

\$2,053,941,000**Freddie Mac****Seasoned Credit Risk Transfer Trust,
Series 2017-2**

Issuer:	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2
Offered Certificates:	Classes of Certificates shown in the table below and MACR Certificates shown on <u>Schedule I</u>
Trust Assets:	Two groups of seasoned, fixed-rate and step-rate, first lien re-performing Mortgage Loans
Sponsor, Seller, Trustee and Guarantor of Offered Certificates:	Freddie Mac
Servicer:	Nationstar Mortgage LLC
Securities Administrator:	U.S. Bank National Association
Custodian:	Wells Fargo Bank, N.A.
Trust Agent:	Wilmington Trust, National Association
Distribution Dates:	Monthly beginning in August 2017
Optional Termination:	The Trust is subject to optional termination as described in this Offering Circular
Form of Offered Certificates:	Book-entry on the depository system of DTC
Offering Terms:	The underwriters named below are offering the Offered Certificates in negotiated transactions at varying prices
Closing Date:	August 11, 2017

<u>Class(1)</u>	<u>Initial Class Principal Amount(2)</u>	<u>Class Coupon</u>	<u>CUSIP Number</u>	<u>Stated Final Distribution Date</u>
Group M				
Class MA	\$594,346,000	3.000%	35563PBC2	August 25, 2056
Class MB	\$198,115,000	3.000%	35563PBD0	August 25, 2056
Group H				
Class HA	\$946,110,000	(3)	35563PBF5	August 25, 2056
Class HB	\$315,370,000	(3)	35563PBG3	August 25, 2056

(1) Exchangeable Certificates may be exchanged for MACR Certificates in the combinations set forth on Schedule I.

(2) Approximate. May vary up to 10%.

(3) The Class Coupon of the Class HA and Class HB Certificates will be a per annum rate equal to 2.000% for the Distribution Dates occurring in August 2017 through January 2018, 2.250% for the Distribution Dates occurring in February 2018 through July 2018, 2.500% for the Distribution Dates occurring in August 2018 through January 2019, 2.750% for the Distribution Dates occurring in February 2019 through July 2019 and 3.000% beginning on the Distribution Date occurring in August 2019 and thereafter.

In addition to the Offered Certificates, the Trust will issue the Class A-IO, Class M-1, Class M-2, Class B, Class B-IO, Class XS-IO, Class MI, Class R and Class RS Certificates (the "Non-Offered Certificates"). Only the Offered Certificates are offered by this Offering Circular. Information about the Non-Offered Certificates is included in this Offering Circular to help you understand the Offered Certificates.

The Offered Certificates are complex financial instruments and may not be suitable investments for you. You should not purchase Offered Certificates unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield and market risks of investing in them. "Risk Factors" beginning on page 20 highlights some of these risks.

You should purchase Offered Certificates only if you have read and understood this Offering Circular and the documents listed under "Additional Information".

Freddie Mac guarantees timely payment of interest at the applicable Class Coupon and the payment of principal as described herein, including payment in full by the Stated Final Distribution Date, on the Offered Certificates. These distributions are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac. The Offered Certificates are not tax-exempt. Because of applicable securities law exemptions, the Offered Certificates are not registered with any federal or state securities commission. No securities commission has reviewed this Offering Circular.

The Index of Significant Definitions beginning on page 141 of this Offering Circular indicates where definitions of certain defined terms appear in this Offering Circular.

Credit Suisse

Lead Manager and Sole Bookrunner

Wells Fargo Securities
Co-Manager

Citigroup
Co-Manager

Loop Capital Markets LLC
Selling Group Member

August 4, 2017

THE OFFERED CERTIFICATES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, OR RECOMMENDED BY, ANY FEDERAL, STATE OR NON-U.S. SECURITIES COMMISSION, SECURITIES REGULATORY AUTHORITY OR INSURANCE OR OTHER REGULATORY BODY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT REVIEWED THIS DOCUMENT NOR CONFIRMED OR DETERMINED THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS OFFERING CIRCULAR CONTAINS SUBSTANTIAL INFORMATION ABOUT THE OFFERED CERTIFICATES AND THE OBLIGATIONS OF THE ISSUER, THE GUARANTOR, THE SERVICER, THE SELLER, THE TRUSTEE, THE CUSTODIAN, THE SECURITIES ADMINISTRATOR AND THE TRUST AGENT WITH RESPECT TO THE OFFERED CERTIFICATES. POTENTIAL INVESTORS ARE URGED TO REVIEW THIS OFFERING CIRCULAR IN ITS ENTIRETY.

PROSPECTIVE PURCHASERS ARE NOT TO CONSTRUE THE CONTENTS OF THIS OFFERING CIRCULAR OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM FREDDIE MAC, THE TRUST AGENT, THE SECURITIES ADMINISTRATOR OR THE UNDERWRITERS OR ANY OF THEIR OFFICERS, EMPLOYEES OR AGENTS AS INVESTMENT, LEGAL, ACCOUNTING OR TAX ADVICE. PRIOR TO INVESTING IN THE OFFERED CERTIFICATES, A PROSPECTIVE PURCHASER SHOULD CONSULT WITH ITS ATTORNEY AND ITS INVESTMENT, ACCOUNTING, REGULATORY AND TAX ADVISORS TO DETERMINE THE CONSEQUENCES OF AN INVESTMENT IN THE OFFERED CERTIFICATES AND ARRIVE AT AN INDEPENDENT EVALUATION OF SUCH INVESTMENT, INCLUDING THE RISKS RELATED THERETO.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR. THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE OFFERED CERTIFICATES. THIS OFFERING CIRCULAR SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE OFFERED CERTIFICATES, IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH STATE OR OTHER JURISDICTION. THE DELIVERY OF THIS OFFERING CIRCULAR AT ANY TIME DOES NOT IMPLY THAT INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF THIS OFFERING CIRCULAR OR THE EARLIER DATES REFERENCED HEREIN.

THIS OFFERING CIRCULAR HAS BEEN PREPARED BY FREDDIE MAC SOLELY FOR USE IN CONNECTION WITH THE SALE OF THE OFFERED CERTIFICATES. IN THIS OFFERING CIRCULAR, AS THE CONTEXT MAY REQUIRE, THE TERMS “WE”, “US” AND “OUR” REFER TO FREDDIE MAC.

FREDDIE MAC IS IN CONSERVATORSHIP; POTENTIAL RECEIVERSHIP

WE CONTINUE TO OPERATE UNDER THE CONSERVATORSHIP THAT COMMENCED ON SEPTEMBER 6, 2008, CONDUCTING OUR BUSINESS UNDER THE DIRECTION OF THE FEDERAL HOUSING FINANCE AGENCY (“**FHFA**”) AS OUR CONSERVATOR (THE “**CONSERVATOR**”). UPON ITS APPOINTMENT, FHFA, AS CONSERVATOR, IMMEDIATELY SUCCEEDED TO ALL RIGHTS, TITLES, POWERS AND PRIVILEGES OF FREDDIE MAC AND OF ANY STOCKHOLDER, OFFICER OR DIRECTOR OF FREDDIE MAC WITH RESPECT TO OUR BUSINESS AND OUR ASSETS. THE CONSERVATOR HAS DIRECTED AND WILL CONTINUE TO DIRECT CERTAIN OF OUR BUSINESS ACTIVITIES AND STRATEGIES. UNDER THE FEDERAL HOUSING FINANCE REGULATORY REFORM ACT OF 2008, FHFA MUST PLACE FREDDIE MAC INTO RECEIVERSHIP IF THE DIRECTOR OF FHFA MAKES A DETERMINATION IN WRITING THAT ITS ASSETS ARE, AND FOR A PERIOD OF 60 DAYS HAVE BEEN, LESS THAN ITS OBLIGATIONS. FHFA HAS NOTIFIED FREDDIE MAC THAT THE MEASUREMENT PERIOD FOR ANY MANDATORY RECEIVERSHIP DETERMINATION WITH RESPECT TO ITS ASSETS AND OBLIGATIONS WOULD COMMENCE NO EARLIER THAN THE SEC PUBLIC FILING DEADLINE FOR ITS QUARTERLY OR ANNUAL FINANCIAL STATEMENTS AND WOULD CONTINUE FOR SIXTY (60) CALENDAR DAYS AFTER THAT DATE. FHFA HAS ALSO

ADVISED FREDDIE MAC THAT, IF, DURING THAT SIXTY (60) DAY PERIOD, FREDDIE MAC RECEIVES FUNDS FROM TREASURY IN AN AMOUNT AT LEAST EQUAL TO THE DEFICIENCY AMOUNT UNDER THE PURCHASE AGREEMENT, THE DIRECTOR OF FHFA WILL NOT MAKE A MANDATORY RECEIVERSHIP DETERMINATION.

IN ADDITION, FREDDIE MAC COULD BE PUT INTO RECEIVERSHIP AT THE DISCRETION OF THE DIRECTOR OF FHFA AT ANY TIME FOR OTHER REASONS, INCLUDING CONDITIONS THAT FHFA HAS ALREADY ASSERTED EXISTED AT THE TIME THE THEN DIRECTOR OF FHFA PLACED FREDDIE MAC INTO CONSERVATORSHIP. THESE INCLUDE: A SUBSTANTIAL DISSIPATION OF ASSETS OR EARNINGS DUE TO UNSAFE OR UNSOUND PRACTICES; THE EXISTENCE OF AN UNSAFE OR UNSOUND CONDITION TO TRANSACT BUSINESS; AN INABILITY TO MEET OUR OBLIGATIONS IN THE ORDINARY COURSE OF BUSINESS; A WEAKENING OF OUR CONDITION DUE TO UNSAFE OR UNSOUND PRACTICES OR CONDITIONS; CRITICAL UNDERCAPITALIZATION; THE LIKELIHOOD OF LOSSES THAT WILL DEplete SUBSTANTIALLY ALL OF OUR CAPITAL; OR BY CONSENT. A RECEIVERSHIP WOULD TERMINATE THE CURRENT CONSERVATORSHIP.

IF FHFA WERE TO BECOME FREDDIE MAC'S RECEIVER, IT COULD EXERCISE CERTAIN POWERS THAT COULD ADVERSELY AFFECT THE OFFERED CERTIFICATES.

IN ITS CAPACITY AS RECEIVER, FHFA WOULD HAVE THE RIGHT TO TRANSFER OR SELL ANY ASSET OR LIABILITY OF FREDDIE MAC, INCLUDING ITS OBLIGATION TO MAKE GUARANTOR PAYMENTS ON THE OFFERED CERTIFICATES, WITHOUT ANY APPROVAL, ASSIGNMENT OR CONSENT OF ANY PARTY. IF FHFA, AS RECEIVER, WERE TO TRANSFER SUCH OBLIGATION TO ANOTHER PARTY, HOLDERS OF THE OFFERED CERTIFICATES WOULD HAVE TO RELY ON THAT PARTY FOR SATISFACTION OF THE OBLIGATION AND WOULD BE EXPOSED TO THE CREDIT RISK OF THAT PARTY.

DURING A RECEIVERSHIP, CERTAIN RIGHTS OF HOLDERS OF THE CERTIFICATES MAY NOT BE ENFORCEABLE AGAINST FHFA, OR ENFORCEMENT OF SUCH RIGHTS MAY BE DELAYED.

THE REFORM ACT ALSO PROVIDES THAT NO PERSON MAY EXERCISE ANY RIGHT OR POWER TO TERMINATE, ACCELERATE OR DECLARE AN EVENT OF DEFAULT UNDER CERTAIN CONTRACTS TO WHICH FREDDIE MAC IS A PARTY, OR OBTAIN POSSESSION OF OR EXERCISE CONTROL OVER ANY PROPERTY OF FREDDIE MAC, OR AFFECT ANY CONTRACTUAL RIGHTS OF FREDDIE MAC, WITHOUT THE APPROVAL OF FHFA AS RECEIVER, FOR A PERIOD OF NINETY (90) DAYS FOLLOWING THE APPOINTMENT OF FHFA AS RECEIVER.

IMPORTANT NOTICE REGARDING THE OFFERED CERTIFICATES

IF ANY OF THE TRUSTEE, THE ISSUER OR AN UNDERWRITER DETERMINES THAT A CONDITION IS NOT SATISFIED IN ANY MATERIAL RESPECT, SUCH PROSPECTIVE INVESTOR WILL BE NOTIFIED, AND NONE OF THE TRUSTEE, THE ISSUER OR THE UNDERWRITERS WILL HAVE ANY OBLIGATION TO SUCH PROSPECTIVE INVESTOR TO DELIVER ANY PORTION OF THE OFFERED CERTIFICATES WHICH SUCH PROSPECTIVE INVESTOR HAS COMMITTED TO PURCHASE, AND THERE WILL BE NO LIABILITY BETWEEN THE UNDERWRITERS OR ANY OF THEIR RESPECTIVE AGENTS OR AFFILIATES, ON THE ONE HAND, AND SUCH PROSPECTIVE INVESTOR, ON THE OTHER HAND, AS A CONSEQUENCE OF THE NON-DELIVERY.

TO THE EXTENT THAT INVESTORS CHOOSE TO UTILIZE THIRD PARTY PREDICTIVE MODELS IN CONNECTION WITH CONSIDERING AN INVESTMENT IN THE OFFERED CERTIFICATES, NEITHER FREDDIE MAC NOR THE UNDERWRITERS MAKE ANY REPRESENTATION OR WARRANTY REGARDING THE ACCURACY, COMPLETENESS OR APPROPRIATENESS OF ANY INFORMATION OR REPORTS GENERATED BY SUCH MODELS, INCLUDING, WITHOUT LIMITATION, WHETHER THE OFFERED CERTIFICATES OR THE MORTGAGE LOANS WILL PERFORM IN A MANNER CONSISTENT THEREWITH.

NONE OF THE ISSUER, SPONSOR, SELLER OR GUARANTOR MAKES ANY REPRESENTATION OR WARRANTY REGARDING ANY ORIGINATORS OF THE MORTGAGE LOANS (INCLUDING ANY PERSON THAT HAS MODIFIED A MORTGAGE LOAN) OR THEIR UNDERWRITING PRACTICES AND PROCEDURES. CONSEQUENTLY, THIS OFFERING CIRCULAR DOES NOT CONTAIN ANY INFORMATION ABOUT THE ORIGINATORS OF THE MORTGAGE LOANS (INCLUDING ANY PERSON THAT HAS MODIFIED A MORTGAGE LOAN) OR THEIR RESPECTIVE LOAN ORIGINATION OR MODIFICATION PRACTICES, OR THE STANDARDS OR GUIDELINES UNDER WHICH THE MORTGAGE LOANS WERE ORIGINATED, UNDERWRITTEN, QUALITY-CHECKED, REVIEWED, MODIFIED OR SERVICED BY ANY PERSON OR ENTITY (INCLUDING, BUT NOT LIMITED TO, THE APPLICATION, CONTENTS OR EXISTENCE OF SUCH STANDARDS OR GUIDELINES).

IMPORTANT NOTICE ABOUT INFORMATION PRESENTED IN THIS OFFERING CIRCULAR

THE INFORMATION CONTAINED IN THESE MATERIALS MAY BE BASED ON ASSUMPTIONS REGARDING MARKET CONDITIONS AND OTHER MATTERS AS REFLECTED HEREIN. NO REPRESENTATION IS MADE REGARDING THE REASONABLENESS OF SUCH ASSUMPTIONS OR THE LIKELIHOOD THAT ANY SUCH ASSUMPTIONS WILL COINCIDE WITH ACTUAL MARKET CONDITIONS OR EVENTS, AND THESE MATERIALS SHOULD NOT BE RELIED UPON FOR SUCH PURPOSES. THE UNDERWRITERS AND THEIR AFFILIATES, OFFICERS, DIRECTORS, PARTNERS AND EMPLOYEES, INCLUDING PERSONS INVOLVED IN THE PREPARATION OR ISSUANCE OF THIS OFFERING CIRCULAR, MAY FROM TIME TO TIME HAVE LONG OR SHORT POSITIONS IN, AND BUY AND SELL, THE CERTIFICATES MENTIONED HEREIN OR DERIVATIVES THEREOF (INCLUDING OPTIONS). IN ADDITION, THE UNDERWRITERS AND THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, PARTNERS AND EMPLOYEES, INCLUDING PERSONS INVOLVED IN THE PREPARATION OR ISSUANCE OF THIS OFFERING CIRCULAR, MAY HAVE AN INVESTMENT OR COMMERCIAL BANKING RELATIONSHIP WITH US. SEE “*RISK FACTORS — THE INTERESTS OF FREDDIE MAC, THE UNDERWRITERS AND OTHERS MAY CONFLICT WITH AND BE ADVERSE TO THE INTERESTS OF THE CERTIFICATEHOLDERS — POTENTIAL CONFLICTS OF INTEREST OF THE UNDERWRITERS AND THEIR AFFILIATES*”. INFORMATION IN THIS OFFERING CIRCULAR IS CURRENT AS OF THE DATE APPEARING ON THE MATERIAL ONLY. INFORMATION IN THIS OFFERING CIRCULAR REGARDING ANY OFFERED CERTIFICATES SUPERSEDES ALL PRIOR INFORMATION REGARDING SUCH OFFERED CERTIFICATES. THE OFFERED CERTIFICATES MAY NOT BE SUITABLE FOR ALL PROSPECTIVE INVESTORS.

FORWARD LOOKING STATEMENTS

This Offering Circular contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “**Securities Act**”). Specifically, forward looking statements, together with related qualifying language and assumptions, are found in the material (including the tables) under the headings “*Risk Factors*” and “*Prepayment and Yield Considerations*” and in the appendices. Forward looking statements are also found in other places throughout this Offering Circular, and may be identified by, among other things, accompanying language such as “expects,” “intends,” “anticipates,” “estimates” or analogous expressions, or by qualifying language or assumptions. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results or performance to differ materially from that described in or implied by the forward looking statements. These risks, uncertainties and other factors include, among others, general economic and business conditions, competition, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, customer preference and various other matters, many of which are beyond Freddie Mac’s control. These forward looking statements speak only as of the date of this Offering Circular. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward looking statements to reflect changes in our expectations with regard to those statements or any change in events, conditions or circumstances on which any forward looking statement is based.

FREDDIE MAC

General

Freddie Mac was chartered by Congress in 1970 under the Federal Home Loan Mortgage Corporation Act (the “**Freddie Mac Act**”) with a public mission to stabilize the nation’s residential mortgage markets and expand opportunities for homeownership and affordable rental housing.

Our statutory mission is to provide liquidity, stability and affordability to the U.S. housing market. We are involved in the U.S. housing market by participating in the secondary mortgage market. We do not participate directly in the primary mortgage market. Our participation in the secondary mortgage market includes providing our credit guarantee for mortgages originated by mortgage lenders in the primary mortgage market and investing in mortgage loans and mortgage-related securities.

Although we are chartered by Congress, we alone are responsible for making payments on our securities. Neither the U.S. government nor any agency or instrumentality of the U.S. government, other than Freddie Mac, guarantees our securities and other obligations.

Our statutory mission, as defined in our charter, is:

- To provide stability in the secondary market for residential mortgages;
- To respond appropriately to the private capital market;
- To provide ongoing assistance to the secondary market for residential mortgages (including activities related to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return received on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and
- To promote access to mortgage credit throughout the U.S. (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

Conservatorship and Related Matters

The Federal Housing Finance Regulatory Reform Act of 2008 (the “**Reform Act**”) became law on July 30, 2008, and was effective immediately. The Reform Act established FHFA as an independent agency with general supervisory and regulatory authority over Freddie Mac. FHFA assumed the duties of Freddie Mac’s former

regulators, the Office of Federal Housing Enterprise Oversight and the U.S. Department of Housing and Urban Development (“**HUD**”), with respect to safety, soundness and mission oversight of Freddie Mac. HUD remains Freddie Mac’s regulator with respect to fair lending matters.

We continue to operate under the conservatorship that commenced on September 6, 2008, conducting our business under the direction of FHFA as our Conservator. Upon its appointment, FHFA, as Conservator, immediately succeeded to all rights, titles, powers and privileges of Freddie Mac and of any stockholder, officer or director of Freddie Mac with respect to our business and our assets. The Conservator has directed and will continue to direct certain of our business activities and strategies. The Conservator has delegated certain authority to our Board of Directors to oversee, and to management to conduct, day-to-day operations. The directors serve on behalf of, and exercise authority as directed by, the Conservator. There is significant uncertainty as to whether or when we will emerge from conservatorship, as there is no specified termination date, and as to what changes may occur to our business structure during or following conservatorship, including whether we will continue to exist. While we are not aware of any current plans of our Conservator to significantly change our business model or capital structure in the near-term, there are likely to be significant changes beyond the near-term that will be decided by Congress and the new presidential administration that took office on January 20, 2017. We have no ability to predict what regulatory and legislative policies or actions the new presidential administration will pursue with respect to Freddie Mac. See “*Risk Factors — Risks Relating to Freddie Mac*”.

On February 11, 2011, the Obama Administration delivered a report to Congress that laid out the Obama Administration’s plan to reform the U.S. housing finance market, including options for structuring the government’s long-term role in a housing finance system in which the private sector is the dominant provider of mortgage credit. The report recommends winding down Freddie Mac and the Federal National Mortgage Association (“**Fannie Mae**”), stating that the Obama Administration would work with FHFA to determine the best way to responsibly reduce the role of Freddie Mac and Fannie Mae in the market and ultimately wind down both institutions. The report stated that these efforts must be undertaken at a deliberate pace, which takes into account the impact that these changes will have on mortgagors and the housing market.

The report stated that the government is committed to ensuring that Freddie Mac and Fannie Mae have sufficient capital to perform under any guarantees issued now or in the future and the ability to meet any of their debt obligations, and further stated that the Obama Administration will not pursue policies or reforms in a way that would impair the ability of Freddie Mac and Fannie Mae to honor their obligations. The report stated the Obama Administration’s belief that, under the companies’ senior preferred stock purchase agreements (with respect to the agreement, as amended, with Freddie Mac, the “**Purchase Agreement**”) with the U.S. Department of the Treasury (“**Treasury**”), there was sufficient funding to ensure the orderly and deliberate wind down of Freddie Mac and Fannie Mae, as described in the Obama Administration’s plan.

In May 2014, FHFA issued its 2014 Strategic Plan. The 2014 Strategic Plan updated FHFA’s vision for implementing its obligations as Conservator of Freddie Mac and Fannie Mae, and established three (3) reformulated strategic goals for the conservatorships of Freddie Mac and Fannie Mae:

- Maintain, in a safe and sound manner, foreclosure prevention activities and credit availability for new and refinanced mortgages to foster liquid, efficient, competitive and resilient national housing finance markets.
- Reduce taxpayer risk through increasing the role of private capital in the mortgage market.
- Build a new single-family securitization infrastructure for use by Freddie Mac and Fannie Mae and adaptable for use by other participants in the secondary market in the future.

FHFA issues Conservatorship Scorecards that establish annual objectives and performance targets and measures for Freddie Mac and Fannie Mae related to the strategic goals set forth in the 2014 Strategic Plan. FHFA issued the 2014, 2015, 2016 and 2017 Conservatorship Scorecards in May 2014, January 2015, December 2015 and December 2016, respectively.

We are a government-sponsored enterprise with a specific and limited corporate purpose (i.e., “**Charter Mission**”) to support the liquidity, stability and affordability of U.S. housing mortgage markets as a participant

in the secondary mortgage market, while operating as a commercial enterprise earning an appropriate return. Everything we do must be done within the specific constraints of our Charter Mission.

Our primary business strategies center around two overarching goals — a better Freddie Mac and a better housing finance system — as we plan to pursue our Charter Mission over a timeframe of the next two (2) to four (4) years, or approximately through 2018 to 2020. Our core assumption is that the conservatorship will continue with no material changes during that period. These strategies complement FHFA's annual Conservatorship Scorecards.

In creating a better Freddie Mac, we are focused on operating as a well-run large financial institution, by (i) being an effective operating organization, (ii) being a market leader through customer focus and innovation and (iii) managing risk and economic capital to earn quality risk-adjusted returns. In creating a better housing finance system, we are focused on providing leadership, through innovation and a constructive forward-looking engagement with FHFA to improve the liquidity, stability, and affordability of the U.S. housing markets, by (i) modernizing and improving the functioning of the mortgage markets, (ii) developing greater responsible access to housing finance and (iii) reducing taxpayer exposure to mortgage risks.

For information on the 2017 Conservatorship Scorecard, see our current report on Form 8-K dated December 15, 2016.

Purchase Agreement

On September 7, 2008, we, through FHFA, in its capacity as Conservator, and Treasury entered into the Purchase Agreement. The Purchase Agreement was subsequently amended and restated on September 26, 2008, and further amended on May 6, 2009, December 24, 2009, and August 17, 2012. Pursuant to the Purchase Agreement, on September 8, 2008 we issued to Treasury: (a) one million shares of variable liquidation preference senior preferred stock (with an initial liquidation preference of \$1.0 billion), which we refer to as the senior preferred stock; and (b) a warrant to purchase, for a nominal price, shares of our common stock equal to 79.9% of the total number of shares of our common stock outstanding on a fully diluted basis at the time the warrant is exercised, which we refer to as the warrant. We did not receive any cash proceeds from Treasury as a result of issuing the senior preferred stock or the warrant. However, deficits in our net worth have made it necessary for us to make substantial draws on Treasury's funding commitment under the Purchase Agreement. As a result, the aggregate liquidation preference of the senior preferred stock has increased from \$1.0 billion as of September 8, 2008 to \$72.3 billion as of March 31, 2017. Under the Purchase Agreement, our ability to repay the liquidation preference of the senior preferred stock is limited and we will not be able to do so for the foreseeable future, if at all.

As of March 31, 2017, the amount of available funding remaining under the Purchase Agreement was \$140.5 billion. This amount will be reduced by any future draws.

In addition to the issuance of the senior preferred stock and warrant, we are required under the Purchase Agreement to pay a quarterly commitment fee to Treasury. Under the Purchase Agreement, the fee is to be determined in an amount mutually agreed to by us and Treasury with reference to the market value of Treasury's funding commitment as then in effect. However, for each quarter commencing January 1, 2013, by agreement with Treasury, no periodic commitment fee under the Purchase Agreement will be set, accrue or be payable. Treasury had waived the fee for all applicable quarters prior to that date.

The Purchase Agreement provides that, on a quarterly basis, we generally may draw funds up to the amount, if any, by which our total liabilities exceed our total assets, as reflected on our GAAP balance sheet for the applicable fiscal quarter (referred to as the deficiency amount), provided that the aggregate amount funded under the Purchase Agreement may not exceed Treasury's commitment. The Purchase Agreement provides that the deficiency amount will be calculated differently if we become subject to receivership or other liquidation process. The deficiency amount may be increased above the otherwise applicable amount upon our mutual written agreement with Treasury. In addition, if the Director of FHFA determines that the Director will be mandated by law to appoint a receiver for us unless our capital is increased by receiving funds under the commitment in an amount up to the deficiency amount (subject to the maximum amount that may be funded under the Purchase Agreement), then FHFA, in its capacity as our Conservator, may request that Treasury

provide funds to us in such amount. The Purchase Agreement also provides that, if we have a deficiency amount as of the date of completion of the liquidation of our assets, we may request funds from Treasury in an amount up to the deficiency amount (subject to the maximum amount that may be funded under the agreement). Any amounts that we draw under the Purchase Agreement will be added to the liquidation preference of the senior preferred stock. No additional shares of senior preferred stock are required to be issued under the Purchase Agreement.

The Purchase Agreement provides that Treasury's funding commitment will terminate under any of the following circumstances: (a) the completion of our liquidation and fulfillment of Treasury's obligations under its funding commitment at that time; (b) the payment in full of, or reasonable provision for, all of our liabilities (whether or not contingent, including mortgage guarantee obligations); and (c) the funding by Treasury of the maximum amount of the commitment under the Purchase Agreement. In addition, Treasury may terminate its funding commitment and declare the Purchase Agreement null and void if a court vacates, modifies, amends, conditions, enjoins, stays or otherwise affects the appointment of the Conservator or otherwise curtails the Conservator's powers. Treasury may not terminate its funding commitment under the Purchase Agreement solely by reason of our being in conservatorship, receivership or other insolvency proceeding, or due to our financial condition or any adverse change in our financial condition.

The Purchase Agreement provides that most provisions of the agreement may be waived or amended by mutual written agreement of the parties; however, no waiver or amendment of the agreement is permitted that would decrease Treasury's aggregate funding commitment or add conditions to Treasury's funding commitment if the waiver or amendment would adversely affect in any material respect the holders of our debt securities or Freddie Mac mortgage guarantee obligations.

