

First Quarter 2021
Financial Results Supplement

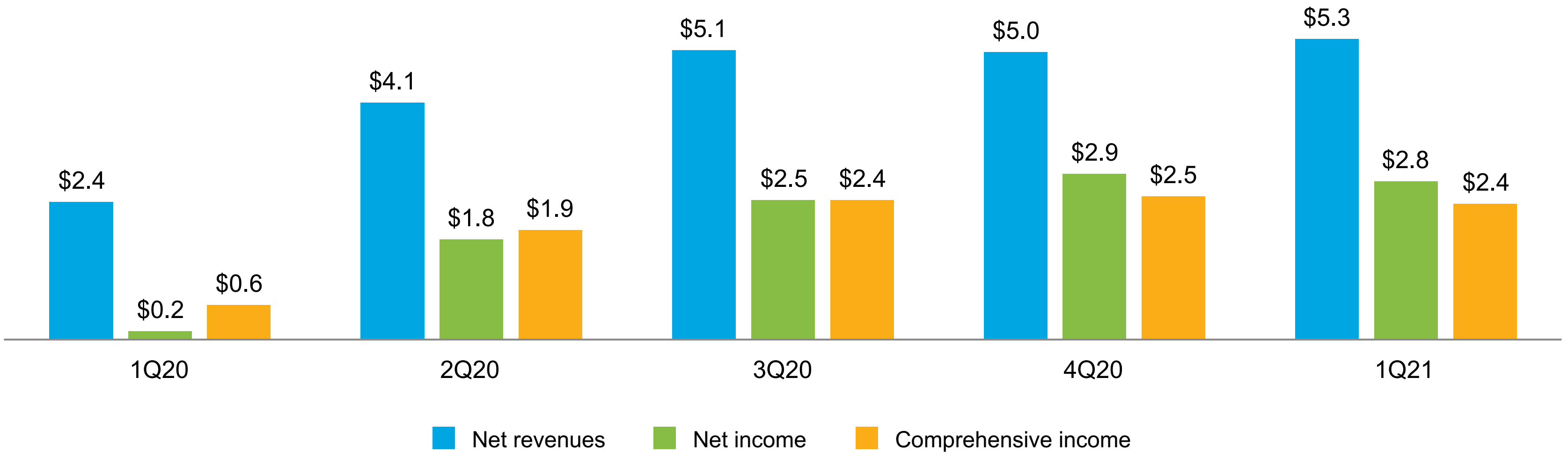
April 29, 2021

Freddie Mac
We make home possible®

Financial Highlights

Net Revenues, Net Income, and Comprehensive Income

$ Billions



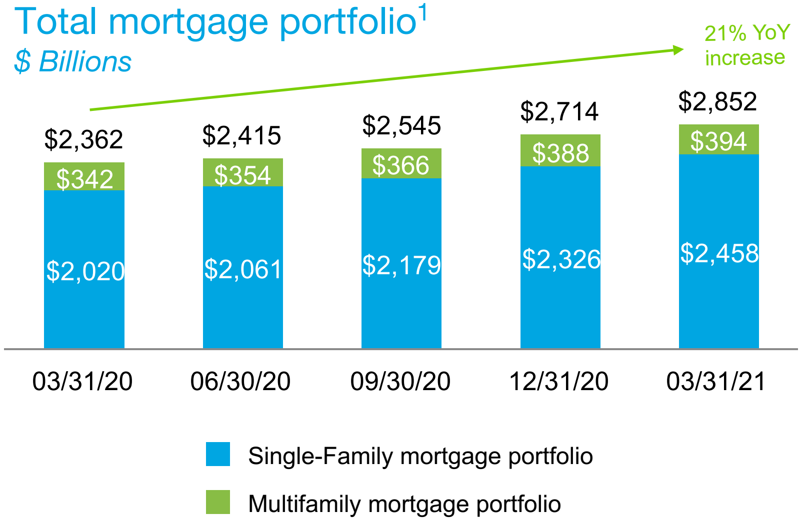
- **Net income** of $2.8 billion and **comprehensive income** of $2.4 billion for the first quarter of 2021, an increase of $2.6 billion and $1.8 billion year-over-year, respectively, driven by mortgage portfolio growth, higher deferred fee income recognition, higher revenues from Multifamily loan purchase and securitization activities, and lower credit-related expense
- **Net revenues** increased 118% year-over-year to $5.3 billion, primarily from higher net interest income and higher net investment gains

Total Portfolio Balances

Freddie Mac

Total mortgage portfolio[1]

$ Billions

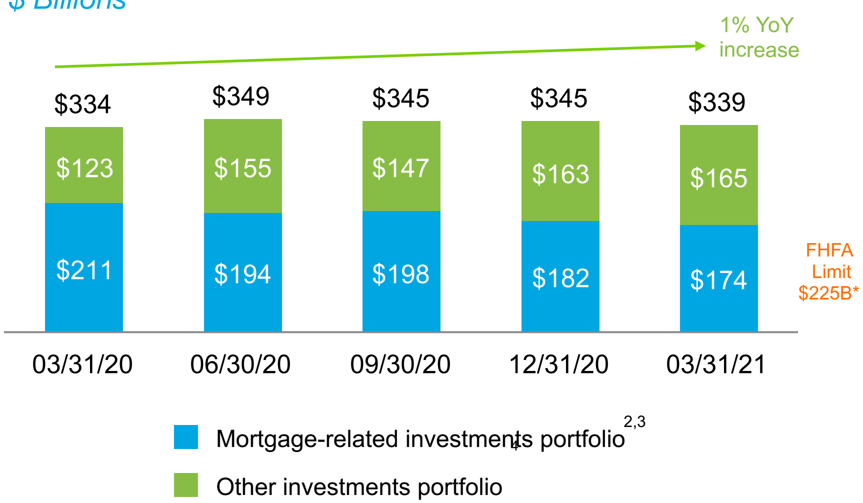


Portfolio balance highlights

- Total mortgage portfolio:
  - Single-Family - grew $438 billion, or 22%, year-over-year
  - Multifamily - grew $52 billion, or 15%, year-over-year
- Total investments portfolio:
  - Mortgage-related investments portfolio - decreased $37 billion, or 18%, year-over-year
  - Other investments portfolio - increased $42 billion, or 34%, year-over-year

