



Another Strong Year for Freddie Mac Multifamily Securities

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MCLEAN, VA--(Marketwired - Jan 6, 2015) - [Freddie Mac](#) (OTCQB: FMCC) Multifamily further reduced taxpayer risk in 2014 by selling the overwhelming majority of credit risk on the mortgages it purchased to private capital investors through its Multifamily K-Deal securitization program. There were 21 Multifamily securities offerings in 2014 for a total transactions volume of \$22.4 billion which, in addition to K-Deals, included a small volume of other securities, including the company's Q- and M-Deals.

2014 Highlights:

- Continued to support affordable rental housing through securitization. Approximately 90 percent of the apartment units Freddie Mac finances are affordable to households earning up to the area median income, and most of those loans are securitized.
- Issued \$21.3 billion in K-Deals in 2014 and securitized almost \$93 billion in multifamily loans since the program started in 2009, backing approximately \$79 billion in guaranteed certificates and \$13.5 billion in unguaranteed certificates.
- Introduced and issued \$189 million in Q Certificates that are backed by \$215 million in multifamily loans not underwritten by Freddie Mac at the time of origination but that meet the company's current underwriting standards. Q Certificates were introduced this fall.
- Issued \$683 million in M Certificates backed by \$747 million in multifamily loans. M Certificates are fully guaranteed tax-exempt and taxable securities supported by pools of unenhanced tax-exempt and taxable multifamily housing collateral.
- Grew the private investor base to more than 140 domestic and international investors. Typical investors are life insurance companies, banks, pension funds, money managers and hedge funds, some of whom assume first loss positions, reducing taxpayer risk.
- Inclusion of K-Deals in the Barclays U.S. Aggregate and Global Aggregate bond indices in June.

Quotes from Mitchell Resnick, vice president of Freddie Mac Multifamily Capital Markets:

- "The K-Deal program has become the benchmark for Agency CMBS. 2014 was our second largest year for securities issuance and we now have just short of \$100 billion in K Certificates outstanding. This year we also issued Q and M Certificates, adding variety to the investment opportunities for our customers. Part of the reason for our success is the exceptional credit performance of our collateral. At the end of the year, total K-Deal delinquencies amounted to 1 basis point."
- "The multifamily market is healthy and we expect to issue approximately \$25 billion in multifamily securities across 17 to 20 K-Deals next year. Also, in 2015 we expect to introduce a few new types of collateral to our securitizations, including 10-year floaters and small balance 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.

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