In the event of a default on our obligations with respect to the Offered Certificates or Freddie Mac mortgage guarantee obligations, if Treasury fails to perform its obligations under its funding commitment and if we and/or the Conservator are not diligently pursuing remedies in respect of that failure, the holders of these securities or Freddie Mac mortgage guarantee obligations may file a claim in the United States Court of Federal Claims for relief requiring Treasury to fund to us the lesser of: (a) the amount necessary to cure the guarantee defaults on the Offered Certificates and Freddie Mac mortgage guarantee obligations; or (b) the lesser of: (i) the deficiency amount and (ii) the maximum amount of the commitment less the aggregate amount of funding previously provided under the commitment. Any payment that Treasury makes under those circumstances will be treated for all purposes as a draw under the Purchase Agreement that will increase the liquidation preference of the senior preferred stock.

The Purchase Agreement has an indefinite term and can terminate only in limited circumstances, which do not include the end of the conservatorship. The Purchase Agreement therefore could continue after the conservatorship ends.

We are dependent upon the continued support of Treasury and FHFA in order to continue operating our business. Our ability to access funds from Treasury under the Purchase Agreement is critical to keeping us solvent and avoiding appointment of a receiver by FHFA under statutory mandatory receivership provisions. Any deterioration in our financial position and any discontinued support of the Treasury could result in Realized Losses and Certificate Writedown Amounts being allocated to the Offered Certificates in the absence of the Guarantee.

ADDITIONAL INFORMATION

Our common stock is registered with the U.S. Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934 (“Exchange Act”). We file reports and other information with the SEC.

As described below, we incorporate certain documents by reference in this Offering Circular, which means that we are disclosing information to you by referring you to those documents rather than by providing you with separate copies. We incorporate by reference in this Offering Circular (1) our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on February 16, 2017; (2) all other reports we have filed with the SEC pursuant to Section 13(a) of the Exchange Act since the end of the year covered by that Form 10-K report, excluding any information we “furnish” to the SEC on Form 8-K; and (3) all documents that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act after the date of this Offering Circular and prior to the termination of the offering of the Certificates, excluding any information we “furnish” to the SEC on Form 8-K. These documents are collectively referred to as the “**Incorporated Documents**” and are considered part of this Offering Circular. You should read this Offering Circular in conjunction with the Incorporated Documents. Information that we incorporate by reference will automatically update information in this Offering Circular. Therefore, you should rely only on the most current information provided or incorporated by reference in this Offering Circular.

You may read and copy any document we file with the SEC at the SEC’s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

After the Closing Date, you can obtain, without charge, copies of this Offering Circular, the Incorporated Documents and the Pooling and Servicing Agreement to be dated as of the Closing Date among the Seller, Guarantor, Trustee, Servicer, Trust Agent and Securities Administrator (the “**Pooling and Servicing Agreement**”) from.

Freddie Mac — Investor Inquiry
1551 Park Run Drive
McLean, Virginia 22102-3110
Telephone: 1-800-336-3672
(571-382-4000 within the Washington, D.C. area)
E-mail: Investor_Inquiry@freddiemac.com

We also make the Offering Circular and Incorporated Documents available on our internet website at this address: www.freddiemac.com¹.

Loan-level information provided in this Offering Circular and made available on the Securities Administrator’s internet website² is based upon information reported and furnished to us by the prior servicers of the Mortgage Loans (i) at the time we purchased the Mortgage Loans, (ii) through subsequent data revisions and (iii) in monthly servicing updates. Except as described in this Offering Circular, we did not verify the information reported and furnished to us by the prior servicers. The Securities Administrator has not participated in the preparation of this Offering Circular and makes no representation or warranty as to the accuracy of the information contained herein.

¹ We provide this and other internet addresses solely for the information of investors. We do not intend these internet addresses to be active links and we are not using references to these addresses to incorporate additional information into this Offering Circular, except as specifically stated in this Offering Circular.

² An investor may access the loan-level information through the Securities Administrator’s website, subject to the terms and conditions therein, by clicking on www.usbank.com/abs.

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TRANSACTION SUMMARY

On the Closing Date, Freddie Mac will deposit certain seasoned mortgage loans (the “**Mortgage Loans**”) into the Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2 (the “**Trust**”). The Trust will issue the Class MA, Class MB, Class MT, Class HA, Class HB, Class HT, Class A-IO, Class M-1, Class M-2, Class B, Class B-IO, Class XS-IO, Class MI, Class R and Class RS (each a “**Class**” and, collectively, the “**Classes**”) Certificates (each a “**Certificate**” and, collectively, the “**Certificates**”), and such Classes represent interests in the assets of the Trust. The Class MA, Class MB, Class HA and Class HB Certificates (collectively, the “**Exchangeable Certificates**”) are modifiable and combinable with the Modifiable and Combinable REMIC Certificates (the “**MACR Certificates**” and, together with the Exchangeable Certificates, the “**Offered Certificates**”), identified on Schedule I and vice versa. As described in this Offering Circular, Freddie Mac is guaranteeing the timely payment of interest at the applicable Class Coupon and the payment of principal as described herein, including payment in full by the Stated Final Distribution Date, of the Offered Certificates. Freddie Mac, as sponsor of the securitization in which the Certificates are to be issued, will not, other than as described herein, retain credit risk pursuant to the provisions of FHFA’s Credit Risk Retention Rule (12 C.F.R. Part 1234) (the “**Risk Retention Rule**”) governing residential single-family securitizations because FHFA, as conservator and in furtherance of the goals of the conservatorship, has exercised its authority under Section 1234.12(f)(3) of the Risk Retention Rule to direct Freddie Mac to sell or otherwise hedge the credit risk that Freddie Mac otherwise would be required to retain under the Risk Retention Rule and has instructed Freddie Mac to take such action necessary to effect this outcome. See “*Description of the Mortgage Loans — Credit Risk Retention*”. See also “*Risk Factors — Governance and Regulation — Legislative or Regulatory Actions Could Adversely Affect Our Business Activities and the Trust*”.

Freddie Mac will serve in a number of capacities with respect to the Trust. Freddie Mac will be the Guarantor of the Offered Certificates, Sponsor, Seller and Trustee. Freddie Mac will guarantee (the “**Guarantee**”) timely payment of interest and payment of principal as described herein, including payment in full by the Stated Final Distribution Date of the Offered Certificates. As the Seller, Freddie Mac will make certain limited representations and warranties (most of which will be effective only through the warranty period that will expire on August 10, 2020) (the “**Warranty Period**”) with respect to the Mortgage Loans and will be the only party from which the Trust may seek repurchase or indemnification with respect to a Mortgage Loan as a result of any Material Breach that provides for repurchase or payment of a Loss Indemnification Amount as a remedy. See Appendix C.

Nationstar Mortgage LLC (“**Nationstar**” or the “**Servicer**”) will service the Mortgage Loans in accordance with the Pooling and Servicing Agreement. The servicing requirements set forth in the Pooling and Servicing Agreement are referred to herein as the “**Servicing Requirements**”. The Servicer will not advance principal and interest on the Mortgage Loans. The Servicer will be obligated to make certain Servicing Advances to third parties, including any advances necessary for the preservation of mortgaged properties securing Mortgage Loans or REO properties acquired by the Trust through foreclosure or a loss mitigation process. Moreover, certain documents related to each Mortgage Loan will be retained by Wells Fargo Bank, N.A. (the “**Custodian**”), in accordance with that certain Document Custodial Agreement to be dated on or about August 11, 2017 (the “**Custodial Agreement**”) among the Seller, the Custodian, the Trustee and the Servicer.

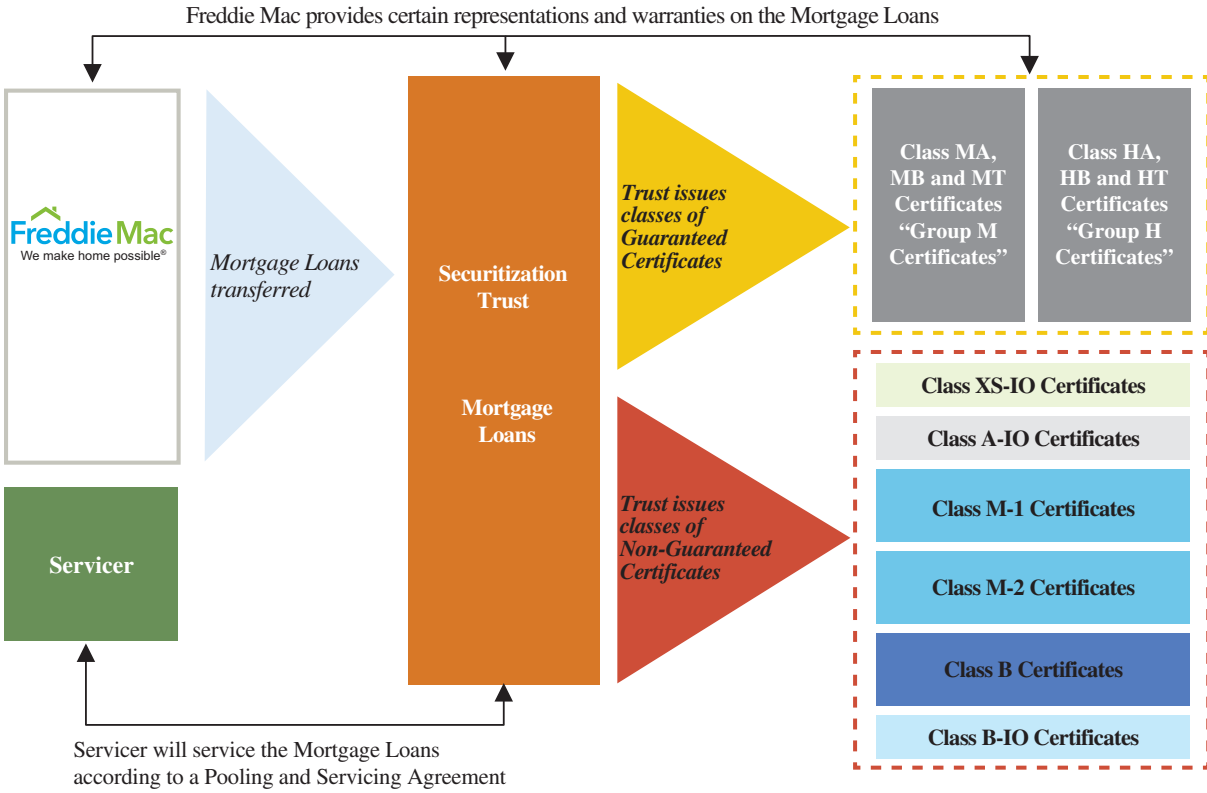
The Trust Agent, an independent third party, will be responsible for managing the representation and warranty review process for any Mortgage Loan for which it has received a Review Notice. The Servicer will be responsible for sending a Review Notice to the Trust Agent, the Custodian and the Seller for any Mortgage Loan that has reached a Breach Review Trigger. The Trust Agent will be responsible for selecting an Independent Reviewer to review such Mortgage Loan. When a Review Notice with respect to a Mortgage Loan has been issued, the Independent Reviewer will be appointed to review such Mortgage Loan to determine whether a Material Breach of a representation and warranty exists requiring a payment of a Loss Indemnification Amount by the Seller. The cost of such Breach Review will be borne by the Trust. The Seller has the right to appeal certain determinations of the Independent Reviewer; however, the determination of the Independent Reviewer (including those related to an appeal) will be final and binding. In no event will the Trust Agent be required to pay from its own funds the cost of any review of any Mortgage Loan (including, without limitation, any fees, cost or expenses of an Independent Reviewer).

Investors in the Offered Certificates should review and understand all of the information related to the Trust in this Offering Circular and information otherwise made available to such investors prior to investing in the Offered Certificates.

The Class Principal Amounts of the Certificates will be subject to reduction due to the allocation of Realized Losses and/or Certificate Writedown Amounts. However, Freddie Mac guarantees the timely payment of interest at the applicable Class Coupon and payment of principal as described herein, including payment in full by the Stated Final Distribution Date, of the Offered Certificates and will (i) make a Guarantor Principal Payment on any Distribution Date to the extent that any of the Offered Certificates is allocated a Realized Loss or Certificate Writedown Amount on such Distribution Date, (ii) make a Guarantor Interest Payment if the interest distributed from the Interest Remittance Amounts to the Offered Certificates on any Distribution Date is less than the interest due on the Offered Certificates for such Distribution Date, and (iii) make Guarantor Maturity Payments if the remaining Class Principal Amount of any Class of Offered Certificates is greater than zero after the application of interest and principal in accordance with the Priority of Distributions and allocation of Realized Losses, Certificate Writedown Amounts and Subsequent Recoveries on the Stated Final Distribution Date.

An election will be made to treat the pool of Mortgage Loans (the “**Lower-Tier REMIC Pool**”) as a “real estate mortgage investment conduit” (a “**REMIC**”) for U.S. federal income tax purposes. An election will be made to treat the pool of “regular interests” in the Lower-Tier REMIC Pool as a REMIC for U.S. federal income tax purposes (the “**Upper-Tier REMIC Pool**” and, together with the Lower-Tier REMIC Pool, the “**REMIC Pools**”). As described more fully in this Offering Circular, the Class MA, Class MB, Class HA, Class HB, Class M-1, Class M-2, Class B, Class A-IO, Class B-IO and Class XS-IO Certificates will represent ownership of the “regular interests” in the Upper-Tier REMIC Pool and, other than the Class B and Class XS-IO Certificates, certain other rights and obligations. Each of the Class R and Class RS Certificates will constitute the sole class of “residual interests” in the Upper-Tier REMIC Pool and Lower-Tier REMIC Pool, respectively. The Class MI Certificate represents ownership of Primary Mortgage Insurance Proceeds, if any, and does not represent ownership of an interest in a REMIC. Each class of MACR Certificates represents interests in the related Exchangeable Certificates for U.S. federal income tax purposes. See “*Certain Federal Income Tax Consequences*” herein.

Transaction Diagram



Note: The Trust will also issue a Class of Mortgage Insurance Certificate (the “**Class MI Certificate**”) that will receive certain proceeds from Primary Mortgage Insurance Policies, which Certificate will be retained by Freddie Mac. However, such Primary Mortgage Insurance Proceeds will not be assets of any REMIC described herein, and the Class MI Certificate will not represent interests in any REMIC. The Class MI Certificate is not offered hereby.

SUMMARY OF TERMS

The following summary does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular and related documents referred to herein. See “Index of Significant Definitions”, which appears at the end of this Offering Circular.

Series	Series 2017-2.
The Trustee	Freddie Mac will act as trustee (the “ Trustee ”) of the Trust under the Pooling and Servicing Agreement.
The Servicer	Nationstar Mortgage LLC (the “ Servicer ”) will service the Mortgage Loans pursuant to the Pooling and Servicing Agreement.
The Sponsor and Seller	On the Closing Date, Freddie Mac, as seller (the “ Seller ”), will sell the Mortgage Loans into the Trust and assign all of its interest in the Mortgage Loans to the Trust.
The Guarantor	Freddie Mac will serve as guarantor (the “ Guarantor ”) of the Offered Certificates.
The Issuer	Freddie Mac Seasoned Credit Risk Transfer Trust, Series 2017-2 (the “ Issuer ” or the “ Trust ”) will issue the Certificates. The Certificates will represent interests in the assets of the Trust, which will be created under the Pooling and Servicing Agreement, and do not represent any interest in the Sponsor, the Seller, the Trustee, the Trust Agent, the Servicer, the Custodian or the Securities Administrator or any other person.
The Trust Agent	Wilmington Trust, National Association will act as trust agent (the “ Trust Agent ”) under the Pooling and Servicing Agreement.
Custodian	Wells Fargo Bank, N.A. will act as the custodian (the “ Custodian ”) for the Trust.
An Independent Reviewer	A third party reviewer (an “ Independent Reviewer ”) selected by the Trust Agent to review any Mortgage Loan for which a Review Notice has been sent with respect to such Mortgage Loan. The Independent Reviewer will be required to determine whether there is a Material Breach of a representation and warranty.
Breach Review Trigger	A “ Breach Review Trigger ” will occur with respect to a Mortgage Loan, and the Servicer will be required to send a Review Notice to the Trust Agent, the Custodian and the Seller if during the Warranty Period (i) such Mortgage Loan is 180 days or more delinquent in the payment of its monthly mortgage payment, (ii) after the Closing Date but prior to becoming 180 days delinquent, the Mortgage Loan had a foreclosure sale, short sale or deed-in-lieu of foreclosure sale completed, or (iii) after the Closing Date but prior to becoming 180 days delinquent, the Mortgage Loan has been modified by the Servicer due to a mortgagor’s hardship or by a court of competent jurisdiction. In addition, during the Warranty Period, the Trustee may request a review based on specific evidence that supports the existence of a Material Breach with respect to a Mortgage Loan. After August 10, 2020, the representations and warranties made by Freddie Mac with respect to the Mortgage Loans (other than the REMIC-related representation and warranty) will no longer be in effect.

Material Breach	With respect to any Mortgage Loan, a determination by the Independent Reviewer that (A) a representation or warranty made by the Seller on the Closing Date was breached and that such breach resulted in a material and adverse effect to either the value of such Mortgage Loan or the interests of the Trust in such Mortgage Loan, or (B) such Mortgage Loan has suffered a loss and a portion of such loss is a direct result of an Existing Lien as identified on <u>Schedule I</u> to <u>Appendix C</u> hereto, or (C) the “Final Certification” for such Mortgage Loan identified a missing or defective mortgage, mortgage note or title insurance policy for such Mortgage Loan and the Mortgage Loan has suffered a loss and a portion of such loss is a direct result of such identified missing or defective document. In addition, a breach of a representation and warranty will be deemed to be a Material Breach if it results in a Mortgage Loan failing to be a “qualified mortgage” within the meaning of Section 860G(a)(3) of the Code. The “ Final Certification ” means the certificate delivered by the Custodian to the Trustee, the Servicer and the Guarantor pursuant to the Custodial Agreement, within 120 days after the Closing Date, certifying to the documents it has received from the Seller’s custodian with respect to the Mortgage Loans.
The Securities Administrator	U.S. Bank National Association (“ U.S. Bank ”) will act as securities administrator (the “ Securities Administrator ”) under the Pooling and Servicing Agreement.
The Underwriters	Credit Suisse Securities (USA) LLC (“ Credit Suisse ”), Citigroup Global Markets Inc. (“ Citigroup ”), Wells Fargo Securities, LLC (“ Wells Fargo Securities ”) and Loop Capital Markets LLC (“ Loop Capital ”) will be the Underwriters of the Offered Certificates.
Certificates:	
Senior Certificates	The Class MT, Class MA, Class MB, Class HT, Class HA, Class HB and Class A-IO Certificates (collectively, the “ Senior Certificates ”).
Subordinate Certificates	The Class M-1, Class M-2 and Class B Certificates (collectively, the “ Subordinate Certificates ”).
Interest Only Certificates	The Class A-IO, Class B-IO and Class XS-IO Certificates (collectively, the “ Interest Only Certificates ”).
Mortgage Insurance Certificate	The Class MI Certificate (the “ Class MI Certificate ”).
Principal Only Certificates	The Class B Certificates (the “ Principal Only Certificates ”).
Residual Certificates	The Class R and Class RS Certificates (collectively, the “ Residual Certificates ”).
Guaranteed Certificates	The Class MT, Class MA, Class MB, Class HT, Class HA and Class HB Certificates (collectively, the “ Guaranteed Certificates ”).
Exchangeable Certificates	The Class MA, Class MB, Class HA and Class HB Certificates (collectively, the “ Exchangeable Certificates ”).
MACR Certificates	The Class MT and Class HT Certificates (collectively, the “ MACR Certificates ”).

Offered Certificates The Exchangeable and MACR Certificates (collectively, the “**Offered Certificates**”).

Non-Offered or Non-Guaranteed Certificates The Subordinate, Interest Only, Mortgage Insurance and Residual Certificates (collectively, the “**Non-Offered Certificates**” or the “**Non-Guaranteed Certificates**”).

The Trust will issue, but Freddie Mac will not guarantee, the Non-Guaranteed Certificates, which are not offered pursuant to this Offering Circular:

Class	Initial Class Principal Amount or Initial Class Notional Amount⁽¹⁾	Class Coupon	Expected Rating DBRS/Moody's
Class A-IO	\$2,053,941,000(2)	(3)	NR/NR
Class M-1	\$ 61,866,000	(4)	BB(sf)/B1(sf)
Class M-2	\$ 111,357,000	(5)	B(low)(sf)/NR
Class B	\$ 247,465,247	0.000%	NR/NR
Class B-IO	\$ 420,688,247(2)	(6)	NR/NR
Class XS-IO	\$2,474,629,247(2)	(7)	NR/NR
Class MI	\$0	(8)	NR/NR
Class R	\$0	N/A	NR/NR
Class RS	\$0	N/A	NR/NR

- (1) Approximate. May vary by up to 10%.
- (2) Reflects initial Class Notional Amount. See *Summary of Terms — Certificates — Interest Only Certificates* and *Summary of Terms — Class Notional Amount*.
- (3) The Class Coupon of the Class A-IO Certificates with respect to each Distribution Date will be a per annum rate equal to the excess, if any, of (i) the Senior Adjusted Net WAC for such Distribution Date over (ii) the weighted average of the Class Coupons of the Class MA, Class MB, Class HA and Class HB Certificates for such Distribution Date (weighted based on the outstanding Class Principal Amounts of such Classes of Certificates immediately following the preceding Distribution Date and calculated assuming no exchanges for MACR Certificates have occurred). The Class Coupon of the Class A-IO Certificates with respect to the first Distribution Date will be approximately 0.17827% per annum.
- (4) The Class Coupon of the Class M-1 Certificates with respect to each Distribution Date will be a per annum rate equal to the lesser of (i) 4.000% and (ii) the Class M Net WAC for such Distribution Date. To the extent the Class Coupon of the Class M-1 Certificates is limited by the Class M Net WAC, such Class of Certificates will be entitled to its related Cap Carryover.
- (5) The Class Coupon of the Class M-2 Certificates with respect to each Distribution Date will be a per annum rate equal to the lesser of (i) 4.000% and (ii) the Class M Net WAC for such Distribution Date. To the extent the Class Coupon of the Class M-2 Certificates is limited by the Class M Net WAC, such Class of Certificates will be entitled to its related Cap Carryover.
- (6) The Class Coupon of the Class B-IO Certificates with respect to each Distribution Date will be a per annum rate equal to the excess, if any, of (i) the Subordinate Adjusted Net WAC for such Distribution Date over (ii) the weighted average of the Class Coupons of the Class M-1, Class M-2 and Class B Certificates (calculated with respect to the Class M-1 and Class M-2 Certificates, without regard to the Class M Net WAC) for such Distribution Date (weighted based on the outstanding Class Principal Amounts of such Classes of Certificates immediately following the preceding Distribution Date). The Class Coupon of the Class B-IO Certificates with respect to the first Distribution Date will be approximately 0.91705% per annum.
- (7) The Class XS-IO Certificates are entitled to the Excess Servicing Fee Amount received on the Mortgage Loans. The Class Coupon of the Class XS-IO Certificates with respect to the first Distribution Date will be 0.075% per annum. See “*Description of Certificates — Glossary of Terms*”.
- (8) The Class MI Certificate will be entitled only to Primary Mortgage Insurance Proceeds, if any, received with respect to the Mortgage Loans.

Certificate Principal Amount The “**Certificate Principal Amount**” for any Certificate, other than the Interest Only Certificates, MACR Certificates, Mortgage Insurance Certificate and Residual Certificates, on any Distribution

Date, is the maximum specified dollar amount of principal to which the holders of such Certificate are then entitled, with such amount, not less than zero, being equal to the initial principal amount set forth on the face of such Certificate, *minus* (without duplication) (i) the amount of all principal distributions made with respect to that Certificate, (ii) any Realized Losses allocated to that Certificate and (iii) any Certificate Writedown Amounts allocated to that Certificate, *plus* (iv) the amount of any Subsequent Recoveries allocated to that Certificate, each of (i) through (iv) as made or allocated on or prior to such Distribution Date (in each case without regard to any exchange of Exchangeable Certificates for MACR Certificates).

Class Principal Amount The “**Class Principal Amount**” for each Class of Certificates, other than the Interest Only Certificates, MACR Certificates, Mortgage Insurance Certificate and Residual Certificates, is an amount equal to the aggregate of the Certificate Principal Amounts of all Certificates of that Class as of any date of determination. The Class Principal Amount as of any Distribution Date of each outstanding Class of MACR Certificates will be equal to the aggregate outstanding Class Principal Amount as of such Distribution Date of the portions of the related Classes of Exchangeable Certificates that were exchanged for such Class of MACR Certificates.

Class Notional Amount For the Class A-IO Certificates and any Distribution Date, an amount equal to the aggregate Class Principal Amount of the then outstanding Guaranteed Certificates immediately following the preceding Distribution Date; for the Class B-IO Certificates and any Distribution Date, an amount equal to the aggregate Class Principal Amount of the Subordinate Certificates immediately following the preceding Distribution Date; and for the Class XS-IO Certificates and any Distribution Date, an amount equal to the aggregate Unpaid Principal Balance of the Mortgage Loans as of the opening of business on the first day of the related Collection Period.

Distribution Date Distributions on the Certificates will be made by the Securities Administrator on the twenty-fifth (25th) day of each month (or, if such day is not a Business Day, then on the next succeeding Business Day) beginning in August 2017 (each, a “**Distribution Date**”).

With respect to the first Distribution Date, all references to the preceding Distribution Date will refer to the Cut-Off Date.

Closing Date On or about August 11, 2017 (the “**Closing Date**”).

Record Date For any Distribution Date, the close of business on the last Business Day of the month immediately preceding the month in which such Distribution Date occurs (except for the first Distribution Date, which will be the Closing Date) (the “**Record Date**”).

Stated Final Distribution Date The Distribution Date in August 2056 (the “**Stated Final Distribution Date**”), which is the Distribution Date in the month following the latest maturity date on any of the Mortgage Loans as of the Cut-Off Date. The actual final Distribution Date for any Class of Certificates other than the Guaranteed Certificates may be substantially different than the Stated Final Distribution Date. The actual final Distribution Date for the Guaranteed Certificates will be on or prior to the Stated Final Distribution Date.

If the remaining Class Principal Amount of any Class of Guaranteed Certificates is greater than zero after the application of interest and principal in accordance with the Priority of Distributions and allocation of Realized Losses, Certificate Writedown Amounts and Subsequent Recoveries on the Stated Final Distribution Date, the Guarantor will be required to remit to the Trust an amount equal to the remaining Class Principal Amount of such Class of Guaranteed Certificates, and such amount (each a **“Guarantor Maturity Payment”**) will be distributed to such Class of Guaranteed Certificates as principal.

Optional Termination The majority of the Certificateholders of the Class B Certificates (not including any Class B Certificates owned by the Guarantor, if any) and the Servicer (each, a **“Call Option Holder”**), each at its option and in the order below, may elect to purchase, at the Termination Price, all of the Mortgage Loans and other assets in the Trust, thereby causing an early termination of the Trust, on any Distribution Date on which the aggregate Unpaid Principal Balance of the Mortgage Loans is less than 10% of the aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date, subject to the satisfaction of the conditions set forth in the Pooling and Servicing Agreement (the **“Optional Termination”**).

The majority of the Certificateholders of the Class B Certificates (not including any such Certificates owned by the Guarantor, if any) will have the first right to exercise the termination option. If the majority of the Certificateholders of the Class B Certificates does not exercise such option, then the Servicer will have the second and final right to exercise such option. Prior to allowing the Servicer to exercise its termination right, the Trustee will be required to notify the holders of the Class B Certificates so that they will have a final right to exercise their option.

Termination Price The sum of: (i) the aggregate Mortgagor Total Unpaid Principal Balance of the Mortgage Loans (other than with respect to the REO properties), plus accrued and unpaid interest thereon, (ii) the market value of any REO properties in the Trust, (iii) any remaining unreimbursed Pre-Existing Servicing Advances and Servicing Advances, unpaid Independent Reviewer fees and any other amounts payable to the Securities Administrator, the Custodian, the Servicer, the Seller, the Guarantor, the Trustee or the Trust Agent and (iv) any unreimbursed Guarantor Principal Payments, Guarantor Interest Payments, Guarantor Maturity Payments and related interest thereon.

Legal Status **The United States does not guarantee the Certificates or any interest or return of principal on the Certificates. The Certificates are not debts or obligations of the United States or any agency or instrumentality of the United States other than the guarantee obligations of Freddie Mac with respect to the Guaranteed Certificates.**

Form of Certificates The Offered Certificates will be book-entry Certificates (the **“Book-Entry Certificates”**) and will be held through the book-entry system of DTC, and, as applicable, Euroclear and Clearstream. The Offered Certificates will be available in fully-registered form (**“Definitive Certificates”**) only in the limited circumstances disclosed under

“Description of the Certificates — Form, Registration and Transfer of the Certificates”.