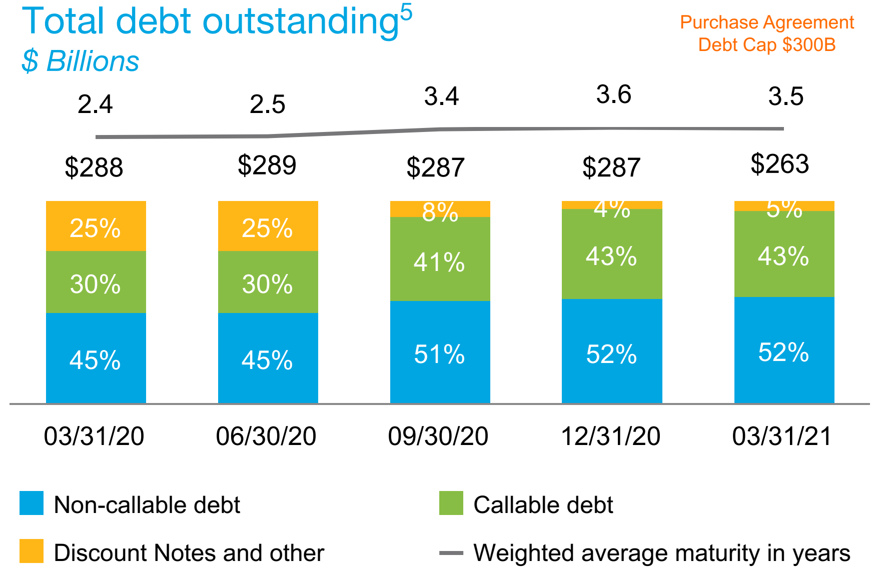
Total investments portfolio

$ Billions



Total debt outstanding[5]

$ Billions

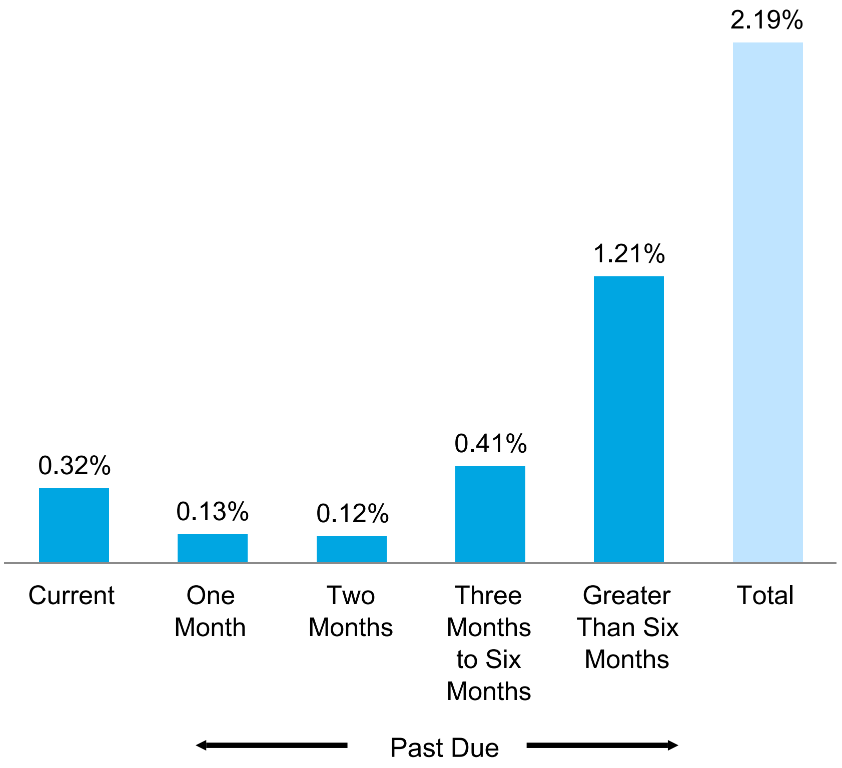


Note: Totals may not add due to rounding.

*In February 2019, FHFA directed the company to maintain the mortgage-related investments portfolio at or below $225 billion at all times.

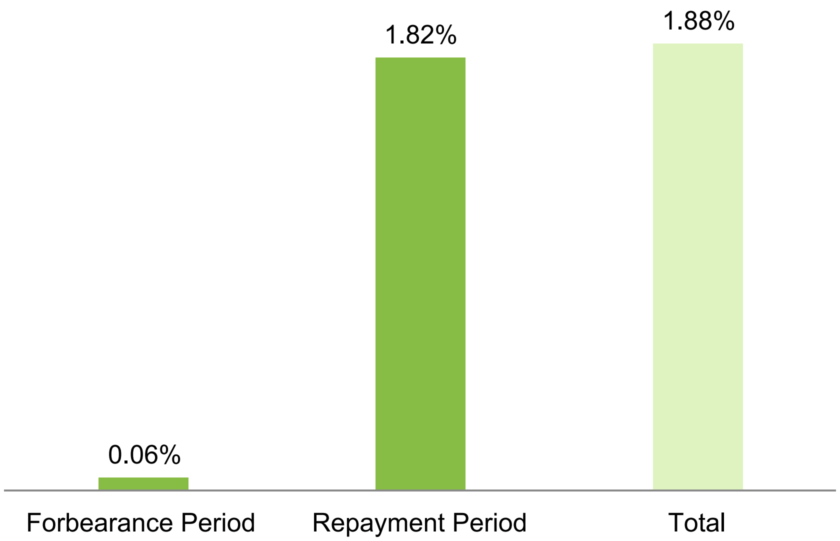
Percentage of Loans in Forbearance

Single-Family[6]



Percentage of loans in the single-family mortgage portfolio that were in forbearance by payment status as of March 31, 2021 (based on loan count).

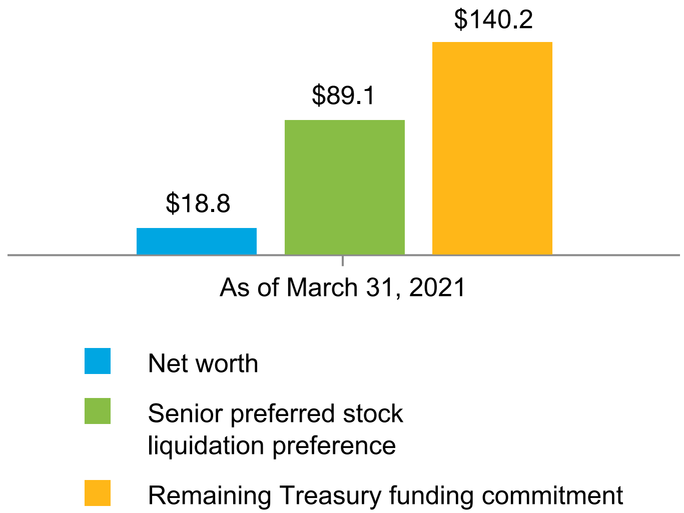
Multifamily[7]



Percentage of loans in the multifamily mortgage portfolio currently under a forbearance program (based on UPB).

