



Structured Agency Credit Risk ("STACR") Debt Notes, 2016-HQA4 Roadshow Investor Presentation

October 2016

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- The performance of the Reference Pool and the value of the securities may be largely dependent on the quality of the origination, performance history, and servicing of the mortgage loans included in the Reference Pool.
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Credit Risk Transfer Presentation

This presentation is meant to provide investors with details of the upcoming 2016-HQA4 transaction including the financial and legal structure, reference pool description, historical performance summary, and high level macro housing information.

In addition we have the following presentations available on our website at:

http://www.freddiemac.com/creditriskofferings/stacr_debt.html

- **STACR 101-** Introductory Presentation to the STACR program
- **Historical Performance Presentation** – In depth analysis of the Freddie MAC historical dataset that includes loans funded between 1999-2015
- **STACR Investor Participation** – Investor type participation summary for all STACR bonds issued to date



STACR 2016-HQA4 Transaction Overview

2016 STACR Issuance Calendar

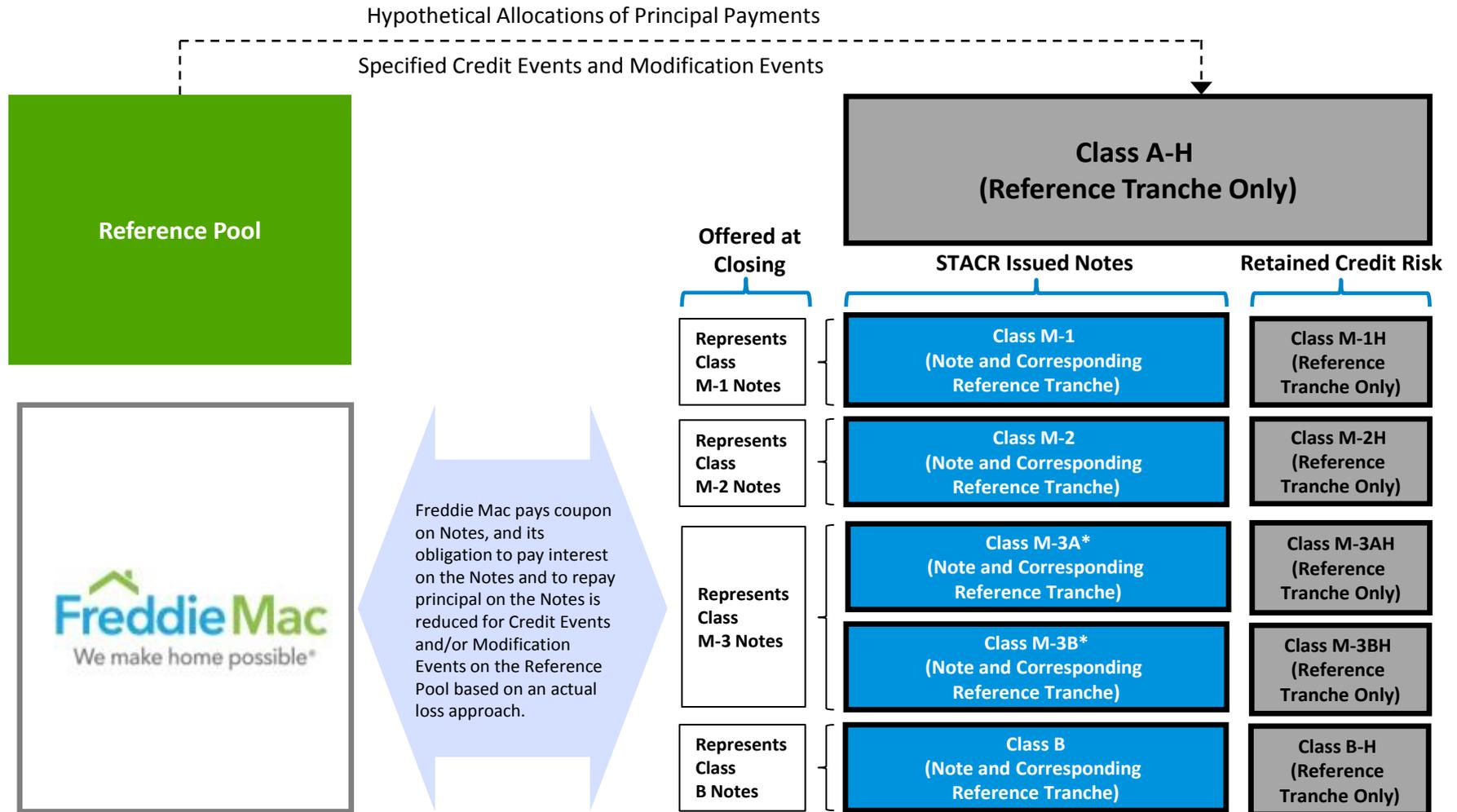


#	Deal Name	Expected Issuance Window
1	STACR 2016-DNA1	January 2016 <i>(Settled January 21, 2016)</i>
2	STACR 2016-HQA1	March 2016 <i>(Settled March 15, 2016)</i>
3	STACR 2016-DNA2	May 2016 <i>(settled May 10, 2016)</i>
4	STACR 2016-HQA2	June 2016 <i>(settled June 1, 2016)</i>
5	STACR 2016-DNA3	June 2016 <i>(settled June 14, 2016)</i>
6	STACR 2016-HQA3	September 2016 <i>(settled September 16, 2016)</i>
7	STACR 2016-DNA4	September 2016 <i>(settled September 30, 2016)</i>
8	STACR 2016-HQA4	October 2016

Source: http://www.freddiemac.com/creditriskofferings/docs/2016_stacr_issuance_calendar.pdf

Freddie Mac retains sole discretion over whether or not the STACR issuances come to market and the timing thereof, which may be impacted by market conditions. As such, the information contained in this document does not guarantee the timing of any future Freddie Mac offerings or the amount of such offerings. This document may be amended, superseded or replaced. Please use this STACR issuance calendar for informational purposes only. This document is not an offer to sell any Freddie Mac securities.

STACR 2016-HQA4 Structure Illustration



* The Class M-3A and Class M-3B Notes and corresponding Reference Tranches relate to the Class M-3 Notes, which Class M-3A and Class M-3B Notes are exchangeable for the Class M-3 Notes, and vice versa.

Freddie Mac may transfer a portion of the retained credit risk, but has agreed not to transfer or hedge more than 95% of the credit risk represented by the Class M, Class M-H, Class B and Class B-H Reference Tranches. Additionally, Freddie Mac does not intend through this transaction or any subsequent transactions to enter into agreements that transfer or hedge more than a 50% pro rata share of the credit risk of the Class B and Class B-H Reference Tranches.

STACR 2016-HQA4 Capital Structure Overview



STACR 2016-HQA4							
Tranche	Expected Ratings		Balance (\$)	WAL (yrs.)*		Loss	
	DBRS	Fitch		10% CPR	5% CPR	Attach	Detach
M-1	A(low)sf	BBBsf	\$125,000,000	1.62	2.86	4.275%	5.500%
M-2	BBB(low)sf	BBB-sf	\$125,000,000	3.95	6.83	3.050%	4.275%
M-3	NR	Bsf	\$210,000,000	8.25	9.95	1.000%	3.050%
B	NR	NR	\$18,000,000	10.00	10.00	0.000%	1.000%
Total			\$478,000,000			0.000%	5.500%
Min C/E Test: 6.00% Cohort is based on a pool of: 60,173 loans, with a UPB of \$13.8bn, LTV range: 80% < LTV <= 97% January 1 st , 2016 – March 31 st , 2016 Acquisitions Cumulative Net Loss % Threshold: Year 1: 0.10% , with 0.10% step-ups each year up to 1.3% Delinquency Test: 50% of subordinate balance							

*Calculated Weighted Average Life ("WAL") assume 0 CDR. WAL (years) to Early Redemption Date

Third Party Base Expected Default and Loss

Collateral Expected Default and Loss at Issuance**						
		2015-HQA2	2016-HQA1	2016-HQA2	2016-HQA3	2016-HQA4
JP Morgan	Cumm. Default	131 bps	153 bps	139 bps	146 bps	151 bps
	Cumm. Loss	20 bps	23 bps	21 bps	22 bps	23 bps
Credit Suisse	Cumm. Default	85 bps	102 bps	112 bps	102 bps	103 bps
	Cumm. Loss	10 bps	12 bps	16 bps	14 bps	13 bps
BAML	Cumm. Default	65 bps	73 bps	74 bps	82 bps	106bps
	Cumm. Loss	10 bps	11 bps	12 bps	13 bps	18bps

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2016-HQA4 Initial Cohort Pool to Reference Pool

■ Key Reference Pool Characteristics:

- » 100% Never Delinquent
- » 100% 30 Year Fixed-Rate
- » No loans originated under certain non-standard programs
- » No government guaranteed loans
- » No IOs or Balloons
- » No LTV > 97% or <=80% ; No CLTV > 97%

Category	Aggregate Original Loan Balance (\$ Billion)
All non-HARP loans funded between January 1, 2016 and March 31, 2016	64.8
Non-HARP loans, fixed	63.2
Non-HARP loans, fixed 30 Year	49.7
Non-HARP loans, fixed 30 Year, 80% < LTV <= 97%	14.8
Non-HARP loans, fixed 30 Year, 80% < LTV <= 97% & other filters ⁽¹⁾	14.7

Category	Loan Count	Aggregate Original Loan Balance (\$)	Average Original Loan Balance (\$)	Non-Zero Weighted Average Credit Score	Weighted Average LTV Ratio (%)	Non-Zero Weighted Average DTI (%)
Initial Cohort Pool	62,534	14,657,366,000	234,390	746	92	36
less loans that were repurchased or removed by quality control process	77	14,372,000	186,649	720	93	36
less loans that were paid in full	1,599	465,109,000	290,875	755	91	37
less loans that were removed due to having failed delinquency criteria or the borrower having filed for bankruptcy ⁽²⁾	667	152,604,000	228,792	720	92	38
less loans that were removed due to incomplete data reconciliation or corrected data ⁽³⁾	18	3,122,000	173,444	700	94	36
Reference Pool	60,173	14,022,159,000	233,031	746	92	36

1) Other filters include: certain non-standard programs, government guaranteed loans, IO only, balloons, etc.

2) Out of the 667 loans that were excluded from the Reference Pool due to failing delinquency criteria or having filed for bankruptcy, 431 of those loans were reported to be currently performing as of July 31, 2016.

3) Loans removed because reconciliation with the related sellers regarding certain data they provided has not yet been completed or loans removed because data corrections made the loans ineligible.

2016-HQA4 Reference Pool – Selected Stratifications



Top 10 States / Territories

State or Territory	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
California	4,543	1,506,711,441.31	10.88
Texas	4,989	1,144,145,084.86	8.26
Florida	3,848	856,078,661.53	6.18
Illinois	2,972	617,531,524.38	4.46
Colorado	1,745	485,191,863.11	3.50
Washington	1,724	470,154,041.33	3.40
North Carolina	2,132	459,879,452.17	3.32
Virginia	1,568	456,879,780.32	3.30
Georgia	1,989	442,980,315.26	3.20
New York	1,809	437,020,272.08	3.16
Other	32,854	6,970,061,273	50.34
Total:	60,173	13,846,633,709.57	100.00

Top 10 Sellers

Seller	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
Wells Fargo Bank, N.A.	9,155	2,166,127,626.00	15.64
US Bank N.A.	4,431	984,550,337.20	7.11
Quicken Loans Inc	3,205	721,131,992.59	5.21
Amerihome Mortgage Co	2,389	587,890,328.30	4.25
Caliber Home Loans Inc	1,930	475,464,601.76	3.43
BB&T	2,230	442,149,565.32	3.19
United Shore Financial	1,601	402,986,655.69	2.91
Stearns Lending, LLC	1,463	392,923,365.17	2.84
Bank of America, N.A.	1,580	374,610,494.10	2.71
Loan Depot, LLC	1,367	365,950,866.64	2.64
Other	30,822	6,932,847,876.80	50.07
Total:	60,173	13,846,633,709.57	100.00

Credit Scores at Origination

Range of Original Credit Scores	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
600 - 619	2	315,744.85	0.00
620 - 639	438	93,514,016.70	0.68
640 - 659	1,093	231,988,381.47	1.68
660 - 679	2,368	500,811,428.60	3.62
680 - 699	5,404	1,205,977,170.81	8.71
700 - 719	6,954	1,562,338,460.56	11.28
720 - 739	8,831	2,031,282,357.87	14.67
740 - 759	9,971	2,330,585,641.37	16.83
760 - 779	10,622	2,521,879,182.25	18.21
780 - 799	9,879	2,349,416,294.02	16.97
800 - 819	4,546	1,006,496,533.73	7.27
820 - 839	65	12,028,497.34	0.09
Total:	60,173	13,846,633,709.57	100.00

Top 10 Servicers

Servicer	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
Wells Fargo Bank, N.A.	9,155	2,166,127,626.00	15.64
US Bank N.A.	5,213	1,186,887,899.64	8.57
Quicken Loans Inc	3,205	721,131,992.59	5.21
Amerihome Mortgage Co	2,389	587,890,328.30	4.25
Central Mortgage Co.	1,947	520,071,766.19	3.76
Caliber Home Loans Inc	1,930	475,464,601.76	3.43
BB&T	2,230	442,149,565.32	3.19
Matrix Financial	1,755	413,287,704.90	2.98
Lakeview Loan Servicing LLC	1,536	410,693,327.97	2.97
United Shore Financial	1,601	402,986,655.69	2.91
Other	29,212	6,519,942,241.21	47.09
Total:	60,173	13,846,633,709.57	100.00

Note: Amounts may not add up to the totals shown due to rounding.

2016-HQA4 Reference Pool – Selected Stratifications



Original Principal Balances

Range of Original Principal Balances (\$)	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
0.01 to 25,000.00	12	263,509.71	0.00
25,000.01 to 50,000.00	360	15,088,109.74	0.11
50,000.01 to 75,000.00	1,432	91,464,562.36	0.66
75,000.01 to 100,000.00	2,735	238,667,429.74	1.72
100,000.01 to 125,000.00	4,408	496,799,277.24	3.59
125,000.01 to 150,000.00	5,860	799,632,671.78	5.77
150,000.01 to 200,000.00	11,265	1,944,695,887.74	14.04
200,000.01 to 250,000.00	10,125	2,248,976,697.85	16.24
250,000.01 to 300,000.00	8,419	2,279,949,543.61	16.47
300,000.01 to 350,000.00	6,419	2,056,997,739.29	14.86
350,000.01 to 400,000.00	5,091	1,881,081,423.91	13.59
400,000.01 to 450,000.00	2,847	1,166,672,830.64	8.43
450,000.01 to 500,000.00	455	213,727,626.00	1.54
500,000.01 to 550,000.00	355	184,330,003.61	1.33
550,000.01 to 600,000.00	234	132,820,330.95	0.96
600,000.01 to 650,000.00	156	95,466,065.40	0.69
Total:	60,173	13,846,633,709.57	100.00

Loan-to-Value Ratios at Origination

Range of Original Loan-to-Value Ratios (%)	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
81 to 85	7,169	1,715,786,038.63	12.39
86 to 90	17,592	4,399,403,395.38	31.77
91 to 95	34,114	7,537,049,813.38	54.43
96 to 97	1,298	194,394,462.18	1.40
Total:	60,173	13,846,633,709.57	100.00

Mortgage Insurance

Mortgage Insurance (Lender or Borrower Paid)	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
Borrower-Paid	45,196	9,970,339,384.96	72.01
Lender-Paid	14,883	3,857,337,892.59	27.86
Not Applicable	94	18,956,432.02	0.14
Total:	60,173	13,846,633,709.57	100.00

Gross Mortgage Rates

Range of Gross Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
3.250 - 3.374	3	879,078.78	0.01
3.375 - 3.499	18	4,941,237.81	0.04
3.500 - 3.624	213	52,263,524.14	0.38
3.625 - 3.749	1,326	339,272,856.24	2.45
3.750 - 3.874	3,850	939,435,874.87	6.78
3.875 - 3.999	7,892	1,896,174,883.24	13.69
4.000 - 4.124	7,397	1,670,924,463.83	12.07
4.125 - 4.249	12,835	2,980,257,384.25	21.52
4.250 - 4.374	10,291	2,361,766,297.60	17.06
4.375 - 4.499	5,352	1,197,290,522.90	8.65
4.500 - 4.624	4,075	896,175,827.74	6.47
4.625 - 4.749	3,390	762,848,768.83	5.51
4.750 - 4.874	1,996	434,442,214.57	3.14
4.875 - 4.999	919	190,452,648.38	1.38
5.000 - 5.124	278	56,910,973.54	0.41
5.125 - 5.249	186	35,169,232.87	0.25
5.250 - 5.374	124	22,655,074.02	0.16
5.375 - 5.499	26	4,597,112.19	0.03
5.500 - 5.624	1	100,143.84	0.00
5.625 - 5.749	1	75,589.93	0.00
Total:	60,173	13,846,633,709.57	100.00

Debt-to-Income Ratios

Range of Debt-to-Income Ratios (%)	Number of Mortgage Loans	Aggregate Principal Balance (\$)	Aggregate Principal Balance (%)
Not Available	5	2,242,967.80	0.02
1 to 20	2,936	554,404,606.23	4.00
21 to 25	5,428	1,157,383,505.16	8.36
26 to 30	8,516	1,900,634,279.58	13.73
31 to 35	11,144	2,532,501,919.60	18.29
36 to 40	13,116	3,061,880,185.51	22.11
41 to 45	15,600	3,760,727,258.25	27.16
46 to 50	3,428	876,858,987.44	6.33
Total:	60,173	13,846,633,709.57	100.00

Note: Amounts may not add up to the totals shown due to rounding.