Guarantee Expiration Date The Distribution Date on which the aggregate Class Principal Amount of all of the Guaranteed Certificates has been reduced to zero and there are no unreimbursed Guarantor Principal Payments, Guarantor Interest Payments or Guarantor Maturity Payments outstanding.

Collection Period For any Distribution Date, the calendar month immediately preceding the month in which such Distribution Date occurs (the **“Collection Period”**).

Prepayment in Full Period For any Distribution Date, other than for the first Distribution Date, the period from and including the eleventh (11th) calendar day of the month immediately preceding the month in which such Distribution Date occurs to and including the tenth (10th) calendar day of the month in which such Distribution Date occurs (the **“Prepayment in Full Period”**); provided, however, for the first Distribution Date, the Prepayment in Full Period will be from but excluding the Cut-Off Date to and including the tenth (10th) calendar day of the month in which such first Distribution Date occurs.

Delinquency Determination Date For any Distribution Date, the close of business on the last Business Day of the month immediately preceding the month in which such Distribution Date occurs.

The Collection Period, the Prepayment in Full Period and the Delinquency Determination Date are collectively referred to herein as, the **“Reporting Periods”**.

Certificates Acquired by

Freddie Mac Freddie Mac may, from time to time, purchase or otherwise acquire some or all of any Class of Certificates at any price or prices, in the open market or otherwise.

Servicing Advances The Servicer is not required to advance delinquent principal and interest on the Mortgage Loans. The Servicer is required to make or cause to be made certain advances (**“Servicing Advances”**) to third parties pursuant to the terms of the Pooling and Servicing Agreement.

Pre-Existing Servicing Advances The aggregate amount of unreimbursed recoverable advances related to the Mortgage Loans as of the Cut-Off Date.

The aggregate amount of unreimbursed advances, as of the Cut-Off Date, is equal to approximately \$1,363,600. The aggregate amount of unreimbursed advances for the Group M Mortgage Loans, as of the Cut-Off Date, is equal to approximately \$723,392, and the aggregate amount of unreimbursed advances for the Group H Mortgage Loans, as of the Cut-Off Date, is equal to approximately \$640,208.

Recouped Pre-Existing Servicing Advances will be subtracted from the Interest Remittance Amount and distributed to the Seller.

Initial Principal Forbearance

Amount With respect to any Mortgage Loan, the deferred principal balance, if any, of such Mortgage Loan as of the Cut-Off Date. The aggregate Initial Principal Forbearance Amount of all the Mortgage Loans is approximately \$488,058,027.

Certain Relationships and Affiliations

Freddie Mac is the Sponsor, Seller, Guarantor and Trustee in this transaction. As the Guarantor, we guarantee the timely payment of interest at the applicable Class Coupon and the payment of principal as described herein, including payment in full by the Stated Final Distribution Date of the Offered Certificates.

Wells Fargo Securities, one of the Underwriters, and Wells Fargo Bank, N.A., the Custodian, are affiliates.

Interest

The Offered Certificates bear interest at the applicable per annum interest rates (each, a “**Class Coupon**”) shown on the front cover.

The “**Accrual Period**” with respect to each Distribution Date is the calendar month immediately preceding the month in which such Distribution Date occurs.

The amount of interest that will accrue on a given Class of Certificates (other than the Class B Certificates, the Mortgage Insurance Certificate and the Residual Certificates) during each Accrual Period is equal to:

- the Class Coupon for such Class of Certificates for such period, multiplied by
- the Class Principal Amount (or Class Notional Amount in the case of the Interest Only Certificates) of such Class of Certificates immediately prior to such Distribution Date, multiplied by
- a fraction, the numerator of which is 30 and the denominator of which is 360.

Interest on the Certificates will be distributable monthly on each Distribution Date from the Interest Remittance Amount or Principal Remittance Amount, as applicable, commencing in August 2017.

See “*Description of the Certificates — Interest*”.

Interest Remittance Amount

On each Distribution Date, each Class of the Offered Certificates will be entitled to the Interest Distribution Amount for that Class on that Distribution Date, which will be allocated from the Interest Remittance Amounts. If the interest distributed from the Interest Remittance Amounts to the Offered Certificates on any Distribution Date is less than the Interest Distribution Amount for such Distribution Date, the Guarantor will be required to remit a Guarantor Interest Payment in an amount equal to the aggregate Interest Deficiency Amount to cover such shortfall.

Distributions of Interest

On each Distribution Date, the Interest Remittance Amount for each Mortgage Group will be distributed as set forth under “*Description of the Certificates — Distributions of Interest*.”

Principal

On each Distribution Date, the Trust will distribute principal to the applicable Classes of Certificates from the applicable Principal Remittance Amounts.

Principal Remittance Amount

On each Distribution Date, each Class of the Offered Certificates will be entitled to the related Senior Principal Distribution Amount for that Class on that Distribution Date, which will be allocated from the applicable Principal Remittance Amount.

Distributions of Principal

On each Distribution Date, the Principal Remittance Amount for each Mortgage Group will be distributed as set forth under “*Description of the Certificates — Principal — Allocation of Principal Remittance Amount*.”

Reductions in Class Principal Amount and Class Notional Amount of the Classes of Certificates

On each Distribution Date until the Class Principal Amount of a Class of Certificates is reduced to zero, the Class Principal Amount of such Class of Certificates will be reduced, without duplication, by the amount of all principal distributions made with respect to that Class of Certificates and any Realized Losses and any Certificate Writedown Amounts allocated to that Class of Certificates. As a result of any such reduction, the Class Notional Amount of a Class of Interest Only Certificates will be decreased by any amounts allocated in reduction of the related Class or Classes used to calculate the respective Class Notional Amount (or in the case of the Class XS-IO Certificates, any Realized Losses applied to reduce the Unpaid Principal Balance of the Mortgage Loans). See “*Description of the Certificates — Principal — Allocation of Principal Remittance Amount*”, “*— Reductions in Class Principal Amounts Due to Allocation of Realized Losses*” and “*— Reductions in Class Principal Amounts Due to Allocation of Certificate Writedown Amounts*”.

To the extent the Guaranteed Certificates are allocated Realized Losses or Certificate Writedown Amounts, the Guarantor is required to make a payment (each, a “**Guarantor Principal Payment**”) to the Trust in the amount of the related Principal Deficiency Amount.

Increases in Class Principal Amount of the Classes of Certificates

On each Distribution Date, any amount recovered (whether from the mortgagor, the Seller, the Servicer, Other Insurance Proceeds, Loss Indemnification Amounts, Servicing Remedy Amounts or other amounts) or adjustment made during the related Collection Period with respect to any Mortgage Loan for which a Realized Loss was allocated on a prior Distribution Date, such that the cumulative Realized Loss for such Mortgage Loan is reduced, provided that with respect to recovery of Principal Forbearance Losses, such amount, cumulatively, cannot exceed any aggregate prior Principal Forbearance Losses less any aggregate prior recoveries related to such prior Principal Forbearance Loss, will be treated as a “**Subsequent Recovery**”. Subsequent Recoveries will be allocated as described under “*Description of the Certificates — Principal — Increases in Class Principal Amount Due to Allocation of Subsequent Recoveries*”.

For the avoidance of doubt, any recovery of a Principal Forbearance Loss during the month in which a Mortgage Loan becomes a Liquidated Mortgage Loan will be included in Liquidation Proceeds only.

Principal Distribution on the Stated Final Distribution Date

On the Stated Final Distribution Date, the Trust will be required to pay 100% of the outstanding Class Principal Amount as of such date for each Class of Offered Certificates, through allocation of the Principal Remittance Amount, a Guarantor Principal Payment or a Guarantor Maturity Payment.

Fees and Expenses

Before the Servicer remits to the Trust amounts owed to the Trust with respect to the Mortgage Loans, the Servicer will be entitled to retain from interest collections on the related Mortgage Loans a monthly fee, calculated as provided in the Pooling and Servicing Agreement, equal to one-twelfth of the product of (i) 0.125% and (ii) the Mortgagor Total Unpaid Principal Balance of each Mortgage Loan or attributable to each REO property as of the first day of the related Collection Period (the “**Servicing Fee**”). For each Distribution Date, the “**Servicing Fee Rate**” will be a per annum rate, expressed as a percentage, obtained by (i) dividing the related Servicing Fee by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) multiplying by 12.

On each Distribution Date, the Securities Administrator will be paid an amount (the “**Securities Administrator Fee**”) equal to one-twelfth of the product of (i) 0.006% (the “**Securities Administrator Fee Rate**”) and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

On each Distribution Date on or prior to the Guarantee Expiration Date, the Guarantor will be paid an amount (the “**Guarantor Oversight Fee**”) equal to one-twelfth of the product of (i) 0.050% and (ii) the

aggregate Class Principal Amount of the Certificates immediately following the preceding Distribution Date. The **“Guarantor Oversight Fee Rate”** will be a per annum rate, expressed as a percentage, obtained by (i) dividing the related Guarantor Oversight Fee by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period, and (ii) multiplying by 12.

On each Distribution Date, the Trust Agent will be paid an amount (the **“Trust Agent Fee”**) equal to one-twelfth of the product of (i) 0.0011% (the **“Trust Agent Fee Rate”**) and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

On each Distribution Date, the Custodian will be paid an amount (**“Custodian Fee”**) equal to one-twelfth of the product of (i) 0.0065% and (ii) the aggregate Interest Bearing Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period. The **“Custodian Fee Rate”** will be a per annum rate, expressed as a percentage, obtained by (i) dividing the related Custodian Fee by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) multiplying by 12.

On each Distribution Date, the Independent Reviewer will be paid any amounts owed to it if and when billed.

The Mortgage Loans

On the Closing Date, the assets of the Trust will consist of seasoned, re-performing Mortgage Loans that have been current for at least the prior 12 months under the MBA Method (**“12+ Months Clean Pay History”**) with an aggregate Unpaid Principal Balance as of June 30, 2017 (the **“Cut-Off Date”**) of approximately \$2,474,629,247. The **“MBA Method”** classifies a mortgage loan as 30 days delinquent if the borrower fails to make a scheduled payment prior to the close of business on the day prior to the mortgage loan’s next succeeding due date. By comparison, under the **“OTS Method”** a mortgage loan is not 30 days delinquent until the borrower fails to make a scheduled payment prior to the close of business on the mortgage loan’s next succeeding due date. The Mortgage Loans will be divided into two Mortgage Groups. The Mortgage Loans will consist of the Group M Mortgage Loans that were subject to either fixed-rate modifications or step-rate modifications that have reached their final step-rates and for which the borrowers have made at least one payment after such Mortgage Loans reached their respective final step-rates and have an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately \$954,772,939 and the Group H Mortgage Loans that were subject to step-rate modifications with an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately \$1,519,856,308. A due diligence review was performed on certain of the Mortgage Loans as described under *“Description of the Mortgage Loans — Due Diligence Review”*.

<u>Mortgage Group</u>	<u>Number of Mortgage Loans</u>	<u>Aggregate Unpaid Principal Balance as of the Cut-Off Date</u>	<u>Maximum Years to Maturity from Modification</u>
M.	4,160	\$ 954,772,939	40
H	5,779	\$1,519,856,308	40

Each of the Mortgage Loans in the Mortgage Groups:

- (a) is a fully amortizing, fixed- or step-rate, one- to four-unit, first lien Mortgage Loan, which has been modified for maturity terms up to forty (40) years;
- (b) was originated between December 1994 and September 2014;
- (c) has a current mortgage rate between 2.000% and 7.625%; and
- (d) as of the Cut-Off Date, has not been reported to be thirty (30) days or more delinquent in the last 12 months based on the MBA Method.

We expect the Mortgage Loans to have the approximate characteristics set forth below as of the Cut-Off Date. Whenever reference is made in this Offering Circular to the characteristics of the Mortgage Loans or to a percentage or weighted average of the Mortgage Loans, unless otherwise noted, that reference is based on the aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date.

The figures below are approximate and may not correspond exactly to the related figures in Appendix A due to rounding differences.

**Aggregate
Selected Mortgage Loan Data as of the Cut-Off Date**

	<u>Range or Total</u>	<u>Average or Weighted Average</u>
Number of Mortgage Loans	9,939	—
Aggregate Unpaid Principal Balance	\$2,474,629,247.22	\$248,981.71
Aggregate Initial Principal Forbearance Amount	\$488,058,026.76	\$49,105.35
Original Mortgage Rate	3.625% to 9.875%	6.432%(1)
Current Mortgage Rate	2.000% to 7.625%	3.521%(1)
Effective Mortgage Rate(2)	1.128% to 7.625%	2.826%
Loan Age from Origination (months)	33 to 271	125
Remaining Term to Maturity (months)	166 to 469	415
Original Loan-to-Value Ratio	21% to 243%	80%
AVM Current Loan-to-Value Ratio	15% to 358%	92%
Non-zero Original Credit Score	300 to 825	698
Non-zero Current Credit Score	431 to 824	681

- (1) Weighted by Interest Bearing Unpaid Principal Balance.
(2) The effective mortgage rate equates to the product of (a) the current mortgage rate payable by the related mortgagor, and (b) a fraction, the numerator of which is the Interest Bearing Unpaid Principal Balance, and the denominator of which is the Unpaid Principal Balance.

	<u>Percent of Unpaid Principal Balance</u>
Mortgage Loans with 12+ Months Clean Pay History	100.00%
Mortgage Loans with 24+ Months Clean Pay History	86.38%
Mortgage Loans with 36+ Months Clean Pay History	73.09%
Mortgage Loans with an Initial Principal Forbearance Amount	91.30%
Aggregate Initial Principal Forbearance Amount	19.72%
Mortgage Loans in Bankruptcy Status	0.00%
Mortgage Loans with Interest Only Feature at Origination(1)	39.59%
Mortgage Loans with Mortgage Insurance	17.61%
Mortgage Loans that are Pay-ahead Loans	14.65%

- (1) For each Mortgage Loan, the interest only feature was revoked when such Mortgage Loan was modified.

Top Five Geographic Concentration of Mortgaged Properties — Aggregate

California	31.12%
Florida	14.60%
Illinois	7.05%
New Jersey	6.60%
New York	6.44%
Maximum Three-Digit Zip Code Concentration	2.90%

Group M
Selected Mortgage Loan Data as of the Cut-Off Date

	<u>Range or Total</u>	<u>Average or Weighted Average</u>
Number of Mortgage Loans	4,160	—
Aggregate Unpaid Principal Balance	\$954,772,939.26	\$229,512.73
Aggregate Initial Principal Forbearance Amount	\$209,769,173.64	\$50,425.28
Original Mortgage Rate	3.625% to 9.875%	6.484%(1)
Current Mortgage Rate	2.000% to 7.625%	4.465%(1)
Effective Mortgage Rate(2)	1.128% to 7.625%	3.484%
Loan Age from Origination (months)	33 to 271	124
Remaining Term to Maturity (months)	166 to 469	423
Original Loan-to-Value Ratio	36% to 243%	82%
AVM Current Loan-to-Value Ratio	27% to 302%	100%
Non-zero Original Credit Score	300 to 820	689
Non-zero Current Credit Score	453 to 824	672

(1) Weighted by Interest Bearing Unpaid Principal Balance.

(2) The effective mortgage rate equates to the product of (a) the current mortgage rate payable by the related mortgagor, and (b) a fraction, the numerator of which is the Interest Bearing Unpaid Principal Balance, and the denominator of which is the Unpaid Principal Balance.

	<u>Percent of Unpaid Principal Balance</u>
Mortgage Loans with 12+ Months Clean Pay History	100.00%
Mortgage Loans with 24+ Months Clean Pay History	78.71%
Mortgage Loans with 36+ Months Clean Pay History	62.48%
Mortgage Loans with an Initial Principal Forbearance Amount	90.22%
Aggregate Initial Principal Forbearance Amount	21.97%
Mortgage Loans in Bankruptcy Status	0.00%
Mortgage Loans with Interest Only Feature at Origination(1)	33.75%
Mortgage Loans with Mortgage Insurance	21.71%
Mortgage Loans that are Pay-ahead Loans	14.64%

(1) For each Mortgage Loan, the interest only feature was revoked when such Mortgage Loan was modified.

Top Five Geographic Concentration of Mortgaged Properties — Group M

California	24.07%
Florida	16.02%
New Jersey	9.24%
Illinois	6.73%
Nevada	6.35%
Maximum Three-Digit Zip Code Concentration	4.06%

Group H
Selected Mortgage Loan Data as of the Cut-Off Date

	<u>Range or Total</u>	<u>Average or Weighted Average</u>
Number of Mortgage Loans	5,779	—
Aggregate Unpaid Principal Balance	\$1,519,856,307.96	\$262,996.42
Aggregate Initial Principal Forbearance Amount	\$278,288,853.12	\$48,155.19
Original Mortgage Rate	4.375% to 9.750%	6.401%(1)
Current Mortgage Rate	2.000% to 5.250%	2.955%(1)
Effective Mortgage Rate(2)	1.146% to 5.000%	2.414%
Loan Age from Origination (months)	102 to 268	125
Remaining Term to Maturity (months)	203 to 468	411
Original Loan-to-Value Ratio	21% to 102%	78%
AVM Current Loan-to-Value Ratio	15% to 358%	87%
Non-zero Original Credit Score	300 to 825	703
Non-zero Current Credit Score	431 to 823	687

(1) Weighted by Interest Bearing Unpaid Principal Balance.

(2) The effective mortgage rate equates to the product of (a) the current mortgage rate payable by the related mortgagor, and (b) a fraction, the numerator of which is the Interest Bearing Unpaid Principal Balance, and the denominator of which is the Unpaid Principal Balance.

	<u>Percent of Unpaid Principal Balance</u>
Mortgage Loans with 12+ Months Clean Pay History	100.00%
Mortgage Loans with 24+ Months Clean Pay History	91.19%
Mortgage Loans with 36+ Months Clean Pay History	79.75%
Mortgage Loans with an Initial Principal Forbearance Amount	91.98%
Aggregate Initial Principal Forbearance Amount	18.31%
Mortgage Loans in Bankruptcy Status	0.00%
Mortgage Loans with Interest Only Feature at Origination(1)	43.27%
Mortgage Loans with Mortgage Insurance	15.03%
Mortgage Loans that are Pay-ahead Loans	14.66%

(1) For each Mortgage Loan, the interest only feature was revoked when such Mortgage Loan was modified.

Top Five Geographic Concentration of Mortgaged Properties — Group H

California	35.55%
Florida	13.71%
New York	8.07%
Illinois	7.26%
New Jersey	4.94%
Maximum Three-Digit Zip Code Concentration	3.61%

The characteristics of the Mortgage Loans in the Trust will change from time to time to reflect subsequent payments, subsequent modifications, prepayments and Realized Losses with respect to the Mortgage Loans. In addition, the characteristics of the Mortgage Groups may change because after the issuance of the Certificates, Mortgage Loans will be removed from the Trust because (i) a Mortgage Loan is liquidated; (ii) a Mortgage Loan is paid in full; (iii) a Mortgage Loan is repurchased after a determination that a Material Breach has occurred with respect to such Mortgage Loan; or (iv) a Mortgage Loan is secured by a mortgaged property which 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 mortgagors with negative equity in the underlying mortgaged property. Mortgage Loans will not be removed from the Trust solely due to a modification completed in accordance with the Servicing Requirements.

See “*Description of the Certificates*” for a description of how removals of Mortgage Loans impact the Certificates.

As these changes occur, they may materially alter the characteristics of the Mortgage Loans shown above and the weighted average lives and yields to maturity of the Certificates.

Additional information with respect to the Mortgage Loans appears under “*Description of the Mortgage Loans*” and in Appendix A.

Mortgage Loan Representations and Warranties

The Seller will make certain limited representations and warranties concerning the Mortgage Loans to the Trust, as described in Appendix C. Other than the REMIC-related representation and warranty, the representations and warranties are made to the best of the Seller’s knowledge. If it is discovered that the substance of any such representation or warranty is inaccurate and such inaccuracy is determined to constitute a Material Breach as described herein, then notwithstanding the Seller’s lack of knowledge with respect to the substance of such representation or warranty being inaccurate at the time such representation or warranty was made, such inaccuracy will be deemed to be a Material Breach. The Seller’s representations and warranties expire at the end of the Warranty Period, except for the REMIC-related representation and warranty, which will not expire. Following a Review Notice having been sent with respect to a Mortgage Loan, the Trust Agent is required to appoint an Independent Reviewer to review such Mortgage Loan to determine whether any representation or warranty made by the Seller with respect to such Mortgage Loan suffered a Material Breach. The Trust (and therefore the Certificates) will bear the cost of this breach review (the “**Breach Review**”). If the Independent Reviewer determines, during a review initiated during the Warranty Period, that a breach of a representation or warranty by the Seller with respect to a Mortgage Loan resulted in a Material Breach, it will be required to provide to the Seller the estimated loss amount, if any, for that Material Breach (“**Loss Estimate Amount**”).

The Seller, in its sole discretion, will have the right to (A) either (x) cure the Material Breach, (y) repurchase such Mortgage Loan or (z) agree to the Loss Estimate Amount; or (B) appeal either (x) the determination by the Independent Reviewer that a Material Breach exists with respect to a Mortgage Loan or (y) the Independent Reviewer’s Loss Estimate Amount. The Independent Reviewer will be required to review the information provided by the Seller in support of its appeal to determine (i) if in fact a Material Breach exists, and if so, (ii) a new loss amount, if any, for such Material Breach or reaffirm that the Loss Estimate Amount is accurate.

The “**Final Loss Estimate Amount**” with respect to a Mortgage Loan will be equal to either (i) the Loss Estimate Amount provided by the Independent Reviewer, if the Seller agrees to such amount without forwarding an Appeal Notice, or (ii) as a result of a review pursuant to an Appeal Notice, either (x) the new loss amount determined by the Independent Reviewer or (y) the Loss Estimate Amount, if the Independent Reviewer affirms such amount. To the extent that the Independent Reviewer concludes, after any such appeal by the Seller, that a Material Breach exists with respect to such Mortgage Loan, the Seller will be required to (x) cure such breach, (y) indemnify the Trust in the amount of any Loss Indemnification Amount or (z) repurchase the related Mortgage Loan; provided, that if the Material Breach is with respect to the REMIC-related representation and warranty, then the Seller will be required to repurchase the Mortgage Loan.

Mortgage Loan Servicing

Nationstar is the Servicer under the Pooling and Servicing Agreement and controls the servicing of the Mortgage Loans and any REO Properties in the Trust. As of the Closing Date, all of the Mortgage Loans will be serviced by the Servicer in accordance with the Servicing Requirements. The Servicer is not required to advance delinquent principal and interest on the Mortgage Loans. The Servicer is required to make or cause to be made certain servicing advances to third parties pursuant to the terms of the Pooling and Servicing Agreement.

When a mortgagor prepays a Mortgage Loan in full, the mortgagor is required to pay interest on the amount prepaid only to the date of prepayment and not thereafter. Principal prepayments by mortgagors received by the Servicer during a Prepayment in Full Period will be paid to the Certificateholders on the related Distribution Date. Thus, a prepayment interest shortfall may occur as a result of less than one (1) month’s interest having been collected on Mortgage Loans that have been prepaid in full. Pursuant to the Pooling and Servicing Agreement, on any Distribution Date, the Servicer will be required to make payments in respect of such prepayment interest shortfalls on the Mortgage Loans in an amount equal to the lesser of (1) 50% of the

aggregate Servicing Fee payable to the Servicer for such Distribution Date and (2) the excess, if any, of the aggregate amount of any prepayment interest shortage over the aggregate amount of any prepayment interest surplus (such payments, “**Compensating Interest**”). The Servicer will not be reimbursed for any Compensating Interest.

Prepayment and Yield Considerations

The yield to maturity on the Offered Certificates will be sensitive to the rate and timing of principal payments (which will be affected by prepayments, modifications and Realized Losses on the applicable Mortgage Loans). As a result, the yield on the Offered Certificates may fluctuate significantly:

- In general, if investors purchased Offered Certificates at a premium and principal payments occur at a rate faster than such investors assumed, such investors’ actual yield to maturity will be lower than anticipated and such investors may not even recover their investment in the Offered Certificates.
- Conversely, if investors purchased Offered Certificates at a discount, and principal payments occur at a rate slower than such investors assumed, such investors’ actual yield to maturity will be lower than anticipated.

The Guarantor is required to remit to the Trust (i) the Guarantor Interest Payments for distribution to the Offered Certificates; (ii) the Guarantor Principal Payments for distribution to the Offered Certificates; and (iii) Guarantor Maturity Payments.

Because the Mortgage Loans may be prepaid at any time, it is not possible to predict the rate at which investors will receive distributions of principal.

See “*Prepayment and Yield Considerations*”.

United States Federal Tax Consequences

We will elect to treat each REMIC Pool as a REMIC under the Code. The Offered Certificates (along with the Class M-1, Class M-2, Class B, Class A-IO, Class B-IO and Class XS-IO Certificates) will represent ownership of the “regular interests” in the Upper-Tier REMIC Pool and, other than the Class B and Class XS-IO Certificates, certain other rights and obligations. Each of the Class R and Class RS Certificates constitute the “residual interest” in the Upper-Tier REMIC Pool and the Lower-Tier REMIC Pool, respectively. In general, regular interests in a REMIC are taxed as debt instruments for U.S. federal income tax purposes under the Code.

If any portion of the Class Coupon received with respect to a Class of Offered Certificates consists of a Senior Additional Portion, such amount will be treated as received from one or more subordinate Non-Offered Certificates from amounts otherwise distributable to such Class in respect of a notional principal contract. Each holder of an Offered Certificate that may be entitled to receive such Senior Additional Portion in respect of a notional principal contract must allocate basis between the Upper-Tier REMIC Pool regular interest corresponding to the Certificate and the right to receive payments under the related notional principal contract or contracts based on relative fair market values.

With respect to the Upper-Tier REMIC Pool regular interests corresponding to the Certificates (other than the Residual Certificates), depending upon, among other things, the purchase price paid (or deemed paid) for such Certificates, such interests may be treated as issued with original issue discount (“**OID**”) or premium for U.S. federal income tax purposes. Holders of Certificates should consult their tax advisors regarding the U.S. federal income tax consequences of purchasing, owning and disposing of Certificates.

The Class MI Certificate represents ownership of Primary Mortgage Insurance Proceeds, if any, and does not represent ownership of an interest in a REMIC.

Each Class of MACR Certificates represents interests in the related Exchangeable Certificates for U.S. federal income tax purposes. The arrangements pursuant to which the MACR Certificates are created and administered will be classified as grantor trusts for U.S. federal income tax purposes.

See “*Certain Federal Income Tax Consequences*” for additional information.

Legal Investment

To the extent that the investment activities of investors are subject to investment laws and regulations, regulatory capital requirements or review by regulatory authorities, such investors may be subject to restrictions on investment in the Offered Certificates. Prospective investors should consult their legal, tax and accounting advisers for assistance in determining the suitability of and consequences to them of the purchase, ownership and sale of the Offered Certificates. See *“Legal Investment”* for additional information.

ERISA Considerations

Fiduciaries or other persons acting on behalf of or using the assets of (i) any employee benefit plan or arrangement, including an individual retirement account (an **“IRA”**), subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (**“ERISA”**), Section 4975 of the Code, or any foreign, United States federal, state or local law which is similar to Title I of ERISA or Section 4975 of the Code (**“Similar Law”**) or (ii) an entity which is deemed to hold the assets of such plan (each, a **“Plan”**), should carefully review with their legal advisors whether the purchase or holding of an Offered Certificate could give rise to a transaction prohibited or not otherwise permissible under Title I of ERISA, the Code or Similar Law.

Subject to the considerations and conditions described under *“Certain ERISA Considerations”*, it is expected that the Offered Certificates may be acquired by Plans or persons acting on behalf of, using the assets of or deemed to hold the assets of a Plan. See *“Certain ERISA Considerations”*.

Ratings

It is a condition to the issuance of the Certificates that the Class M-1 and Class M-2 Certificates (collectively, the **“Rated Certificates”**) receive from DBRS, Inc. (**“DBRS”**) and Moody’s Investors Service, Inc. (**“Moody’s”**) (each, a **“Rating Agency”** and together, the **“Rating Agencies”**) the ratings identified for such Certificates on page 6 of this Offering Circular. The Senior Certificates, Class B Certificates, Interest Only Certificates, Mortgage Insurance Certificate and Residual Certificates will not be rated by the Rating Agencies. See *“Ratings”*. The ratings assigned to the Rated Certificates will be subject to ongoing monitoring, upgrades, downgrades, withdrawals and surveillance by the Rating Agencies after the date of issuance of such Certificates.