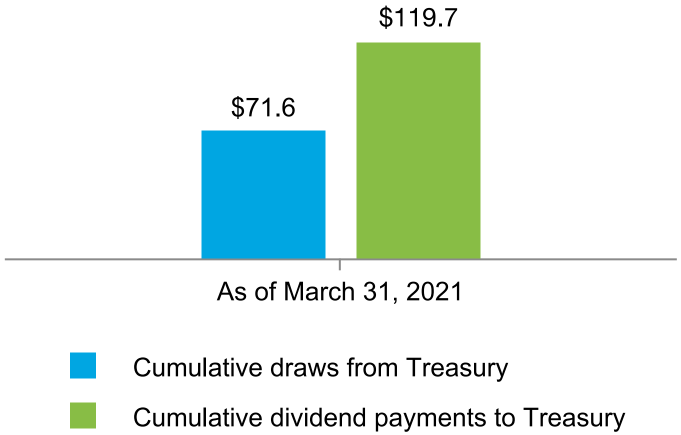
Net Worth, Liquidation Preference[8], and Treasury Funding Commitment

$ Billions



Draws and Dividend Payments

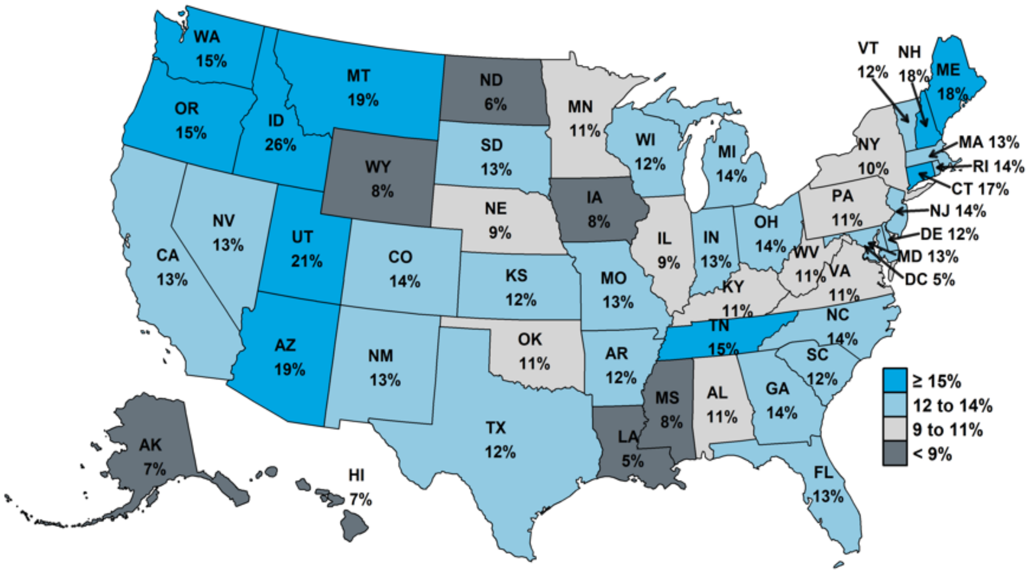
$ Billions



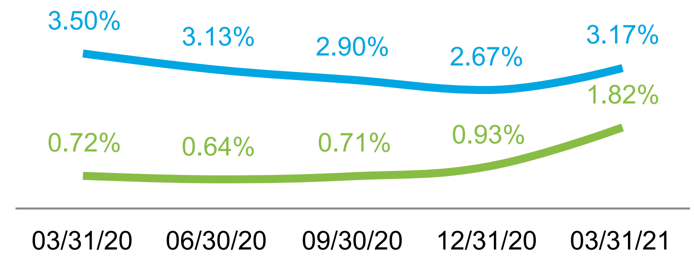
Due to changes to the terms of the senior preferred stock pursuant to the January 2021 Letter Agreement, Freddie Mac will not be required to pay a dividend to Treasury until it has built sufficient capital to meet the capital requirements and buffers set forth in the Enterprise Regulatory Capital Framework (ERCF).

Key Economic Indicators

National home prices increased by an average of 12.9% over the past year



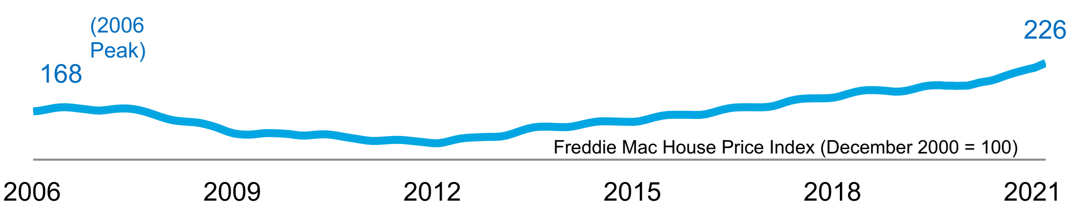
Quarterly ending interest rates



30-year mortgage rate, based on Primary Mortgage Market Survey (PMMS)

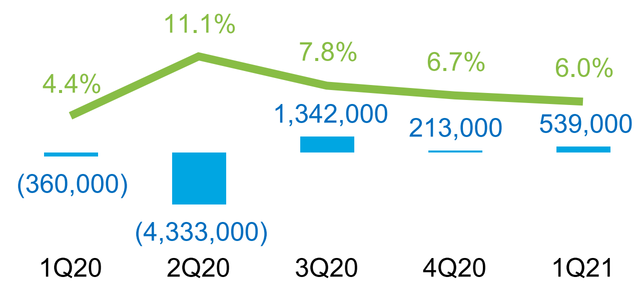
10-year LIBOR

National home prices since 2006



United States (Not Seasonally Adjusted)

Unemployment rate and job creation



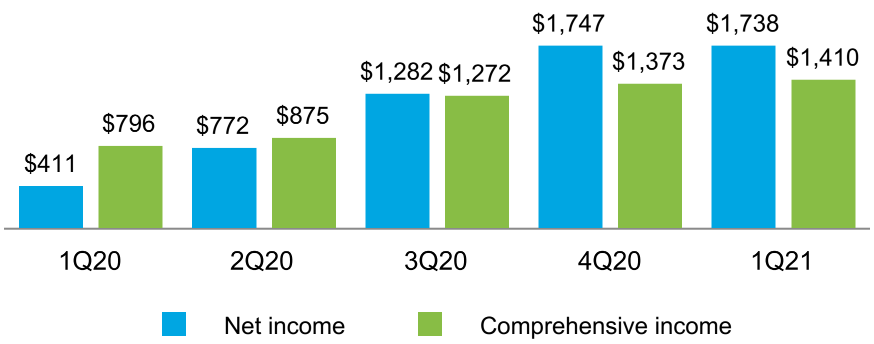
Average monthly net new jobs (non-farm)

National unemployment rate (as of the last month in each quarter)