Key STACR 2016-HQA4 Terms

Issuer	Freddie Mac											
Master Servicer	Freddie Mac											
Reference Pool	Pool of all mortgage loans acquired by Freddie Mac between January 1, 2016 and March 31, 2016 that meet the Eligibility Criteria, and have passed delinquency criteria as of July 31, 2016, and have not been prepaid in full, have not been repurchased, do not have any outstanding repurchase letters, and servicer has not reported that the borrower has filed for bankruptcy as of September 2, 2016.											
Credit Event	Credit Event means the first to occur of any of the following events: (a) a short sale is settled, (b) a seriously delinquent Mortgage Note is sold prior to foreclosure, (c) the Mortgaged Property that secured the related Mortgage Note being sold to a third party at a foreclosure sale, (d) an REO disposition occurs, or (e) a charge-off occurs.											
Modifications	<p>Reference Obligations will not be removed from the Reference Pool if they undergo a temporary or permanent modification and they do not meet any other criteria to be a Reference Pool Removal.</p> <ul style="list-style-type: none"> Any negative adjustment to the principal balance of a Reference Obligation as the result of a modification will be treated as Unscheduled Principal. However, if such Reference Obligation becomes a Credit Event Reference Obligation, the related negative adjustment will be included in the Credit Event Net Loss. Any positive adjustment to the principal balance of a Reference Obligation as the result of a modification will be treated as an offset to Unscheduled Principal. 											
Maturity	12.5 year legal final maturity											
Early Redemption Option	The earlier of (a) on or after the Payment Date on which the aggregate unpaid balance of the Reference Obligations is less than or equal to 10% of the Cut-off Date Balance of the Reference Obligations; or (b) on or after the Payment Date in October 2026.											
Allocation of Principal and Write-downs	<p>Sequential pay among subordinate classes</p>	<p>Write-downs are allocated reverse sequentially</p>										
Allocation of Modification Loss Amount	<p>Modification loss amount is allocated sequentially</p> <table border="1"> <tr> <td>1. B & B-H – Interest Amount</td> <td>6. M-3A & M-3AH – Write-down</td> </tr> <tr> <td>2. B & B-H – Write-down</td> <td>7. M-2 & M-2H – Interest Amount</td> </tr> <tr> <td>3. M-3B & M-3BH – Interest Amount</td> <td>8. M-2 & M-2H – Write-down</td> </tr> <tr> <td>4. M-3A & M-3AH – Interest Amount</td> <td>9. M-1 & M-1H – Interest Amount</td> </tr> <tr> <td>5. M-3B & M-3BH – Write-down</td> <td>10. M-1 & M-1H – Write-down</td> </tr> </table>	1. B & B-H – Interest Amount	6. M-3A & M-3AH – Write-down	2. B & B-H – Write-down	7. M-2 & M-2H – Interest Amount	3. M-3B & M-3BH – Interest Amount	8. M-2 & M-2H – Write-down	4. M-3A & M-3AH – Interest Amount	9. M-1 & M-1H – Interest Amount	5. M-3B & M-3BH – Write-down	10. M-1 & M-1H – Write-down	
1. B & B-H – Interest Amount	6. M-3A & M-3AH – Write-down											
2. B & B-H – Write-down	7. M-2 & M-2H – Interest Amount											
3. M-3B & M-3BH – Interest Amount	8. M-2 & M-2H – Write-down											
4. M-3A & M-3AH – Interest Amount	9. M-1 & M-1H – Interest Amount											
5. M-3B & M-3BH – Write-down	10. M-1 & M-1H – Write-down											
Reference Pool Removals	A Reference Obligation will be removed (a “Reference Pool Removal”) from the Reference Pool upon the occurrence of any of the following: (a) the Reference Obligation becomes a Credit Event Reference Obligation; (b) payment in full of the Reference Obligation; (c) the identification and final determination, through Freddie Mac’s quality control process, of an Underwriting Defect or Major Servicing Defect relating to the Reference Obligation; (d) the discovery of a violation of the Eligibility Criteria for the Reference Obligation; or (e) the Reference Obligation is seized pursuant to any special eminent domain proceeding brought by any federal, state or local government instrumentality with the intent to provide relief to financially-distressed borrowers with negative equity in the underlying mortgage loan.											
Credit Event Reversals	Principal balance of STACR note previously written down due to Credit Events on mortgage loans in the Reference Pool will be restored in the event that Freddie Mac determines, subsequent to the Credit Event, that an underwriting defect, major servicing defect or data correction has been confirmed.											

Key STACR 2016-HQA4 Terms (cont.)



Original Notes	Class M-1, Class M-2, Class M-3A, Class M-3B and Class B Notes.
MAC Notes	The Holders of the Class M-2 and Class M-3A Notes can exchange all or part of those Classes for proportionate interests in the related Classes of Modifiable and Combinable Notes (Classes M-2F, M-2I, M-3AF, M-3AI), and vice versa, at any time on or after 15 days after the Closing Date. The Class M-3A and Class M-3B Notes may be exchanged for the Class M-3 Notes, and vice versa, on and after the Closing Date. On the Closing Date, the Class M-3A and Class M-3B Notes will be deemed to have been exchanged in their entirety for the Class M-3 Notes.
Offering Type	Exempt
Risk Retention	<p>Freddie Mac will not, through this transaction or any subsequent transactions, issue debt or enter into agreements that will result in the transfer of more than a 95% pro rata share of the credit risk of the Class M and Class B Tranches. Additionally, Freddie Mac does not intend through this transaction or any subsequent transactions to enter into agreements that transfer or hedge more than a 50% pro rata share of the credit risk of the Class B Tranche.</p> <p>Finally, since the Notes are not asset-backed securities, the U.S. Risk Retention Rules should not be applicable to this transaction.</p>
United States Federal Tax Consequences	<p>Freddie Mac will receive an opinion from its tax counsel that, although the matter is not free from doubt:</p> <ul style="list-style-type: none"> • Class M-1 Notes will be characterized as indebtedness for U.S. federal income tax purposes • Class M-2 Notes will be characterized as indebtedness for U.S. federal income tax purposes • Class M-3 Notes will be characterized as indebtedness for U.S. federal income tax purposes • Class B Notes should be treated as derivatives for U.S. federal income tax purposes (see p17 for more detail)
Events of Default	<ul style="list-style-type: none"> • Any failure by Freddie Mac (or agent) to pay principal or interest that continues unremedied for 30 days; • Any failure by Freddie Mac to perform in any material way any other obligation under the Debt Agreement if the failure continues unremedied for 60 days after receiving notification by the Holders of at least 25% of the outstanding Class Principal Balance of the Original Notes; or • Specified events of bankruptcy, insolvency or similar proceedings involving Freddie Mac. • The appointment of a conservator (or other similar official) by a regulator having jurisdiction over Freddie Mac, whether or not Freddie Mac consent to such appointment, will not constitute an Event of Default
Rights Upon Event of Default	<p>If an Event of Default (“EoD”) continues unremedied, Holders of 50% or more of the outstanding principal amount of Original Notes to which such EoD relates may declare such Notes due and payable.</p> <p>No Holder has any right to institute any action or proceeding at law or in equity or in bankruptcy or otherwise, or for the appointment of a receiver or trustee, or for any other remedy, unless:</p> <ol style="list-style-type: none"> a) Holder previously has given Freddie Mac written notice of an EoD and continuance thereof; b) Holders of 50% or greater of the outstanding Class Principal Balance of the Original Notes to which such EoD relates have given Freddie Mac written notice of the EoD; and c) The EoD continues uncured for 60 days following such notice. <p>The Holders of 50% or greater of the outstanding Class Principal Balance of Original Notes may waive, rescind or annul an EoD at any time.</p>
ERISA Considerations	Employee benefit plans and entities holding the assets of any such plan may purchase the Notes only if purchasing and holding the Notes will not result in a nonexempt prohibited transaction under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), the Internal Revenue Code of 1986, as amended (the “Code”), or any similar federal, state or local law.
Dealers	<p>Lead Managers: Citigroup and Barclays</p> <p>Co-Managers: Amherst Pierpont, BofA Merrill Lynch, BNP Paribas and Credit Suisse</p> <p>Selling Group Member: Loop Capital</p>

Key STACR 2016-HQA4 Terms (cont.)



Liquidation Proceeds	With respect to any Credit Event Reference Obligation, all cash amounts (including sales proceeds net of selling expenses), received in connection with the liquidation of the Credit Event Reference Obligation.
Net Liquidation Proceeds	With respect to each Payment Date and any Credit Event Reference Obligation, the sum of the related Liquidation Proceeds, any Mortgage Insurance Credit Amount, and any proceeds received from the related servicer in connection with a Minor Servicing Defect (except for those included in Modification Excess), less related expenses, credits and reimbursement of advances, including but not limited to taxes and insurance, legal costs, maintenance and preservation costs.
Mortgage Insurance Credit Amount	With respect to each Payment Date and any Credit Event Reference Obligation, the amount that Freddie Mac reports is payable under any effective mortgage insurance policy relating to such Credit Event Reference Obligation; provided, that such Mortgage Insurance Credit Amount will be limited to the amount that would be necessary to reduce to zero any Credit Event Net Gain and Credit Event Net Loss (in each case as calculated after taking into account any subsequent losses on such Credit Event Reference Obligation and any subsequent recoveries on such Credit Event Reference Obligation) that would otherwise result for such Credit Event Reference Obligation on such Payment Date. If it is subsequently determined that the Mortgage Insurance Credit Amount with respect to any previous Payment Date should have been a different amount based upon additional information received by Freddie Mac after such Payment Date, such difference will be treated as a subsequent loss (if the amount should have been lower) or a subsequent recovery (if the amount should have been higher) or if the Mortgage Insurance Credit Amount was limited pursuant to the proviso of the immediately preceding sentence and the amount actually received by Freddie Mac pursuant to the related mortgage insurance policy was greater than such limited amount, such difference will be so treated as a subsequent recovery). Any Mortgage Insurance Credit Amount reported by Freddie Mac will be included in the definition of Net Liquidation Proceeds irrespective of Freddie Mac's receipt of such amounts from the related mortgage insurance company. The Mortgage Insurance Credit Amount will not be reduced or otherwise affected irrespective of (i) any insolvency of the related mortgage insurance company or (ii) any settlement or agreement between Freddie Mac and the related mortgage insurance company resulting in the reduction in a claim payment or the commutation or cancellation of coverage under the related mortgage insurance policy.
Credit Event Net Loss	With respect to any Credit Event Reference Obligation, an amount equal to the excess, if any, of <ol style="list-style-type: none"> a) the sum of: (i) the related Credit Event UPB, (ii) the total amount of prior principal forgiveness modifications on the related Credit Event Reference Obligation; and (iii) delinquent accrued interest thereon, calculated at the related Current Accrual Rate from the related last paid interest date through the date Freddie Mac determines such Reference Obligation to be a Credit Event; over b) the related Net Liquidation Proceeds.
Credit Event Net Gain	With respect to any Credit Event Reference Obligation, an amount equal to the excess, if any, of <ol style="list-style-type: none"> a) the related Net Liquidation Proceeds; over b) the sum of: (i) the related Credit Event UPB; (ii) the total amount of prior principal forgiveness modifications on the related Credit Event Reference Obligation; and (iii) delinquent accrued interest thereon, calculated at the related Current Accrual Rate from the related last paid interest date through the date Freddie Mac determines such Reference Obligation to be a Credit Event.
Cramdowns	The aggregate amount of court-approved principal reductions on the Reference Obligations in the related Reporting Period.
Minor Servicing Defect	With respect to each Payment Date and any Reference Obligation for which Freddie Mac has determined the existence of an Unconfirmed Servicing Defect, the occurrence of a remedy, other than repurchase or a Make-whole, that is mutually agreed upon by both Freddie Mac and the related servicer that results in a recovery of damages sustained by Freddie Mac as a result of the Unconfirmed Servicing Defect.
Major Servicing Defect	With respect to each Payment Date and any Reference Obligation for which Freddie Mac has determined the existence of an Unconfirmed Servicing Defect, and the occurrence of any of the following: <ol style="list-style-type: none"> a) the related servicer repurchased such Reference Obligation or made Freddie Mac whole resulting in a full recovery of losses incurred (i.e., Make-whole) during the related Reporting Period; b) the party responsible for the representations and warranties and/or servicing obligations or liabilities with respect to the Reference Obligation becomes subject to a bankruptcy, an insolvency proceeding or a receivership.
Projected Recovery Amount	On the Termination Date (i.e. the earlier of the Maturity Date, the Early Redemption Date or the Payment Date on which the aggregate balance of all outstanding classes of Original Notes is reduced to zero) , Freddie Mac will determine the fair value of estimated future subsequent recoveries on the Credit Event Reference Obligations. This amount will be included in the Principal Recovery Amount on the Termination Date.