With regard to Moody’s, the ratings address the expected loss to investors by the legal final maturity. With regard to DBRS, each rating addresses the likelihood of (i) the ultimate payment of principal and (ii) in the case of Rated Certificates rated in the highest or second highest rating category by DBRS, the timely payment of interest and in the case of all other Certificates rated by DBRS, the ultimate payment of interest, in each case on the Class of Rated Certificates to which the related Certificateholders are entitled. The ratings of the Rated Certificates should be evaluated independently from similar ratings on other types of securities. The ratings are not a recommendation to buy, sell or hold the Rated Certificates and may be subject to revision or withdrawal at any time by the Rating Agencies.

In addition, the ratings do not address: (i) the likelihood, timing, or frequency of prepayments (both voluntary and involuntary) on the Mortgage Loans and their impact on interest payments or the degree to which such prepayments might differ from those originally anticipated, (ii) the possibility that a Certificateholder might suffer a lower than anticipated yield, (iii) the tax treatment of the Rated Certificates or the effect of taxes on the payments received, (iv) the likelihood or willingness of the parties to the respective agreements to meet their contractual obligations or the likelihood or willingness of any party or court to enforce, or hold enforceable, the agreements in whole or in part, (v) an assessment of the yield to maturity that investors may experience, or (vi) other non-credit risks, including, without limitation, market risks or liquidity.

The ratings take into consideration certain credit risks with respect to the Mortgage Loans. However, as noted above, the ratings do not represent an assessment of the likelihood, timing or frequency of principal prepayments (both voluntary and involuntary) on the Mortgage Loans, or the degree to which such prepayments might differ from those originally anticipated. In general, the ratings address credit risk and not prepayment risk.

In addition, the ratings do not represent an assessment of the yield to maturity that investors may experience in the event of Realized Losses or rapid prepayments on the Mortgage Loans (including both voluntary and involuntary prepayments) or the impact of modifications on the Mortgage Loans, other than as described herein.

Other NRSROs that we have not engaged to rate the Rated Certificates may issue unsolicited credit ratings or provide commentary on one or more Classes of the Certificates, relying on information they receive pursuant to Rule 17g-5 or otherwise. If any such unsolicited ratings are issued, we cannot assure you that they will not be different from the ratings assigned by the Rating Agencies, and if lower than a Rating Agency's ratings, whether such unsolicited ratings will have an adverse impact on the liquidity, market value and regulatory characteristics of such Certificates. Further, a determination by the SEC that one or both of the Rating Agencies no longer qualify as NRSROs or are no longer qualified to rate the Rated Certificates, could adversely affect the liquidity, market value and regulatory characteristics of the Rated Certificates. See "*Risk Factors — Investment Factors and Risks Related to the Certificates*".

Investment Company Act

The Trust has not been registered and will not be registered with the Securities and Exchange Commission (the "SEC") as an investment company pursuant to the Investment Company Act, in reliance on the exception provided in Section 3(c)(5)(C) of the Investment Company Act, although other exceptions may be applicable. The Trust has been structured with the intent that it not constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act. See "*Risk Factors — Governance and Regulation — Risks Associated with the Investment Company Act*".

RISK FACTORS

General

Prospective investors should carefully consider the risk factors discussed below in conjunction with and in addition to the other information contained in this Offering Circular before making an investment in the Offered Certificates. Although Freddie Mac guarantees timely payment of interest and payment of principal as described herein, including payment in full by the Stated Final Distribution Date of the Offered Certificates, the Offered Certificates may suffer losses despite the Guarantee since Guarantor Principal Payments will have the same effect as prepayments on the related Class or Classes of Offered Certificates (as applicable) and accordingly may impact the yield on any Class of Offered Certificates. Further, while any Realized Losses and Certificate Writedown Amounts allocated to the Offered Certificates will be covered by the Guarantee, if a Guarantor Nonpayment Event exists, the Offered Certificates could also suffer losses due to the risks described below. In particular, prospective investors in the Offered Certificates should be aware that:

- The risks and uncertainties described below are not the only ones relating to the Offered Certificates. Additional risks and uncertainties not presently known or that are currently deemed immaterial also may impair an investment in the Offered Certificates. If any of the following risks actually occur, an investment in the Offered Certificates could be materially and adversely affected.
- The risks and uncertainties of the MACR Certificates reflect the risks and uncertainties of the related Exchangeable Certificates that may be exchanged for such MACR Certificates. Accordingly, investors in the MACR Certificates should consider the risks described herein of the related Exchangeable Certificates as if they were investing directly in such Exchangeable Certificates.
- This Offering Circular contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Offering Circular.
- The yield on the Offered Certificates could be lower than expected if such Offered Certificates are purchased at a premium over their principal amount and principal payments on the Mortgage Loans occur faster than expected.
- The yield on the Offered Certificates could be lower than expected if such Offered Certificates are purchased at a discount over their principal amount and principal payments on the Mortgage Loans occur slower than expected.
- Each prospective investor is responsible for determining whether the Offered Certificates constitute a legal investment for such prospective investor.
- If your investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities, then you may be subject to restrictions on investment in the Offered Certificates.
- Prospective investors should not purchase any Offered Certificates unless they understand, and are able to bear, the prepayment, credit, liquidity, market and other risks associated with the Offered Certificates.

Risks Relating to the Mortgage Loans

The Economic Conditions Experienced in 2007 and Subsequent Years Significantly and Adversely Affected the Mortgage Market and Caused Significant and Unexpected Deterioration in the Value of, and Greater Volatility with Respect to, Mortgage Loans and Mortgage Securities, Including Mortgage Securities Similar to the Certificates

As a result of various factors, including a deterioration in general economic conditions and significant deteriorations in housing prices and employment conditions in many regions, the value of many mortgage loans

and mortgage securities dropped significantly in the periods following 2007. This deterioration, which substantially exceeded our expectations and the expectations of other market participants, was accompanied by greater volatility and uncertainty regarding the value of mortgage loans and mortgage securities. Price deteriorations and increases in volatility and uncertainty were particularly acute in the case of mortgage securities with underlying mortgage loans that were originated in the periods immediately prior to 2007. In addition, mortgage securities where the underlying mortgage loans were of lower quality or where the mortgage securities were subordinated to other mortgage securities based on the same mortgage loans, including mortgage securities similar to the Subordinate Certificates, experienced more significant and adverse price deteriorations and volatility.

Prospective investors in the Offered Certificates should understand that certain of the risks described in this Offering Circular materialized in 2007 and the periods that followed and that the actions of various market participants, including certain of the participants in this offering, are alleged to have been materially deficient. Accordingly, there can be no assurance that the policies and procedures adopted by Freddie Mac to mitigate such risks will prove to be sufficient or that the value of mortgage loans and mortgage securities, including the Offered Certificates, will not experience material and adverse deteriorations in value in the future.

Re-Performing Nature of the Mortgage Loans Could Adversely Affect the Certificates

All of the Mortgage Loans have been modified since origination. As the Mortgage Loans were at one point previously delinquent, it may be more likely that the related mortgaged properties exhibit or may have exhibited deferred maintenance or, may need more maintenance, when compared to another pool of mortgage loans.

Mortgagors on the Mortgage Loans may have had limited access to traditional mortgage financing for a variety of reasons, including impaired past credit experience, limited credit history, limited documentation of income, insufficient home equity value or high debt-to-income ratios. Accordingly, the Mortgage Loans may be extremely sensitive to economic factors that could affect the ability of borrowers to pay their obligations or the value of the mortgaged property. Additionally, due to the recent deep recession, the seasoning of the Mortgage Loans and the generally re-performing nature of the mortgage pool, the mortgagors' current creditworthiness compared to their credit worthiness at origination or at modification may not accurately reflect their current ability to pay their Mortgage Loans.

Certain of the Mortgage Loans may have been originated under loan programs that required less documentation, such as no income verification or no asset verification or both. This may increase the possibility that, due to mortgagor error or fraud, the amount of credit extended exceeds the mortgagor's capacity to pay, particularly with respect to any adjustable rate Mortgage Loans and interest only Mortgage Loans, on which the payments increase during the terms of such Mortgage Loans. In addition, the Mortgage Loans may have been originated pursuant to exceptions to the related originator's underwriting guidelines. These exceptions may not have been documented in the origination file or the origination file may be unavailable. No assurance can be made regarding the percentage of Mortgage Loans that represent exceptions to such underwriting guidelines.

As a result of the nature of the Mortgage Loans as described herein, it is likely the Mortgage Loans could experience higher rates of delinquencies, defaults and foreclosures than a pool of mortgage loans with clean pay histories. To the extent not otherwise covered by credit enhancement, such increased delinquencies and losses may result in the reduction of amounts available for payment on the Certificates.

Delinquencies and Losses on the Mortgage Loans May Adversely Affect Your Yield; No Requirement to Make Principal or Interest Advances

A majority of the Mortgage Loans in the mortgage pool have been delinquent, or the related mortgagors were in bankruptcy proceedings in the past. As a result, the mortgage pool may bear more risk than a pool of mortgage loans without any historical delinquencies but with otherwise comparable characteristics. Additionally, mortgage loans that have been delinquent more than once in the past or have been modified may be more likely than other non-delinquent or unmodified mortgage loans to become delinquent in the future.

Delinquencies in the payment of interest on, or principal of, the Mortgage Loans may adversely affect the yield on the Certificates because the Servicer will not be required to make any advances in respect of such

delinquencies. Instead, distributions on the Certificates, absent the Guarantee, will be made solely from payments actually received by the Servicer in respect of the Mortgage Loans, which on any Distribution Date, may be less than the amount of funds that would be available for such Distribution Date if the Servicer were required to make principal and interest advances. Thus, the cash flow available for distributions on the Certificates may vary substantially from month to month.

Representations and Warranties with Respect to the Mortgage Loans are Limited; The Obligation of the Seller to Cure, Make an Indemnification Payment or Repurchase for Breaches of Representations and Warranties Will Generally Expire After August 10, 2020

The Seller's obligation to cure, make indemnification payments or repurchase Mortgage Loans for Material Breaches of representations and warranties as set forth in this Offering Circular will only exist with respect to such breaches that the Trust Agent and Seller are notified of prior to August 11, 2020 (other than with respect to the REMIC-related representation and warranty, which will not expire). As a result, Mortgage Loans with defects may be included in the mortgage pool and may result in Realized Losses that would be greater than would otherwise be the case. In addition, the Trust may be subject to additional liabilities because the Seller will not be obligated to remove defective Mortgage Loans after August 10, 2020. Investors should also note that the limited time period during which the Seller is required to cure, make an indemnification payment or repurchase Mortgage Loans for Material Breaches of representations and warranties as provided in this Offering Circular may affect the liquidity of their investment.

As described herein, the Seller will make representations and warranties regarding the Mortgage Loans as of the Closing Date. However, these representations and warranties will be more limited than the set of representations and warranties that would typically be required in rated securitizations of newly originated mortgage loans. For instance, among other typical representations and warranties often found in a rated securitization of new origination mortgage loans, the representations and warranties for this transaction do not include a representation and warranty relating to an absence of fraud in connection with the origination of the Mortgage Loans.

Investors should consider the impact of the limited set of representations and warranties described in this Offering Circular on the future performance of the Offered Certificates.

In the Event the Seller Is Not Required or Not Able to Repurchase or Make an Indemnification Payment, the Certificates May Suffer Shortfalls

The Seller will make the limited representations and warranties set forth on Appendix C attached hereto as of the Closing Date for the benefit of the Certificateholders. With respect to any Material Breach, the Seller will be obligated to (i) cure such Material Breach, (ii) repurchase the affected Mortgage Loan at the repurchase price therefor or (iii) make a payment of a Loss Indemnification Amount. However, the obligations of the Seller to cure, repurchase or make a payment equal to the Loss Indemnification Amount will only exist with respect to breaches of representations and warranties that the Trust Agent and Seller are notified of prior to August 11, 2020 (other than with respect to the REMIC-related representation and warranty, which will not expire).

The obligation of the Seller to cure any exception with respect to a Mortgage Loan, repurchase any Mortgage Loan, or make an indemnification payment as described above will constitute the sole remedy with respect to any failure to comply with the obligations and representations and warranties described above.

The Seller may not have the necessary funds to repurchase any Mortgage Loans in the mortgage pool or make an indemnification payment. The inability of the Seller to repurchase Mortgage Loans may result in delays or shortfalls in the payments on the Certificates. See "*Description of the Mortgage Loans*" in this Offering Circular.

Potential Developments Affecting Nationstar Mortgage LLC

Nationstar Mortgage LLC ("**Nationstar**") is examined for compliance with federal, state and local laws, rules, and guidelines by numerous regulators and agencies. No assurance can be given that these regulators or agencies will not inquire into Nationstar's practices, policies or procedures in the future. It is possible that any of

these regulators or agencies will require Nationstar to change or revise its practices, policies or procedures in the future. Any such change or revisions may have a material impact on the future income from Nationstar's operations.

The occurrence of one or more of the foregoing events or a determination by any court or regulatory agency that Nationstar's policies and procedures do not comply with applicable law could lead to downgrades by one or more rating agencies, a transfer of Nationstar's servicing responsibilities, increased delinquencies on the mortgage loans serviced by Nationstar, delays in distributions or losses on the Certificates, or any combination of these events.

Losses on the Certificates Could Result from Unpaid Deferred Principal Balance Mortgage Loans

As of the Cut-Off Date, approximately 91.30% of the Mortgage Loans by aggregate Unpaid Principal Balance (approximately 90.22% of the Group M Mortgage Loans and approximately 91.98% of the Group H Mortgage Loans) have deferred principal balances totaling approximately \$488,058,027. These deferred principal balances were created in connection with previous modifications that reduced the amortizing principal balances of such Mortgage Loans or extensions that deferred certain delinquent payments on the Mortgage Loans. While a reduction in the amortizing principal balance or deferred payment is still payable by the related mortgagor (and is included in the definition of "Unpaid Principal Balance" as used herein), the resulting deferred principal balance does not accrue interest and is not due until the maturity date or payoff of the related Mortgage Loan or sale of the related mortgaged property. There can be no assurance that these deferred principal balances will ever be paid by the related mortgagors and available for distribution to the Certificateholders. The more subordinate classes of Certificates, and especially the Class B Certificates, will be adversely affected by Realized Losses resulting from the failure to receive these deferred balances.

Mortgage Loans May Experience Delays in Liquidation and Liquidation Proceeds May Be Less Than the Unpaid Principal Balance of the Mortgage Loans

Even assuming the mortgaged properties provide adequate security for the Mortgage Loans, substantial delays could result in connection with the liquidation of defaulted Mortgage Loans. These delays could increase if the Servicer confronts a rising number of requests for modifications that require it to determine a mortgagor's eligibility for current modification programs. There could also be liquidation delays due to geographic-specific operational or resource-related factors in processing foreclosures. See "*— Governance and Regulation — Governmental Actions May Affect Servicing of Mortgage Loans and May Limit the Servicer's Ability to Foreclose.*" This could result in corresponding delays in the receipt of the related proceeds by the Servicer. Further, liquidation expenses such as legal fees, real estate taxes and maintenance and preservation expenses will reduce the portion of liquidation proceeds available for distribution on the Certificates. If the applicable mortgaged property fails to provide adequate security for a Mortgage Loan, under certain loss scenarios, principal and interest received on the Mortgage Loans, together with any liquidation proceeds on the Mortgage Loans, may be insufficient to pay the Certificates all principal and interest to which they are entitled. See "*Certain Legal Aspects of the Mortgage Loans — Foreclosure*" and "*— Anti-Deficiency Legislation and Other Limitations on Lenders*".

Liquidation Expenses May be Disproportionate

Liquidation expenses with respect to defaulted Mortgage Loans do not vary directly with the size of the Unpaid Principal Balance of the Mortgage Loans at the time of default. Therefore, assuming that the Servicer took the same steps in realizing upon a defaulted Mortgage Loan having a small remaining Unpaid Principal Balance as it would have taken in the case of a defaulted Mortgage Loan having a large remaining Unpaid Principal Balance, the amount realized after expenses of liquidation would be larger as a percentage of the Unpaid Principal Balance of the small balance Mortgage Loan than would be the case with the defaulted Mortgage Loan having a large remaining Unpaid Principal Balance.

Refinancings May Adversely Affect the Yield on the Certificates

Under the Pooling and Servicing Agreement, the Servicer will be permitted to solicit, and may actively solicit, mortgagors to refinance their Mortgage Loans into a new mortgage loan. Any such refinancing will

generally be required to be in an amount sufficient to pay off the Unpaid Principal Balance (including any deferred principal) of the Mortgage Loan in full and any accrued and unpaid interest thereon. Such refinancings will increase the rate of prepayments with respect to the Mortgage Loans or result in the better performing Mortgage Loans being refinanced, leaving the Trust with fewer performing Mortgage Loans, which in each case may adversely affect the yields on the Certificates. In addition, a Certificateholder may receive less interest on the Certificates as a result of prepayments on such Mortgage Loans and as a result may experience a lower yield on its investment.

The Certificateholders Have Limited Control over Amendments, Modifications and Waivers to the Pooling and Servicing Agreement

Certain amendments, modifications or waivers to the Pooling and Servicing Agreement may require the consent of holders representing only a certain percentage interest of the Certificates and certain amendments, modifications or waivers to the Pooling and Servicing Agreement may not require the consent of any Certificateholder. As a result, certain amendments, modifications or waivers to the Pooling and Servicing Agreement may be effected without your consent. See “*The Pooling and Servicing Agreement — Resignation of the Servicer — Amendment*”.

Mortgage Modifications May Affect Rates of Prepayment and Cause Shortfalls

The Servicer may offer eligible mortgagors a modification that involves principal forgiveness. A modification may also involve forbearance of a portion of the unpaid principal balance to be paid back by the mortgagor as a non-interest bearing, non-amortizing balloon payment due at the earliest of transfer of the property, as part of any payoff (apart from an eligible short sale), or modified maturity date. Any such forbearance of principal may result in a slower rate of principal payments or a faster rate of principal payments to the Senior Certificates, as such forbearances of principal would result in Realized Losses, which could trigger Guarantor Interest Payments, Guarantor Principal Payments and/or Guarantor Maturity Payments and would be allocated first to any outstanding Subordinate Certificates, reducing the certificate balances of such Subordinate Certificates. A modification that extends the term of a Mortgage Loan may also result in a slower rate of principal payments. A modification may also result in less interest accruing on a Mortgage Loan.

See “*The Pooling and Servicing Agreement*” in this Offering Circular for more information regarding the Pooling and Servicing Agreement’s requirements with respect to modifications and loss mitigation.

Risks Related to MERS

The mortgages or assignments of mortgage for certain of the Mortgage Loans have been recorded in the name of Mortgage Electronic Registration Systems, Inc. (“**MERS**”), solely as nominee for one or more affiliates of the Seller and their successors and assigns, including the Trust. Subsequent assignments of those mortgages are registered electronically through the MERS system.

The making of and recording of mortgages in the name of MERS, and the operating of the related MERS registration system, has been challenged through the judicial system and there has been public disclosure that MERS is facing or has faced government investigations relating to its operations. Most judicial decisions have accepted MERS as mortgagee, have upheld the validity of mortgages and deeds of trust in which MERS is a named party, and have confirmed the authority of MERS or its assignees (including securitization trustees to whom a post-transfer assignment is made) to foreclose as mortgagee or beneficiary or nominee, and most related challenges to MERS have not been successful. There have been some decisions, however, where the result was not favorable to MERS. For example, the Kansas supreme court ruled that MERS was not a contingently necessary party to a mortgage foreclosure suit, although it was a named party to a mortgage, because MERS did not have an economic interest that was impaired by its failure to receive notice of the foreclosure suit. While the court specifically did not decide whether MERS was entitled to notice and service of the foreclosure action, a lower Kansas court or a court in another jurisdiction could follow the dicta in this case as supportive of some finding adverse to the validity of MERS’ interest insofar as MERS has no right to repayment of the mortgage debt. In addition, the United States Bankruptcy Court for the Eastern District of New York issued a memorandum decision addressing whether the alleged holder of a mortgage loan had sufficient status as a secured creditor to

seek relief from the automatic bankruptcy stay to pursue a foreclosure action. After resolving the primary issue in controversy on purely procedural grounds and granting the requested relief, the court made certain observations in dicta about whether the trustee in the case before it, which had been assigned the mortgage by MERS, qualified as a secured creditor under New York law with standing to file a motion for relief from stay. The court noted that (i) neither the mortgage loan servicer (acting on behalf of the trustee) nor MERS (as intervenor in the case) had proven in that proceeding that the trustee was the holder or owner of the related mortgage note and (ii) there was no proof in that proceeding that MERS had acted within the scope of its agency relationship when it assigned the mortgage. The bankruptcy court, therefore, concluded that MERS had lacked sufficient legal authority to validly assign the mortgage to the trustee. While the bankruptcy court's analysis of MERS was not essential to the actual holding of the case, it was intended to provide guidance in other cases before the court where a motion for relief from stay was pending and arguments were being made that the creditor, which had taken an assignment of mortgage from MERS, had no standing. The decision was appealed and the appellate court vacated the portions of the bankruptcy court's opinion which discussed the creditor's standing as an "unconstitutional advisory opinion." Another example of a decision that was unfavorable to MERS was that of Washington supreme court which recently ruled that if MERS is not the holder of a mortgage note, then it is not considered to be the beneficiary for purposes of non-judicial foreclosures in Washington state. To the extent non-judicial foreclosures were in process in the state of Washington with MERS as beneficiary rather than as agent for the holder of the mortgage note, such foreclosures would need to be restarted. Many cases involving issues related to MERS and the MERS system are pending, and more may continue to be filed. In a recent district court decision in Pennsylvania, the judge ruled that MERS is obligated to create and record written documents memorializing the transfers of debt/promissory notes which are secured by real estate mortgage in Pennsylvania for all such debt transfers past, present and future in the recording office where the property is situated and failure to do so violates the Pennsylvania recording statute(s), but to date, the court has not ordered MERS to take any action. The law in this area continues to develop, and the course of decisions and their implications, cannot be predicted or accurately evaluated.

There have been some state attorney general actions involving MERS. A suit filed by the Massachusetts Attorney General, against MERS and several lender/servicers, has been dismissed in part and all claims against MERS have been dismissed. Suits filed by the New York Attorney General and the Delaware Attorney General against MERS have been settled. The Kentucky Attorney General recently sued MERS; the issue in that case concerns the alleged failure to pay certain recording fees.

Challenges to MERS of these types and others could result in delays and additional costs in commencing, prosecuting and completing foreclosure proceedings and conducting foreclosure sales of mortgaged properties, or in adverse results that may affect the ability to foreclose. In accordance with MERS procedures and accepted servicing practices, however, the Servicer will record assignments of mortgage or deeds of trust out of the name of MERS at an appropriate time prior to a foreclosure action. This additional expense of recordation will be treated as a servicing advance and will reduce the amounts available to make payments on the related Certificates. These delays and additional costs could in turn delay the payment of liquidation proceeds to Certificateholders and increase the severity of losses on the related Mortgage Loans.

Missing or Defective Mortgage Loan Documents May Limit Certificateholders' Remedies

On the Closing Date, the Custodian will be required to deliver an initial certification identifying certain defective or missing mortgage loan documents to the Seller, the Servicer and the Trustee. The Custodian will be required to provide a final certification 120 days after the Closing Date. These exceptions may include missing intervening assignments of mortgage, missing intervening mortgage note endorsements and other similar exceptions. Notwithstanding the foregoing, in the event the Custodian previously delivered a trust receipt or certification in connection with its review of a Mortgage Loan under the Custodial Agreement that did not list such document as an exception and the Custodian subsequently fails to produce such document, the Seller will have no obligation to cure, repurchase or replace such Mortgage Loan and the only remedy to Certificateholders and the Trustee will be to enforce any contractual obligations of the Custodian relating thereto under the Custodial Agreement.

Step-Rate Mortgage Loans May Present Increased Risk

Approximately 98.08% of the Group H Mortgage Loans (by aggregate Unpaid Principal Balance as of the Cut-Off Date) are step-rate Mortgage Loans that have mortgage rates that have not reached the related final step rates and that will increase in the future. Investors should note that borrowers may be unable to make their monthly payments when the mortgage rate on their mortgage loan is subject to an increase. As a result, such step-rate Mortgage Loans may experience increased delinquency, foreclosure, bankruptcy and loss as compared with traditional fixed-rate mortgage loans. Further, borrowers with step-rate Mortgage Loans are more likely to prepay their Mortgage Loans, which could result in a Certificateholder receiving less interest on the Certificates as a result of prepayments on such Mortgage Loans and as a result may experience a lower yield on its investment.

High Current Loan-to-Value Ratios May Present Increased Risk

As of the Cut-Off Date, the weighted average AVM current loan-to-value ratio for the Mortgage Loans is approximately 92% and approximately 31.90% of the Mortgage Loans by aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date (approximately 44.15% of the Group M Mortgage Loans and approximately 24.20% of the Group H Mortgage Loans) have AVM current loan-to-value ratios in excess of 100%. The AVM current loan-to-value ratios for the Mortgage Loans are based on valuations of the related mortgaged properties obtained through an automated value from Freddie Mac's automated valuation model, Home Value Explorer® (“HVE®”) when available. When an HVE value was not available, an MSA level house price index was used to estimate property values. If an MSA level house price index was not available, a state level house price index was used to estimate property values. The valuations provided herein may not reflect the actual values of the mortgaged properties in the open market.

Mortgage loans with high current loan-to-value ratios leave the mortgagor with little, no or negative equity in the related mortgaged property, which may result in increased delinquencies by mortgagors. Fluctuations in the residential real estate market, the reduction in the availability of mortgage credit and other negative trends, may have the effect of reducing the values of the mortgaged properties from the updated values described above. A reduction in the values of the mortgaged properties may reduce the likelihood that liquidation proceeds or other proceeds will be sufficient to pay off the related mortgage loans fully.

The Rate of Default on Mortgage Loans that Are Secured by Investor Properties May be Higher than on Other Mortgage Loans

Approximately 1.75% of the Mortgage Loans by aggregate Unpaid Principal Balance as of the Cut-Off Date (approximately 3.03% of the Group M Mortgage Loans and approximately 0.94% of the Group H Mortgage Loans) are represented by the related mortgagors at origination as being secured by investor properties. Investors should note, however, that mortgagors may have misrepresented the occupancy status on their applications and there can be no assurance that there is not a greater percentage of Mortgage Loans secured by investor properties in the mortgage pool.

An investor property is a property which, at the time of origination, the mortgagor represented would not be used as the mortgagor's primary residence or second home. Because the mortgagor is not living on the property, the mortgagor may be more likely to default on the mortgage loan than on a comparable mortgage loan secured by a primary residence, or to a lesser extent, a second home. In addition, income expected to be generated from an investor property may have been considered for underwriting purposes in addition to the income of the mortgagor from other sources. Should this income not materialize or later disappear, it is possible the mortgagor would not have sufficient resources to make payments on the mortgage loan.

Homeowner Association Super Priority Liens, Special Assessment Liens and Energy Efficiency Liens May Take Priority Over the Mortgage Liens

In some states it is possible that the first lien of the mortgages may be partially subordinated by super priority liens of homeowner associations, potentially resulting in a partial loss of the mortgage loan's outstanding principal balance. In at least 20 states, Homeowner Association (“HOA”) assessment liens can take priority over first lien mortgages under certain circumstances. The number of these so called “super lien” states has increased in the past few decades and may increase further. The laws of these “super lien” states that provide for HOA

super liens vary in terms of: (a) the duration of the priority period (with many at six months and some with no limitations); (b) the assessments secured by the HOA lien (charges can include not only unpaid HOA assessments, but also late charges, collection costs, attorney fees, foreclosure costs, fines, and interest); and (c) the statute of limitations on HOA foreclosure rights.

There is currently no efficient mechanism available to loan servicers, including the Servicer, to track the status of borrowers' payments of HOA assessments that are governed by state super lien statutes. In fact, there is neither a unified database for HOA information, nor a centralized place for HOAs and loan servicers to contact one another. Consequently, in some of the super lien states there often is no practical, systemic method for the servicers to determine when an HOA assessment is unpaid or when the HOA initiates foreclosure of its lien. In some circumstances the Servicer may make servicing advances to pay delinquent homeowner association assessments or for the costs of determining whether any mortgaged property is subject to a homeowner association assessment or a related lien. If such servicing advances are not recovered from the related mortgagor or liquidation proceeds, they will reduce amounts distributable to Certificateholders.

If an HOA, or a purchaser of an HOA super lien, completes a foreclosure on an HOA super lien on a mortgaged property, the underlying mortgage loan will be extinguished. In those instances, the Certificateholders could suffer a loss of the entire outstanding principal balance of the Mortgage Loan, plus interest. The Servicer might be able to attempt to recover on an unsecured basis by suing the borrower personally for the balance, but recovery in these circumstances will be problematic if the borrower has no meaningful assets to recover against.

Mortgaged properties securing the Mortgage Loans may be subject to the lien of special property taxes and/or special assessments and liens that secure payment of periodic dues to homeowner associations. These liens may be superior to the liens securing the Mortgage Loans, irrespective of the date of the mortgage.

