September 18, 2020

**Freddie Mac Evaluating the Potential Impact of LIBOR Cessation on Legacy CMO Bonds that Used the “BBA Method”**

Freddie Mac is currently evaluating the potential resecuritization impact of LIBOR being declared unrepresentative prior to the permanent cessation of LIBOR on our legacy LIBOR-indexed CMOs that used the “BBA Method.” Specifically, such affected CMOs are the LIBOR-indexed CMOs issued between December 1997 and February 2014, excluding the CMOs listed in the attachment (which used the “LIBO Method” during the same time period). We refer to such affected CMOs collectively as the “BBA CMOs.” During this evaluation period Freddie Mac does not anticipate including any BBA CMOs in its new REMIC issuance. In addition, Fannie Mae has announced that, during this evaluation period, Fannie Mae does not anticipate including any Freddie Mac-issued BBA CMOs in Fannie Mae new REMIC issuance.

We are not restricting the resecuritization of any other cohort of legacy CMOs at this time. The company will provide updated information when appropriate.

If you have any questions, please contact Investor Inquiry at Investor_Inquiry@freddiemac.com.

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