

FOR IMMEDIATE RELEASE

May 14, 2019

MEDIA CONTACT: Fred Solomon

703-903-3861

Frederick_Solomon@freddiemac.com

Freddie Mac Sells \$307 Million in NPLs

Awards 3 SPO Pools to 2 Winners

McLean, Va. - Freddie Mac (OTCQB: FMCC) today announced it sold via auction 1,789 non-performing residential first lien loans (NPLs) from its mortgage-related investments portfolio. The loans, totaling approximately \$307 million, are currently serviced by NewRez LLC, doing business as Shellpoint Mortgage Servicing. The transaction is expected to settle in July 2019. The sale is part of Freddie Mac's Standard Pool Offerings (SPO®). Bids for the upcoming Extended Timeline Pool Offering (EXPO), which is a smaller sized pool of loans, are due from qualified bidders by May 21, 2019. Freddie Mac, through its advisors, began marketing the transaction on April 11, 2019 to potential bidders, including non-profits and Minority, Women, Disabled, LGBT, Veteran or Service-Disabled Veteran-Owned Businesses (MWDOBs), neighborhood advocacy organizations and private investors active in the NPL market.

For the SPO® offerings, the loans were offered as three separate pools of mortgage loans. The three pools consist of mortgage loans secured by geographically diverse properties. Investors had the flexibility to bid on each pool individually and/or any combination of pools.

Given the delinquency status of the loans, the borrowers have likely been evaluated previously for or are already in various stages of loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 57 percent of the aggregate pool balance. Additionally, purchasers are required to solicit

distressed borrowers for additional assistance except in limited cases and ensure all pending loss mitigation actions are completed.

The SPO® pools and winning bidders are summarized below:

Description	Pool #1	Pool #2	Pool #3
Unpaid Principal Balance	\$93.5 million	\$127.8 million	\$86.1 million
Loan Count	512	857	420
CLTV Range (in %)	All	Less than or equal to 90	Greater than 90
BPO-weighted* CLTV (in %)	74	67	115
Average Months Delinquent	20	28	28
Average Loan Balance (in \$000s)	182.5	149.2	205.1
Geographical Distribution	National	National	National
Winning Bidder	InSolve Global Credit Fund IV, L.P.	Elkhorn Depositor LLC	Elkhorn Depositor LLC
Cover Bid Price (second-highest bid price)	High 80s area	Low 90s area	High 50s area

*Broker Price Opinions (BPOs)

Advisors to Freddie Mac on the transaction are Bank of America Merrill Lynch and First Financial Network, Inc., a woman-owned business.

Freddie Mac's seasoned loan offerings are focused on reducing less-liquid assets in the company's mortgage-related investments portfolio in an economically sensible way. This includes sales of NPLs, securitizations of re-performing loans (RPLs) and structured RPL transactions.

To date, Freddie Mac has sold \$8 billion of NPLs and securitized more than \$50 billion of RPLs consisting of \$29 billion via fully guaranteed PCs, \$18 billion via Seasoned Credit Risk Transfer (SCRT) senior/sub securitizations, and \$3 billion via Seasoned Loans Structured Transaction (SLST) offerings. [Requirements](#) guiding the servicing of

these transactions are focused on improving borrower outcomes and stabilizing communities. Additional information about Freddie Mac's seasoned loan offerings is available at <http://www.freddie.mac.com/seasonedloanofferings/>

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at FreddieMac.com, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

###