In some instances, individual mortgagors may be able to elect to enter into contracts with governmental agencies for Property Assessed Clean Energy (“PACE”) or similar assessments that are intended to secure the payment of energy and water efficiency and distributed energy generation improvements that are permanently affixed to their properties, possibly without notice to or the consent of the mortgagee. These assessments may also have lien priority over the mortgages securing the Mortgage Loans or may survive a foreclosure action, thereby impacting the subsequent disposition of an REO property subject to a PACE lien. No assurance can be given that any mortgaged property so assessed will increase in value to the extent of the assessment lien. Additional indebtedness secured by the assessment lien would reduce the amount of the value of the mortgaged property available to satisfy the affected Mortgage Loan if certain losses were to occur, and could therefore reduce the Net Liquidation Proceeds received with respect to such Mortgage Loan (and ultimately increase Certificate Realized Losses).

In numerous states, unpaid dues owed to a homeowner or condominium association may result in a lien on the related mortgaged property that has priority over the lien of a mortgage. If the holder of such a homeowner association lien forecloses on the related mortgaged property, the lien of the mortgage may be extinguished, resulting in losses on the related mortgage loan.

Certain Mortgage Loans Have Existing Liens Which May Cause Losses to the Trust

Certain Mortgage Loans, as of the Closing Date, have existing HOA, tax and municipal liens, as set forth in Schedule I to Appendix C attached hereto. To the extent that the Independent Reviewer determines that any such Mortgage Loan has suffered a loss as a direct result of an Existing Lien during the Warranty Period, the Independent Reviewer will notify the Seller and the Trust Agent. The Seller will be required to indemnify the Trust for such loss. However, there can be no assurance that such Mortgage Loans will experience a loss as a direct result of an Existing Lien after the Warranty Period, in which case the Seller would not be required to indemnify the Trust for such loss.

Values of Mortgaged Properties Securing the Mortgage Loans May Have Declined Since Origination

As of the Cut-Off Date, the weighted average loan age from origination (based on the Unpaid Principal Balance) of the Mortgage Loans was approximately 125 months. Since the time of origination or any applicable modification, the value of the mortgaged property relating to any Mortgage Loan may have declined,

and in some cases may have declined significantly. As a result, the value of any such mortgaged property as of the Cut-Off Date may be less than the Unpaid Principal Balance of the applicable Mortgage Loan. If any such mortgaged property were to be liquidated when the value of the mortgaged property was less than the Unpaid Principal Balance of the applicable Mortgage Loan, it is likely that the Trust would recover an amount less than such Unpaid Principal Balance, which could in the absence of the Guarantee on the Offered Certificates, result in losses on the Offered Certificates.

Limited Scope and Size of the Diligence Provider's Review of the Mortgage Loans May Not Reveal Aspects of the Due Diligence Sample Which Could Lead to Realized Losses

In connection with the offering of the Certificates, Freddie Mac engaged a third-party diligence provider (the "**Diligence Provider**") to undertake certain limited loan review procedures with respect to the due diligence sample and did not undertake these loan review procedures for Mortgage Loans not in the due diligence sample. The Diligence Provider and Freddie Mac reviewed the same due diligence sample. The due diligence sample was primarily selected randomly rather than on a targeted basis. As a result, the due diligence sample may be of more limited use than a targeted sample for identifying errors with respect to loans that may have a higher propensity for default. Had the due diligence sample been selected on a targeted basis, the results may have been different and potentially may have had a higher error rate than the error rate found. As a result, the Mortgage Loans that were not included in the review may have characteristics that were not discovered, noted or analyzed as part of the Diligence Provider's review that could, nonetheless, result in those Mortgage Loans experiencing losses in the future. Investors are encouraged to make their own determination as to the value of the due diligence undertaken by the Diligence Provider and Freddie Mac, the extent to which the characteristics of the mortgage pool can be extrapolated from the error rate and the extent to which investors believe that errors and discrepancies found during the various loan reviews described herein may indicate an increased likelihood of Realized Losses on the Mortgage Loans.

Investors are encouraged to make their own determination as to the extent to which they place reliance on the limited review procedures of Freddie Mac and the Diligence Provider engaged by Freddie Mac.

Review of Mortgage Loans Once a Breach Review Trigger is Met May Result in Expenses to the Trust which Adversely Affect the Certificates

The first time that a Review Notice is sent with respect to a Mortgage Loan, the Trust Agent is required to appoint an Independent Reviewer to review such Mortgage Loan to determine if there is a Material Breach of any representation or warranty made by the Seller with respect to such Mortgage Loan. The Servicer is required to send a Review Notice for all Mortgage Loans with respect to which a Breach Review Trigger has occurred during the Warranty Period. The Trust will pay all expenses of the Independent Reviewer associated with such review.

The payment by the Trust of expenses associated with a representation and warranty breach review will decrease the amount available for distributions of interest by the Trust to Certificateholders and may, absent a Guarantor Interest Payment, result in interest shortfalls to the Offered Certificates. Investors in the Certificates are encouraged to make their own determination as to the extent to which they place reliance on the breach review procedures described herein.

Actions to Enforce Breaches of Representations and Warranties Relating to Mortgage Loan Characteristics May Take a Significant Amount of Time or Cause Delays or Reductions in the Amount of Distributions Made to Certificateholders

The process for determining whether there has been a Material Breach with respect to a Mortgage Loan, and the obligation to repurchase such Mortgage Loan or make an indemnification payment, may be time-consuming and could result in delays in distributions on the Certificates and may, absent a Guarantor Interest Payment, result in interest shortfalls to the Offered Certificates.

A Recurrence of Turbulence in the Residential Mortgage Market and/or Financial Markets and/or Lack of Liquidity for Mortgage-Related Securities May Adversely Affect the Performance and Market Value of the Offered Certificates

While the 2016 single-family housing market was stronger by many measures than it had been in the previous decade, a recurrence of turbulence in the residential mortgage market and/or financial markets and/or lack of liquidity for mortgage-related securities may adversely affect the performance and market value of the Offered Certificates. Prior to 2016, there was a significant inventory of seriously delinquent loans and real estate owned (“REO”) properties in the market. The serious delinquency rate of our single-family loans declined during that time period, but the serious delinquency rate of the loans originated from 2005 through 2008 that we acquired remains high compared to similar rates for the loans we acquired in years prior to 2005 due to weakness in home prices in the last several years, higher unemployment in some areas, extended foreclosure timelines and continued challenges faced by servicers in processing problem loans, including adjusting their processes to accommodate changes in servicing standards, such as those dictated by legislative or regulatory authorities. Residential loan performance has been generally worse in areas with higher unemployment rates and where declines in property values have been more significant during recent years. In its National Delinquency Survey, the Mortgage Bankers Association presents delinquency rates both for mortgages it classifies as subprime and for mortgages it classifies as prime conventional. The delinquency rates of subprime mortgages are markedly higher than those of prime conventional loan products in the Mortgage Bankers Association survey; however, the delinquency experience in prime conventional mortgage loans originated during the years 2005 through 2008 has been significantly worse than in any year since the 1930s. A recurrence of these past problems could adversely affect the performance and market value of the Offered Certificates.

Market and economic conditions during the past several years have caused significant disruption in the credit markets. Continued concerns about the availability and cost of credit, the U.S. mortgage market, some real estate markets in the U.S., economic conditions in the U.S. and Europe and the systemic impact of inflation or deflation, energy costs and geopolitical issues have contributed to increased market volatility and diminished expectations for the U.S. economy. Increased market uncertainty and instability in both U.S. and international capital and credit markets, combined with declines in business and consumer confidence and increased unemployment, have contributed to volatility in domestic and international markets.

During the recession, losses on all types of residential mortgage loans increased due to declines in residential real estate values, resulting in reduced home equity. Although home prices since 2014 have shown greater stability and increased in some geographic areas, there can be no assurance that a decline will not resume and continue for an indefinite period of time in the future. A decline in property values or the failure of property values to increase where the outstanding balances of the mortgage loans and any secondary financing on the related mortgaged properties are close to or in excess of the value of the mortgaged properties may result in higher delinquencies, foreclosures and losses. Any decline in real estate values may be more severe for mortgage loans secured by high cost properties than those secured by low cost properties. Declining property values may create an oversupply of homes on the market, which may increase negative home equity. Nationwide home price appreciation rates generally were negative from late 2007 through 2012, and this trend may recur at any time. Higher loan-to-value ratios generally result in lower recoveries on foreclosure, and an increase in loss severities above those that would have been realized had property values remained the same or continued to appreciate.

There is particular uncertainty about the prospects for growth in the U.S. economy. A number of factors influence the potential uncertainty, including, but not limited to, rising government debt levels, prospective Federal Reserve policy shifts, the withdrawal of government interventions into the financial markets, changing U.S. consumer spending patterns, and changing expectations for inflation and deflation. Income growth and unemployment levels affect mortgagors’ ability to repay mortgage loans, and there is risk that economic activity could be weaker than anticipated following the recent serious recession. See “— *Governance and Regulation*” below when considering the impact of regulation on Certificateholders. Although the U.S. economy, by some measurements, has emerged from the recent recession, the current recovery has been the weakest expansion in post-war U.S. history. Continued concerns about the economic conditions in the United States, China and Europe, including downgrades of the long-term debt ratings of the European Economic and Monetary Union (“Eurozone”) nations and the United States, generally have contributed to increased market volatility and diminished growth expectations for the U.S. economy.

In addition, on June 23, 2016, the United Kingdom voted (the “**Brexit Vote**”) to exit the Eurozone. On March 29, 2017, Article 50 of the Lisbon Treaty was invoked which began a two year negotiation period between the United Kingdom and the European Council for the United Kingdom’s exit from the Eurozone. The results of the Brexit Vote and the triggering of Article 50 have resulted in volatility and disruption of the capital and credit markets in the United Kingdom and the Eurozone. In addition, the political, legal and regulatory uncertainty surrounding the exit by the United Kingdom, currently scheduled for March 19, 2019 (unless extended by all 28 European Union members), has raised concerns as to the economic stability of the United Kingdom and the viability of the Eurozone. The United Kingdom’s exit from the Eurozone could significantly impact volatility, liquidity and/or the market value of securities, including the Offered Certificates. An investment in the Offered Certificates should only be made by investors who understand such risks and are capable of bearing such risks.

Subsequent to the financial crisis and over the past decade, the Federal Reserve has adopted an easing stance in monetary policy referred to as “quantitative easing.” For example, interest rate cuts, which are intended to lower the cost of borrowing, result in higher investment activity which, in turn, stimulates the economy. Based on the stabilization of unemployment, as well as the increase in home prices, the Federal Reserve began to reduce the quantitative easing and in October 2014 announced the end of the quantitative easing program. On June 14, 2017, the Federal Reserve increased its benchmark interest rate for the fourth time since the financial crisis. To the extent that interest rates continue to rise as a result of the Federal Reserve’s action, the availability of refinancing alternatives for the Mortgage Loans may be reduced. The economic conditions experienced from 2007 to 2014 have been unique and unprecedented in terms of the level of home price declines, as well as the subsequent government intervention. There can be no assurance that the factors that caused such financial crisis (or any other factors) will have similar effects on the mortgage market in the future.

As a result of market conditions and other factors, the cost and availability of credit has been and may in the future continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets and the creditworthiness of counterparties has led many lenders and institutional investors to reduce, and in some cases cease, lending to certain mortgagors. Continued turbulence in the U.S. and international markets and economies may negatively affect the U.S. housing market and the credit performance and market value of residential mortgage loans.

In addition, the difficult economic environment and rate of unemployment and other factors (which may or may not affect real property values) may affect the mortgagors’ timely payment of scheduled payments of principal and interest on the Mortgage Loans and, accordingly, may increase the occurrence of delinquencies and Realized Losses and adversely affect the amount of Liquidation Proceeds realized in connection with Liquidated Mortgage Loans. Further, the time periods to resolve defaulted Mortgage Loans may be long, and those periods may be further extended because of mortgagor bankruptcies, related litigation and any federal and state legislative, regulatory and/or administrative actions or investigations.

Further, the secondary market for mortgage-related securities is experiencing extremely limited liquidity. These conditions may continue or worsen in the future. Limited liquidity in the secondary market for mortgage securities could adversely affect a Certificateholder’s ability to sell the Offered Certificates or the price such Certificateholder receives for the Offered Certificates and may continue to have a severe adverse effect on the market value of mortgage securities, especially those that are more sensitive to prepayment or credit risk.

Although the Pooling and Servicing Agreement is to be interpreted under the federal laws of the United States, if there is no applicable U.S. federal law precedent, the Pooling and Servicing Agreement will be governed by New York law, unless New York law would frustrate the purposes of the Freddie Mac Act or any provision of the Pooling and Servicing Agreement or the transactions governed by it. In December 2013, the Supreme Court of the State of New York, Appellate Division, First Department, held that the six-year statute of limitations applicable to a breach of contract cause of action under N.Y. CPLR 213(2) barred an action for breach of loan-level representations and warranties contained in New York-law governed agreements relating to a particular residential mortgage securitization transactions (the “**ACE Decision**”).

The First Department held that claims for breaches of loan-level representations and warranties began to accrue on the date on which the representations and warranties were allegedly breached, which in such case was the closing date of the securitization transaction. The First Department also held that the case was time-barred because the action had not been commenced within six years from the date of the alleged representation and

warranty breaches. On June 11, 2015, the New York Court of Appeals, the highest court in New York, affirmed the ruling of the lower court in the ACE Decision. On November 16, 2015, the United States Court of Appeals for the Second Circuit held under New York law that a claim for breaches of representations and warranties concerning the characteristics of mortgage loans accrues on the date the representations and warranties are made, even where the contract purports to set an alternative time period for such accrual.

A court applying New York law may determine, however, that another jurisdiction's statute of limitations period should control under New York's so-called "borrowing statute". Accordingly, to the extent that courts reach the same conclusion as the ACE Decision on the interpretation of New York law on this issue going forward, a breach of contract action alleging selling representation and warranty breaches under these agreements may be time barred if not commenced within the applicable jurisdiction's statute of limitations period, which period could be either longer or shorter than New York's, and would commence on the date on which the representations and warranties were made, even if the alleged representation and warranty breaches had not been discovered by such time. If the breach of contract action relates to a breach of a servicing (rather than a selling) representation and warranty, the applicable statute of limitations may run from the date that the servicing breach occurred.

Although the REMIC representations and warranties provided by the Seller are "life of loan" representations and warranties, there can be no assurance that if the Seller failed to repurchase a Mortgage Loan and New York law applied that investors would be able to seek relief in a court of law because of the ACE Decision.

These factors and general market conditions, together, with the limited amount of credit enhancement available to the Certificateholders (as further described in this Offering Circular) could adversely affect the performance and market value of the Offered Certificates and result in a full or partial loss of your initial investment. See "*Prepayment and Yield Considerations — Yield Considerations with Respect to the Certificates*". There can be no assurance that governmental intervention or other actions or events will improve these conditions in the near future.

The Rate and Timing of Principal Payment Collections on the Mortgage Loans Will Affect the Yield on the Offered Certificates

The rate and timing of distributions of principal and the yield to maturity on the Offered Certificates will be directly related to the rate and timing of collections of principal payments on the applicable Mortgage Loans and the amount and timing of defaults by mortgagors that result in Realized Losses on the applicable Mortgage Loans. Mortgagors are permitted to prepay their Mortgage Loans, in whole or in part, at any time, without penalty.

The principal distribution characteristics of the Offered Certificates have been designed so that the Certificates amortize based on the collections of principal payments on the applicable Mortgage Loans. See "*Description of the Certificates — Principal — Allocation of Principal Remittance Amount*". Investors should make their own determination as to the effect of these features on the Offered Certificates.

The rate and timing of principal payments (including prepayments) on mortgage loans is influenced by a variety of economic, geographic, social and other factors, but may depend greatly on the level of mortgage rates:

- If prevailing interest rates for similar mortgage loans fall below the interest rates on the Mortgage Loans, the rate of principal prepayments would generally be expected to increase due to refinancings.
- Conversely, if prevailing interest rates for similar mortgage loans rise above the interest rates on the Mortgage Loans, the rate of principal prepayments would generally be expected to decrease.

The rate and timing of principal payments on the Mortgage Loans will also be affected by the following:

- the amortization schedules of the Mortgage Loans,
- the rate and timing of partial prepayments and full prepayments by mortgagors, due to refinancing, certain job transfers, changes in property value or other factors,
- liquidations of, or modifications resulting in the reduction of the mortgage balance (*e.g.*, principal reduction) or deferral of repayment of principal (*i.e.*, principal forbearance) of, the Mortgage Loans,

- the time it takes for defaulted Mortgage Loans to be modified or liquidated,
- the availability of loan modifications for delinquent or defaulted Mortgage Loans, and
- the rate and timing of payment in full of Mortgage Loans or other removals from the respective mortgage pool.

In addition, the repurchase of a Mortgage Loan by the Seller has the same effect on the mortgage pool as a prepayment in full. As such, the rate and timing of repurchases and any such indemnification payments will also affect the yield on the Offered Certificates.

Furthermore, to the extent any Realized Losses or Certificate Writedown Amounts are allocated to reduce the Class Principal Amounts of the Offered Certificates, the Guarantor is required to make a Guarantor Principal Payment in respect of the related Principal Deficiency Amount. Any such Guarantor Principal Payments will have the same effect as principal prepayments on the Mortgage Loans distributed to the Offered Certificates.

Mortgage originators make general solicitations for refinancings. Any such solicited refinancings may result in a rate of principal prepayments that is higher than prospective investors might otherwise expect.

No representation is made as to the rate of principal payments, including principal prepayments, on the Mortgage Loans or as to the yield to maturity of any Class of Certificates. In addition, there can be no assurance that any of the Mortgage Loans will or will not be prepaid prior to their maturity. An investor is urged to make an investment decision with respect to any Class of Certificates based on the anticipated yield to maturity of that Class of Certificates resulting from its purchase price and the investor's own determination as to anticipated Mortgage Loan prepayment and loss rates under a variety of scenarios. The extent to which the Certificates are purchased at a discount or a premium and the degree to which the timing of distributions on the Certificates is sensitive to prepayments will determine the extent to which the yield to maturity of the Certificates may vary from the anticipated yield.

If investors are purchasing Certificates at a discount, such prospective investors should consider the risk that if principal payments on the Mortgage Loans occur at a rate slower than such prospective investors expected, such prospective investors' yield will be lower than expected. This is especially true for the Principal Only Certificates. If prospective investors are purchasing Certificates at a premium, such prospective investors should consider the risk that if principal payments on the Mortgage Loans occur at a rate faster than such investors expected, such prospective investors' yield will be lower than expected and such investors may not recover their investment in the Certificates. This is especially true for Interest Only Certificates. The timing of changes in the rate of prepayments may significantly affect the actual yield to you, even if the average rate of principal prepayments is consistent with your expectations. In general, the earlier the payment of principal on the Mortgage Loans, the greater the effect on your yield to maturity. As a result, the effect on an investor's yield due to principal prepayments occurring at a rate higher (or lower) than the rate anticipated during the period immediately following the issuance of the Certificates may not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments. See *"Prepayment and Yield Considerations — Yield Considerations With Respect to the Certificates"*.

For a more detailed discussion of these factors, see *"Prepayment and Yield Considerations"* and *"Description of the Mortgage Loans"*.

The Performance of the Mortgage Loans Could be Dependent on the Servicer

The performance of the Servicer servicing the Mortgage Loans could have an impact on the amount and timing of principal collections on the Mortgage Loans and the rate and timing of the occurrence of Realized Losses with respect thereto. As described under *"The Pooling and Servicing Agreement"* below, the Servicer is generally required to service the Mortgage Loans in accordance with applicable law and the Servicing Requirements. The Servicer is servicing for the benefit of the Trust.

It is possible that servicing of the Mortgage Loans may be transferred in the future as a result of the occurrence of unremedied events of default or in the event of a Servicing Control Trigger. It is possible that the transfer of the rights, duties and obligations of the Servicer under the Pooling and Servicing Agreement to the successor servicer could adversely affect the servicing of the Mortgage Loans. For example, transfers of

servicing involve the risk of disruption in collections due to data input errors, misapplied or misdirected payments, system incompatibilities and other reasons. In connection with any such transfer, the rate of delinquencies and defaults on the Mortgage Loans could increase and the timely transfer of collections on the Mortgage Loans by the Servicer to the Securities Administrator could be affected, either of which could result (in the absence of the Guarantee) in reductions or delays in the distributions on the Offered Certificates.

Additionally, in the event of the Servicer's bankruptcy, the Trustee may face delays in terminating the Servicer as the termination right in the Pooling and Servicing Agreement upon a Servicer Event of Default relating to insolvency is generally subject to the bankruptcy court's automatic stay.

Further financial difficulties of the Servicer may be exacerbated by higher delinquencies and defaults that reduce the value of its mortgage loan portfolio, requiring the sale of such portfolio at a greater discount to par. In addition, the costs of servicing an increasingly delinquent mortgage loan portfolio may rise without a corresponding increase in servicing compensation. The Servicer may also be the subject of governmental investigations and litigation, which could have the potential to impact the financial condition of the Servicer. In addition, any regulatory oversight, proposed legislation and/or governmental intervention may have an adverse impact on the Servicer. See "*— Potential Developments Affecting Nationstar Mortgage LLC.*" These factors, among others, may have the overall effect of increasing costs and expenses of the Servicer while at the same time decreasing servicing cash flow, which may, in turn, have a negative impact on the ability of the Servicer to perform its obligations with respect to the Mortgage Loans, which could affect the amount and timing of principal collections on the Mortgage Loans and the rate and timing of the occurrence of losses with respect thereto.

Any reasonable servicing transfer costs of the successor servicer incurred in connection with the transfer of servicing from the predecessor Servicer will be paid by the predecessor Servicer. In the event that the predecessor Servicer fails to reimburse the successor servicer for such costs within a reasonable period of time, the successor servicer will be entitled to reimbursement from the assets of the Trust as described under "*The Pooling and Servicing Agreement — Successor Servicer*".

The Servicer's Discretion Over the Servicing of the Mortgage Loans May Impact the Amount and Timing of Funds Available to Make Distributions on the Certificates

The Servicer is obligated to service the Mortgage Loans in accordance with applicable law and the Servicing Requirements. See "*The Pooling and Servicing Agreement*". The Servicer has some discretion in servicing the Mortgage Loans as it relates to the application of the Servicing Requirements. Maximizing collections on the Mortgage Loans is not the Servicer's only priority in connection with servicing the Mortgage Loans. Consequently, the manner in which the Servicer exercises its servicing discretion or changes its customary servicing procedures could have an impact on the amount and timing of principal collections and Realized Losses on the Mortgage Loans, which may impact the amount and timing of principal distributions to be made on, and Realized Losses and Certificate Writedown Amounts allocated to, the Certificates.

Risks Relating to Insolvency of the Servicer

If the Servicer were to enter bankruptcy, it may cease operations and therefore stop servicing the Mortgage Loans and REO properties. Alternatively, it may continue in business, but reject the Pooling and Servicing Agreement and therefore no longer be obligated to perform under the Pooling and Servicing Agreement. The Servicer may also have the power, subject to approval of the Bankruptcy Court, to assign its rights and obligations as Servicer to a third party without the consent, and even over the objection, of the Guarantor, the Trustee or the Certificateholders. If the Servicer were in bankruptcy, then, despite the terms of the Pooling and Servicing Agreement, the Guarantor, the Trustee or the Certificateholders may be prohibited from, or face delays in, terminating the Servicer and appointing a successor servicer.

Risks Related to Failure of the Servicer to Perform; Replacement of the Servicer

If the Servicer is unable to perform all of its obligations under the Pooling and Servicing Agreement, such failure could result in reductions or delays in payments on the Certificates. Upon a Servicer Event of Default that is not waived by the Trustee at the direction of the Servicing Trigger Agent, the Servicing Trigger Agent may

direct the Trustee to terminate all of the rights and obligations of the Servicer under the Pooling and Servicing Agreement.

It is possible that the resignation or termination of the Servicer and the transfer of the rights, duties and obligations of the Servicer under the Pooling and Servicing Agreement to a successor servicer could adversely affect the servicing of the Mortgage Loans. For example, transfers of servicing involve the risk of disruption in collections due to data input errors, misapplied or misdirected payments, system incompatibilities and other reasons. If such a transfer were to take place, the rate of delinquencies and defaults on the related Mortgage Loans could increase, resulting in reductions or delays in the payments on the Certificates.

Prior Servicers May Not Have Followed the Requirements of Our Guide and Other Servicing Standards

The Mortgage Loans have been serviced by servicers other than the Servicer prior to the Closing Date under servicing standards set forth in the Guide or as otherwise set forth by Freddie Mac. There is a risk that the prior servicers may not have followed such requirements, which may result in the Mortgage Loans experiencing a higher rate of Realized Losses than if the Mortgage Loans had been serviced in accordance with the standards set forth in the Guide or as otherwise set forth by Freddie Mac.

Mortgagors May Have, or May in the Future Incur, Additional Indebtedness Secured by Mortgaged Properties Securing the Mortgage Loans

Mortgagors may generally obtain additional mortgage loans secured by their respective properties at any time and we are not generally entitled to receive notification when a mortgagor does so. Therefore, it is possible that with respect to certain of the Mortgage Loans, a lender may have originated a subordinate mortgage loan on the same mortgaged property. No such subordinate mortgage loans are included in the mortgage pool. However, no assurance can be made as to whether there are any Mortgage Loans (i) that were originated with simultaneous second liens, (ii) that still have second liens outstanding after their modification, or (iii) for which the related mortgagors subsequently received second lien mortgage loans. If such a post-origination subordinate mortgage is obtained with respect to a Mortgage Loan, this additional indebtedness could increase the risk that the value of the related mortgaged property is less than the total indebtedness secured by such mortgaged property and could increase the risk of losses on such Mortgage Loan. The existence of subordinate mortgage liens may adversely affect default rates because the related mortgagors must make two or more monthly payments and also because such subordinate mortgages will result in an increased combined loan-to-value of the mortgage loans. A default on a subordinate mortgage loan could cause the related mortgaged property to be foreclosed upon at a time when the first mortgage loan remains current as to scheduled payments. If this should occur with respect to Mortgage Loans, it may affect prepayment rates on the Mortgage Loans and could result in increased losses with respect to the Mortgage Loans, which could result in Realized Losses and Certificate Writedown Amounts being allocated to the Certificates. Further, with respect to any Mortgage Loans that have subordinate lien mortgages encumbering the same mortgaged properties, the risk of Realized Losses may be increased relative to Mortgage Loans that do not have subordinate financing since mortgagors who have subordinate lien mortgages have less equity in the mortgaged property. We have not independently verified the existence of any subordinate liens on the mortgaged properties securing the Mortgage Loans, and any information provided in this Offering Circular as to subordinate liens on any mortgaged properties securing the Mortgage Loans is based solely on the representation made by the related originator of the Mortgage Loans in connection with our acquisition of the related Mortgage Loans.

Geographic Concentration May Increase Risk of Losses Due to Adverse Economic Conditions or Natural Disasters

As of the Cut-Off Date, approximately 31.12% of the Mortgage Loans by aggregate Unpaid Principal Balance (approximately 24.07% for Group M Mortgage Loans and approximately 35.55% for Group H Mortgage Loans) are secured by mortgaged properties located in California. If the regional economy or housing market weakens in California or any other state or region having a significant concentration of mortgaged properties underlying the Mortgage Loans, the Mortgage Loans may experience higher rates of Realized Losses, which could result in higher prepayments or losses, absent the Guarantee, on the Offered Certificates. States in the Gulf coast region and southeastern and northeastern Atlantic coast, the New England area, Oklahoma, Colorado,

California and other regions have experienced natural disasters, including earthquakes, fires, floods, droughts, tornadoes and hurricanes, which may adversely affect mortgagors and mortgaged properties. Any concentration of mortgaged properties in a state or region may present unique risk considerations. No assurance can be given as to the effect of natural disasters on delinquencies and losses on any of the Mortgage Loans secured by the mortgaged properties that might be damaged by such natural disasters or on any other Mortgage Loans. In the event of a natural disaster the Servicer may offer relief, such as a deferral of a payment or permanent modification of the terms of a mortgage loan, to affected mortgagors.

Any deterioration in housing prices in a state or region due to adverse economic conditions, natural disasters or other factors, and any deterioration of the economic conditions or natural disasters in a state or region that adversely affects the ability of mortgagors to make payments on the Mortgage Loans, may result in losses on Mortgage Loans and Realized Losses and Certificate Writedown Amounts being allocated to the Certificates.

See Appendix A for further information regarding the geographic concentration of the Mortgage Loans.