Class B Tax Considerations

- The Class B Notes should be treated as derivatives for U.S. federal income tax purposes
- Freddie Mac will treat the Class B Notes as a contingent notional principal contract (“NPC”) (except with respect to Non-U.S. Beneficial Owners for purposes of U.S. federal withholding tax) and will bind investors to such treatment
- Freddie Mac (and holders, unless a holder already has chosen another method) will tax account for the Class B Notes under a mark-to-market method and will be required to treat the initial payment for the Class B Notes as a deemed loan pursuant to the NPC accounting rules (tax accounting guidance will be provided in the Offering Circular)
- The Class B Notes will be issued as DTC Eligible Notes
- Freddie Mac intends to withhold on Non-U.S. Beneficial Owners of Class B Notes with respect to non-principal Class B payments. However, depending on the residence of a Non-U.S. Beneficial Owner, Treaty rates may apply to reduce the withholding rate
- Illustrative sample Treaty rates:
 - » United Kingdom: 0% for Business Profits, 0% for Other Income
 - » Spain: 0% for Business Profits, 0% for Other Income
 - » Luxembourg: 0% for Business Profits, 0% for Other Income

Comparison: STACR 2016-HQA4 & prior deals

	STACR 2016-HQA1	STACR 2016-HQA2	STACR 2016-HQA3	STACR 2016-HQA4
Ratings	(DBRS / Fitch) M-1: A(sf) / BBBsf M-2: BBBH(sf) / BBB-sf M-3: NR / Bsf	(Kroll / Moody's) M-1: A-(sf) / A3(sf) M-2: BBB(sf) / Baa3(sf) M-3: B+(sf) / B1(sf)	(Fitch / Kroll) M-1: BBBsf / BBB+(sf) M-2: BBB-sf / BBB(sf) M-3: B+sf / B+(sf)	(DBRS / Fitch, expected) M-1: A(low)sf / BBBsf M-2: BBB(low)sf / BBB-sf M-3: NR / Bsf
Credit Enhancement	M-1: 4.40% , M-2: 3.20% , M-3: 1.00% , B: 0.00%	M-1: 4.50% , M-2: 3.00% , M-3: 1.00% , B: 0.00%	M-1: 4.20% , M-2: 2.85% , M-3: 1.00% , B: 0.00%	M-1: 4.28% , M-2: 3.05% , M-3: 1.00% , B: 0.00%
Initial Vertical Slice of the Class M or Class B Notes Retained by Freddie Mac	M-1H: 44% , M-2H: 44% , M-3H: 44% , B-H: 86%	M-1H: 27% , M-2H: 27% M-3AH: 27% , M-3BH: 27% , B-H: 87%	M-1H: 30% , M-2H: 30% M-3AH: 30% , M-3BH: 30% , B-H: 87%	M-1H: 26% , M-2H: 26% M-3AH: 26% , M-3BH: 26% , B-H: 87%
Minimum Credit Enhancement Test	Credit Enhancement must be greater than 6.00% (initially 5.50%)	Credit Enhancement must be greater than 6.00% (initially 5.50%)	Credit Enhancement must be greater than 6.00% (initially 5.50%)	Credit Enhancement must be greater than 6.00% (initially 5.50%)
Cumulative Net Credit Event/Loss Test	Cumulative Net Loss % Threshold: 0.10% in Year 1 with 0.10% step-ups each year until Year 13, 1.30% thereafter	No Change	No Change	No Change
Delinquency Test	For any Payment Date: (a) the sum of the Distressed Principal Balance for current and prior five Payment Dates div by six is less than (b) 50% of the amount by which: (i) the product of the Sub Percentage and Reference Obligations; exceeds (ii) the Principal Loss Amount.	No Change	No Change	No Change
Early Redemption Option	Earlier of: (a) 10% or less pool factor or (b) on or after 120th payment date	No Change	No Change	No Change
Eminent Domain	Reference Obligation to be removed if seized pursuant to any special eminent domain Proceedings. No change from 15-DNA3	No Change	No Change	No Change
Representation and Warranty Framework	Reference Obligations subject to revised Representation and Warranty Framework: bifurcated for loans acquired prior and post 7/1/2014. No change from 15-DNA3	No Change	No Change	No Change

Comparison: STACR 2016-HQA4 & prior deals (cont.)



	STACR 2016-HQA1	STACR 2016-HQA2	STACR 2016-HQA3	STACR 2016-HQA4
UPB at Closing	\$17,931,492,858	\$18,455,351,001	\$15,709,403,444	\$13,846,633,710
Acquisition Period	April 1, 2015 – June 30, 2015	July 1, 2015 – September 30, 2015	October 1, 2015 – December 31, 2015	January 1, 2016 – March 31, 2016
Number of Loans	76,568	80,001	68,900	60,173
Average Balance	\$234,190 (\$1,972 to \$620,622)	\$230,689 (\$2,645 to \$620,688)	\$228,003 (\$3,151 to \$620,050)	\$230,114 (\$2,941 to \$622,333)
Weighted Average Original LTV	92% (81% to 95%)	92% (81% to 95%)	92% (81% to 95%)	92% (81% to 97%)
Original LTV Distribution	81 to 85 ... 13% 86 to 90 ... 33% 91 to 95 ... 53%	81 to 85 ... 11% 86 to 90 ... 32% 91 to 95 ... 57%	81 to 85 ... 12% 86 to 90 ... 32% 91 to 95 ... 56%	81 to 85 ... 12% 86 to 90 ... 32% 91 to 95 ... 54% 96 to 97 ... 1%
Weighted Average Coupon	4.030% (2.875% to 5.375%)	4.030% (3.250% to 5.375%)	4.181% (3.250% to 5.375%)	4.174% (3.250% to 5.625%)
Weighted Average Credit Score	750 (620 to 832)	749 (620 to 834)	748 (616 to 828)	746 (614 to 830)
Credit Score Distribution	< 680 ... 4% 680 to 719 ... 18% 720 to 759 ... 32% 760 to 779 ... 19% >=780 ... 27%	< 680 ... 5% 680 to 719 ... 19% 720 to 759 ... 31% 760 to 779 ... 19% >=780 ... 26%	< 680 ... 5% 680 to 719 ... 19% 720 to 759 ... 31% 760 to 779 ... 19% >=780 ... 25%	< 680 ... 6% 680 to 719 ... 20% 720 to 759 ... 32% 760 to 779 ... 18% >=780 ... 24%
Weighted Average Debt to Income Ratio	35% (2% to 50%)	35% (2% to 50%)	35% (3% to 50%)	36% (2% to 50%)
Debt to Income Ratio Distribution	0 to 30 ... 31% 31 to 40 ... 41% 41 to 50 ... 28%	0 to 30 ... 29% 31 to 40 ... 41% 41 to 50 ... 30%	0 to 30 ... 28% 31 to 40 ... 41% 41 to 50 ... 31%	0 to 30 ... 26% 31 to 40 ... 40% 41 to 50 ... 33%
Weighted Average Loan Age	8 months	8 months	8 months	6 months
Weighted Average Original Term	360	360	360	360

Note: Amounts may not add up to the totals shown due to rounding.

Comparison: STACR 2016-HQA4 & prior deals (cont.)



	STACR 2016-HQA1	STACR 2016-HQA2	STACR 2016-HQA3	STACR 2016-HQA4
Percent Owner Occupied	99.4%	99.37%	99.14%	98.86%
Loan Purpose	Purchase ... 76% No Cash-out Refinance ... 23% Cash-out Refinance ... 0%	Purchase ... 88% No Cash-out Refinance ... 12% Cash-out Refinance ... 0%	Purchase ... 88% No Cash-out Refinance ... 14% Cash-out Refinance ... 0%	Purchase ... 83% No Cash-out Refinance ... 17% Cash-out Refinance ... 0%
Top Three Sellers	Wells Fargo ... 16% US Bank ... 7% Quicken Loans ... 5%	Wells Fargo ... 18% US Bank ... 9% BB&T ... 5%	Wells Fargo ... 18% US Bank ... 9% Quicken Loans ... 5%	Wells Fargo ... 16% US Bank ... 7% Quicken Loans ... 5%
Top Five States	California ... 11% Texas ... 7% Florida ... 6% Illinois ... 5% Washington ... 4%	California ... 9% Texas ... 7% Florida ... 6% Illinois ... 5% Minnesota ... 4%	California ... 9% Texas ... 8% Florida ... 6% Illinois ... 4% Colorado ... 4%	California ... 11% Texas ... 8% Florida ... 6% Illinois ... 4% Colorado ... 4%
Top Three MSA	Chicago, IL ... 4% Washington DC ... 3% Atlanta, GA ... 3%	Chicago, IL ... 4% Washington DC ... 3% Atlanta, GA ... 3%	Chicago, IL ... 3% Washington, DC ... 3% Minneapolis, MN ... 3%	Chicago, IL ... 3% Washington, DC ... 3% Atlanta, GA ... 2%
Mortgage Insurance Coverage Level	None ... 1% 1 to 15 ... 13% 16 to 25 ... 33% 26 to 30 ... 53% 31 to 55 ... 0%	None ... 1% 1 to 15 ... 13% 16 to 25 ... 33% 26 to 30 ... 53% 31 to 55 ... 0%	None ... 1% 1 to 15 ... 12% 16 to 25 ... 32% 26 to 30 ... 55% 31 to 55 ... 0%	None ... 1% 1 to 15 ... 13% 16 to 25 ... 34% 26 to 30 ... 53% 31 to 55 ... 0%
Mortgage Insurance: Borrower or Lender Paid	Borrower ... 72% Lender ... 27% None ... 1%	Borrower ... 72% Lender ... 27% None ... 1%	Borrower ... 73% Lender ... 27% None ... 0%	Borrower ... 72% Lender ... 28% None ... 0%
Current UPB*	\$16,452,780,078	\$17,425,093,693	\$15,709,403,445	13,846,633,710
# of Credit Events*	1	0	N/A	N/A
% of Loans 60+ Delinquent*	0.05%	0.05%	N/A	N/A

* Values indicated are as of the September 2016 remittance report.

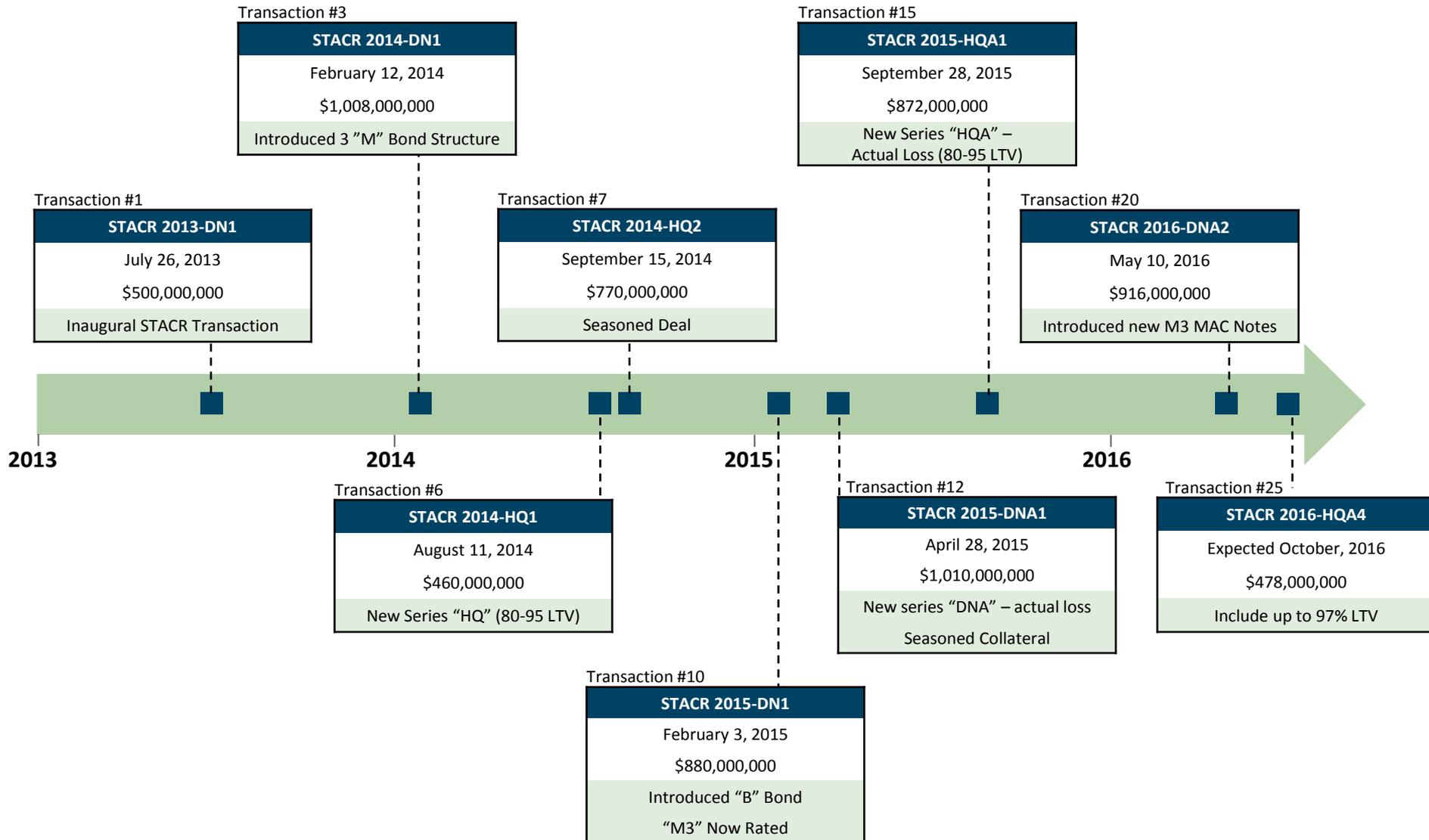
Note: Amounts may not add up to the totals shown due to rounding.



STACR Program Overview

STACR Evolution

- Freddie Mac has issued 24 STACR transactions to date:



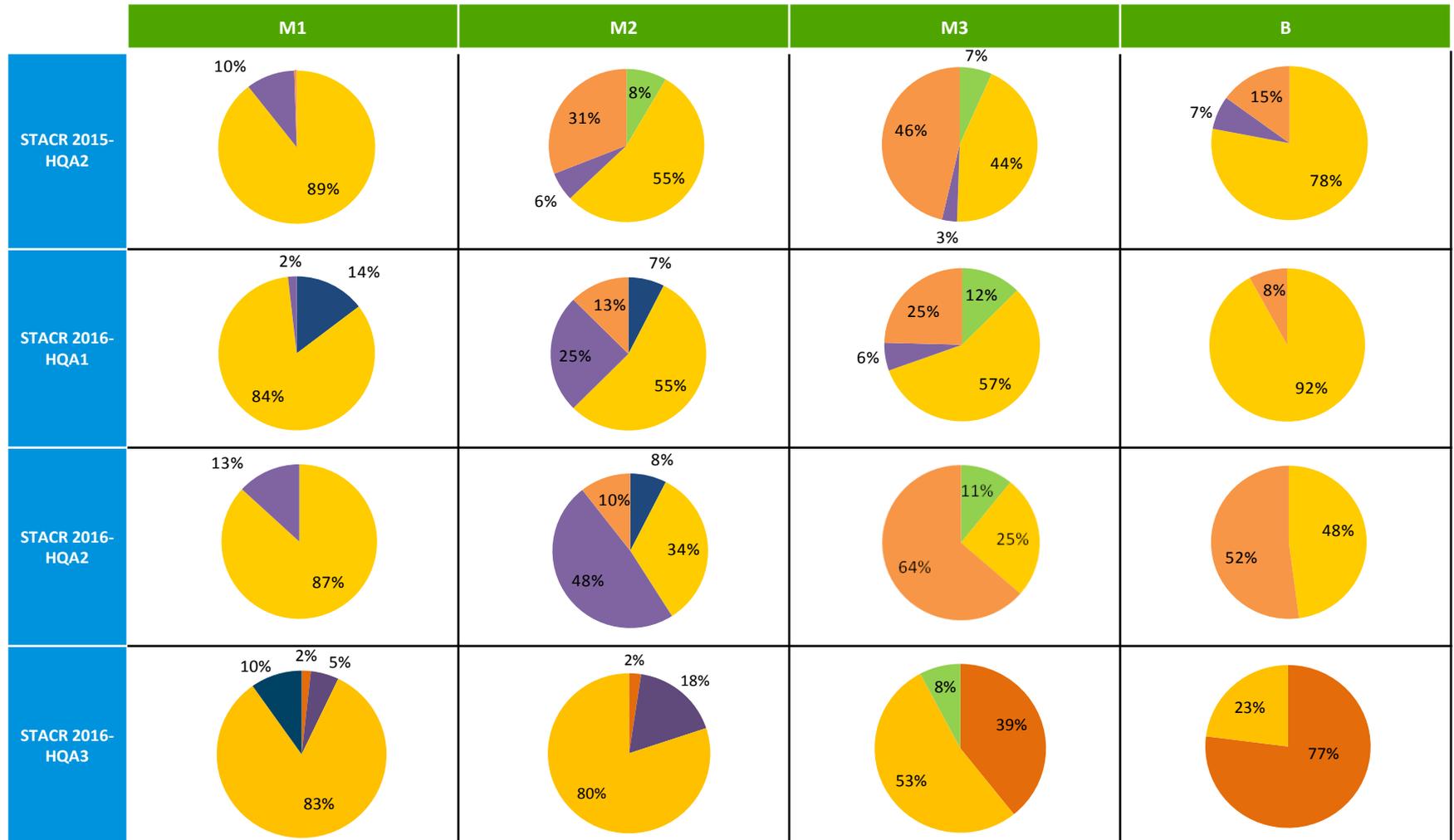
Deal Management

- Freddie Mac actively monitors STACR markets
- Deal sizes are adjusted based on estimated investor demand

