mac has a specialty network of [SBL lenders](#) with extensive experience who source loans across the country.

Freddie Mac purchases and aggregates loans by seller and will then securitize each seller's deals when pool sizes are approximately \$100-\$125 million. By structuring these loans into securities where private parties hold the first-loss position, the vast majority of the credit risk is shifted away from Freddie Mac and U.S. taxpayers. Freddie Mac has announced three small balance loan securitizations this year for a total of \$410 million.

About Freddie Mac

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports homeowners and renters nationwide by providing mortgage capital to lenders. Today Freddie Mac is making home possible for approximately 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.

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