Mortgage Loans Made to Certain Mortgagors May Present a Greater Risk

Realized Losses on certain Mortgage Loans may be higher as a result of the related mortgagors' circumstances. Mortgagors of certain Mortgage Loans may have less steady or predictable income than others, which may increase the risk of these mortgagors not making timely payments. Further, mortgagors who are significantly increasing their housing payments may have difficulties adjusting to their new housing debt even though their debt-to-income ratios may be within guidelines. These mortgagors may present a greater risk of default as a result of their circumstances. Investors should consider that a higher number of mortgagors that have these types of issues may result in increased losses on the Mortgage Loans that would result in Realized Losses and Certificate Writedown Amounts being allocated to the Certificates.

Proposals to Acquire Mortgage Loans by Eminent Domain May Adversely Affect Your Certificates

The County Board of Supervisors of San Bernardino, California in 2012 approved a joint exercise of powers agreement among the County of San Bernardino, California, the City of Ontario, California and the City of Fontana, California to establish a joint powers authority (the "**Authority**") to implement a program to assist homeowners in those jurisdictions who are obligated on residential mortgage loans with outstanding balances in excess of the market value of the mortgaged properties. The proposed program included authorization for the Authority to acquire any such mortgage loans by voluntary purchase or eminent domain and to modify those mortgage loans to allow homeowners to continue to own and occupy their homes. Although the Authority has since rejected such a program, other local governments have taken similar steps to consider how the power of eminent domain could be used to acquire residential mortgage loans.

There is no certainty as to whether any governmental entity will take steps to acquire any mortgage loans under such a program, whether any mortgage loans sought to be purchased will be mortgage loans held in securitization trusts, what purchase price would be paid for any such mortgage loans, and whether additional governmental entities may consider and ultimately pass similar legislation. Any such actions could have a material adverse effect on the market value of residential mortgage-backed certificates such as the Certificates. There is also no certainty as to whether any such action without the consent of investors would face legal challenge, and, if so, the outcome of any such challenge.

If a governmental entity implements a program under which it has the power to acquire residential mortgage loans through the exercise of eminent domain, and the governmental entity proposes to acquire a Mortgage Loan out of the Trust, the Servicer is required to notify the Trustee of such proposed acquisition and obtain a valuation on the related mortgaged property in the form of a broker's price opinion or another valuation method that it deems appropriate. The Trustee may also request the Servicer to engage a third party to review each such Mortgage Loan to determine whether the payment offered by such governmental entity is the fair market value of the Mortgage Loan, and the Servicer may engage legal counsel to assess the legality of the governmental entity's proposed action and whether there are bona fide legal grounds for contesting the acquisition. Based on the results of these determinations, the Servicer may contest such an acquisition through appropriate legal proceedings. If certain conditions are satisfied, the Certificateholders may direct the Trustee to pursue such an action. These procedures may take substantial time, which could result in delays, increased costs and losses to Certificateholders.

Statutory and Judicial Limitations on Foreclosure Procedures May Delay Recovery in Respect of the Mortgaged Properties and, in Some Instances, Limit the Amount That May Be Recovered by the Servicer, Resulting in Realized Losses on the Mortgage Loans That Might Be Allocated to the Certificates

Foreclosure procedures may vary from state to state. Two primary methods of foreclosing a mortgage instrument are judicial foreclosure, involving court proceedings, and non-judicial foreclosure pursuant to a power of sale granted in the mortgage instrument. A foreclosure action is subject to most of the delays and expenses of other lawsuits if defenses are raised or counterclaims are asserted. Delays may also result from difficulties in locating necessary defendants. Non-judicial foreclosures may be subject to delays resulting from state laws mandating the recording of notice of default and notice of sale and, in some states, notice to any party having an interest of record in the real property, including junior lienholders. Some states have adopted “anti-deficiency” statutes that limit the ability of a lender to collect the full amount owed on a loan if the property sells at foreclosure for less than the full amount owed. In addition, United States courts have traditionally imposed general equitable principles to limit the remedies available to lenders in foreclosure actions that are perceived by the court as harsh or unfair. The effect of these statutes and judicial principles may be to delay and/or reduce distributions in respect of the Certificates. See *“Certain Legal Aspects of the Mortgage Loans — Foreclosure”*.

As of the Cut-Off Date, approximately 4.48% of the Mortgage Loans by aggregate Unpaid Principal Balance (approximately 4.89% for Group M Mortgage Loans and approximately 4.23% for Group H Mortgage Loans) are secured by mortgaged properties located in Maryland. Recently, the Court of Special Appeals of Maryland, the intermediate appellate court in that state, held that a party who authorizes a foreclosure action on a deed of trust must be licensed as a collection agency in the state under the Maryland Collection Agency Licensing Act (the “MCALA”) before filing the foreclosure lawsuit, and that this licensing requirement applies to trusts formed outside of Maryland. As a result, a foreclosure action initiated in Maryland by a non-licensed collection agency could be held to be invalid. Because the Trust is a New York common law trust that is not licensed as a collection agency under the MCALA, the issue could have a direct adverse impact on the ability of the Servicer to foreclose on Maryland mortgages that were in default at the time they were securitized. As such, the Servicer may experience an inability to realize on defaulted Mortgage Loans through foreclosure where the related mortgaged property is located in Maryland, even though the Servicer is an appropriately licensed and/or exempt mortgage servicer. While there is additional caselaw pending in Maryland that could materially impact this decision, there can be no assurances that the appeal of the decision, other caselaw, or legislative efforts in Maryland, will be successful in resolving these foreclosure issues.

Several lawsuits were filed in numerous jurisdictions challenging Freddie Mac’s statutory exemption from transfer taxes imposed on the transfer of real property for which Freddie Mac was the grantor or grantee. Many jurisdictions refused to honor Freddie Mac’s exemption during the pendency of the lawsuits, requiring the payment of transfer taxes in order to record deeds transferring property to and/or from Freddie Mac following the foreclosure of a mortgage. Freddie Mac successfully defended these lawsuits, and Freddie Mac’s statutory exemption from transfer taxes has been upheld by the courts. However, the Trust may face similar challenges to its exemption when it obtains title to REO properties.

Stricter Enforcement of Foreclosure Rules and Documentation Requirements May Cause Delays and Increase the Risk of Loss

Recently courts and administrative agencies have been enforcing more strictly existing rules regarding the conduct of foreclosures and, in some circumstances, have been imposing new rules regarding foreclosures. Some courts have delayed or prohibited foreclosures based on alleged failures to comply with technical requirements. State legislatures have been enacting new laws regarding foreclosure procedures. In addition, more mortgagors are bringing legal actions, or filing for bankruptcy, to attempt to block or delay foreclosures. As a result, the Servicer may be subject to delays in conducting foreclosures and the expense of foreclosures may increase, resulting in delays or reductions in distributions on the Certificates.

Mortgagors have been increasingly successful in challenging or delaying foreclosures based on technical grounds, including challenges based on alleged defects in the mortgage loan documents and challenges based on alleged defects in the documents under which the mortgage loans were securitized. In a number of cases, such challenges have delayed or prevented foreclosures. It is possible that there will be an increase in the number of

successful challenges to foreclosures by mortgagors. Curing defective documents required to conduct a foreclosure will cause delays and increase costs, which could result in Realized Losses being allocated to the Certificates. Further, the Servicing Requirements will require the Servicer to exhaust various loss mitigation options prior to proceeding with foreclosures and the final servicing rules promulgated by the Consumer Financial Protection Bureau (“CFPB”), which took effect on January 10, 2014, require servicers, among other things, to exhaust all feasible loss mitigation options before proceeding with foreclosures, which, in each case, will have the effect of delaying foreclosures of Mortgage Loans in certain instances.

Insurance Related to the Mortgaged Properties May Not Be Sufficient to Compensate for Losses

Although the mortgaged properties securing the Mortgage Loans and REO properties may be covered by insurance policies, such as hazard insurance or flood insurance, no assurance can be made that the proceeds from such policies will be used to repay any amounts owed in respect of such Mortgage Loans or will be used to make improvements to the mortgaged properties that have values that are commensurate with the value of any of the damaged improvements. In addition, even though an insurance policy may cover the “replacement cost” of the improvements on any mortgaged property, the proceeds of such insurance policy may not be sufficient to cover the actual replacement cost of such improvements or the appraised value of the improvements on any mortgaged property. No assurance can be given that the insurer related to any insurance policy will have sufficient financial resources to make any payment on any insurance policy or that any such insurer will not challenge any claim made with respect to any such insurance policy resulting in a delay or reduction of the ultimate insurance proceeds, which could have a material adverse effect on the performance of the Certificates. Insurance premiums will be reimbursed to the Servicer upon liquidation of the related REO property. Flood insurance, however, is required to always be maintained on REO properties, even upon vacancy.

Delays in Liquidation; Liquidation Proceeds May Be Less Than Mortgage Loan Balance

Substantial delays in distribution of principal on the Certificates could be encountered in connection with the liquidation of delinquent Mortgage Loans. Delays in foreclosure proceedings may ensue in certain states experiencing increased volumes of delinquent mortgage loans. Further, reimbursement of Servicing Advances made by or caused to be made by the Servicer and liquidation expenses will reduce the Net Liquidation Proceeds related to such Mortgage Loans and could result in greater Realized Losses being allocated to the Certificates. Servicing Advances could result in a substantial reduction in the amount of any Liquidation Proceeds received with respect to the related Mortgage Loans.

Helping Families Save Their Homes Act

The Helping Families Save Their Homes Act of 2009, Public Law 111-22, 123 Stat. 1632, effective as of May 20, 2009, amended the Truth in Lending Act (“TILA”) to require creditors that are the new owner or assignee of a mortgage loan secured by a borrower’s principal dwelling to mail or deliver notice to borrowers of the sale or transfer of their mortgage loan no later than thirty (30) days after a sale or transfer. In implementing this change to TILA, the CFPB amended Regulation Z, effective January 1, 2011, to impose this requirement on a newly defined category of “covered persons”, including those who are not creditors, when that covered person acquires a mortgage loan. As a result, the Servicer, on behalf of the Trust will be required to mail or deliver these notices reflecting the ownership of the Mortgage Loans by the Trust. Failure to comply with these notice requirements may result in civil claims for compensatory and punitive damages against the Trust. Any judgment against, or settlement by, the Trust relating to these violations would reduce the funds otherwise available for distribution to investors, and may result in shortfalls or losses on the Certificates.

Impact of Potential Military Action and Terrorist Attacks

The effects that military action by United States forces in other regions and terrorist attacks within or outside the United States may have on the performance of the Mortgage Loans cannot be determined at this time. Prospective investors should consider the possible effects on delinquency, default and prepayment experience of the Mortgage Loans. Federal agencies and non-government lenders have and may continue to defer, reduce or forgive payments and delay foreclosure proceedings in respect of Mortgage Loans to mortgagors affected in some way by recent and possible future events.

The Servicemembers Civil Relief Act (the “**Relief Act**”) and similar state military relief laws relating to servicemembers may require payment reduction or foreclosure forbearance to some mortgagors and their dependents. Moreover, federal and state agencies have deferred, reduced or forgiven and may continue to defer, reduce or forgive payments and delay foreclosure proceedings for Mortgage Loans to mortgagors affected in some way by possible future military action, deployment or terrorist attacks whether or not they are servicemembers or their dependents. Any such delays may impact the Offered Certificates.

Environmental Risks

Real property (either owned outright or pledged as security for a mortgage loan) may be subject to certain environmental risks that could result in losses on the Mortgage Loans. Under the laws of certain states, contamination of a property may give rise to a lien on the property to assure the costs of cleanup. In several states, such a lien has priority over the lien of an existing mortgage against such property. In addition, under the laws of some states and under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“**CERCLA**”), a lender may be liable (and an owner will be liable) as an “owner” or “operator,” for costs of addressing releases or threatened releases of hazardous substances that require remedy at a property, if agents or employees of the lender have become sufficiently involved in the operations of the borrower, regardless of whether or not the environmental damage or threat was caused by a prior owner. See “*Certain Legal Aspects of the Mortgage Loans — Environmental Legislation*”. A lender also risks such liability on foreclosure of the mortgage. Any such lien arising with respect to a mortgaged property would adversely affect the value of such mortgaged property and could make impracticable the foreclosure on such mortgaged property in the event of a default by the related borrower. In addition, certain environmental laws impose liability for releases of asbestos into the air. Third parties may seek recovery from owners or operators of real property for personal injury associated with exposure to asbestos, lead paint, radon or other hazardous substances. Property owners in some areas have recently been subject to liability claims associated with mold.

Forfeiture for Drug, RICO and Money Laundering Violations

Federal law provides that property purchased or improved with assets derived from criminal activity or otherwise tainted, or used in the commission of certain offenses, can be seized and ordered forfeited to the United States of America. The offenses which can trigger such a seizure and forfeiture include, among others, violations of the Racketeer Influenced and Corrupt Organizations Act, the Bank Secrecy Act, the anti-money laundering laws and regulations, including the USA Patriot Act of 2001 and the regulations issued pursuant to that Act, as well as the narcotic drug laws. In many instances, the United States may seize the property even before a conviction occurs.

In the event of a forfeiture proceeding, a lender may be able to establish its interest in the property by proving that (1) its mortgage was executed and recorded before the commission of the illegal conduct from which the assets used to purchase or improve the property were derived or before the commission of any other crime upon which the forfeiture is based, or (2) the lender, at the time of the execution of the mortgage, “did not know or was reasonably without cause to believe that the property was subject to forfeiture.” However, there is no assurance that such a defense will be successful. See “*Certain Legal Aspects of the Mortgage Loans*”.

Governance and Regulation

The Dodd-Frank Act and Related Regulation May Adversely Affect Our Business Activities and the Trust

The Dodd-Frank Act, which was signed into law on July 21, 2010, significantly changed the regulation of the financial services industry and could affect the purchase and servicing of loans, in substantial and unforeseeable ways and have an adverse effect on the Mortgage Loans and the operations of the Servicer. The Dodd-Frank Act and related current and future regulatory changes could affect the servicing value of the Mortgage Loans, require the Servicer to change certain business practices relating to the Mortgage Loans, resulting in the servicing of Mortgage Loans being significantly more expensive. The Servicer will also face a more complicated regulatory environment due to the Dodd-Frank Act and related current and future regulatory changes, which will increase compliance and operational costs. It is possible that any such changes will adversely affect the servicing of the Mortgage Loans.

Implementation of the Dodd-Frank Act was accomplished through numerous rulemakings by the CFPB and other federal agencies and entities. For example, the CFPB has issued a final rule, which became effective on January 10, 2014, specifying the characteristics of a “qualified mortgage”. In addition, certain legislative initiatives, if adopted, could modify Dodd-Frank Act requirements and related regulatory requirements. It could be difficult for the Servicer to comply with any future regulatory changes in a timely manner, due to the potential scope and number of such changes, which could interfere with the servicing of the Mortgage Loans, limit default management and the Servicer’s loss mitigation options and lead to an increased likelihood of Certificate Realized Losses or Certificate Writedown Amounts.

Further, the final servicing rules promulgated by the CFPB to implement certain sections of the Dodd-Frank Act, effective January 10, 2014, require servicers to, among other things, make good faith early intervention efforts to notify delinquent mortgagors of loss mitigation options and, to the extent that loss mitigation options are offered to mortgagors, to implement loss mitigation procedures and if feasible, exhaust all loss mitigation options before initiating foreclosure. All of the Mortgage Loans secured by principal residences are subject to the CFPB servicing rules. It is possible that the Servicer’s failure to comply with these servicing protocols could adversely affect the value of the Certificates.

Governmental Actions May Affect Servicing of Mortgage Loans and May Limit the Servicer’s Ability to Foreclose

The federal government, state and local governments, consumer advocacy groups and others continue to urge servicers to be aggressive in modifying mortgage loans to avoid foreclosure, and federal, state and local governmental authorities have enacted and continue to propose numerous laws, regulations and rules relating to mortgage loans generally, and foreclosure actions particularly. For example, the CFPB released final rules relating to mortgage servicing, which became effective on January 10, 2014, that prohibit a servicer from, among other things, commencing a foreclosure until a mortgage loan secured by a principal residence is more than one hundred and twenty (120) days delinquent and could delay foreclosure even beyond that time period if the mortgagor applies for a loss mitigation option, such as a modification (*e.g.*, interest payments on the Mortgage Loans could be reduced and, in certain instances, forgiveness of amounts due under the note). If the rate of modifications due to government actions increase it could have an adverse effect on the Certificates. The final rules, among other things, also require servicers to provide certain notices, follow specific procedures relating to loss mitigation and foreclosure alternatives and establish protocols such as assuring that the mortgagor be able to contact a designated person(s) at the servicer to facilitate communications. The expense of complying with these new CFPB servicing standards for a servicer may be substantial.

Any of these laws, regulations and rules may provide new defenses to foreclosure, insulate the Servicer from liability for modification of loans without regard to the terms of the Pooling and Servicing Agreement or result in limitations on upward adjustment of mortgage interest rates, reduced payments by mortgagors, permanent forgiveness of debt, increased prepayments due to the availability of government-sponsored refinancing initiatives and/or increased reimbursable servicing expenses. This may result in delays in payments on the Mortgage Loans and lead to increased Realized Losses and Certificate Writedown Amounts. In addition, these laws, regulations and rules may increase the likelihood of a modification of a Mortgage Loan with respect to a delinquent mortgagor rather than a foreclosure.

Several courts and state and local governments and their elected or appointed officials also have taken steps to slow the foreclosure process or prevent foreclosures altogether. A number of these laws have been enacted, including in California. These laws, regulations and rules will result in delays in the foreclosure process, and may lead to reduced payments by mortgagors or increased reimbursable servicing expenses. For example, on February 9, 2012, HUD, and attorneys general representing forty-nine (49) states and the District of Columbia reached a settlement agreement with five (5) large mortgage servicers in connection with servicing and foreclosure issues. Consent judgments implementing the agreement were filed in the U.S. District Court in Washington, D.C. in March 2012. The settlement agreement provides for financial relief for homeowners, including mortgage loan principal reduction, refinancing and increased benefits and protections for servicemembers and veterans, and requires a comprehensive reform of mortgage servicing practices for the five (5) servicers. It is possible that future actions against additional servicers will result in similar agreements with similar terms, or that regulations or rules enacted by the CFPB or other governmental entities could require a

servicer to implement these types of reforms with respect to the Mortgage Loans. In addition, the State of California enacted in 2012 a “Homeowner’s Bill of Rights”, which requires similar changes in delinquent loan servicing and foreclosure procedures and creates a private right of action permitting mortgagors to bring legal actions against lenders who violate the law. Any such changes to the servicing procedures could lead to higher defaults by mortgagors on their Mortgage Loans and lower liquidation proceeds due to, among other things, higher servicing expenses and related Servicing Advances and therefore result in an increase in Certificate Realized Losses or reductions in yield.

Certificateholders will bear the risk that future regulatory and legal developments may result in losses on their Certificates. The effect on the Certificates will be likely more severe if any of these future legal and regulatory developments occur in one or more states in which there is a significant concentration of mortgaged properties.

The long-term impact of the Dodd-Frank Act and related current and future regulatory changes impacting the Mortgage Loans and the financial services industry in general will depend on a number of factors that are difficult to predict, including the ability to successfully implement any changes to business operations, changes in consumer behavior, and the Servicer’s responses to the Dodd-Frank Act and related current and future regulatory changes.

Legislative or Regulatory Actions Could Adversely Affect Our Business Activities and the Trust

In addition to the Dodd-Frank Act and the possible reform of Freddie Mac and Fannie Mae discussed in this Offering Circular, our business operations and those of the Servicer may be adversely affected by other legislative and regulatory actions by federal, state, and local governments, including by legislation or regulatory action that changes the loss mitigation, pre-foreclosure, foreclosure and REO management and disposition processes. For example, various states and local jurisdictions have implemented mediation programs designed to bring servicers and mortgagors together to negotiate workout options. These actions could delay the foreclosure process, increase expenses, including by potentially delaying the final resolution of seriously delinquent mortgage loans and the disposition of non-performing assets, and lead to increased Realized Losses and Certificate Writedown Amounts. Freddie Mac and the Servicer could also be affected by any legislative or regulatory changes that would expand the responsibilities and liability of the Servicer and assignees for maintaining vacant properties prior to foreclosure. FHFA has required Freddie Mac to include a requirement in the Pooling and Servicing Agreement that mandates that the Servicer pursue foreclosure if it is unable to enter into an alternative to foreclosure or otherwise donate mortgage loans generally to a third party, despite the fact that the foreclosure process and resulting maintenance and disposition of the related REO property, including any liability and clean-up costs associated with a property, present a risk of ownership (e.g., environmental or similar owner/operator liability) that exceeds the value of the property. These laws and regulatory changes could significantly expand mortgage costs and liabilities leading to negative effects on the Trust. The Trust could also be affected by legislative or regulatory changes that require principal reductions or forgiveness, including through the bankruptcy process, which could also affect how we determine principal prepayments (e.g., if Nationstar is required to effect forgiveness with respect to certain delinquent Mortgage Loans, any such forgiven amount with respect to a Distribution Date could result in an increased amount of unscheduled principal (to the extent amounts are forgiven), which will lead to an increased amount of principal being paid on the related Certificates for such Distribution Date). These laws and regulations are sometimes created with little or no advance warning and Freddie Mac and the Servicer may have limited ability to participate in the legislative or regulatory process.

In August 2014, the SEC adopted substantial revisions to Regulation AB and other rules regarding the offering process, disclosure and reporting for asset-backed securities. Among other things, the changes require (i) enhanced disclosure of loan level information at the time of securitization and on an ongoing basis, (ii) that the transaction agreements provide for review of the underlying assets by an independent asset representations reviewer if certain trigger events occur and (iii) periodic assessments of an asset-backed security issuer’s continued ability to conduct shelf offerings. Also in August 2014, the SEC issued final rules encompassing a broad category of new and revised rules applicable to NRSROs. These rules include new provisions that require (i) issuers or underwriters of rated asset-backed securities to furnish a Form ABS-15G that contains the findings and conclusions of reports of third-party due diligence providers, (ii) third-party due diligence providers to

provide a form with certain information to NRSROs regarding their due diligence services, findings and conclusions, and a certification as to their review and (iii) NRSROs to make publicly available the forms provided by any third-party due diligence providers. In addition, pursuant to the Dodd-Frank Act, in October 2014, the SEC and other regulators adopted risk retention rules, effective for certain securitizations issued on or after December 24, 2015, that require, among other things, that a sponsor, its affiliate or certain other eligible parties retain at least 5% of the credit risk underlying a non-exempt securitization, and in general prohibit the transfer or hedging of, and restrict the pledge of, the retained credit risk; the risk retention rules took effect on December 24, 2016 for non-exempt residential mortgage-backed securities transactions issued on or after December 24, 2015, and for all other non-exempt securitizations, issued on or after December 24, 2016. We cannot predict what effect these new rules will have on the marketability of asset-backed securities. See *“Description of the Mortgage Loans — Credit Risk Retention”* for a discussion of the application of these rules in this transaction and a discussion of why Freddie Mac will not retain credit risk pursuant to these risk retention rules.

Effective January 1, 2014, EU Regulation 575/2013 imposes on European Economic Area (“**EEA**”) credit institutions and investment firms investing in securitizations issued on or after January 1, 2011, or in securitizations issued prior to that date where new assets are added or substituted after December 31, 2014: (a) a requirement (the “**Retention Requirement**”) that the originator, securitization sponsor or original lender of such securitization has explicitly disclosed that it will retain, on an ongoing basis, a material net economic interest which, in any event, will not be less than 5%; and (b) a requirement (the “**Due Diligence Requirement**”) that the investing credit institution or investment firm has undertaken certain due diligence in respect of the securitization and the underlying exposures and has established procedures for monitoring them on an ongoing basis.

National regulators in EEA member states impose penal risk weights on securitization investments in respect of which the Retention Requirement or the Due Diligence Requirement has not been satisfied in any material respect by reason of the negligence or omission of the investing credit institution or investment firm. If the Retention Requirement or the Due Diligence Requirement is not satisfied in respect of a securitization investment held by a non-EEA subsidiary of an EEA credit institution or investment firm then an additional risk weight may be applied to such securitization investment when taken into account on a consolidated basis at the level of the EEA credit institution or investment firm.

Requirements similar to the Retention Requirement and the Due Diligence Requirement (the “**Similar Requirements**”): (i) apply to investments in securitizations by investment funds managed by EEA investment managers subject to the Alternative Investment Fund Managers Directive (EU Directive 2011/61/EU); (ii) apply to investments in securitizations by EEA insurance and reinsurance undertakings subject to the Solvency II Directive (EU Directive 2009/138/EC, as amended); and (iii) subject to the adoption of certain secondary legislation, will apply to investments in securitizations by EEA insurance and reinsurance undertakings and by EEA undertakings for collective investment in transferable securities.

None of Freddie Mac, the Underwriters, the Securities Administrator, the Trust Agent, their respective affiliates or any other person intends to retain a material net economic interest in the securitization constituted by the issuance of the Certificates in accordance with the Retention Requirement or to take any other action which may be required by EEA-regulated investors for the purposes of their compliance with the Retention Requirement, the Due Diligence Requirement or Similar Requirements. Consequently, the Certificates are not a suitable investment for EEA credit institutions, investment firms or the other types of EEA regulated investors mentioned above. As a result, the price and liquidity of the Certificates in the secondary market may be adversely affected. EEA-regulated investors are encouraged to consult with their own investment and legal advisors regarding the suitability of the Certificates for investment.

On September 30, 2015, the European Commission (the “**Commission**”) published a proposal to amend EU Regulation 575/2013 (the “**Draft CRR Amendment Regulation**”) and a proposed regulation relating to a European framework for simple, transparent and standardised securitisation (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto, the “**Securitisation Regulation**”) which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a “Capital Markets Union” in Europe. The Council of Ministers of the European Union (the “**Council**”) approved a version of the Securitisation Regulation on November 30, 2015. The European Parliament adopted a

version of the Securitisation Regulation on December 8, 2016. Subsequent discussions among representatives of the Commission, the Council and the European Parliament resulted in political agreement on a version of the Securitisation Regulation which was published on June 26, 2017. The politically agreed upon version provides for the Securitisation Regulation to apply from January 1, 2019. However, the politically agreed upon version needs to be adopted by both the Council and the European Parliament in order to be effective and there is no guarantee that it will be adopted in the form published and without further amendment. Investors should be aware that there are material differences between the Retention Requirement, the Due Diligence Requirement and Similar Requirements and the risk retention and due diligence requirements in the politically agreed upon version of the Securitisation Regulation.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the Retention Requirement, the Due Diligence Requirement or Similar Requirements, including changes made by the Securitisation Regulation or changes recommended in future reports or reviews. Each prospective investor in the Certificates should therefore make itself aware of the Securitisation Regulation, in addition to any other regulatory requirements that are (or may become) applicable to them and/or with respect to their investment in the Certificates.

Investors should also independently assess and determine whether they are directly or indirectly subject to market risk capital rules jointly promulgated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve and the Federal Deposit Insurance Corporation (the “**FDIC**”) that became effective on January 1, 2013. Any prospective investor that is subject to these rules should independently assess and determine its ability to comply with the regulatory capital treatment and reporting requirements that may be required with respect to the purchase of a Certificate and what impact any such regulatory capital treatment and reporting requirements may have on the liquidity or market value of the Certificates.

All of these events could have a material adverse impact on the Certificateholders.

Risks Associated With the Investment Company Act

The Trust has not been registered with the SEC as an investment company pursuant to the Investment Company Act, in reliance of the exception provided in Section 3(c)(5)(C) of the Investment Company Act, although other exceptions may be applicable. The Trust has been structured with the intent that it not constitute a “covered fund” for purposes of the Volcker Rule under the Dodd-Frank Act.

If the SEC or a court of competent jurisdiction were to find that the Trust is required to register as an investment company under the Investment Company Act, but had failed to do so, possible consequences include, but are not limited to, the following: (i) an application by the SEC to a district court to enjoin the violation; and (ii) any contract to which the Trust is party that is made in violation of the Investment Company Act or whose performance involves such violation may be deemed unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Trust be subjected to any or all of the foregoing, the Trust and Certificateholders could be materially and adversely affected.

In December 2013, the banking regulators and other agencies principally responsible for banking and financial market regulation in the United States implemented the final rule under the so-called Volcker Rule under the Dodd-Frank Act, which in general prohibits “banking entities” (as defined therein) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring certain “covered funds” (broadly defined to include any entity that would be an investment company under the Investment Company Act but for the exemptions provided in Section 3(c)(1) or 3(c)(7) thereof) and certain similar funds and (iii) entering into certain relationships with such funds.

Although the Trust does not rely upon the exemptions in Section 3(c)(1) or 3(c)(7) of the Investment Company Act for an exemption from being an investment company under the Investment Company Act, the general effects of the final rules implementing the Volcker Rule remain uncertain.