Single-Family
Financial Highlights and Key Metrics

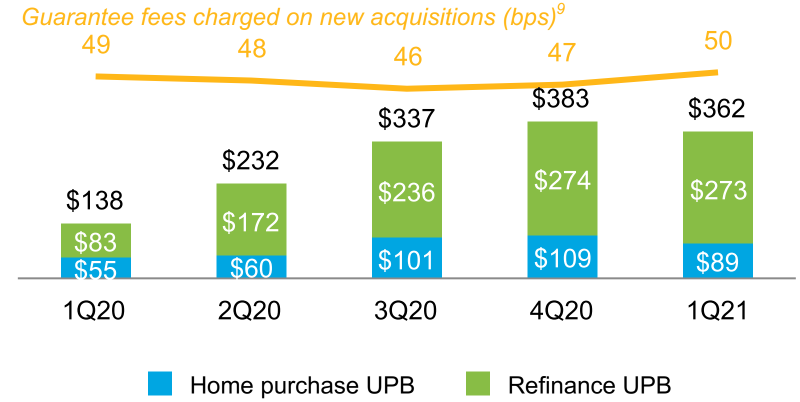
Single-Family net income and comprehensive income

$ Millions



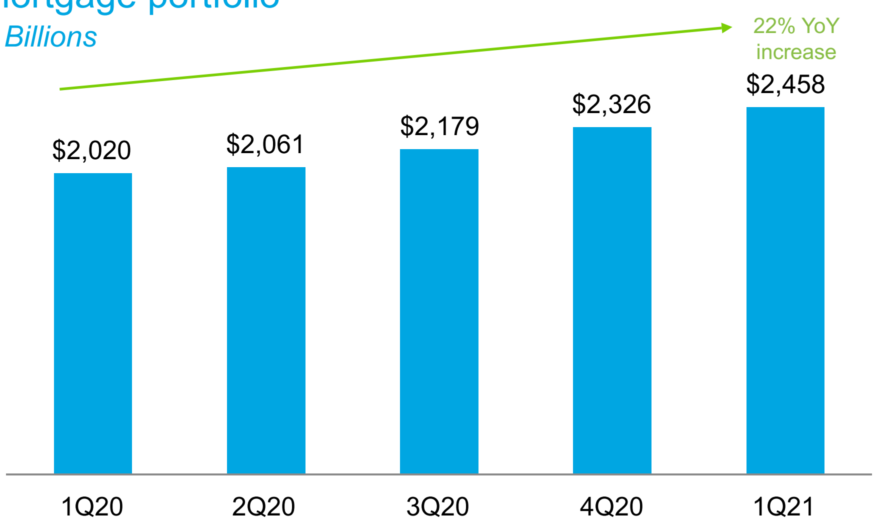
New business activity

$ Billions

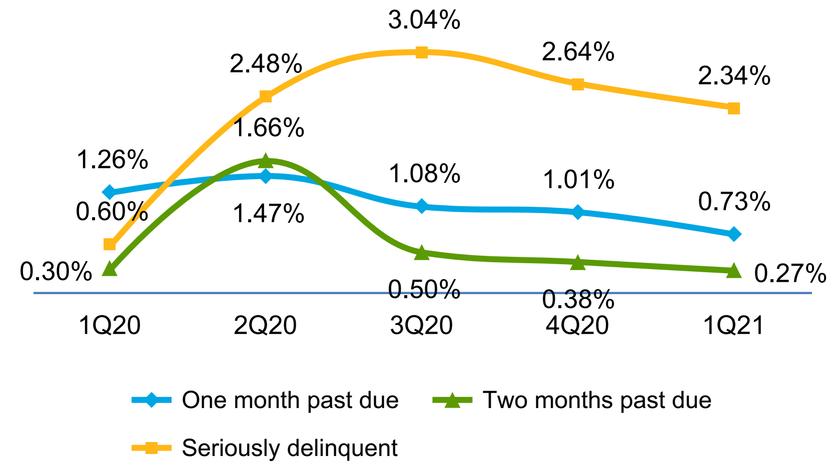


Mortgage portfolio

$ Billions



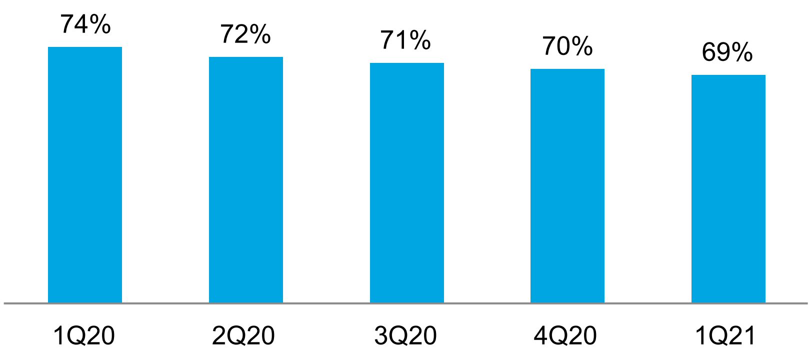
Single-Family delinquency rates[6]



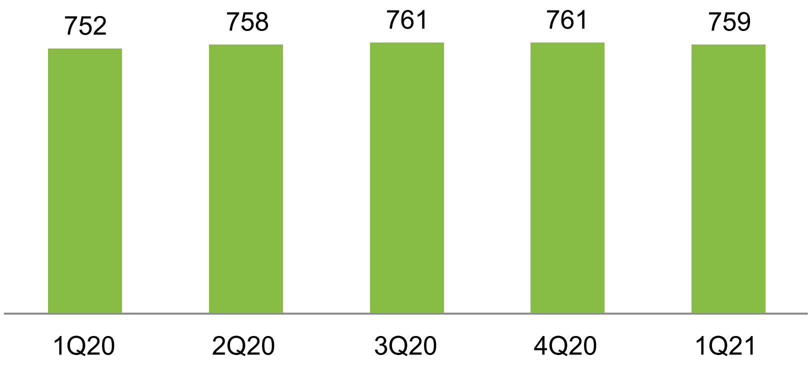
Note: Totals may not add due to rounding.

Single-Family
Loan Purchase Credit Characteristics[2]

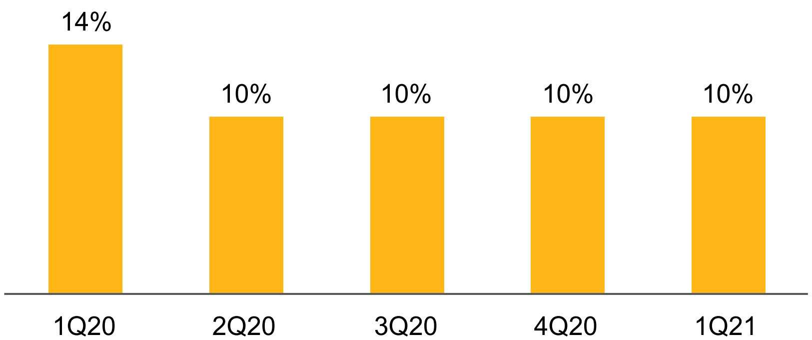
Weighted average original loan-to-value ratio (OLTV)