STACR Deal	Issuance Month-Year	Max Size (\$MM)	Actual Size (\$MM)	Actual % of Max.	Macro Economic Environment
14HQ2	September 2014	1,746	770	44%	- Argentina defaults, Euro crisis risks increase and other geopolitical concerns (Ukraine / Iraq / Gaza)
14DN4	October 2014	702	611	87%	
14HQ3	October 2014	429	429	100%	
15DN1*	February 2015	1,057	880	83%	- Uncertainty around Greek outcomes re-emerges
15HQ1*	March 2015	947	860	91%	
15DNA1*	April 2015	1,143	1,010	88%	
15HQ2	June 2015	426	426	100%	
15DNA2	June 2015	1,527	950	62%	- Brexit fears, extreme volatility in Chinese Equities
15HQA1	September 2015	1,008	872	87%	
15DNA3	November 2015	1,772	1,070	60%	- Crude oil in freefall – down 65% within LTM
15HQA2	December 2015	962	590	61%	- Turmoil in Chinese Equity Markets - Weakening US Economic Data
16DNA1	January 2016	1,536	996	65%	- Geopolitical concerns (North Korea / Middle East)
16HQA1	March 2016	856	475	55%	- Global credit capital markets sell-off in Q1 2016
16DNA2	May 2016	1,295	916	71%	
16HQA2	June 2016	881	627	71%	
16DNA3	May 2016	1,138	795	70%	
16HQA3	September 2016	750	515	69%	- Fallout from Brexit referendum vote
16DNA4	September 2016	1068	739	69%	
16HQA4	October 2016	661	478	72%	

* Deal was upsized.
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Investor Participation



■ Sovereign Fund
 ■ REIT
 ■ Money Manager
 ■ Insurance
 ■ Hedge Fund
 ■ Bank / Credit Union

Note: Institution type is our best estimate based on information provided to Freddie Mac from the underwriting syndicate as some institutions may be involved in multiple lines of business.

STACR and CAS: Issuance and Estimated Trading Volume



Monthly Trading Volume (\$ billion) ⁽¹⁾																
	2015-10	2015-11	2015-12	2016-1	2016-2	2016-3	2016-4	2016-5	2016-6	2016-7	2016-8	2016-9	2016 Avg.	2015 Avg.	2014 Avg.	2013 Avg.
STACR	0.9	1.1	0.9	1.2	1.5	2.0	1.6	1.7	1.7	1.3	1.2	2.0	1.6	1.1	0.6	0.3
CAS	1.0	0.6	0.6	1.3	1.5	2.4	1.6	0.8	0.8	1.4	1.2	1.7	1.4	1.0	0.5	0.4
Total	1.9	1.7	1.6	2.4	3.0	4.4	3.2	2.6	2.5	2.7	2.3	3.7	3.0	2.1	1.2	0.7
Monthly Trading Volume (% of outstanding) ⁽¹⁾																
	2015-10	2015-11	2015-12	2016-1	2016-2	2016-3	2016-4	2016-5	2016-6	2016-7	2016-8	2016-9	2016 Avg.	2015 Avg.	2014 Avg.	2013 Avg.
STACR	8%	10%	8%	9%	12%	15%	13%	12%	12%	9%	8%	13%	12%	13%	20%	48%
CAS	9%	6%	6%	12%	13%	19%	12%	6%	6%	9%	7%	11%	11%	11%	16%	57%
Total	9%	8%	7%	10%	12%	17%	12%	9%	9%	9%	8%	12%	11%	12%	19%	51%
Cumulative Issuance Volume Since Inception (\$ billion)																
	2015-10	2015-11	2015-12	2016-1	2016-2	2016-3	2016-4	2016-5	2016-6	2016-7	2016-8	2016-9	2016	2015	2014	2013
STACR	11.0	12.1	12.7	13.7	13.7	14.2	14.2	15.1	16.5	16.5	16.5	17.8				
CAS	12.4	12.4	12.4	12.4	13.4	14.4	15.6	15.6	15.6	16.9	18.1	18.1				
Total	23.5	24.6	25.1	26.1	27.1	28.6	29.8	30.7	32.1	33.4	34.6	35.9				

Source: FINRA as of September 30, 2016

	STACR outstanding (\$ billion)	CAS outstanding (\$ billion)	Total Outstanding (\$billions)
Rated	11.4	10.8	22.2
Unrated	3.6	4.5	8.1
Total	15.0	15.3	30.3

(1) Trading volumes reflect the sum of all buy and sell trades.

STACR HQ Bond Ratings – History of Upgrades

M-1 Bond				
Series	Fitch ⁽³⁾		Moody's	
	Original Rating	Current Rating	Original Rating	Current Rating
14-HQ1	A- sf	AA sf	A2 (sf)	Aa3 (sf)
14-HQ2	A- sf	A+ sf	A2 (sf)	A1 (sf)
14-HQ3 ⁽¹⁾	A- sf	A- sf	A1 (sf)	Aa3 (sf)
15-HQ1	-	-	A1 (sf)	Aa1 (sf)
15-HQ2	-	-	A2 (sf)	Aa3 (sf)

M-2 Bond				
Series	Fitch ⁽³⁾		Moody's	
	Original Rating	Current Rating	Original Rating	Current Rating
14-HQ1	BBB- sf	BBB sf	Baa2 (sf)	A3 (sf)
14-HQ2	BBB- sf	BBB sf	Baa2 (sf)	Baa1 (sf)
14-HQ3	BBB- sf	BBB sf	Baa1 (sf)	A2 (sf)
15-HQ1	-	-	Baa1 (sf)	A2 (sf)
15-HQ2	-	-	Baa2 (sf)	A3 (sf)

M-3 Bond				
Series	Fitch ⁽³⁾		Moody's	
	Original Rating	Current Rating	Original Rating	Current Rating
15-HQ1	-	-	Ba1 (sf)	Baa2 (sf) ⁽²⁾
15-HQ2	-	-	Ba2 (sf)	Ba1 (sf)

(1) Represents Moody's/Fitch ratings prior to the bond pay down on 7/2016, current ratings are withdrawn - obligation is not outstanding.

(2) Represents the first Non-Investment Grade STACR HQ bond to get upgraded to Investment Grade.

(3) On September 15, 2016, Fitch assigned ratings to 7 previously unrated M-2 and M-3 classes from 7 STACR transactions issued between 2013 and 2014. The ratings range from B+sf to BB+sf.

STACR NAIC Designations

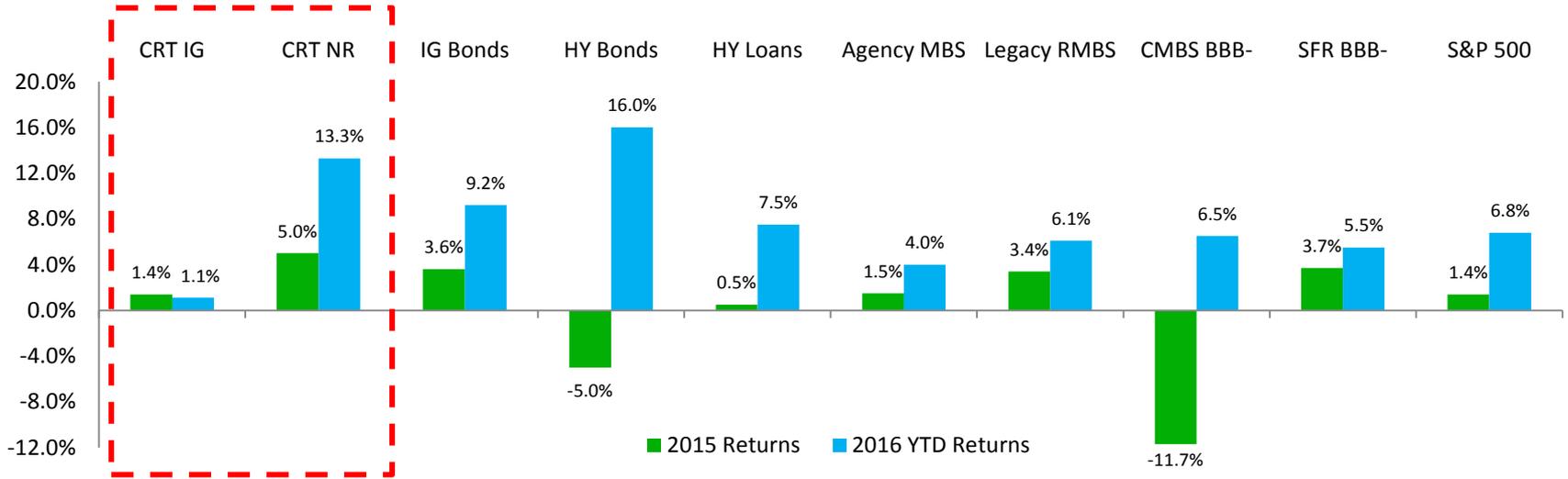
	NAIC 1	NAIC 2	Total
2013 Series	100%	0%	100%
M1	100%	0%	100%
M2	100%	0%	100%
2014 Series	95%	5%	100%
M1	100%	0%	100%
M2	100%	0%	100%
M3	86%	14%	100%
2015 Series	89%	11%	100%
M1	100%	0%	100%
M2	100%	0%	100%
M3	67%	33%	100%
Total	94%	6%	100%

Source: NAIC as of December 31, 2015

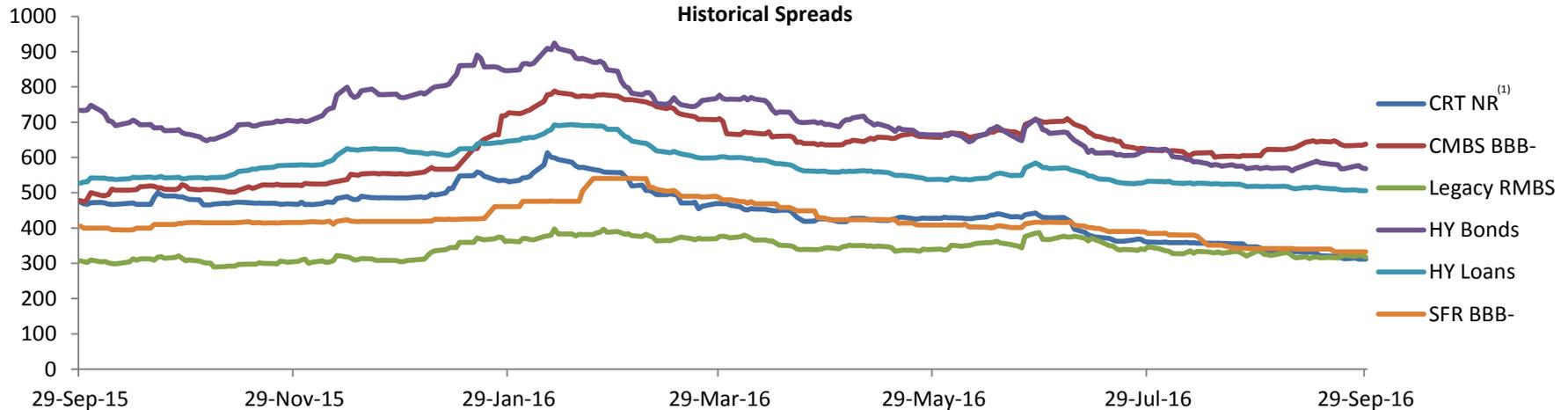
Note: Includes fixed severity DN and HQ STACR transactions only

2016 YTD Total Returns Summary: CRT vs. Other Sectors

Historical Returns



Historical Spreads



⁽¹⁾ M3 spreads

Source: J.P. Morgan Research

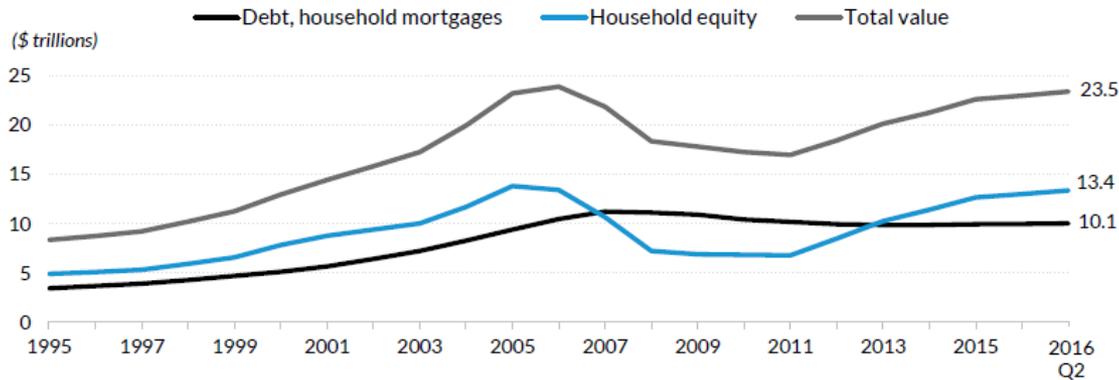


U.S. Residential Housing Market Update

US Residential Housing Market Size Overview

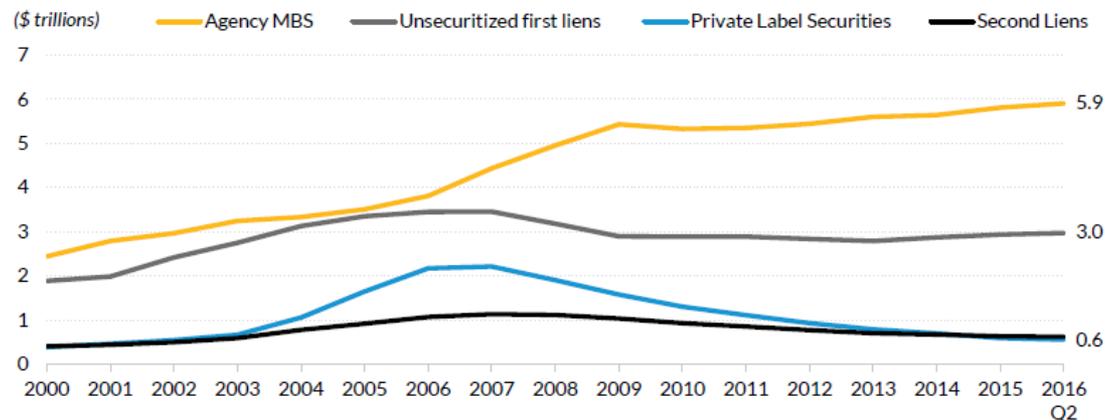
- As of Q2 2016, total U.S. debt and mortgages increased slightly at \$10.01 trillion, while household equity is \$13.40 trillion, bringing the total value of the housing market to \$23.41 trillion. Agency MBS makes up 58.7% of the total mortgage market, private-label securities make up 5.6% and unsecuritized first liens at the GSEs, commercial banks, savings institutions, and credit unions make up 29.6%. Second liens comprise the remaining 6.2% of the total.