Any prospective investor in the Certificates, including a U.S. or foreign bank or an affiliate or subsidiary thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule and regulatory implementation.

Risks Related to the Potential Elimination or Reduction of the Mortgage-Interest Tax Deduction

Various tax reform proposals continue to circulate in Congress, some of which would change the manner in which home interest deductions are treated. It is unclear whether any of the pending tax reform proposals will be enacted, either piecemeal as revenue raisers or as part of a more comprehensive package of tax reforms. Elimination or further restrictions on the mortgage-interest tax deduction could negatively affect the U.S. housing market, the market value of residential mortgage loans and the Certificates.

Violation of Various Federal, State and Local Laws May Result in Losses on the Mortgage Loans

Applicable state and local laws generally regulate interest rates and other charges, require specific disclosure and require licensing of the originator. In addition, other state and local laws, public policy and general principles of equity relating to the protection of consumers, unfair and deceptive practices and debt collection practices may apply to the origination, servicing and collection of the Mortgage Loans.

The Mortgage Loans are also subject to federal laws, including:

- the Homeownership and Equity Protection Act (“**HOEPA**”), as amended by the Dodd-Frank Act, and state, county and municipal “high cost” laws and ordinances enacted to combat predatory or abusive lending;
- the Equal Credit Opportunity Act and Regulation B promulgated thereunder, which prohibit discrimination on the basis of age, race, color, sex, religion, marital status, national origin, receipt of public assistance or the exercise of any right under the Consumer Credit Protection Act, in the extension of credit;
- the Fair Credit Reporting Act, which regulates the use and reporting of information related to the mortgagor’s credit experience; and
- the Real Estate Settlement and Procedures Act (“**RESPA**”), as amended, and Regulation X promulgated thereunder, which impose requirements pertaining to the (a) disclosure of certain terms of mortgage loans prior to origination and during the servicing life of the loan, and (b) mitigation and foreclosure activities, among other requirements.

Depending on the provisions of the applicable law and the specific facts and circumstances involved, violations of these federal or state laws, policies and principles may limit the ability to collect all or part of the principal of, or interest on, the Mortgage Loans, may result in a defense to foreclosure or an “unwinding” or rescission of the Mortgage Loans and may entitle the mortgagor to a refund of amounts previously paid, which may reduce the Liquidation Proceeds received with respect to a Mortgage Loan and therefore, may, absent repurchase of the Mortgage Loan by the Seller, or an indemnification payment by the Seller, increase the Realized Losses allocated to the Certificates. See “*Certain Legal Aspects of the Mortgage Loans*”.

Risks Relating to Freddie Mac

In addition to the risks relating to Freddie Mac set forth below, investors should carefully consider the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated in this Offering Circular by reference.

The Conservator May Repudiate Freddie Mac’s Contracts, Including Its Guarantee and Other Obligations Related to the Offered Certificates

On September 6, 2008, the FHFA was appointed Freddie Mac’s conservator by the FHFA director. See “*Freddie Mac — Conservatorship and Related Matters*”. The conservator has the right to transfer or sell any asset or liability of Freddie Mac, including its Guarantee obligation, without any approval, assignment or consent. If the conservator were to transfer Freddie Mac’s Guarantee obligation to another party, holders of the

Offered Certificates would have to rely on that party for the satisfaction of the Guarantee obligation and would be exposed to the credit risk of that party. Freddie Mac is also the Seller and as such has certain obligations to repurchase Mortgage Loans or make indemnification payments in the event of Material Breaches of certain representations or warranties. If the conservator were to transfer Freddie Mac's repurchase and indemnification obligations as Seller to another party, holders of the Certificates would have to rely on that party for satisfaction of such repurchase and indemnification obligations and would be exposed to credit risk of that party.

Future Legislation and Regulatory Actions Will Likely Affect the Role of Freddie Mac

Future legislation will likely materially affect the role of Freddie Mac, its business model, its structure and future results of operations. Some or all of Freddie Mac's functions could be transferred to other institutions, and it could cease to exist as a stockholder-owned company or at all.

On February 11, 2011, the Obama Administration delivered a report to Congress that lays out the Administration's plan to reform the U.S. housing finance market, including options for structuring the government's long-term role in a housing finance system in which the private sector is the dominant provider of mortgage credit. The report recommends winding down Freddie Mac and Fannie Mae, stating that the Administration will work with FHFA to determine the best way to responsibly reduce the role of Freddie Mac and Fannie Mae in the market and ultimately wind down both institutions. The report recommends using a combination of policy levers to wind down Freddie Mac and Fannie Mae, shrink the government's footprint in housing finance, and help bring private capital back to the mortgage market, including: (i) increasing guarantee fees; (ii) increasing private capital ahead of Freddie Mac and Fannie Mae guarantees and phasing in a 10% down payment requirement; (iii) reducing conforming loan limits; and (iv) winding down Freddie Mac and Fannie Mae's investment portfolios. Further, on January 20, 2017, a new presidential administration commenced. We have no ability to predict what regulatory and legislative policies or actions the new administration will pursue with respect to Freddie Mac.

In addition to legislative actions, FHFA has expansive regulatory authority over Freddie Mac, and the manner in which FHFA will use its authority in the future is unclear. FHFA could take a number of regulatory actions that could materially adversely affect Freddie Mac, such as changing or reinstating current capital requirements, which are not binding during conservatorship.

FHFA Could Terminate the Conservatorship by Placing Freddie Mac into Receivership, Which Could Adversely Affect Our Guarantee and Other Performance under the Pooling and Servicing Agreement

Under the Reform Act, FHFA must place us into receivership if the director of FHFA makes a determination in writing that our assets are, and for a period of sixty (60) days have been, less than our obligations, or if we are not, and for a period of sixty (60) days have not been, generally paying our debts as they become due. FHFA has notified us that the measurement period for any mandatory receivership determination with respect to our assets and obligations would commence no earlier than the SEC public filing deadline for its quarterly or annual financial statements and would continue for sixty calendar days after that date.

In addition, Freddie Mac could be put into receivership at the discretion of the director of FHFA at any time for other reasons, including conditions that FHFA has already asserted existed at the time Freddie Mac was placed into conservatorship. These include: a substantial dissipation of assets or earnings due to unsafe or unsound practices; the existence of an unsafe or unsound condition to transact business; an inability to meet its obligations in the ordinary course of business; a weakening of its condition due to unsafe or unsound practices or conditions; critical undercapitalization; the likelihood of losses that will deplete substantially all of its capital; or by consent. A receivership would terminate the conservatorship. The appointment of FHFA (or any other entity) as Freddie Mac's receiver would terminate all rights and claims that its creditors may have against Freddie Mac's assets or under its charter arising as a result of their status as creditors, other than the potential ability to be paid upon Freddie Mac's liquidation. Unlike a conservatorship, the purpose of which is to conserve Freddie Mac's assets and return it to a sound and solvent condition, the purpose of a receivership is to liquidate Freddie Mac's assets and resolve claims against Freddie Mac.

In the event of a liquidation of Freddie Mac's assets, there can be no assurance that there would be sufficient proceeds to pay the secured and unsecured claims of the company, repay the liquidation preference of any series

of its preferred stock or make any distribution to the holders of its common stock. To the extent that Freddie Mac is placed in receivership and does not or cannot fulfill its guarantee or other contractual obligations to the holders of its mortgage-related securities, including the Certificates, such holders could become unsecured creditors of Freddie Mac with respect to claims made under Freddie Mac's guarantee or its other contractual obligations.

As receiver, FHFA could repudiate any contract entered into by us prior to its appointment as receiver if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of our affairs. The Reform Act requires that any exercise by FHFA of its right to repudiate any contract occur within a reasonable period following its appointment as receiver.

If FHFA, as receiver, were to repudiate our obligations under the Pooling and Servicing Agreement, the receivership estate would be liable for actual direct compensatory damages as of the date of receivership under the Reform Act. Any such liability could be satisfied only to the extent that our assets were available for that purpose.

Moreover, if Freddie Mac's Guarantee obligations were repudiated, distributions to the holders of the Offered Certificates would be reduced to the extent of Interest Deficiency Amounts and Principal Deficiency Amounts otherwise payable by Freddie Mac as Guarantor on the Offered Certificates arising on any Distribution Date subsequent to such repudiation. Any actual direct compensatory damages owed as a result of the repudiation of Freddie Mac's Guarantee obligations may not be sufficient to offset any shortfalls experienced by the holders of the Offered Certificates.

During a receivership, certain rights of the holders of the Certificates under the Pooling and Servicing Agreement may not be enforceable against FHFA, or enforcement of such rights may be delayed.

The Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which we are a party, or obtain possession of or exercise control over any property of ours, or affect any contractual rights of ours, without the approval of FHFA as receiver, for a period of ninety (90) days following the appointment of FHFA as receiver.

Freddie Mac is Dependent Upon the Support of Treasury

We are dependent upon the continued support of Treasury in order to continue operating our business. Our ability to access funds from Treasury under the Purchase Agreement is critical to keeping us solvent and avoiding appointment of a receiver by FHFA under statutory mandatory receivership provisions. Any deterioration in our financial position and any discontinued support of the Treasury could result in Realized Losses and Certificate Writedown Amounts being allocated to the Offered Certificates, in the absence of the Guarantee. See "*Freddie Mac — Purchase Agreement*."

Freddie Mac's Changes in Business Practices May Negatively Impact the Certificateholders

Freddie Mac has a set of policies and procedures that it follows in the normal course of its mortgage loan purchase business, which are generally described in this Offering Circular. Freddie Mac has indicated that certain of these practices are subject to change over time, as a result of changes in the economic environment and as a result of regulatory changes and changes in requirements of its regulators, or its Conservator, among other reasons. Freddie Mac may at any time change its practices as they relate to servicing requirements for the Servicer, quality control policies and quality assurance policies, as well as other policies and procedures that may, in their current forms, benefit the Certificateholders. See "*Freddie Mac — General*" and "*— Conservatorship and Related Matters*". In undertaking any changes to its practices or its policies and procedures, Freddie Mac may exercise complete discretion and may undertake changes that negatively impact the Certificateholders in pursuing other interests, including, but not limited to, minimizing losses for the taxpayers and complying with requirements put forth by its regulators, among others.

Investment Factors and Risks Related to the Certificates

The Offered Certificates May Not Be Repaid in Full

The Offered Certificates do not represent obligations (or interests in obligations) of any person or entity other than the Trust and Freddie Mac and do not represent a claim against any assets other than those of the Trust. No governmental agency or instrumentality other than Freddie Mac will guarantee or insure payment on the Offered Certificates. If the Trust or Freddie Mac is unable to make distributions on the Offered Certificates, no other assets will be available to you for payment of the deficiency, and you will bear the resulting loss.

Credit Support Available From the Subordinate Certificates Is Limited and May Not Be Sufficient to Prevent Loss on Your Certificates

Although subordination provided by the Class M-1, Class M-2 and Class B Certificates is intended to reduce the risk of exposure of the Offered Certificates to the reduction of their Class Principal Amounts from the allocation of Realized Losses and Certificate Writedown Amounts, the amount of such subordination will be limited and may decline under certain circumstances described in this Offering Circular.

If we were to experience significant financial difficulties, or if FHFA placed us in receivership and our guarantor obligation was repudiated as described above in “— *Risks Relating to Freddie Mac*,” the holders of the Offered Certificates may suffer losses as a result of the various contingencies described in this “*Risk Factors*” section and elsewhere in this Offering Circular. The Offered Certificates, including interest thereon, are not guaranteed by the United States and do not constitute debts or obligations of the United States or any agency or instrumentality of the United States other than the guarantee obligations of Freddie Mac.

Moreover, certain principal payments on the Mortgage Loans may be distributed to Certificateholders as interest, thereby eliminating or reducing interest shortfalls to the Class M-1 and Class M-2 Certificates. See “*Description of the Certificates — Principal — Allocation of Principal Remittance Amount*”. Any such principal payments on the Mortgage Loans that are remitted to Certificateholders in the form of interest may result in Certificate Writedown Amounts being allocated to the most junior outstanding Subordinate Certificates, thereby reducing credit support to the Offered Certificates.

Changes in the Market Value of the Certificates May Not Be Reflective of the Performance or Anticipated Performance of the Mortgage Loans

The market value of the Certificates may be volatile. These market values can change rapidly and significantly and changes can result from a variety of factors. However, a decrease in market value may not necessarily be the result of deterioration in the performance or anticipated performance of the Mortgage Loans. For example, changes in interest rates, perceived risk, supply and demand for similar or other investment products, accounting standards, capital requirements that apply to regulated financial institutions and other factors that are not directly related to the Mortgage Loans can adversely and materially affect the market value of the Certificates.

Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of the Certificates, Which May Limit Investors’ Ability to Sell the Certificates

We note that regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire securities such as the Certificates, which in turn may adversely affect the ability of investors in the Certificates who are not subject to those provisions to resell their Certificates in the secondary market. For example, Section 619 of the Dodd-Frank Act added a provision, commonly referred to as the “**Volcker Rule**”, to federal banking laws to generally prohibit various covered banking entities from, among other things, engaging in proprietary trading in securities and derivatives, subject to certain exemptions. Section 619 became effective on July 21, 2012, and final regulations were issued on December 10, 2013. Conformance with the Volcker Rule’s provisions was required by July 21, 2015. The Volcker Rule and those regulations restrict certain purchases or sales of securities generally and derivatives by banking entities if conducted on a proprietary trading basis. The Volcker Rule’s provisions may adversely affect the ability of banking entities to purchase and sell the Certificates.

The appropriate characterization of the Certificates under various legal investment restrictions, and the ability of investors subject to those restrictions to purchase the Certificates, may be subject to significant interpretive uncertainties. No representation is made as to the proper characterization of the Certificates for legal investment purposes, or for risk-weighting, securities valuation, regulatory accounting or other financial institution regulatory regimes of the National Association of Insurance Commissioners, any state insurance commissioner, any federal or state banking authority or any other regulatory body. No representation is made as to the ability of particular investors to purchase Certificates under applicable legal investment restrictions.

Changes in Accounting Rules May Affect You

The Financial Accounting Standards Board recently adopted changes to the accounting standards for investments, such as securities, in interests in securitization vehicles such as the Trust. These changes, and any other future changes in accounting standards, may affect the manner in which you must account for your investment in any securities and, under some circumstances, may require that you consolidate the entire Issuer on your balance sheet. We expect that you will consult your accounting advisors to determine the effect that accounting standards, including the recent changes, may have on you. We make no representation regarding the treatment of any securities or the Trust for purposes of any accounting standards.

The Offered Certificates May be Retired Early

The Certificates may be retired early if the Optional Termination right is exercised as described under “*Summary of Terms — Optional Termination*”. Any such Optional Termination may result in the receipt of principal on the Certificates prior to the Stated Final Distribution Date or the date anticipated by investors and may reduce prospective investors’ yield or cause prospective investors to incur losses on investments in the Certificates.

The Offered Certificates Will Not Be Rated by a Rating Agency on the Closing Date

We have not engaged any nationally recognized statistical rating organization (“**NRSRO**”) to rate the Offered Certificates on the Closing Date and we have no intention to do so in the future. The lack of a rating reduces the potential liquidity of the Offered Certificates and thus may affect the market value of such Offered Certificates. In addition, the lack of a rating may reduce the potential for, or increase the cost of, financing the purchase and/or holding of the Offered Certificates. An unsolicited rating could be assigned to the Offered Certificates at any time, including prior to the Closing Date, and none of Freddie Mac, the Underwriters or any affiliates of the Underwriters will have any obligation to inform you of any such unsolicited rating.

There is the possibility of unsolicited rating by one or more NRSROs in the future. Such rating could also adversely affect the market value of the Offered Certificates.

Moreover, the ratings on the Class M-1 and Class M-2 Certificates may not reflect the potential impact of all risks related to the structure of, or the market for such Certificates, or the additional factors discussed herein and other factors that may affect the value of the Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agencies.

In July 2017, Fitch Ratings, Inc. (“**Fitch**”) placed 299 U.S. RMBS classes from 98 transactions on “rating watch negative” following the withholding by various trustees of trust funds to reserve against future litigation. There can be no assurance that Fitch or other rating agencies will not take similar actions on comparable transactions or on this transaction at a later date. At this time we cannot predict what effect the above will have on the market or on this transaction in the future.

There May be Limited Liquidity of the Certificates, Which May Limit Investors’ Ability to Sell the Certificates

The Certificates will constitute classes of securities issued in the third transaction of this type by Freddie Mac involving re-performing Mortgage Loans. The Certificates are not required to be listed on any national securities exchange or traded on any automated quotation systems of any registered securities association. The Underwriters will have no obligation to make a market in the Certificates. As a result, there can be no assurance

as to the liquidity of the market that may develop for the Certificates, or if it does develop, that it will continue. It is possible that investors who desire to sell their Certificates in the secondary market may find no or few potential purchasers and experience lower resale prices than expected. Investors who desire to obtain financing for their Certificates similarly may have difficulty obtaining any credit or credit with satisfactory interest rates which may result in lower leveraged yields and lower secondary market prices upon the sale of the Certificates.

We make no representation as to the proper characterization of the Certificates for legal investment, regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Certificates under applicable legal investment or other restrictions or as to the consequences of an investment in the Certificates for such purposes or under such restrictions. The liquidity of trading markets for the Certificates may also be adversely affected by general declines or disruptions in the credit markets. Such market declines or disruptions could adversely affect the liquidity of and market for the Certificates independent of the credit performance of the Mortgage Loans. We have no obligation to continue to issue securities similar to the Certificates or with similar terms. FHFA may require us to discontinue issuing such securities or require that alternative risk sharing transactions be effected, thereby affecting the development of the market for the Certificates.

The Ability to Exchange the Exchangeable Certificates and MACR Certificates May Be Limited

An investor must own the right classes in the right proportions to enter into an exchange involving MACR Certificates. If you do not own the right classes, you may not be able to obtain them because:

- The owner of a class that you need for an exchange may refuse or be unable to sell that Class to you at a reasonable price or at any price.
- Principal payments over time will decrease the amounts available for exchange.

Investors Have No Direct Right to Enforce Remedies

Certificateholders (including Freddie Mac, other than in its capacities as Trustee and Guarantor) do not have the right to institute any action against the Servicer. As long as a Guarantor Nonpayment Event does not exist and the Guarantee Expiration Date has not passed, the Voting Rights with respect to the Guaranteed Certificates will be vested in Freddie Mac, in its capacity as the Guarantor of the Guaranteed Certificates. Any proposed measure requiring consent of Certificateholders of the Guaranteed Certificates may not be successful since Freddie Mac, as the Guarantor, could block such action, suit, amendment or proceeding. If a Servicer Event of Default were to occur, and a Guarantor Nonpayment Event does not exist, then Freddie Mac may direct the Trustee to terminate all rights and obligations of the Servicer under the Pooling and Servicing Agreement. The Class B, Class M-1 and Class M-2 Certificates will only have rights upon a Servicer Event of Default if a Guarantor Nonpayment Event exists or the Guarantee Expiration Date has passed. The Interest Only Certificates will not be entitled to any Voting Rights and therefore will not have the ability to execute any rights with respect to matters arising under the Pooling and Servicing Agreement.

These provisions may limit your personal ability to enforce the provisions of the Pooling and Servicing Agreement. In no event will the Certificateholders have the right to direct the Trustee to investigate the Servicer, to inspect the mortgage loan files or servicing files, or to review whether or not a breach of a representation or warranty has occurred. Investors should consider that the exercise of such rights by other Certificateholders may have an adverse effect on their investments.

Legality of Investment

Each prospective investor in the Certificates is responsible for determining for itself whether it has the legal power, authority and right to purchase such Certificates. None of Freddie Mac, the Underwriters or any of their respective affiliates expresses any view as to any prospective investor's legal power, authority or right to purchase the Certificates. Prospective investors are urged to consult their own legal, tax and accounting advisors as to such matters. See "*Legal Investment*" for additional information.

Suitability

Because (i) no information is available regarding the origination of the Mortgage Loans and only limited information is available with respect to the modification of the Mortgage Loans and (ii) for the other reasons described herein, the yields and the aggregate amount and timing of payments on the Certificates may be subject to material variability from period to period and over the lives of the Certificates. An investment in the Certificates involves substantial risks and uncertainties and should only be considered by sophisticated institutional investors with substantial investment experience with similar types of securities and with the financial ability to absorb a substantial loss on such investment.

Rights of Certificate Owners May Be Limited by Book-Entry System

All of the Certificates, other than the Mortgage Insurance Certificate and Residual Certificates, will be issued as Book-Entry Certificates and will be held through the book-entry system of DTC, and, as applicable, Euroclear and Clearstream. Transactions in the Book-Entry Certificates generally can be effected only through DTC and Participants (including Euroclear and Clearstream or their respective nominees or depositaries). As a result:

- investors' ability to pledge the Certificates to entities that do not participate in the DTC, Euroclear or Clearstream system, or to otherwise act with respect to the Certificates, may be limited due to the lack of a physical certificate for such Certificates,
- under a book-entry format, an investor may experience delays in the receipt of distributions, because distributions will be made by the Securities Administrator to DTC, Euroclear or Clearstream and not directly to an investor,
- investors' access to information regarding the Certificates may be limited because transmittal of notices and other communications by DTC to its participating organizations and directly or indirectly through those participating organizations to investors will be governed by arrangements among them, subject to applicable law, and
- you may experience delays in your receipt of distributions on Book-Entry Certificates in the event of misapplication of distributions by DTC, DTC participants or indirect DTC participants or bankruptcy or insolvency of those entities, and your recourse will be limited to your remedies against those entities.

For a more detailed discussion of the Book-Entry Certificates, see "*Description of The Certificates — Form, Registration and Transfer of the Certificates*".

Tax Characterization of the Certificates

The Offered Certificates will represent ownership of the "regular interests" in the Upper-Tier REMIC Pool and certain rights for U.S. federal income tax purposes. In general, regular interests in a REMIC are taxed as debt instruments for U.S. federal income tax purposes under the Code. See "*Certain Federal Income Tax Consequences*" for additional information.

Downgrade of Long-term Ratings of Eurozone Nations and the United States May Adversely Affect the Market Value of the Certificates

In response to the economic situation facing the Eurozone, based on factors including tightening credit conditions, higher risk premiums on Eurozone sovereigns and disagreement among European policy makers as to how best to address the declining market confidence with respect to the Eurozone, on January 13, 2012, Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("**S&P**"), downgraded the long-term credit ratings on nine members of the Eurozone, including Austria, Cyprus, France, Italy, Malta, Portugal, Slovakia, Slovenia and Spain. In addition, on October 10, 2014, S&P downgraded Finland's sovereign debt rating to AA+ from AAA, citing weak economic development and on January 26, 2015, S&P downgraded Russia's sovereign debt rating to BB+ from BBB-, citing the Russian Federation's weakened monetary policy flexibility and economic growth prospects. Also, on August 5, 2011, S&P lowered the long-term sovereign credit

rating of U.S. government debt obligations from AAA to AA+ and on August 8, 2011, S&P downgraded the long-term credit ratings of U.S. government-sponsored enterprises. In addition, on June 23, 2016, the United Kingdom voted to exit the Eurozone. As a result, S&P downgraded the United Kingdom's credit rating from AAA to AA and Fitch changed its rating from AA+ to AA. It is uncertain what effect this vote to exit the Eurozone will have on the remaining countries in the Eurozone or on the value or liquidity of the Offered Certificates.

These actions initially had an adverse effect on financial markets and although we are unable to predict the longer-term impact on such markets and the participants therein, it might be materially adverse to the value of the Certificates.

The Interests of Freddie Mac, the Underwriters and Others May Conflict With and be Adverse to the Interests of the Certificateholders

The Relationships Among Freddie Mac, Servicers and Sellers are Multifaceted and Complex

We have various multifaceted and complex relationships with our servicers and sellers. This complexity increased as a result of the economic conditions experienced in 2007 and the periods that followed and as a result of disputes regarding various matters, including responsibility for deteriorations in the value of mortgage loans and mortgage securities. We purchase a significant portion of our mortgage loans from several lenders. These lenders are among the largest mortgage loan originators in the U.S. Further, we have many other relationships with these parties or their affiliates, including as counterparties to debt funding and derivative transactions. As discussed in more detail below, these various relationships can create circumstances, including disputes, that result in interests and incentives that are or may be inconsistent with or adverse to the interests of holders of mortgage securities, including the Certificates.

Interests of Freddie Mac May Not be Aligned With the Interests of the Certificateholders

In connection with the Certificates, we act in multiple roles - Sponsor, Seller, Trustee and Guarantor. The Pooling and Servicing Agreement provides that in determining whether a Mortgage Loan is to be repurchased from the mortgage pool, Freddie Mac, as Seller, is entitled to appeal the Independent Reviewer's determination of whether a Material Breach has occurred and the amount of the Loss Estimate Amount. In our capacities as Trustee and Guarantor, we may consider factors as we deem appropriate, including the reduction of administrative costs (in the case of the Trustee) and possible exposure under our guarantee (in the case of the Guarantor). There is no independent third party engaged with respect to the Certificates to monitor and supervise our activities in our various roles. In connection with our roles as Seller and Guarantor, we may take certain actions with respect to Mortgage Loans that may adversely affect Certificateholders. For example, we may repurchase Mortgage Loans in certain situations. A Mortgage Loan repurchase will be treated as a prepayment in full of the Mortgage Loan being repurchased and will increase the prepayment speeds of Certificates. See "*The Pooling and Servicing Agreement — Mortgage Loan Repurchases and Warranties and Breach Review*".

Our interests in conducting our business and as Guarantor of the Offered Certificates may be adverse to the interests of the Certificateholders. Freddie Mac, through the issuance of the Subordinate Certificates is transferring certain credit risk that it would otherwise bear with respect to the Mortgage Loans to the extent that the Subordinate Certificates are subject to absorbing Realized Losses and Certificate Writedown Amounts as described in this Offering Circular.

Potential Conflicts of Interest of the Underwriters and their Affiliates

The activities of the Underwriters and their respective affiliates may result in certain conflicts of interest. The Underwriters and their affiliates may retain, or own in the future, Classes of Certificates, and any voting interest of those Classes could be exercised by them in a manner that could adversely impact the Certificates. The Underwriters and their affiliates may invest or take long or short positions in securities or instruments, including the Certificates, that may be different from your position as an investor in the Certificates. If that were to occur, such Underwriter's or its affiliate's interests may not be aligned with your interests in Certificates you acquire.

The Underwriters and their respective affiliates include broker-dealers whose business includes executing securities and derivative transactions on their own behalf as principals and on behalf of clients. Accordingly, the Underwriters and their respective affiliates and clients acting through them from time to time buy, sell or hold securities or other instruments, which may include one or more Classes of the Certificates, and do so without consideration of the fact that the Underwriters acted as Underwriters for the Certificates. Such transactions may result in the Underwriters and their respective affiliates and/or their clients having long or short positions in such instruments. Any such short positions will increase in value if the related securities or other instruments decrease in value. Further, the Underwriters and their respective affiliates may (on their own behalf as principals or for their clients) enter into credit derivative or other derivative transactions with other parties pursuant to which they sell or buy credit protection with respect to one or more of the Certificates. The positions of the Underwriters and their respective affiliates or their clients in such derivative transactions may increase in value if the Certificates default or decrease in value. In conducting such activities, none of the Underwriters or their respective affiliates will have any obligation to take into account the interests of the holders of the Certificates or any possible effect that such activities could have on them. The Underwriters and their respective affiliates and clients acting through them may execute such transactions, modify or terminate such derivative positions and otherwise act with respect to such transactions, and may exercise or enforce, or refrain from exercising or enforcing, any or all of their rights and powers in connection therewith, without regard to whether any such action might have an adverse effect on the Certificates or the holders of the Certificates. Additionally, none of the Underwriters and their respective affiliates will have any obligation to disclose any of these securities or derivatives transactions to you in your capacity as a Certificateholder.

To the extent the Underwriters or one of their respective affiliates makes a market in the Certificates (which they are under no obligation to do), they would expect to receive income from the spreads between their bid and offer prices for the Certificates. In connection with any such activity, they will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Certificates. The prices at which the Underwriters or one of their respective affiliates may be willing to purchase the Certificates, if they make a market for the Certificates, will depend on market conditions and other relevant factors and may be significantly lower than the issue prices for the Certificates and significantly lower than the prices at which they may be willing to sell the Certificates.

Furthermore, the Underwriters expect that a completed offering will enhance their ability to assist clients and counterparties in transactions related to the Certificates and in similar transactions (including assisting clients in additional purchases and sales of the Certificates and hedging transactions). The Underwriters expect to derive fees and other revenues from these transactions. In addition, participating in a successful offering and providing related services to clients may enhance the Underwriters' relationships with various parties, facilitate additional business development and enable them to obtain additional business and to generate additional revenue.