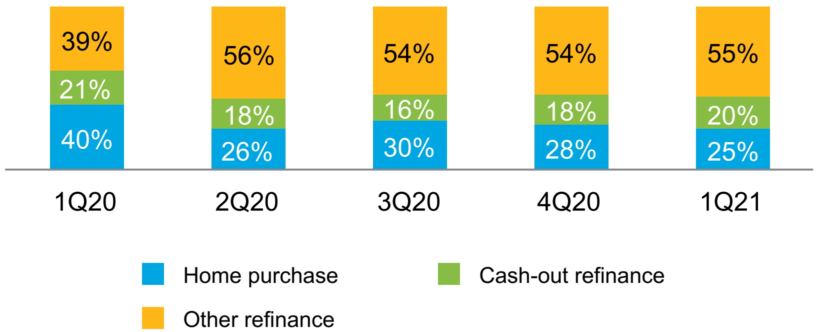
Weighted average original credit score



New business activity with debt-to-income ratio > 45%

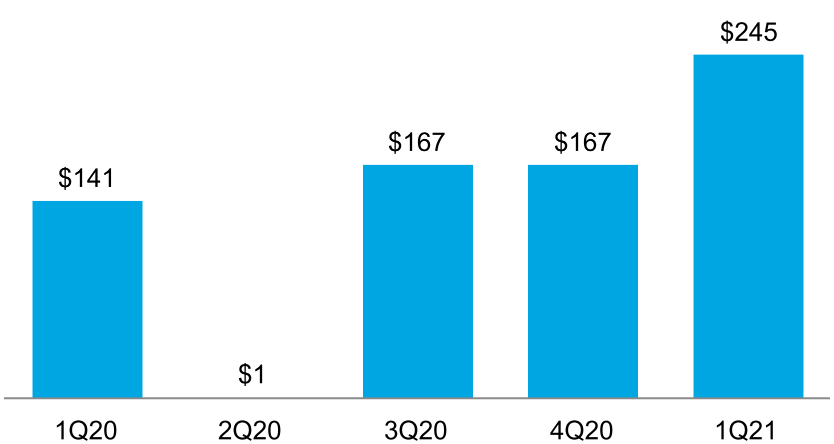


Loan purpose

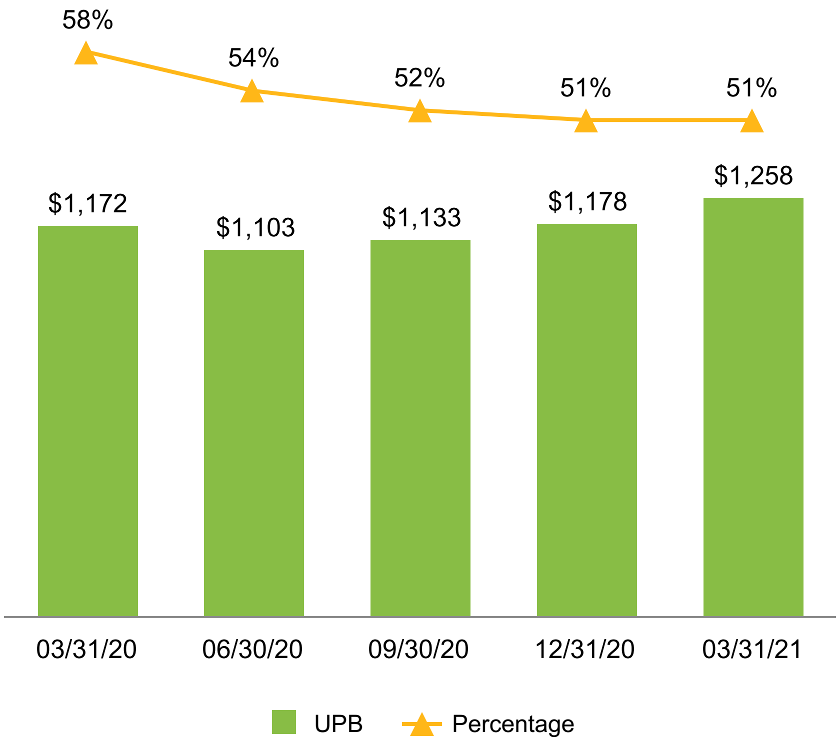


Single-Family Credit Risk Transfer

CRT issuance protected UPB
$ Billions



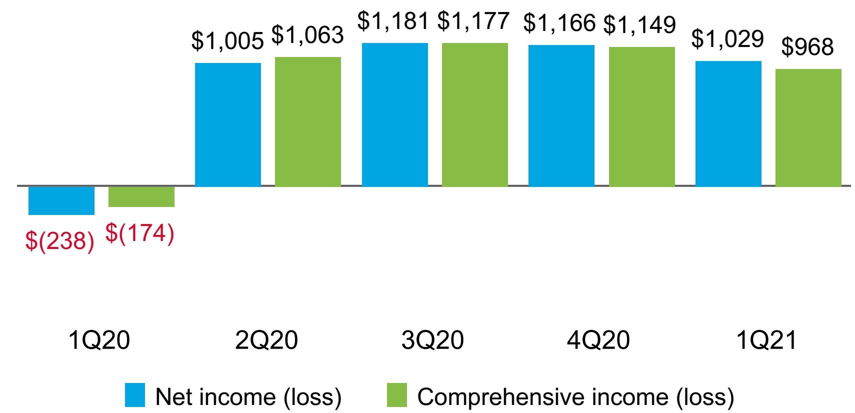
Mortgage portfolio with credit enhancement
UPB in $ Billions



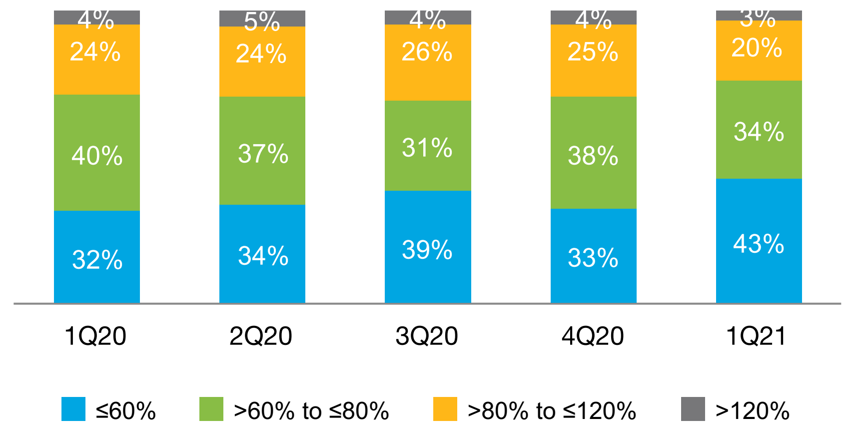
Multifamily
Financial Highlights and Key Metrics

Multifamily net income (loss) and comprehensive income (loss)