Value of the US Housing Market



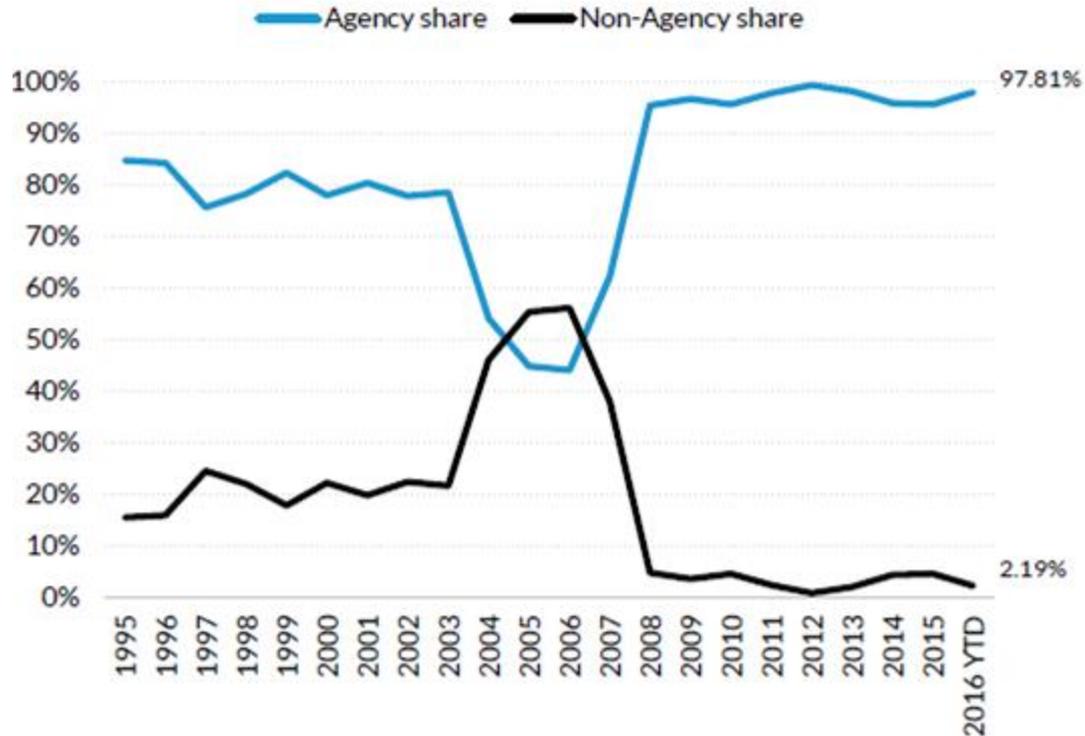
Sources: Federal Reserve Flow of Funds and Urban Institute.

Size of the US Residential Mortgage Market



Securitization Volume and Composition

- Agency/Non-Agency Share of Residential MBS Issuance

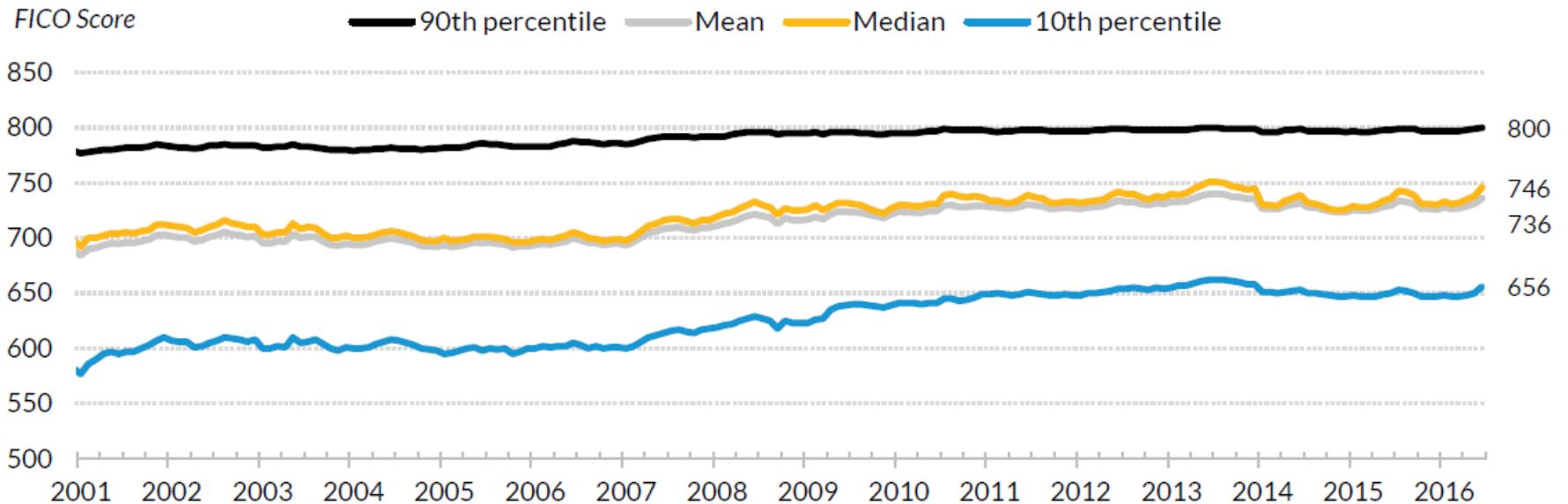


Sources: "Housing Finance At a Glance: A Monthly Chartbook," Housing Finance Policy Center, September 2016

Credit Availability for Purchase Loans

- The mean and median FICO scores on new originations have both drifted up approximately 36 and 41 points over the last decade

Borrower FICO Score at Origination



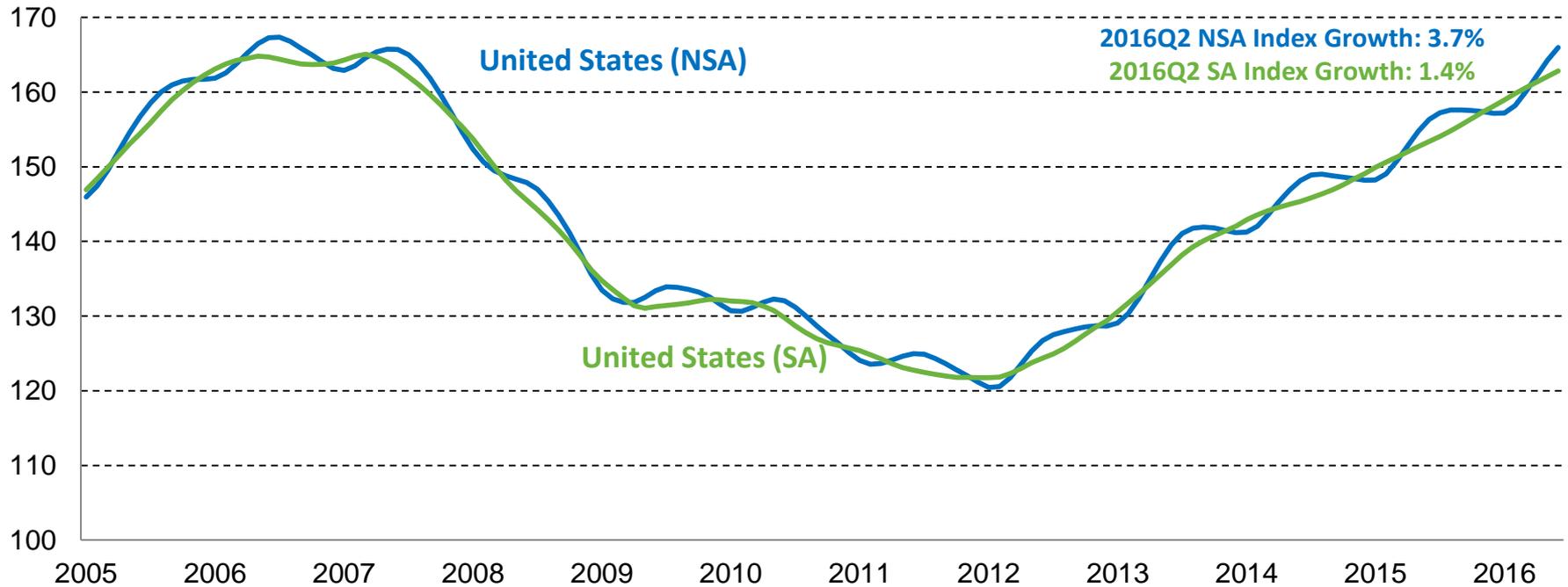
Sources: Corelogic, eMBS, HMDA, SIFMA and Urban Institute.

June 2016

Note: Includes owner-occupied purchase loans only

Sources: "Housing Finance At a Glance: A Monthly Chartbook," Housing Finance Policy Center, September 2016

National Home Prices¹



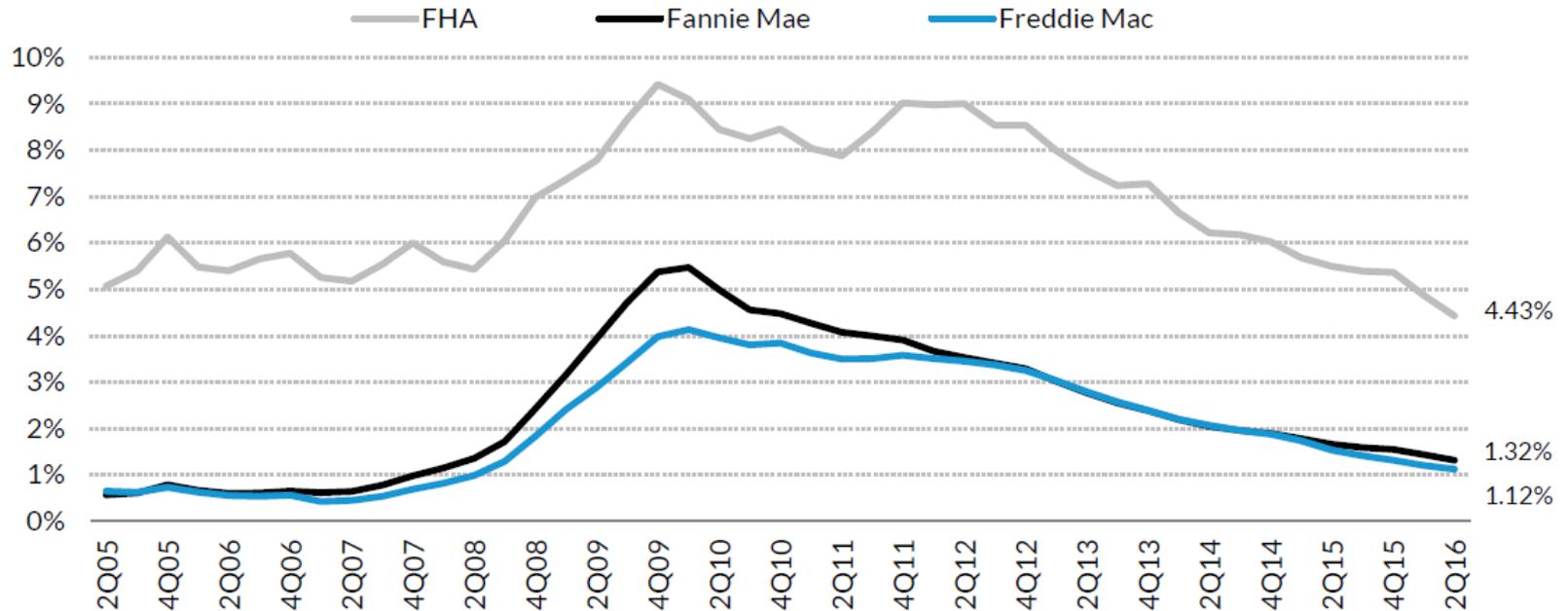
Cumulative decline of 1% since June 2006 (NSA Series)

¹ National home prices use the Freddie Mac House Price Index for the U.S., which is a value-weighted average of the state indices where the value weights are based on Freddie Mac's single-family credit guarantee portfolio. Other indices of home prices may have different results, as they are determined using home prices relating to different pools of mortgage loans and calculated under different conventions than Freddie Mac's. Quarterly growth rates are calculated as a 3-month change based on the final month of each quarter. 'SA' denotes 'Seasonally Adjusted' and 'NSA' denotes 'Not Seasonally Adjusted'; seasonal factors typically result in stronger house-price appreciation during the second and third quarters. Historical growth rates change as new data becomes available. Values for the most recent periods typically see the largest changes. Cumulative decline, based on the NSA series, calculated as the percent change from June 2006 to June 2016.

Source: Freddie Mac.

Serious Delinquency Rates

- Serious Delinquency Rates: Single-Family Loans



Sources: Fannie Mae, Freddie Mac, MBA Delinquency Survey and Urban Institute.

Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process.

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Sources: "Housing Finance At a Glance: A Monthly Chartbook", Housing Finance Policy Center, September 2016; Fannie Mae, Freddie Mac, MBA Delinquency Survey and Urban Institute.

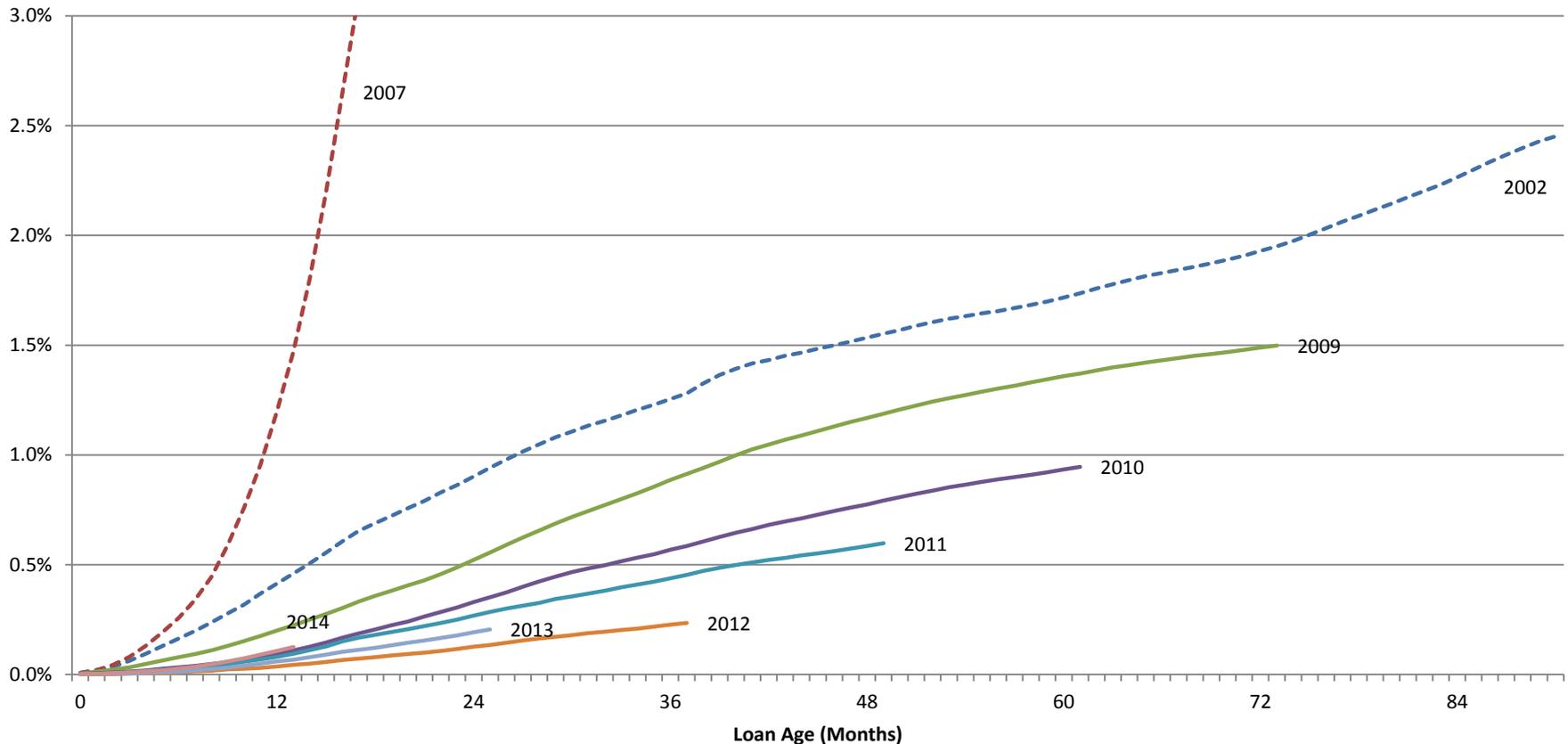


Collateral Performance

Credit Quality of Portfolio – Serious Delinquencies

- Performance of 2009 and 2010 vintages is dramatically better despite falling house prices in their early years

