



Freddie Mac Announces the Issuance Schedule for Mirror Exchanges and a New Prefix Library

April 4, 2018

As we continue our progress toward the implementation of the Single Security Initiative on June 3, 2019, we're sharing more information to help you prepare for the PC and Giant exchange program that Freddie Mac will offer. The exchange program – which we expect to begin in May 2019 – will enable you to exchange your eligible 45-day PCs and Giants for corresponding 55-day “mirror” mortgage-backed securities. Freddie Mac will create mirror securities on a one-for-one basis for all eligible 45-day securities.

Mirror Issuance and Disclosures

On or about August 7, 2018, (after the August factor file release), Freddie Mac will commence issuance of mirror securities for the exchange-eligible fixed-rate pools. We will slowly increase mirror issuance over several business days, culminating in about 5,000 mirrors issued per business day. The first few business days' issuances will be small to give you an opportunity to closely review the mirror securities and the accompanying disclosures.

We will try to avoid issuing large numbers of mirrors on SIFMA Class A and Class B Settlement Dates, and we will avoid broadcast and settlement during the first 4 business days of the month and the last business day of the month. With over 70,000 eligible CUSIPs issuing all the mirrors will take about 8 weeks.

Additional details about our mirror issuance process:

- Mirror securities will appear on the Daily New Issue file (Security Core and Supplemental Files)
- When issued, the mirror securities will have the same factor as their 45-day counterparts
- In the Seller Name and Servicer Name attribute fields on the disclosure files, mirrors will use “SCR - Mirror” to denote that they are Single Class Resecuritizations and mirrors
- Mirror security pools will be assigned new pool numbers in the ZA-ZZ range
- During the initial Mirror issuance period, we will create mirror securities for newly-issued 45-day Gold PCs that are issued
- We plan to perform at least two more “catch-up” issuances of mirrors for eligible 45-day securities that are issued after the initial mirror release
- Freddie Mac's exchange program will be available for all 45-day securities – both TBA- and non-TBA eligible pools -- that are not fully committed to a res securitization
- We'll publish Daily New Issue and Supplemental test files for mirror securities by the end of this month



Updated Freddie Mac Prefixes and Mapping of 45-Day to 55-Day

Freddie Mac is providing a new pool prefix library to show future and existing prefixes. The prefix library provides a mapping for current 45-day securities to the new 55-day UMBS (TBA-eligible) and non-TBA-eligible MBS.

We have published the prefix library as a spreadsheet that will enable sorting by payment delay (45-, 55-, or 75-day delay), product types, and other security attributes. As we have communicated previously, UMBS issued by either Enterprise will follow Fannie Mae's current prefixes: CL, CT, CI, and CN. The entire prefix library can be found [here](#) and as a quick link on our Mortgage Securities web page.

Questions? Please email us at single_security@freddiemac.com.