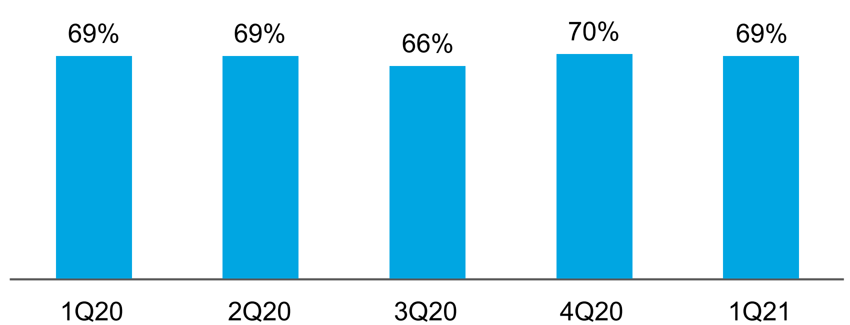
$ Millions



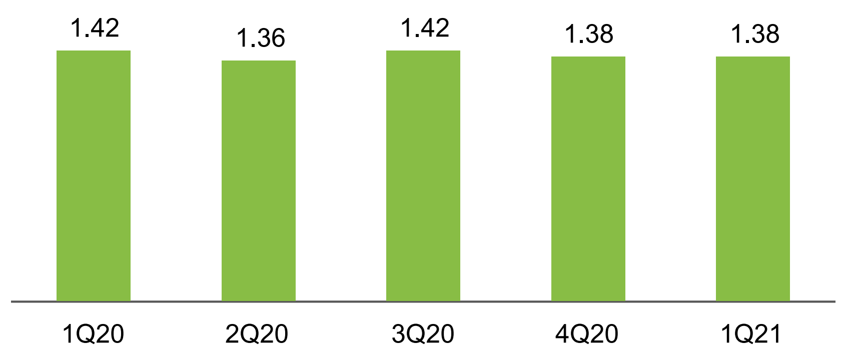
Multifamily acquisitions of units by area median income (AMI) (% of eligible units acquired)



Weighted average original loan-to-value ratio (OLTV) for new business activity



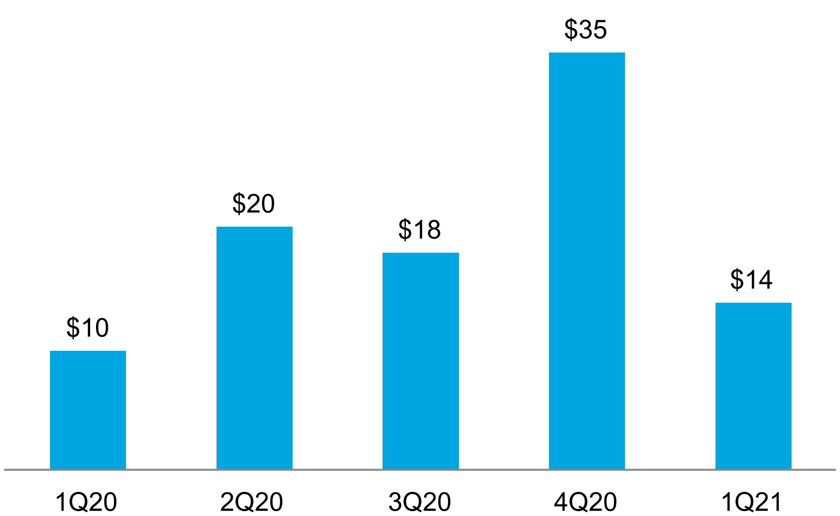
Weighted average original debt service coverage ratio (ODSCR) for new business activity



Multifamily
Key Metrics, continued

New business activity[2]

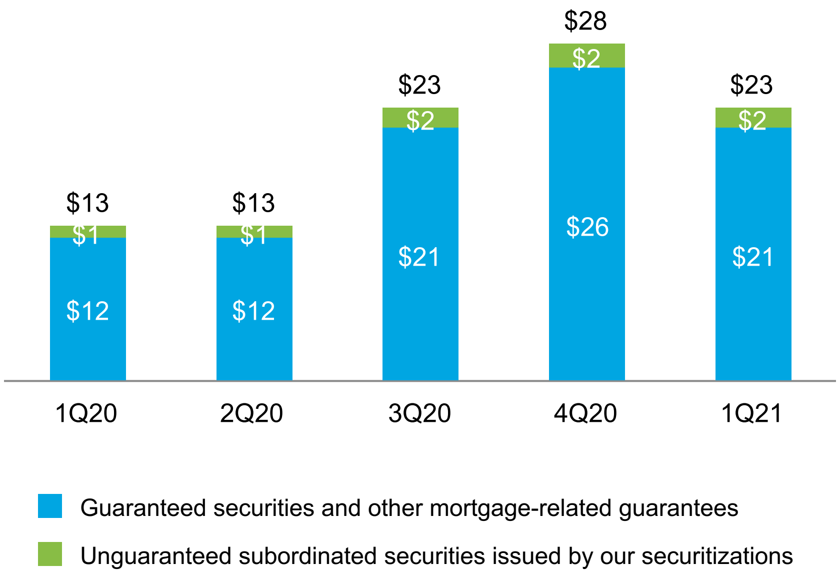
$ Billions



New business activity includes LIHTC new business activity.

Securitization and guarantee activities[10,11]

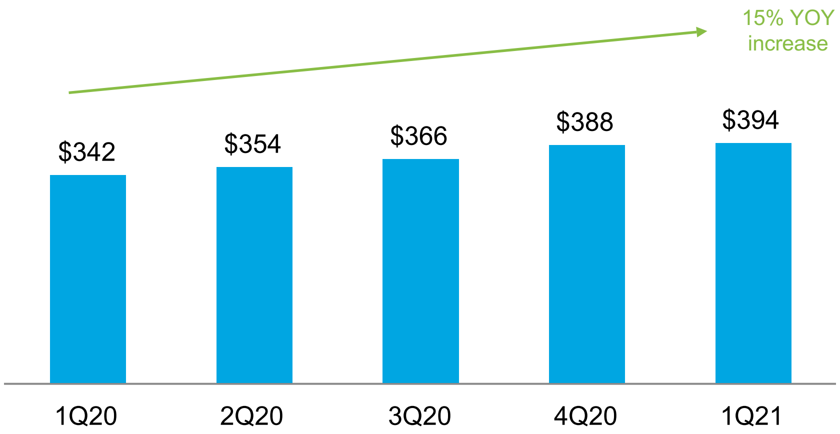
$ Billions



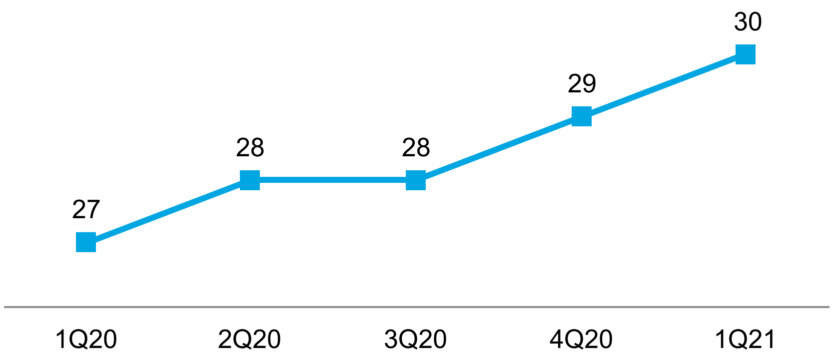
Note: Totals may not add due to rounding.