Ever D90 by Vintage Fundings from 2009 onwards and 2002, 2007 vintages

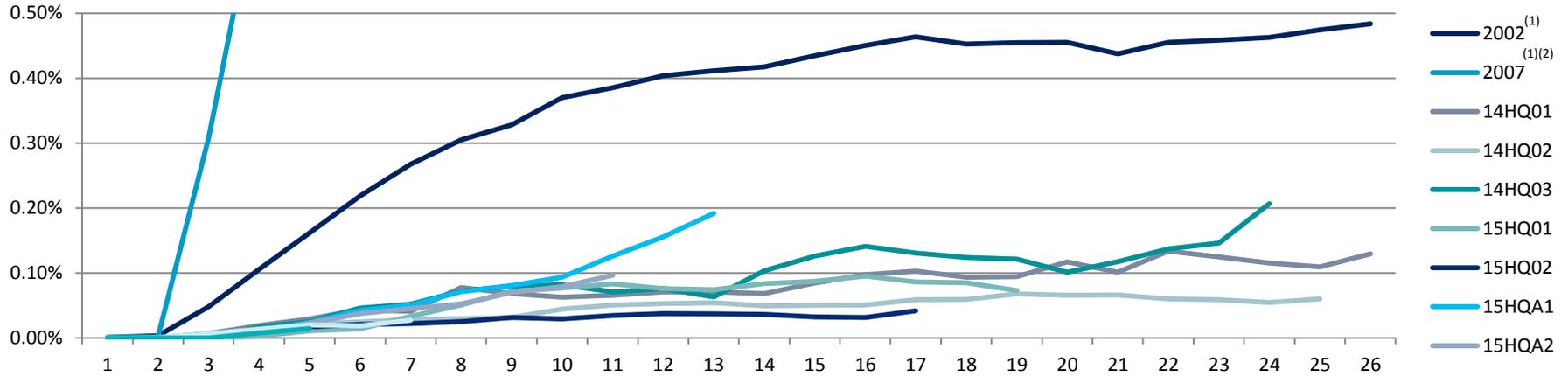


Source: Freddie Mac's Single Family Loan Level Dataset (SF LLD) as of July 2016 refresh

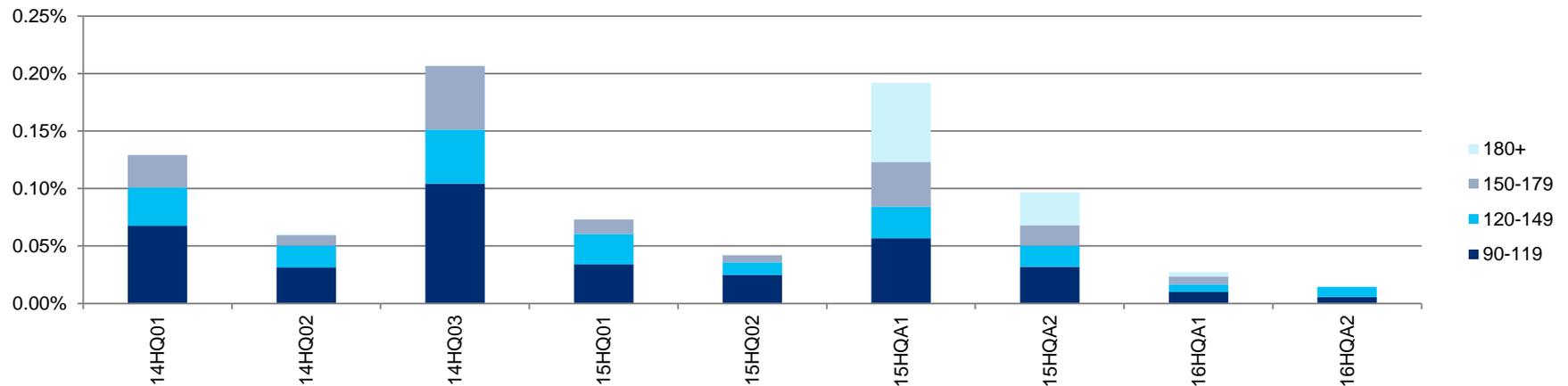
(1) 2007 reaches 17% by month 90.

STACR Delinquency Performance

90+ Days Delinquent (% by Current Balance)



90+ Days Delinquent (% by Current Balance)



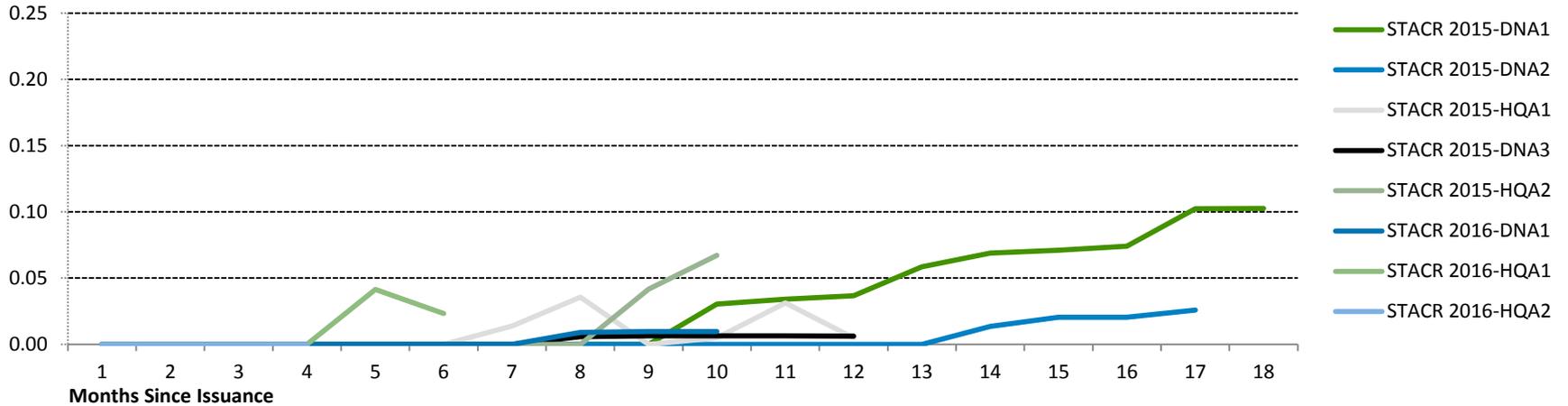
Source: Freddie Mac monthly remittance data as of September 2016.

(1) Not a STACR transaction but consists of collateral comparable to that included in a high LTV STACR reference pool – loans with an LTV between 80 and 95 that are 11 months seasoned with no delinquency

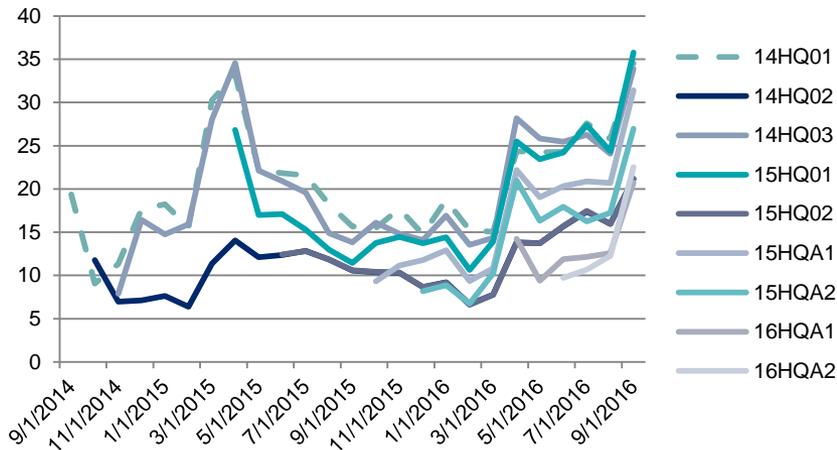
(2) 2007 reaches 5% by month 14.

STACR Historical Performance

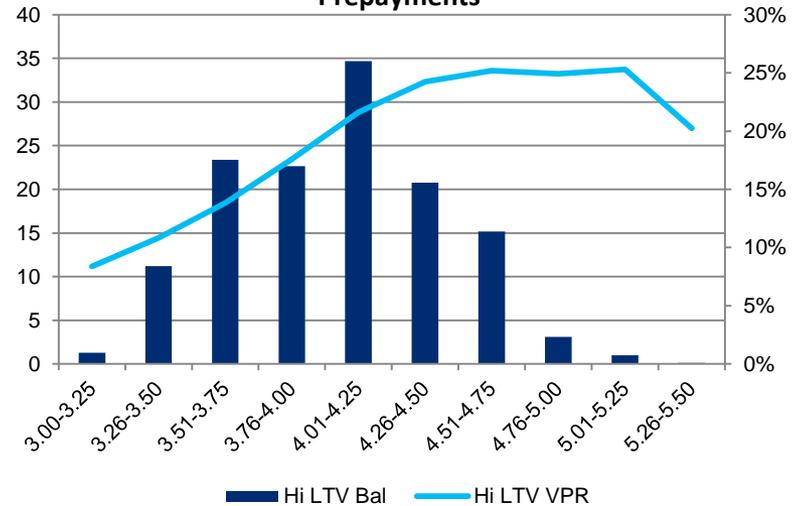
Cumulative Net Loss (bps)



Voluntary Prepayment Rate (% by Balance)



Interest Rate Distribution Across Balance and Prepayments



Source: Freddie Mac monthly remittance data as of September 2016.

Remittance Report Summary

Series	Remit	Factor	30D (%)	60D (%)	90D (%)	120D (%)	150D (%)	180+D (%)	Current CE Count	Current CE Bal (\$)	Cumulative Loss (bps)	Senior %	Sub %	Prepay Lockout	1mo CPR (%)
14-HQ1	Jul-16	0.62	0.53	0.14	0.04	0.02	0.05	0.00	8	1.534mm	1.81	92.91	7.09	No	28.87
	Aug-16	0.61	0.64	0.13	0.05	0.03	0.04	0.00	9	1.887mm	2.00	92.92	7.08	No	26.13
	Sep-16	0.58	0.73	0.16	0.07	0.03	0.03	0.00	5	964k	2.01	92.92	7.08	No	35.00
14-HQ2	Jul-16	0.77	0.33	0.06	0.02	0.02	0.02	0.00	14	3.033mm	1.25	93.37	6.63	No	17.84
	Aug-16	0.76	0.36	0.07	0.03	0.02	0.01	0.00	20	3.482mm	1.35	93.37	6.63	No	16.39
	Sep-16	0.74	0.44	0.08	0.03	0.02	0.01	0.00	15	2.907mm	1.44	93.37	6.63	No	21.68
14-HQ3	Jul-16	0.66	0.49	0.13	0.07	0.04	0.03	0.00	7	1.675mm	1.97	92.97	7.03	No	26.65
	Aug-16	0.64	0.62	0.17	0.05	0.07	0.03	0.00	6	802k	2.07	92.97	7.03	No	24.36
	Sep-16	0.61	0.66	0.15	0.10	0.05	0.06	0.00	5	925k	2.18	92.97	7.03	No	34.34
15-HQ1	Jul-16	0.75	0.47	0.08	0.03	0.02	0.04	0.00	11	2.668mm	1.05	92.93	7.07	No	27.94
	Aug-16	0.73	0.58	0.08	0.04	0.01	0.03	0.00	13	2.890mm	1.22	92.93	7.07	No	24.78
	Sep-16	0.70	0.69	0.14	0.03	0.03	0.01	0.00	9	2.38mm	1.37	92.93	7.07	No	36.27
15-HQ2	Jul-16	0.84	0.25	0.03	0.01	0.01	0.01	0.00	10	2.129mm	0.53	93.86	6.14	No	17.94
	Aug-16	0.83	0.27	0.04	0.02	0.01	0.01	0.00	14	2.260mm	0.60	93.86	6.14	No	16.42
	Sep-16	0.81	0.33	0.04	0.02	0.01	0.01	0.00	10	1.501mm	0.65	93.86	6.14	No	21.66
15-HQA1	Jul-16	0.86	0.40	0.08	0.04	0.02	0.02	0.05	1	115k	0.00	93.55	6.45	No	21.38
	Aug-16	0.84	0.44	0.08	0.04	0.04	0.02	0.06	3	748k	0.03	93.55	6.45	No	21.08
	Sep-16	0.81	0.53	0.09	0.06	0.07	0.04	0.02	0	(51k)	0.01	93.55	6.45	No	31.92
15-HQA2	Jul-16	0.90	0.34	0.04	0.02	0.01	0.01	0.03	0	0	0.00	93.04	6.96	No	16.70
	Aug-16	0.88	0.42	0.05	0.02	0.02	0.01	0.02	2	380k	0.04	93.04	6.96	No	17.66
	Sep-16	0.86	0.48	0.06	0.03	0.04	0.02	0.03	1	44k	0.07	93.04	6.96	No	27.44
16-HQA1	Jul-16	0.95	0.21	0.02	0.01	0.00	0.01	0.00	0	0	0.00	94.31	5.69	Yes	12.63
	Aug-16	0.94	0.23	0.02	0.01	0.01	0.00	0.00	1	150k	0.04	94.24	5.76	Yes	12.96
	Sep-16	0.92	0.28	0.03	0.01	0.02	0.00	0.00	0	(33k)	0.02	94.18	5.82	Yes	21.10
16-HQA2	Jul-16	0.98	0.17	0.01	0.00	0.00	0.00	0.00	0	0	0.00	94.45	5.55	Yes	11.19
	Aug-16	0.97	0.23	0.02	0.01	0.00	0.00	0.00	0	0	0.00	94.40	5.60	Yes	12.64
	Sep-16	0.94	0.29	0.03	0.01	0.01	0.00	0.00	0	0	0.00	94.33	5.67	Yes	22.91

Sources: Monthly remittance reports available on Global Agent's website, IntexCalc as of September 2016, Bloomberg
 CE = Credit Event

Net Loss Analysis (All 80-97% LTV vs. 60-80% LTV)

Origination Year	80.01-97 LTV (HQ-HQA Series)					60-80 LTV (DN-DNA Series)					Net Loss Ratios (80-97 LTV/60-80 LTV)
	Loan Count	Default Rate	Severity Rate	Net Loss Rate	Timeline DDLPI to Disposition	Loan Count	Default Rate	Severity Rate	Net Loss Rate	Timeline DDLPI to Disposition	
1999-2004	77,955	3.3%	24.4%	0.8%	19	78,098	1.2%	38.9%	0.5%	21	1.71
2005	19,550	12.8%	34.8%	4.5%	22	54,247	7.1%	48.6%	3.4%	21	1.30
2006	18,534	15.7%	36.1%	5.7%	22	58,840	9.4%	52.9%	5.0%	21	1.14
2007	27,291	18.0%	34.4%	6.2%	22	54,445	9.6%	52.3%	5.0%	21	1.24
2008	16,864	10.3%	29.5%	3.0%	21	25,550	4.7%	48.7%	2.3%	22	1.35
2009	1,784	1.8%	17.3%	0.3%	16	6,444	0.8%	37.2%	0.3%	18	1.11
2010	437	0.8%	13.5%	0.1%	16	1,519	0.3%	33.9%	0.1%	18	0.99
2011	184	0.4%	10.3%	0.0%	15	392	0.1%	32.0%	0.0%	17	1.05
2012-2014	166	0.1%	9.5%	0.0%	13	196	0.0%	27.7%	0.0%	13	1.14
Total	162,765	5.6%	30.0%	1.7%	20	279,731	3.0%	48.2%	1.5%	21	1.16

- The net loss Rate for HQ/HQA Series above is based on MI recovery, while MI Credit for STACR Investor is based on MI claim amount.

