

FOR IMMEDIATE RELEASE
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Freddie Mac Securitizes \$1 Billion of Performing Modified Loans

MCLEAN, VA-- [Freddie Mac](#) (OTCQB: FMCC) announced today that it has begun securitizing certain performing modified mortgage loans held in the company's mortgage-related investments portfolio. These loans were modified to assist borrowers who were at risk of foreclosure, to stabilize markets and to mitigate losses. To be eligible for securitization, loans need to be current for at least six consecutive months.

The modified mortgage loans are pooled into new Freddie Mac Fixed-Rate Modified Participation Certificates (Modified PCs) with new "MA-MD" prefixes. They are not TBA deliverable and do not include loans modified through the Home Affordable Mortgage Program (HAMP). The PCs are eligible collateral for new Freddie Mac Giant PC securities.

Freddie Mac also will provide additional pool-level and loan-level disclosures specific to the Modified PCs. Additional disclosures will include mortgage loan attributes at origination before modification, at time of modification and at time of securitization as Modified PCs. Freddie Mac also will provide pool-level disclosure of payment history covering up to 36-months prior to the Modified PC issuance.

"As we continually seek to provide more transparency to the investment community, we are providing additional information on these securities which should aid in their valuation," said Neil Hughes, Vice President and Interim Head of Single Family Securitization.

Freddie Mac bought the vast majority of these loans out of its related PCs when the loans were at least 120-days delinquent. When loans become 120 days or more delinquent, it is generally Freddie Mac's policy to purchase the delinquent loans out of the PCs and hold them in its mortgage-related investments portfolio while the company pursues resolutions to the delinquencies.

"Securitizing loans that have been modified and are now performing will allow Freddie Mac to better manage its mortgage-related investments portfolio," said Adama Kah, Freddie Mac Vice President of Distressed Assets Management. "We are taking another important step that creates liquidity and taxpayer value for these modified loans through PC securitization. Freddie Mac's goal is to help families stay in their homes and provide alternatives to foreclosure."

In November 2011, Freddie Mac began securitizing previously delinquent, non-modified loans that it had repurchased from its related PCs, and that had been reinstated to current, performing loan status.

Descriptions of the new pool-level disclosures are available at http://www.freddiemac.com/mbs/html/cs_terms.html and loan-level variables are available at www.FreddieMac.com/mbs/docs/fs_lld.pdf [pdf].

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, 2012, filed with the Securities and Exchange Commission ("SEC") on February 28, 2013; 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, 2012, 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, 2012, 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. For more information please visit www.FreddieMac.com and Twitter @FreddieMac.

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