Multifamily Mortgage Portfolio Metrics

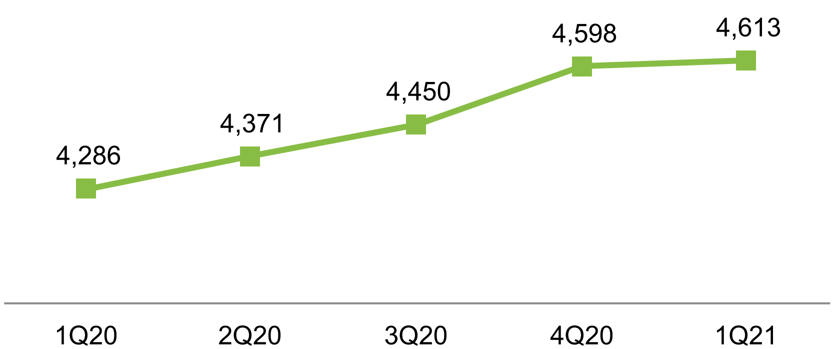
Mortgage portfolio
$ Billions



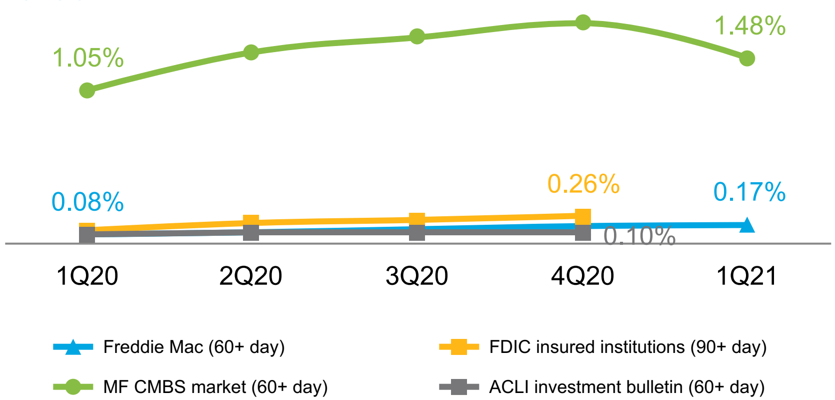
Mortgage portfolio loan count
In Thousands



Mortgage portfolio unit count
In Thousands



Multifamily market and Freddie Mac delinquency rates[7]

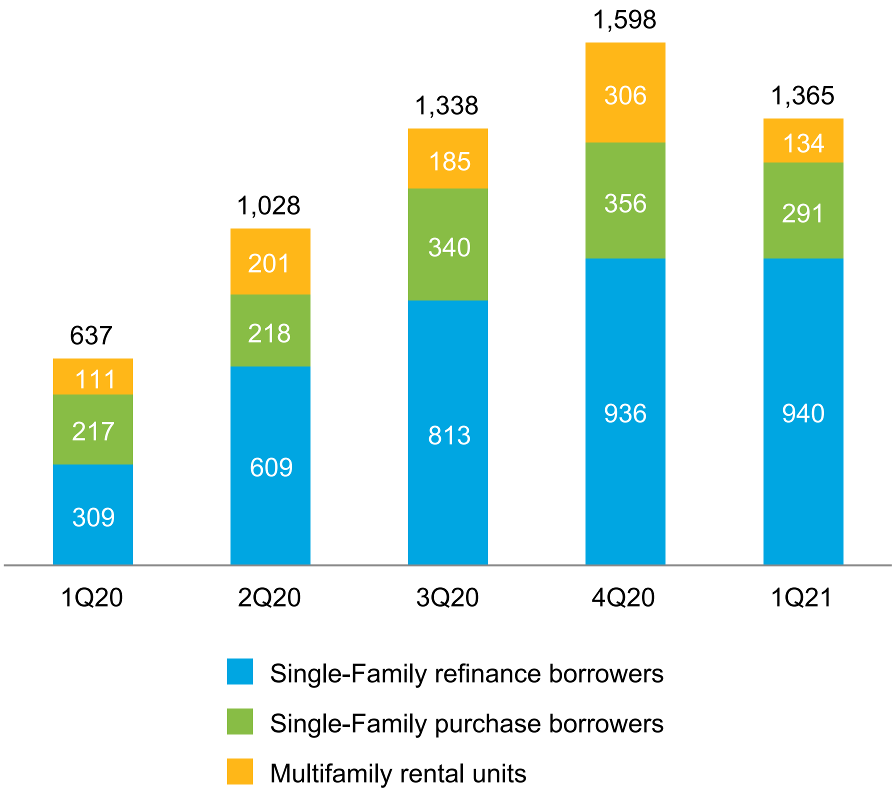


Note: Totals may not add due to rounding.

Housing Market Support

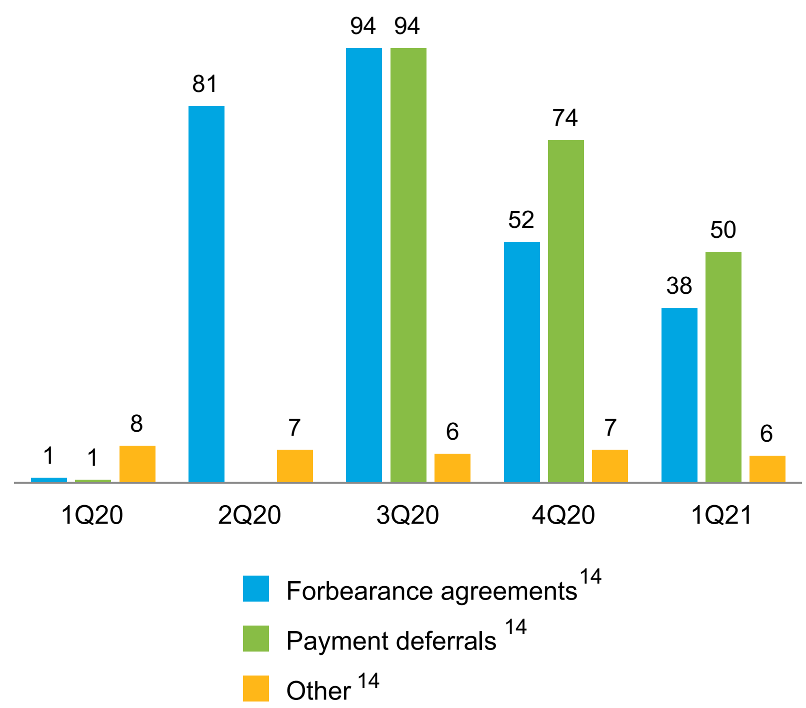
Number of families Freddie Mac helped to own or rent a home[12]

In Thousands



Number of Single-Family loan workouts[13]

In Thousands



Other includes repayment plans, loan modifications, and foreclosure alternatives.