Source: Freddie Mac Single Family Loan-Level Dataset

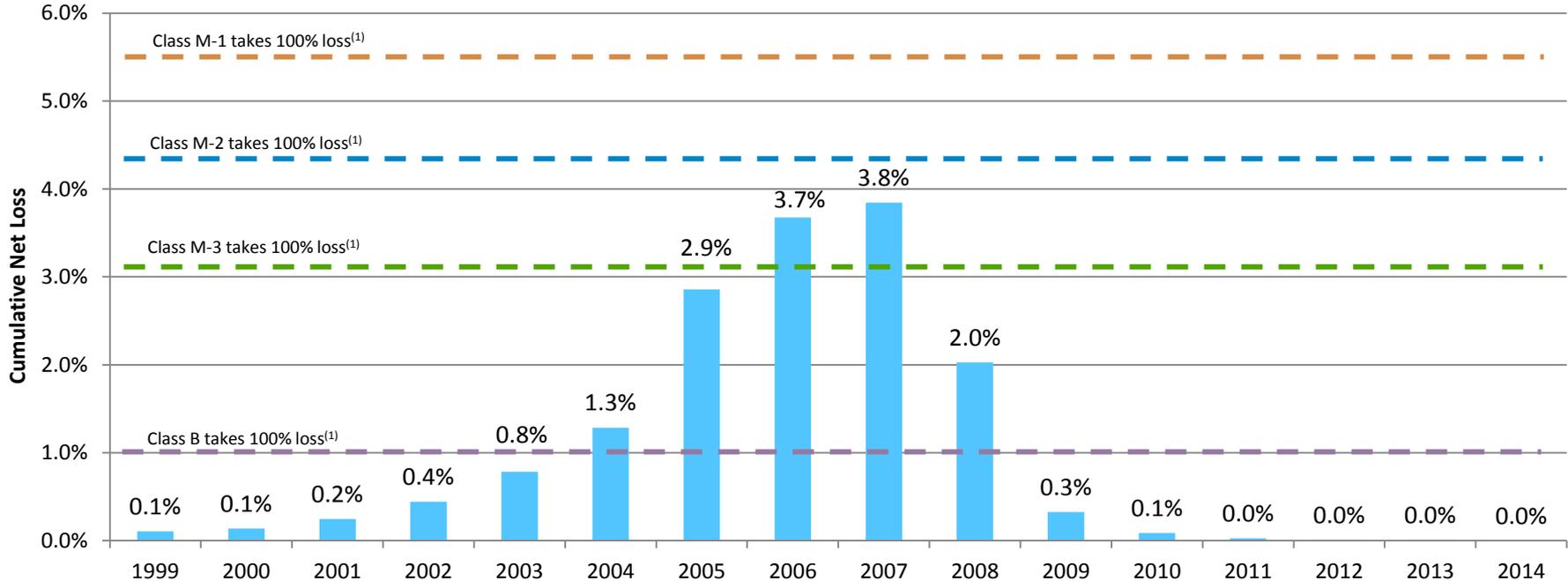
Notes: Performance data: 1999-4Q2015, losses reported for loans liquidated as of 3Q2015

Cumulative Losses do not include modification losses

Loans with Repurchase flag = Y have been set to zero loss

STACR 2016-HQA4 Proxy Cohort Performance

Reference Pool Proxy



Net Losses are calculated as noted on the “Actual Loss Calculation” slide:

$$\text{Collateral Deficiency} + \text{Delinquent Interest} + \text{Expenses} - \text{MI Recoveries} - \text{Non MI Recoveries}$$

- Freddie Mac data does not include bulk settlements
- Assumes 35bps g-fee to calculate delinquent interest
- Collateral Deficiency: Defaulted UPB – Net Sales Proceeds
- Loans with Repurchase flag = Y have been set to zero loss

Source: Freddie Mac Single Family Loan-Level Dataset

Notes: Performance data: 1999-4Q2015, losses reported for loans liquidated as of 3Q2015

Cumulative Losses do not include modification losses

Data is weighted in proportion to 2016-HQA4 FICO and LTV cohorts

(1) Assuming no principal payments

STACR 2016-HQA4 Historical Cohort Performance (80% < LTV <= 95%)*



- Summary collateral characteristics for the different vintages are seen below
- Analysis and stratifications only include loans with LTVs between 80% and 95%

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	STACR 14-HQ1	STACR 14-HQ2	STACR 14-HQ3	STACR 15-HQ1	STACR 15-HQ2	STACR 15-HQA1	STACR 15-HQA2	STACR 16-HQA1	STACR 16-HQA2	STACR 16-HQA3	STACR 16-HQA4
Orig UPB (\$BN)	30	56	49	50	29	27	23	33	38	26	16	17	32	47	55	35	10	33	8	16	30	19	17	18	19	16	14
WA FICO	699	700	700	705	701	707	706	709	730	756	759	759	759	755	748	750	752	757	749	748	757	747	749	750	749	748	746
WA DTI (%)	37	36	37	36	38	39	40	40	40	33	33	33	33	34	35	35	35	33	35	35	33	35	35	35	35	35	36
WA OCLTV (%)	92	91	91	91	91	91	91	91	91	90	91	91	91	92	92	92	92	92	92	92	92	92	92	92	92	92	92
WA OLTV (%)	92	91	91	90	91	91	91	91	91	90	91	91	91	92	92	92	92	92	92	92	92	92	92	92	92	92	92
Owner Occ. (%)	94	96	94	94	91	91	91	90	92	99	100	100	100	100	99	99	100	100	100	100	100	99	99	99	99	99	99
FICO Score Range																											
0-679 (%)	37	37	38	33	37	34	35	33	16	1	1	2	2	3	5	4	3	2	5	5	2	6	5	4	4	5	6
680-719 (%)	26	26	25	26	25	25	24	23	24	14	14	13	13	15	19	18	16	14	18	19	13	19	19	18	19	19	20
720-759 (%)	24	23	22	24	22	22	21	21	27	33	31	30	31	32	31	32	32	32	33	32	31	31	32	32	31	31	32
760-779 (%)	9	9	9	10	9	10	10	11	15	23	22	23	22	21	19	19	21	21	19	19	22	19	19	19	19	19	18
780 and Greater (%)	5	5	6	6	6	10	10	12	17	29	32	32	33	29	26	26	28	31	25	25	31	25	26	27	27	25	24

- Historical performance of cohorts with LTVs between 80% and 95% has varied by credit score and vintage, as seen in the table on right for loans with credit scores of 780 and greater
- Repurchases that occur after Credit Events are netted from Cumulative Credit Events

Source: Freddie Mac Single Family Loan-Level Dataset

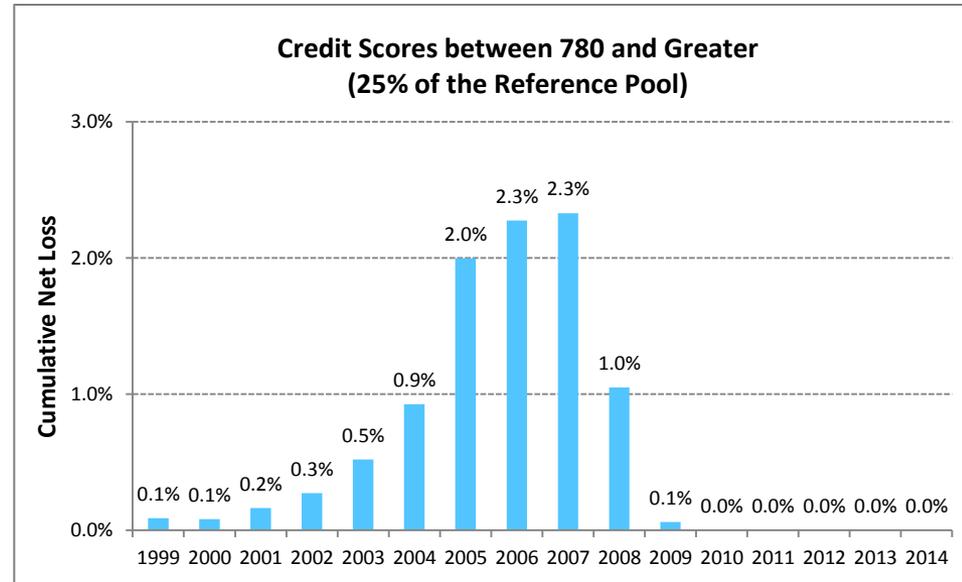
Notes: Performance data: 1999-4Q2015, losses reported for loans liquidated as of 3Q2015

Cumulative Losses do not include modification losses

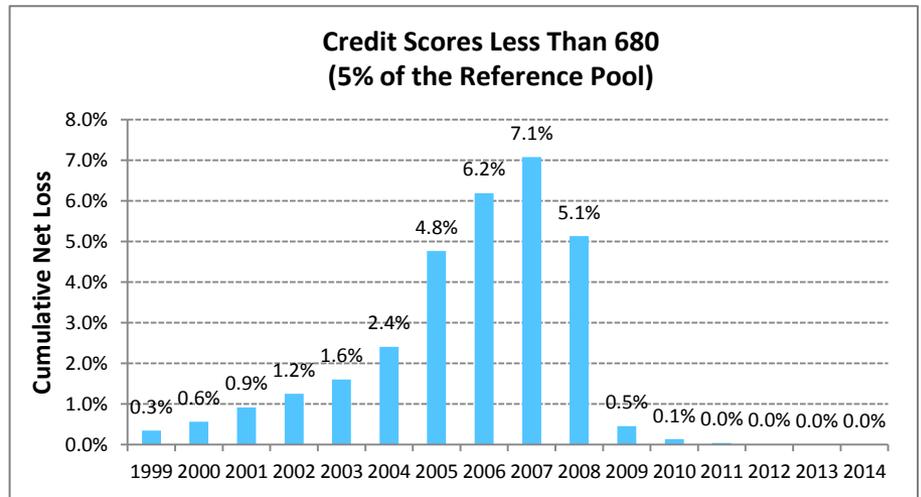
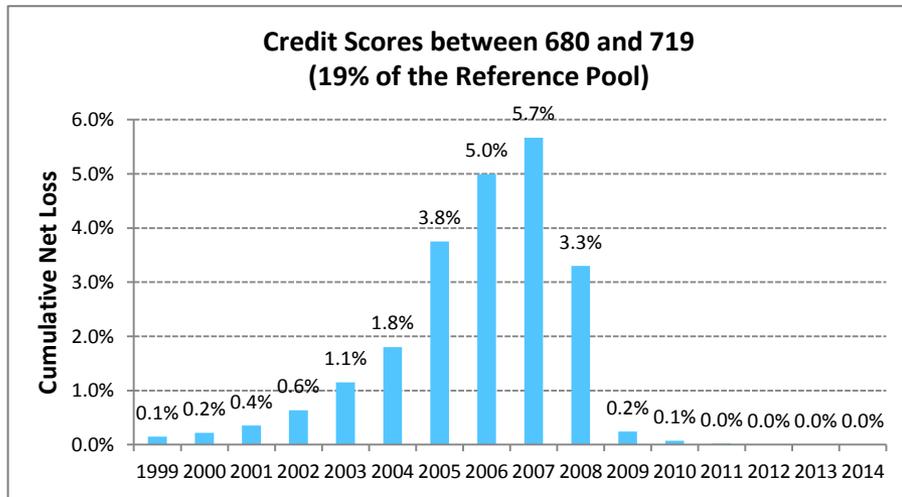
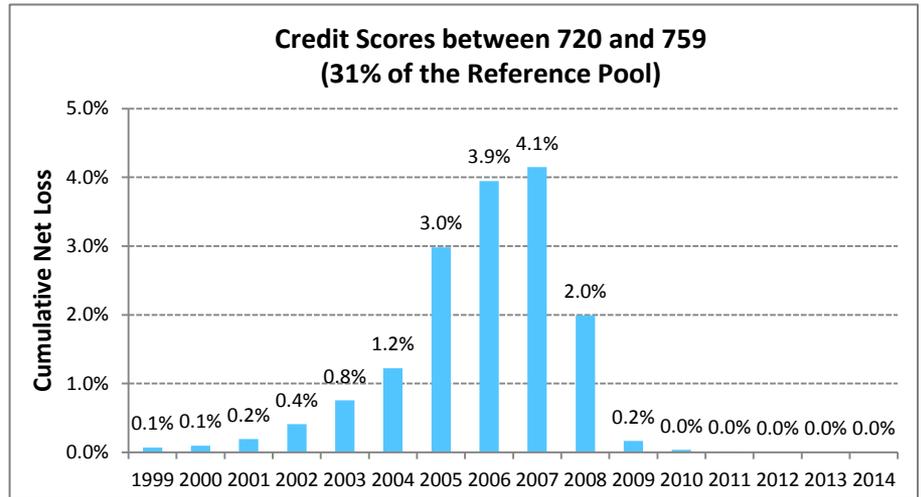
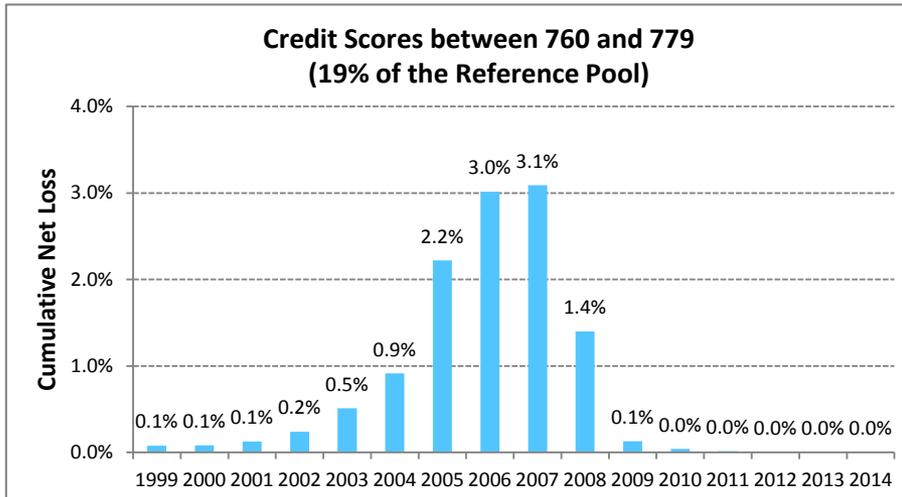
Loans with Repurchase flag = Y have been set to zero loss

Cumulative Net Loss Data is weighted in proportion to 2016-HQA4 FICO and LTV cohorts

* 2016-HQA4 includes loans with up to 97% LTV



STACR 2016-HQA4 Historical Cohort Performance (80% < LTV <= 97%)



