

**For Immediate Release**  
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**Freddie Mac to Use ARRC Recommended Fallback Language for  
Single-Family Adjustable Rate Mortgages**

**MCLEAN, Va. – November 15, 2019** -- Freddie Mac (OTCQB: FMCC) today issued the following statement regarding the Alternative Reference Rate Committee's recommendation to replace LIBOR with a new index based on the Secured Overnight Financing Rate (SOFR) to ensure a seamless transition away from LIBOR by the end of 2021.

"Freddie Mac supports the Alternative Reference Rate Committee's (ARRC) recommendation to replace LIBOR with a new index based on the Secured Overnight Financing Rate (SOFR) to ensure a seamless transition for lenders and borrowers to SOFR-based hybrid adjustable rate mortgages (ARMs) by the end of 2021.

As part of this transition, Freddie Mac Single-Family anticipates publishing updates in the first quarter of 2020 to all its uniform ARM notes and other legal documents for ARMs, as appropriate and will incorporate the [ARRC recommended fallback language](#) for all newly-originated ARMs. Until such updates are implemented, Freddie Mac Sellers are reminded to continue using the current versions of the uniform ARM notes when selling to Freddie Mac.

Freddie Mac will work closely with the ARRC, the Federal Housing Finance Agency, Fannie Mae, and other industry participants on a thoughtful and deliberate process throughout all phases of this transition to SOFR-based ARMs within the home mortgage lending industry."

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at [FreddieMac.com](http://FreddieMac.com), Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog [FreddieMac.com/blog](http://FreddieMac.com/blog).

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