Note: Totals may not add due to rounding.

Endnotes

1 Based on unpaid principal balances (UPB) of securitized mortgage loans, unsecuritized mortgage loans, and other, which primarily consists of mortgage-related guarantees.

2 The company's Purchase Agreement with Treasury limits the amount of mortgage assets the company can own and indebtedness it can incur. It also further restricts certain aspects of the company's Single-Family and Multifamily new business activities. See the company's Annual Report on Form 10-K for the year ended December 31, 2020 for more information.

3 Based on unpaid principal balances (UPB) of unsecuritized mortgage loans, agency mortgage-related securities, and non-agency mortgage-related securities. Excludes mortgage-related securities traded, but not yet settled.

The amount of mortgage assets that the company may own in its mortgage-related investments portfolio is also currently capped under the Purchase Agreement with the Treasury at $250 billion. The Purchase Agreement cap will be lowered from $250 billion to $225 billion at the end of 2022. In addition to UPB, the calculation of mortgage assets subject to the FHFA and Purchase Agreement caps includes 10% of the notional value of interest-only securities. The balance of the mortgage-related investments portfolio as determined for these purposes was $181.5 billion as of March 31, 2021, including $7.0 billion representing 10% of the notional amount of the interest-only securities the company held at that date.

With respect to the composition of Freddie Mac's mortgage-related investments portfolio, in August 2020, FHFA instructed the company to: (1) reduce the amount of agency MBS to no more than $50 billion by June 30, 2021 and no more than $20 billion by June 30, 2022, with all dollar caps to be based on UPB; and (2) reduce the UPB of its existing portfolio of collateralized mortgage obligations (CMOs), which are also sometimes referred to as REMICs, to zero by June 30, 2021. The company will have a holding period limit to sell any new CMO tranches created but not sold at issuance. CMOs do not include tranches initially retained from reperforming loans senior subordinate securitization structures.

4 The other investments portfolio is primarily used for short-term liquidity management, cash and other investments held by consolidated trusts, and other investments, which include investments in debt securities used to pledge as collateral, LIHTC partnerships, and secured lending activities.

5 Represents the company's aggregate indebtedness for purposes of the Purchase Agreement debt cap and primarily includes the par value of Freddie Mac short-term and long-term debt used to fund its business activities. The company's debt cap under the Purchase Agreement will decrease to $270 billion on January 1, 2023 as a result of the decrease in the mortgage assets limit under the Purchase Agreement to $225 billion on December 31, 2022 pursuant to the January 2021 Letter Agreement.

6 Information related to single-family loans in forbearance is based on information reported by servicers. Beginning in 4Q 2020, Freddie Mac required single-family servicers to report all alternatives to foreclosure to the company, which include forbearance plans on all mortgages, including those where the borrower has continued to make payments in accordance with the loan's original contractual terms and remains in current status. The forbearance data the company reported in prior periods was generally limited to loans in forbearance that were past due based on the loan's original contractual terms. For the purpose of reporting delinquency rates, the company reports single-family loans in forbearance as delinquent during the forbearance period to the extent that payments are past due based on the loan's original contractual terms, irrespective of the forbearance agreement.

7 Multifamily loans in forbearance are reported as current as long as the borrower is in compliance with the forbearance agreement, including the agreed upon repayment plan. Loans in forbearance are therefore not included in the multifamily delinquency rates if the borrower is in compliance with the forbearance agreement.

8 Includes the initial $1 billion liquidation preference of the senior preferred stock issued to Treasury in September 2008, the $71.6 billion of draws from Treasury under the Purchase Agreement, and the $16.4 billion in increases to our Net Worth Amount pursuant to the Letter Agreement.

9 Represents the estimated average rate of guarantee fees for new acquisitions during the period assuming amortization of upfront fees using the estimated life of the related loans rather than the original contractual maturity date of the related loans. Net of legislated 10 basis point guarantee fee remitted to Treasury as part of the Temporary Payroll Tax Cut Continuation Act of 2011.

10 Multifamily's primary securitization products are K Certificates and SB Certificates. In these transactions, the company guarantees the senior securities, but does not issue or guarantee the mezzanine or subordinated securities. The interest-rate risk and a substantial amount of the expected and stress credit risk is sold to third-party investors through the mezzanine and subordinated securities, thereby reducing the company's risk exposure.

11 Excludes re-securitization UPB of primary and other securitization products.

12 Based on the company's purchases of loans and issuances of mortgage-related securities. For the periods presented, a borrower may be counted more than once if the company purchased more than one loan (purchase or refinance mortgage) relating to the same borrower.

13 Consists of both home retention actions and foreclosure alternatives.

14 Categories are not mutually exclusive, and a borrower in one category may also be included in another category in the same or another period. For example, a borrower helped through a home retention action in one period may subsequently lose his or her home through a foreclosure alternative in a later period.

Safe Harbor Statements

Freddie Mac obligations

Freddie Mac’s securities are obligations of Freddie Mac only. The securities, including any interest or return of discount on the securities, are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.

No offer or solicitation of securities

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Forward-looking statements

Freddie Mac's presentations may contain forward-looking statements, which may include statements pertaining to the conservatorship, the company’s current expectations and objectives for its Single-family and Multifamily segments, its efforts to assist the housing market, liquidity and capital management, economic and market conditions and trends, the effects of the COVID-19 pandemic and actions taken in response thereto on its business, financial condition, and liquidity, its market share, the effect of legislative and regulatory developments and new accounting guidance, credit quality of loans the company owns or guarantees, the costs and benefits of the company’s credit risk transfer transactions, and results of operations and financial condition. Forward-looking statements involve known and unknown risks and uncertainties, some of which are beyond the company’s control. Management’s expectations for the company’s future necessarily involve a number of assumptions, judgments, and estimates, and various factors, including changes in market conditions, liquidity, mortgage spreads, credit outlook, actions by the U.S. government (including FHFA, Treasury, and Congress) and state and local governments, and the impacts of legislation or regulations and new or amended accounting guidance, could cause actual results to differ materially from these expectations. These assumptions, judgments, estimates and factors are discussed in the company’s Annual Report on Form 10-K for the year ended December 31, 2020, Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, and Current Reports on Form 8-K, which are available on the Investor Relations page of the company’s website at www.freddiemac.com/investors and the SEC’s website at www.sec.gov. The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances occurring after the date of this presentation.