Source: Freddie Mac Single Family Loan-Level Dataset
Notes: Performance data: 1999-4Q2015, losses reported for loans liquidated as of 3Q2015
 Cumulative Losses do not include modification losses
 Loans with Repurchase flag = Y have been set to zero loss
 Data is weighted in proportion to 2016-HQA4 FICO and LTV cohorts



Appendix

Actual Loss Calculation

- Calculation for Actual Loss

Losses at Disposition	1	(+)	UPB at time of removal from the Reference Pool (including prior principal forgiveness)
	2	(-)	Net Sales Proceeds
	3	(+)	Delinquent Accrued Interest (Non-Capitalized) <i>Interest Bearing UPB * min(Note Rate – 35bps, Accounting Net Yield) * (# of Months Delinquent/12)</i>
	4	(+)	Taxes and Insurance
	5	(+)	Legal Costs
	6	(+)	Maintenance and Preservation Costs <i>e.g. Property Inspection, Homeowner’s Association, Utilities, Rental Receipts, REO Management, etc.</i>
	7	(-)	MI Proceeds ⁽¹⁾ <i>MI Claim Amount</i>
	8	(+)	Miscellaneous Expenses <i>e.g. BPO, other sales expenses not included in item 2 above</i>
	9	(-)	Miscellaneous Credits <i>e.g. Positive Escrow, Insurance Refunds, Hazard Claim Proceeds, Make Whole Events, etc.</i>

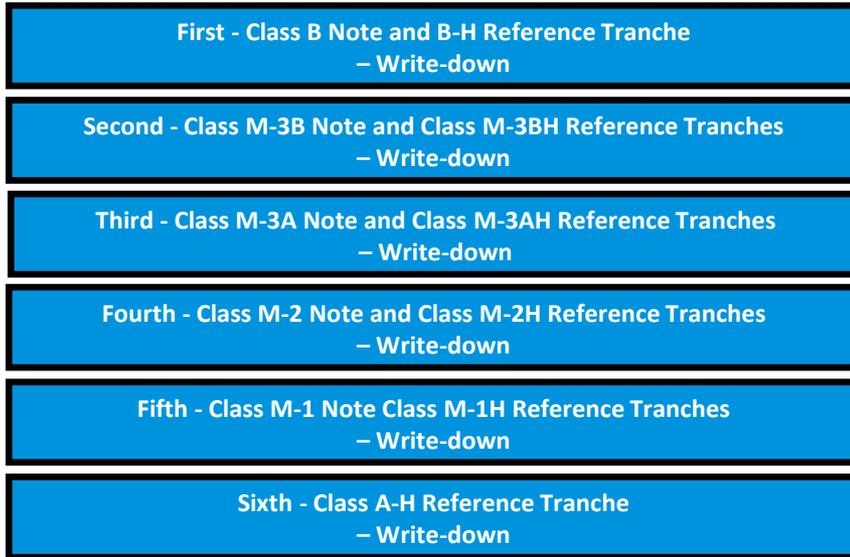
Losses at Modification	10	(+)	Modification Costs <i>e.g. Interest Short Fall (Passed to investors on a monthly basis included in modification loss amount)</i>
	11	(+)	Bankruptcy Cramdown Costs (<i>Passed to investors on a monthly basis included in write down loss amount</i>)

(1) See page 16 for details.

STACR 2016-HQA4 Actual Loss Waterfall

Freddie Mac will utilize the below waterfalls to allocate actual losses

Allocation of Loss on Dispositions



Allocation of Modification Loss Amounts



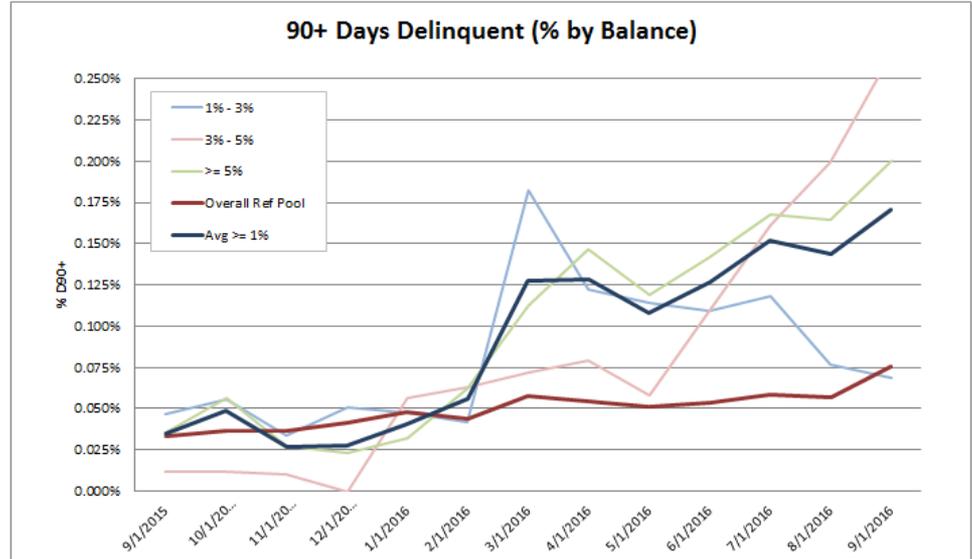
■ **Modification Loss Amount = Modification Shortfall minus Modification Excess**

» Modification Shortfall / Excess

$1/12 * (\text{original interest rate} - 35 \text{ bps}) * \text{Current Actual UPB} - 1/12 * (\text{current interest rate} - 35 \text{ bps}) * \text{Current Interest Bearing UPB}$

Oil Exposure Across STACR HQ Deals

Oil Economy Concentration per Deal				
STACR Deal	1% - 3%	3% - 5%	>= 5%	Total >= 1%
14HQ01	1.51%	0.78%	2.82%	5.11%
14HQ02	1.32%	0.69%	2.10%	4.11%
14HQ03	1.72%	0.99%	2.99%	5.70%
15HQ01	1.64%	0.99%	3.04%	5.66%
15HQ02	1.32%	0.69%	2.10%	4.11%
15HQA1	1.48%	0.79%	2.81%	5.08%
15HQA2	1.39%	0.72%	2.63%	4.73%
16HQA1	1.26%	0.70%	2.27%	4.23%
16HQA2	1.38%	0.73%	2.50%	4.61%
16HQA3	1.36%	0.67%	2.55%	4.58%
16HQA4	1.27%	0.78%	2.68%	4.73%
Average	1.38%	0.75%	2.48%	4.61%



Source: BLS Employment data as of 4Q 2015, Freddie Mac monthly remittance data as of September 2016.

Note: Of each oil concentration category, metro areas are listed as follows in the order of highest concentration in the STACR reference pool:

>= 5%	Houston-The Woodlands-Sugar Land, TX Metro Area; Greeley, CO Metro Area; Houma-Thibodaux, LA Metro Area; Casper, WY Metro Area; Odessa, TX Metro Area; Farmington, NM Metro Area
3-5%	Oklahoma City, OK Metro Area; Bakersfield, CA Metro Area; Lafayette, LA Metro Area; Beaumont-Port Arthur, TX Metro Area
1-3%	New Orleans-Metairie, LA Metro Area; Baton Rouge, LA Metro Area; Baton Rouge, LA Metro Area; Tulsa, OK Metro Area; Anchorage, AK Metro Area; Anchorage, AK Metro Area; Midland, TX Metro Area; Grand Junction, CO Metro Area; Tyler, TX Metro Area; Abilene, TX Metro Area; San Angelo, TX Metro Area; Williamsport, PA Metro Area; Williamsport, PA Metro Area

STACR 2016-HQA4 WAL Tables

M-1 Weighted Average Life to Maturity (in Years, without modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.25% ...	0.00% ...	5.62	3.03	1.71	1.15	0.67	0.47
0.50% ...	0.00% ...	5.76	3.24	1.78	1.20	0.67	0.47
1.00% ...	0.00% ...	6.09	5.85	3.15	2.08	0.97	0.50
1.50% ...	0.00% ...	6.50	6.32	6.18	5.80	3.67	1.92
2.00% ...	0.00% ...	6.91	6.67	6.47	6.31	5.53	3.64
3.00% ...	0.00% ...	7.70	7.35	7.07	6.83	6.22	5.02
4.00% ...	0.00% ...	7.15	8.00	7.64	7.33	6.46	5.10
5.00% ...	0.00% ...	6.14	7.75	8.18	7.82	6.71	5.18

M-1 Weighted Average Life to Maturity (in Years, with modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.15% ...	0.01% ...	5.56	2.95	1.69	1.14	0.67	0.47
0.30% ...	0.03% ...	5.63	3.07	1.72	1.15	0.67	0.47
0.60% ...	0.05% ...	5.79	3.32	1.80	1.21	0.68	0.47
0.90% ...	0.08% ...	6.02	4.92	2.36	1.65	0.89	0.47
1.20% ...	0.10% ...	6.34	6.16	6.00	4.44	2.01	0.75
1.80% ...	0.15% ...	7.12	6.75	6.49	6.32	5.76	4.12
2.40% ...	0.20% ...	7.31	7.42	7.01	6.71	6.18	5.02
3.00% ...	0.25% ...	6.34	7.85	7.59	7.18	6.36	5.10

M-2 Weighted Average Life to Maturity (in Years, without modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.25% ...	0.00% ...	12.30	7.36	4.17	2.85	1.63	1.12
0.50% ...	0.00% ...	12.38	7.99	4.37	2.92	1.71	1.12
1.00% ...	0.00% ...	12.49	12.04	7.50	4.92	2.53	1.46
1.50% ...	0.00% ...	12.50	12.50	12.49	10.60	6.48	4.20
2.00% ...	0.00% ...	12.50	12.50	12.50	12.50	9.06	6.64
3.00% ...	0.00% ...	10.35	12.41	12.50	12.50	10.92	7.42
4.00% ...	0.00% ...	7.42	10.01	12.36	12.50	11.15	7.49
5.00% ...	0.00% ...	5.77	7.15	10.22	12.45	11.45	7.59

M-2 Weighted Average Life to Maturity (in Years, with modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.15% ...	0.01% ...	12.26	7.13	4.09	2.78	1.62	1.12
0.30% ...	0.03% ...	12.31	7.46	4.20	2.86	1.64	1.12
0.60% ...	0.05% ...	12.41	8.25	4.46	2.96	1.72	1.13
0.90% ...	0.08% ...	12.48	11.41	5.80	3.92	2.22	1.36
1.20% ...	0.10% ...	12.50	12.49	12.22	8.04	4.38	2.30
1.80% ...	0.15% ...	11.95	12.50	12.50	12.50	9.98	6.37
2.40% ...	0.20% ...	8.60	11.72	12.50	12.50	11.12	7.53
3.00% ...	0.25% ...	6.52	8.48	11.90	12.50	11.30	7.63

(1) "CER" is Credit Event Rate, which is the assumed constant rate of Reference Obligations becoming Credit Event Reference Obligations each month relative to the then outstanding aggregate principal balance of Reference Obligations.

(2) "RM" is the assumed amount by which the weighted average coupon is assumed to be reduced due to Modification Events, as described further in the Offering Circular.

STACR 2016-HQA4 WAL Tables



M-3 Weighted Average Life to Maturity (in Years, without modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.25% ...	0.00% ...	12.50	12.13	9.27	6.50	3.83	2.56
0.50% ...	0.00% ...	12.50	12.36	9.78	6.92	3.95	2.63
1.00% ...	0.00% ...	11.78	12.37	11.79	9.26	5.04	3.18
1.50% ...	0.00% ...	9.96	11.13	11.97	12.43	9.34	6.04
2.00% ...	0.00% ...	7.91	9.51	10.74	11.67	11.57	8.57
3.00% ...	0.00% ...	5.03	6.13	7.92	9.38	11.38	9.69
4.00% ...	0.00% ...	3.68	4.20	5.15	6.95	9.69	9.21
5.00% ...	0.00% ...	2.89	3.20	3.66	4.58	7.89	8.32

M-3 Weighted Average Life to Maturity (in Years, with modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.15% ...	0.01% ...	12.50	12.01	9.05	6.36	3.75	2.55
0.30% ...	0.03% ...	12.50	12.18	9.37	6.58	3.85	2.57
0.60% ...	0.05% ...	12.50	12.42	9.97	7.10	4.00	2.67
0.90% ...	0.08% ...	11.75	12.38	10.92	8.24	4.66	2.92
1.20% ...	0.10% ...	10.38	11.46	12.22	11.57	7.05	4.23
1.80% ...	0.15% ...	6.44	8.64	10.28	11.22	12.09	8.31
2.40% ...	0.20% ...	4.45	5.39	7.56	9.40	11.29	9.87
3.00% ...	0.25% ...	3.40	3.88	4.75	6.93	10.02	9.37

B Weighted Average Life to Maturity (in Years, without modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.25% ...	0.00% ...	9.82	10.28	10.65	10.64	8.13	5.90
0.50% ...	0.00% ...	7.18	8.10	8.82	9.33	7.65	5.67
1.00% ...	0.00% ...	3.51	4.10	5.23	6.34	6.82	5.39
1.50% ...	0.00% ...	2.28	2.50	2.83	3.44	5.74	6.11
2.00% ...	0.00% ...	1.68	1.80	1.95	2.17	3.57	5.56
3.00% ...	0.00% ...	1.10	1.14	1.20	1.27	1.49	2.38
4.00% ...	0.00% ...	0.81	0.83	0.86	0.89	0.99	1.15
5.00% ...	0.00% ...	0.63	0.65	0.67	0.69	0.74	0.81

B Weighted Average Life to Maturity (in Years, with modifications)

<u>CER⁽¹⁾</u>	<u>RM⁽²⁾</u>	<u>0% CPR</u>	<u>5% CPR</u>	<u>10% CPR</u>	<u>15% CPR</u>	<u>25% CPR</u>	<u>35% CPR</u>
0.15% ...	0.01% ...	10.88	11.16	11.38	11.13	8.32	5.98
0.30% ...	0.03% ...	9.29	9.84	10.28	10.39	8.03	5.87
0.60% ...	0.05% ...	5.99	7.23	8.09	8.76	7.45	5.58
0.90% ...	0.08% ...	3.62	4.43	5.90	6.90	6.90	5.32
1.20% ...	0.10% ...	2.44	2.77	3.37	5.04	6.73	5.70
1.80% ...	0.15% ...	1.41	1.50	1.62	1.79	2.83	5.56
2.40% ...	0.20% ...	0.99	1.03	1.08	1.14	1.33	2.02
3.00% ...	0.25% ...	0.76	0.78	0.81	0.84	0.93	1.08

(1) "CER" is Credit Event Rate, which is the assumed constant rate of Reference Obligations becoming Credit Event Reference Obligations each month relative to the then outstanding aggregate principal balance of Reference Obligations.

(2) "RM" is the assumed amount by which the weighted average coupon is assumed to be reduced due to Modification Events, as described further in the Offering Circular.

Select Research Articles on CRT

Historical Performance Presentation is available on Freddie Mac Credit Risk Transfer Website

BAML: Credit Risk Transfer Monitor	Monthly
BAML: Non-agency MBS Weekly	Weekly
Barclays: Credit Alpha Weekly	Weekly
BNP Paribas: CRT Report	Monthly
Citi: Mortgage Credit Weekly	Weekly
Credit Suisse: Agency Credit Loss Severity Drivers	4/6/2015
Credit Suisse: Agency Loan Modification Loss Drivers	5/14/2015
Credit Suisse: The CS CRT Compendium	1/6/2016
Deutsche Bank: The Outlook in MBS and Securitized Products	Weekly
JP Morgan: GSE Risk-sharing Deals Analytics -- Non-agency RMBS Analytics Package	Daily
JP Morgan: Securitized Products Weekly	Weekly
MS: Risk Transfer Insights	Monthly
Nomura: Securitized Products Weekly	Weekly

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