Neither of the Underwriters nor their respective affiliates will have any obligation to monitor the performance of the Certificates or the actions of Freddie Mac, the Servicer, the Trust Agent, the Securities Administrator or any other transaction party and will have no authority to advise any such party or to direct their actions.

There May Be Conflicts of Interest Between the Classes of Certificates

There may be conflicts of interest between the classes of Certificates due to differing distribution priorities and terms. Investors in the Certificates should consider that certain decisions may not be in the best interests of each Class of Certificates and that any conflict of interest among different Certificateholders may not be resolved in favor of investors in the Certificates. For example, Certificateholders may exercise their voting rights so as to maximize their own interests, resulting in certain actions and decisions that may not be in the best interests of different Certificateholders. Furthermore, as long as a Guarantor Nonpayment Event does not exist, the Voting Rights of the Senior Certificates will be vested in Freddie Mac.

Combination or “Layering” of Multiple Risk Factors May Significantly Increase the Risk of Loss on Your Certificates

Although the various risks discussed in this Offering Circular are generally described separately, prospective investors in the Certificates should consider the potential effects on the Certificates of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss on your Certificates may be significantly increased. In considering the potential effects of layered risks, you should carefully review the descriptions of the Mortgage Loans and the Certificates. See “*Description of the Mortgage Loans*” and “*Description of the Certificates*”.

THE SECURITIES ADMINISTRATOR

U.S. Bank National Association (“**U.S. Bank**”) will act as Securities Administrator (the “**Securities Administrator**”) under the Pooling and Servicing Agreement.

U.S. Bank, a national banking association will act as Securities Administrator under the Pooling and Servicing Agreement. U.S. Bancorp, with total assets exceeding \$450 billion as of March 31, 2017, is the parent company of U.S. Bank, the fifth largest commercial bank in the United States. As of March 31, 2017, U.S. Bancorp served approximately 18 million customers and operated over 3,000 branch offices in 25 states. A network of specialized U.S. Bancorp offices across the nation provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses, and institutions.

U.S. Bank has one of the largest corporate trust businesses in the country, with office locations in 54 domestic and 2 international cities. The Pooling and Servicing Agreement will be administered from U.S. Bank’s corporate trust office located at One Federal Street, 3rd Floor, Mailcode EX-MA-FED, Boston, Massachusetts 02110 (and for certificate transfer services, 111 Fillmore Avenue, St. Paul, Minnesota 55107, Attention: Bondholder Services — Freddie SCRT 2017-2). U.S. Bank has provided corporate trust services since 1924. As of March 31, 2017, U.S. Bank was providing securities administrator services on more than 201 transactions with \$20,828,700,000 of outstanding mortgage-backed securities prime structured products. The Securities Administrator is required to make each monthly statement available to the Certificateholders via the certificate administrator’s internet website at www.usbank.com/abs. Certificateholders with questions may direct them to the Securities Administrator’s bondholder services group at (800) 934-6802.

Since 2014 various plaintiffs or groups of plaintiffs, primarily investors, have filed claims against U.S. Bank, in its capacity as trustee or successor trustee (as the case may be) under certain residential mortgage backed securities (“**RMBS**”) trusts. The plaintiffs or plaintiff groups have filed substantially similar complaints against other RMBS trustees, including Deutsche Bank, Citibank, HSBC, Bank of New York Mellon and Wells Fargo Bank, N.A. The complaints against U.S. Bank allege the trustee caused losses to investors as a result of alleged failures by the sponsors, mortgage loan sellers and servicers for these RMBS trusts and assert causes of action based upon the trustee’s purported failure to enforce repurchase obligations of mortgage loan sellers for alleged breaches of representations and warranties concerning loan quality. The complaints also assert that the trustee failed to notify securityholders of purported events of default allegedly caused by breaches of servicing standards by mortgage loan servicers and that the trustee purportedly failed to abide by a heightened standard of care following alleged events of default.

Currently U.S. Bank is a defendant in multiple actions alleging individual or class action claims against the trustee with respect to multiple trusts as described above with the most substantial case being: *BlackRock Balanced Capital Portfolio et al v. U.S. Bank National Association*, No. 605204/2015 (N.Y. Sup. Ct.) (class action alleging claims with respect to approximately 794 trusts) and its companion case *BlackRock Core Bond Portfolio et al v. U.S. Bank National Association*, No. 14-cv-9401 (S.D.N.Y.). Some of the trusts implicated in the aforementioned Blackrock cases, as well as other trusts, are involved in actions brought by separate groups of plaintiffs related to no more than one hundred (100) trusts per case.

U.S. Bank cannot make assurances as to the outcome of any of the litigation, or the possible impact of these litigations on the Securities Administrator or the RMBS trusts. However, U.S. Bank denies liability and believes

that it has performed its obligations under the RMBS trusts in good faith, that its actions were not the cause of losses to investors and that it has meritorious defenses, and it intends to contest the plaintiffs' claims vigorously.

Under the terms of the Pooling and Servicing Agreement, U.S. Bank is responsible for securities administration, which includes pool performance calculations, distribution calculations and the preparation of monthly distribution reports. The distribution reports will be reviewed by an analyst and then by a supervisor using a transaction-specific review spreadsheet. Any corrections identified by the supervisor will be corrected by the analyst and reviewed by the supervisor. The supervisor also will be responsible for the timely delivery of reports to the administration unit for processing all cash flow items. As Securities Administrator, U.S. Bank is also responsible for the preparation and filing of all REMIC and Grantor Trust tax returns on behalf of the issuing entity. In the past three years, the Securities Administrator has not made material changes to the policies and procedures of its securities administration services for residential mortgage backed securities.

The foregoing information concerning the Securities Administrator has been provided by U.S. Bank. None of the Seller, the Trustee, the Underwriters, the Servicer, the Custodian, the Guarantor or the Trust Agent or any of their affiliates takes any responsibility for this information or makes any representation or warranty as to its accuracy or completeness.

Duties of the Securities Administrator

The Securities Administrator will, among other duties set forth in the Pooling and Servicing Agreement, (i) authenticate and deliver the Certificates, (ii) serve as registrar for purposes of registering the Certificates and the transfers and exchanges of the Certificates, (iii) calculate the principal and interest distributions due on the Certificates on each Distribution Date, (iv) pay, or cause to be paid on behalf of Freddie Mac, in its capacity as Trustee, the amounts due in respect of the Certificates, (v) prepare the "Certificateholder Report", (vi) prepare and make available to the Trustee and Certificateholders at the CUSIP level, information in respect of the Certificates necessary for Certificateholders to file their tax returns, (vii) prepare all REMIC tax returns and all information returns, including Schedule Q, (viii) invest funds in the Payment Account as directed by, and for the benefit of, the Trustee, (ix) make certain information available on its website as described herein and (x) be responsible for transmitting such data for the Trust to Bloomberg and Intex for external disclosure. Further, the Securities Administrator will hold the Book-Entry Certificates as custodian for DTC (for both U.S. and offshore depositories) pursuant to its agreement with DTC. The Trust will provide indemnification, subject to the Expenses Cap, to the Securities Administrator against any and all losses, liabilities, damages, claims, judgments, costs, fees, penalties, fines, forfeitures or other expenses (including reasonable legal fees and expenses) that may be imposed on, incurred by, or asserted against it in connection with, related to, or arising out of the Pooling and Servicing Agreement, the transactions contemplated thereby, or the Certificates, other than any loss, liability, damage, claim, judgment, cost, fee, penalty, fine, forfeiture or other expense (including reasonable legal fees and expenses) as a result of any willful misfeasance, bad faith, fraud or negligence of the Securities Administrator in the performance of its obligations and duties under the Pooling and Servicing Agreement or the negligent disregard by the Securities Administrator of its duties and obligations thereunder.

THE TRUST AGENT

Wilmington Trust, National Association ("WTNA") (formerly called M&T Bank, National Association) — also referred to herein as the Trust Agent — is a national banking association with trust powers incorporated in 1995. The Trust Agent's principal place of business is located at 1100 North Market Street, Wilmington, Delaware 19890. WTNA is an affiliate of Wilmington Trust Company and both WTNA and Wilmington Trust Company are subsidiaries of Wilmington Trust Corporation.

On May 16, 2011, after receiving all required shareholder and regulatory approvals, Wilmington Trust Corporation, the parent of WTNA, through a merger, became a wholly-owned subsidiary of M&T Bank Corporation, a New York corporation. WTNA is subject to various legal proceedings that arise from time to time in the ordinary course of business. WTNA does not believe that the ultimate resolution of any of these proceedings will have a materially adverse effect on its services as owner trustee.

The foregoing information concerning the Trust Agent has been provided by WTNA. None of the Seller, the Underwriters, the Servicer, the Custodian, the Guarantor or the Securities Administrator or any of their affiliates takes any responsibility for this information or makes any representation or warranty as to its accuracy or completeness.

Duties of the Trust Agent

The Trust Agent will, among other duties set forth in the Pooling and Servicing Agreement, appoint the Independent Reviewer for any review of a Mortgage Loan. The Trust will provide indemnification, subject to the Expenses Cap, to the Trust Agent against any and all losses, liabilities, damages, claims, judgments, costs, fees, penalties, fines, forfeitures or other expenses (including reasonable legal fees and expenses) that may be imposed on, incurred by, or asserted against it in connection with, related to, or arising out of the Pooling and Servicing Agreement, the transactions contemplated thereby, or the Certificates, other than any loss, liability, damage, claim, judgment, cost, fee, penalty, fine, forfeiture or other expense (including reasonable legal fees and expenses) as a result of any willful misfeasance, bad faith, fraud or negligence of the Trust Agent in the performance of its obligations and duties under the Pooling and Servicing Agreement or the negligent disregard by the Trust Agent of its duties and obligations thereunder.

THE CUSTODIAN

Wells Fargo Bank, N.A. (“**Wells Fargo Bank**”) will act as Custodian under the Custodial Agreement. Wells Fargo Bank is a national banking association and a wholly-owned subsidiary of Wells Fargo & Company. A diversified financial services company, Wells Fargo & Company is a U.S. bank holding company with approximately \$1.9 trillion in assets and approximately 269,000 employees as of December 31, 2016, which provides banking, insurance, trust, mortgage and consumer finance services throughout the United States and internationally. Wells Fargo Bank provides retail and commercial banking services and corporate trust, custody, securities lending, securities transfer, cash management, investment management and other financial and fiduciary services. The Seller, the Trustee, the Guarantor, the Servicer and the Securities Administrator may maintain banking and other commercial relationships with Wells Fargo Bank and its affiliates. Wells Fargo Bank maintains principal corporate trust offices located at 9062 Old Annapolis Road, Columbia, Maryland 21045 (among other locations).

Wells Fargo Bank serves or may have served within the past two years as loan file custodian for various mortgage loans owned by the Sponsor or an affiliate of the Sponsor and anticipates that one or more of those mortgage loans may be included in the Trust. The terms of any custodial agreement under which those services are provided by Wells Fargo Bank are customary for the mortgage-backed securitization industry and provide for the delivery, receipt, review and safekeeping of mortgage loan files.

Wells Fargo Bank is acting as Custodian of the mortgage files pursuant to the Custodial Agreement. In that capacity, Wells Fargo Bank is responsible to hold and safeguard the mortgage notes and other contents of the mortgage files on behalf of the Trustee and the Certificateholders. Wells Fargo Bank maintains each mortgage file in a separate file folder marked with a unique bar code to assure loan-level file integrity and to assist in inventory management. Mortgage files are segregated by transaction or investor. Wells Fargo Bank has been engaged in the mortgage document custody business for more than 25 years.

On June 18, 2014, a group of institutional investors filed a civil complaint in the Supreme Court of the State of New York, New York County, against Wells Fargo Bank in its capacity as trustee under 276 residential mortgage backed securities (“**RMBS**”) trusts, which was later amended on July 18, 2014, to increase the number of trusts to 284 RMBS trusts. On November 24, 2014, the plaintiffs filed a motion to voluntarily dismiss the state court action without prejudice. That same day, a group of institutional investors filed a putative class action complaint in the United States District Court for the Southern District of New York (the “**District Court**”) against Wells Fargo Bank, alleging claims against the bank in its capacity as trustee for 274 RMBS trusts (the “**Federal Court Complaint**”). In December 2014, the plaintiffs’ motion to voluntarily dismiss their original state court action was granted. As with the prior state court action, the Federal Court Complaint is one of six similar complaints filed contemporaneously against RMBS trustees (Deutsche Bank, Citibank, HSBC, Bank of New York Mellon and US Bank) by a group of institutional investor plaintiffs. The Federal Court Complaint

against Wells Fargo Bank alleges that the trustee caused losses to investors and asserts causes of action based upon, among other things, the trustee's alleged failure to: (i) notify and enforce repurchase obligations of mortgage loan sellers for purported breaches of representations and warranties, (ii) notify investors of alleged events of default, and (iii) abide by appropriate standards of care following alleged events of default. Relief sought includes money damages in an unspecified amount, reimbursement of expenses, and equitable relief. Other cases alleging similar causes of action have been filed against Wells Fargo Bank and other trustees in the District Court by RMBS investors in these and other transactions, and these cases against Wells Fargo Bank are proceeding before the same District Court judge. A similar complaint was also filed May 27, 2016 in New York state court by a different plaintiff investor. On January 19, 2016, an order was entered in connection with the Federal Court Complaint in which the District Court declined to exercise jurisdiction over 261 trusts at issue in the Federal Court Complaint; the District Court also allowed plaintiffs to file amended complaints as to the remaining, non-dismissed trusts, if they so chose, and three amended complaints have been filed. On December 17, 2016, the investor plaintiffs in the 261 trusts dismissed from the Federal Court Complaint filed a new complaint in New York state court (the "**State Court Complaint**"). On July 11, 2017, certain PIMCO investment funds filed a civil complaint relating to Wells Fargo Bank's setting aside reserves for legal fees and expenses in connection with the liquidation of 11 RMBS trusts at issue in the State Court Complaint. The complaint seeks, among other relief, declarations that Wells Fargo Bank is not entitled to (i) indemnification from, (ii) advancement of funds from, or (iii) taking reserves from trust funds for legal fees and expenses it incurs in defending the claims in the State Court Complaint. With respect to the foregoing litigations, Wells Fargo Bank believes plaintiffs' claims are without merit and intends to contest the claims vigorously, but there can be no assurances as to the outcome of the litigations or the possible impact of the litigations on Wells Fargo Bank or the RMBS trusts.

THE SERVICER

Nationstar Mortgage LLC ("**Nationstar**" or the "**Servicer**") will service the Mortgage Loans pursuant to the Pooling and Servicing Agreement.

General

Nationstar is a mortgage servicer and lender formed in 1994 originally under the name Nova Credit Corporation that engages in servicing activities for itself as well as various third parties, primarily as a "high touch" servicer and originating primarily conforming residential mortgage loans.

In March 2012, Nationstar's parent company, Nationstar Mortgage Holdings, Inc. ("**NMHI**"), completed an initial public offering and related reorganization transactions pursuant to which all of the equity interests in Nationstar were transferred from FIF HE Holdings LLC to two direct, wholly-owned subsidiaries of NMHI. NMHI's common stock commenced trading on the New York Stock Exchange on March 8, 2012 under the symbol "NSM". Following the initial public offering and related reorganization transactions, FIF HE Holdings LLC owns approximately 69.66% of NMHI's outstanding common stock, as of March 31, 2017. FIF HE Holdings LLC is controlled by certain private equity funds managed by an affiliate of Fortress.

On June 28, 2012, Nationstar acquired the master servicing business of Aurora Loan Services LLC. Nationstar's centralized master servicing facility is located at 6363 S Fiddler's Green Circle, 13th floor, Greenwood Village, CO 80111. Nationstar as successor by assignment to Aurora Loan Services LLC has been engaged in the business of master servicing residential mortgage loans since 1998 and has been master servicing subprime residential mortgage loans since 2002.

Nationstar's most current ratings by Fitch, effective and affirmed October 2016 are "RPS3+" as a residential primary and subprime servicer and "RSS3+" as a residential special servicer and RMS2 as master servicer. Nationstar's Primary Servicer ratings by S&P were affirmed in October 2016 as "Above Average" in all categories, with S&P also affirming the established "Above Average" Master Servicer Rating in October 2016. Moody's rates Nationstar as SQ3+ as master servicer, which rating was affirmed in January 2016.

As of March 31, 2017 NMHI had approximately \$18,745,280,000 in assets, including \$443,118,000 of cash, approximately \$17,058,303,000 in liabilities and approximately \$1,686,977,000 in equity. For the three months ended March 31, 2017, Nationstar had a net income of approximately \$2,094,000.

At the date of this preliminary private placement memorandum, there was no material pending legal proceedings to which Nationstar was a party or of which any of its property was subject, or any material pending legal proceedings known to be contemplated by governmental authorities against Nationstar, in each case that is material to holders of the Notes.

Servicer

Nationstar, in its role as servicer, will have responsibility for servicing the Mortgage Loans directly or through subservicers, including, but not limited to, all collection activities, loan-level reporting obligations, maintenance of escrow accounts, maintenance of insurance, loss mitigation and default recovery efforts and enforcement of foreclosure proceedings with respect to the mortgage loans and related mortgaged properties. The information below is generally with respect to Nationstar as a servicer.

Nationstar is one of the largest non-bank mortgage servicers in the United States of America, with a broad array of servicing capabilities across the residential mortgage product spectrum. Nationstar has been one of the fastest growing mortgage servicers since December 31, 2007 as measured by growth in aggregate UPB. As of March 31, 2017, Nationstar serviced over 2.8 million residential mortgage loans with an aggregate UPB of \$470 billion. Nationstar’s clients include national and regional banks, government organizations, securitization trusts, private investment funds and owners of residential mortgage loans and securities. The table below sets forth the approximate aggregate unpaid principal balance of the mortgage loans serviced by Nationstar at the end of each of the indicated periods:

Nationstar Servicing Portfolio (Dollars in Millions)

Aggregate Principal Balance as of December 31, 2014	Aggregate Principal Balance as of December 31, 2015	Aggregate Principal Balance as of December 31, 2016	Aggregate Principal Balance as of March 31, 2017
\$381,076	\$391,634	\$473,534	\$469,495

Nationstar attributes its growth to its strong servicer performance and “high touch” servicing model, which emphasizes borrower interaction to improve loan performance and minimize loan defaults and foreclosures. Nationstar believes its exceptional track record as a servicer, coupled with Nationstar’s ability to scale its operations without compromising quality, have enabled Nationstar to add new mortgage servicing portfolios with relatively low capital investment. As of March 31, 2017, Nationstar employs nearly 7,564 people in the United States and is a licensed servicer in all 50 states plus the District of Columbia. Nationstar’s headquarters are in Dallas, Texas, and it has servicing operations in Chandler, Arizona and Littleton, Colorado to Nationstar’s knowledge, during the past three years, no prior securitizations of mortgage loans serviced by Nationstar of a type similar to the assets included in the current transaction have experienced an event of default or an early amortization or other performance triggering event under the related servicing agreement, because of Nationstar’s servicing.

In the past three years, Nationstar has not failed to make any required advance with respect to any securitization of mortgage loans. In the past three years, Nationstar has not been terminated as servicer in a residential mortgage loan securitization, due to a servicing default or application of a servicing performance test or trigger under the related servicing agreement (other than a trigger based solely upon payment made under a monoline insurance policy).

Nationstar’s operating procedures are periodically reviewed for the purpose of determining whether Nationstar maintains appropriate controls and procedures as required by specified servicing agreements and applicable law (including the SEC’s Regulation AB). In the past three years, Nationstar has complied with the servicing criteria set forth in Item 1122(d) of the Securities and Exchange Commission’s Regulation AB for the first and second lien residential mortgage loans (other than criteria set forth in Sections 1122(d)(1)(iii), and 1122(d)(4)(i), which Nationstar has determined are not applicable) except for the following instances of material noncompliance set forth on the applicable report of independent registered public accounting firm: for 2011, (1) certain custodial accounts did not comply with credit rating thresholds for the banking institutions where the accounts were maintained and (2) Nationstar was unable to locate certain loan modification forms to evidence

approval; for 2012, (1) Nationstar did not timely resolve reconciling items for certain asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts and (2) Nationstar adjustments to interest rates or rates of return for certain residential mortgage loans with variable rates were not computed based on the related residential mortgage loan documents; and for 2013, (1) Nationstar did not timely resolve reconciling items for certain asset-backed securities related bank accounts, including custodial accounts and related bank clearing accounts. Nationstar's management believes that the identification of such items routinely occurs for servicers of residential mortgage loans and that Nationstar is capable of mitigating or remedying such items from having a material adverse effect on its servicing of residential mortgage loans.

Nationstar believes that there is not a material risk that its financial condition will have any adverse effect on any aspect of its servicing that could have a material impact on the mortgage pool performance or the performance of the Offered Certificates.

Legal Actions Affecting Nationstar

Nationstar and its subsidiaries are routinely and currently involved in a significant number of legal proceedings concerning matters that arise in the ordinary course of business. The legal proceedings are at varying stages of adjudication, arbitration or investigation. These actions and proceedings are generally based on alleged violations of consumer protection, securities, employment, contract, tort, common law fraud and other numerous laws, including, without limitation, the Equal Credit Opportunity Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, Real Estate Settlement Procedures Act, Service Member's Civil Relief Act, Telephone Consumer Protection Act, Truth in Lending Act, Financial Institutions Reform, Recovery, and Enforcement Act of 1989, unfair, deceptive or abusive acts or practices in violation of the Dodd-Frank Act, the Securities Act of 1933, the Securities Exchange Act of 1934, the Home Mortgage Disclosure Act, Title 11 of the United States Code (aka the Bankruptcy Code), False Claims Act and Making Home Affordable loan modification programs. Some of the proceedings present novel legal theories.

In addition, along with others in our industry, Nationstar is subject to repurchase and indemnification claims and may continue to receive claims in the future, regarding alleged breaches of representations and warranties relating to the sale of mortgage loans, the placement of mortgage loans into securitization trusts or the servicing of mortgage loans securitizations. Nationstar has entered into agreements with a number of entities that are parties to various securitizations or other agreements that toll applicable limitations periods with respect to their claims. Nationstar is also subject to legal actions or proceedings related to loss sharing and indemnification provisions of our various acquisitions. Certain of the pending or threatened legal proceedings include claims for substantial compensatory, punitive and/or, statutory damages or claims for an indeterminate amount of damages.

Nationstar's business is also subject to extensive examinations, investigations and reviews by various federal, state and local regulatory and enforcement agencies Nationstar has historically had a number of open investigations with various State Attorneys General and other regulators or enforcement agencies. Nationstar has experienced an increase in regulatory and governmental investigations, subpoenas, examinations and other inquiries. Nationstar is currently the subject of various regulatory or governmental investigations, subpoenas, examinations and inquiries related to its residential loan servicing and origination practices, bankruptcy and collections practices, its financial reporting and other aspects of its businesses. These matters include investigations by the Consumer Financial Protection Bureau, the Securities and Exchange Commission, the Executive Office of the United States Trustees, the Department of Justice, the U.S. Department of Housing and Urban Development, the multistate coalition of mortgage banking regulators, various State Attorneys General, the New York Department of Financial Services, and the California Department of Business Oversight. These specific matters and other pending or potential future investigations, subpoenas, examinations or inquiries may lead to administrative, civil or criminal proceedings or settlements, and possibly result in remedies including fines, penalties, restitution, or alterations in Nationstar's business practices, and in additional expenses and collateral costs. Responding to these matters requires Nationstar to devote substantial legal and regulatory resources, resulting in higher costs and lower net cash flows.

Nationstar seeks to resolve all litigation and regulatory and governmental matters in the manner management believes is in the best interest of Nationstar and contests liability, allegations of wrongdoing and, where applicable, the amount of damages or scope of any penalties or other relief sought as appropriate in each

pending matter. On at least a quarterly basis, Nationstar assesses its liabilities and contingencies in connection with outstanding legal and regulatory and governmental proceedings utilizing the latest information available. Where available information indicates that it is probable a liability has been incurred and Nationstar can reasonably estimate the amount of the loss, an accrued liability is established. The actual costs of resolving these proceedings may be substantially higher or lower than the amounts accrued.

As a litigation or regulatory matter develops, Nationstar, in conjunction with any outside counsel handling the matter, evaluates on an ongoing basis whether such matter presents a loss contingency that is both probable and estimable. If, at the time of evaluation, the loss contingency is not both probable and reasonably estimable, the matter will continue to be monitored for further developments that would make such loss contingency both probable and estimable. Once the matter is deemed to be both probable and estimable, Nationstar will establish an accrued liability and record a corresponding amount to litigation related expense. Nationstar will continue to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established. Litigation related expense, which includes legal settlements and the fees paid to external legal service providers, of \$9 million and \$13 million for the three months ended March 31, 2017 and 2016, respectively, was included in general and administrative expenses on the consolidated statements of operations.

For a number of matters for which a loss is probable or reasonably possible in future periods, whether in excess of a related accrued liability or where there is no accrued liability, Nationstar may be able to estimate a range of possible loss. In determining whether it is possible to provide an estimate of loss or range of possible loss, Nationstar reviews and evaluates its litigation and regulatory and governmental matters on an ongoing basis, in conjunction with any outside counsel handling the matter. For those matters for which an estimate is possible, management currently believes the aggregate range of reasonably possible loss is \$23 million to \$59 million in excess of the accrued liability (if any) related to those matters as of March 31, 2017. This estimated range of possible loss is based upon currently available information and is subject to significant judgment, numerous assumptions and known and unknown uncertainties. The matters underlying the estimated range will change from time to time, and actual results may vary substantially from the current estimate. Those matters for which an estimate is not possible are not included within the estimated range. Therefore, this estimated range of possible loss represents what management believes to be an estimate of possible loss only for certain matters meeting these criteria. It does not represent Nationstar's maximum loss exposure and Nationstar cannot provide assurance that its litigations reserves will not need to be adjusted in the future. Thus, Nationstar's exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

In Nationstar's experience, legal proceedings are inherently unpredictable. One or more of the following factors frequently contribute to this inherent unpredictability: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the other party is seeking relief other than or in addition to compensatory damages (including, in the case of regulatory and governmental investigations and inquiries, the possibility of fines and penalties); the matter presents meaningful legal uncertainties, including novel issues of law; Nationstar has not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; predicting possible outcomes depends on making assumptions about future decisions of courts or regulatory bodies or the behavior of other parties; and there are a large number of parties named as defendants (including where it is uncertain how damages or liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for Nationstar to estimate losses or ranges of losses that it is reasonably possible Nationstar could incur.

Based on current knowledge, and after consultation with counsel, Nationstar's management believes that the current legal accrued liability is appropriate, and the amount of any incremental liability arising from these matters is not expected to have a material adverse effect on the consolidated financial condition of Nationstar, although the outcome of such proceedings could be material to Nationstar's operating results and cash flows for a particular period depending, on among other things, the level of Nationstar's revenues or income for such period. However, in the event of significant developments on existing cases, it is possible that the ultimate resolution, if unfavorable, may be material to Nationstar's consolidated financial statements. As previously disclosed, on March 15, 2017, Nationstar entered into a consent order with CFPB pursuant to which it agreed to \$1.75 million

in civil monetary penalties for failure to comply with certain of the date reporting requirements of the Home Mortgage Disclosure Act.

Servicing Practices

General. Nationstar has been servicing loans since March 1997, when it initially commenced servicing by assuming the default management cycle of loans previously handled by CTX Mortgage Company, LLC, a seller/servicer of primarily conforming mortgage loans. Currently, Nationstar services loans that it originates and loans purchased from wholesale sources and loans on behalf of certain investors. Servicing encompasses, among other activities, the following processes: billing and collection of payments when due, remittance and reporting of cash to the collection, custodial and escrow bank accounts, customer assistance and communication, default recovery and loss mitigation for delinquent mortgage loans, instituting foreclosure and REO management and liquidation.

Nationstar uses a mid-range AS-400 based servicing platform known as “LSAMS” for which it purchased a separate user license in August of 1997, to service all loans in its core servicing locations: Dallas, Texas, Littleton, Colorado and Chandler, Arizona. The LSAMS system is also utilized by other servicers in the subprime and prime mortgage loan industries. Nationstar utilizes ancillary systems to supplement LSAMS for certain functions, such as management of foreclosure, bankruptcy, REO and to perform net present value analysis. Nationstar’s operating and compliance policies and procedures are published internally on its intranet system and updated to comply with state and federal legal and regulatory requirements.

Nationstar’s default management policy has been designed to identify collection problems so as to facilitate a prompt response to the delinquent borrower’s situation.

Borrowers, unless they opted into electronic monthly statements, are mailed a monthly billing statement approximately two weeks prior to their payment’s scheduled due date. Collection call activity on an account begins as soon as three days after the scheduled due date if a payment is not made depending on the risk score assigned the loan. Nationstar uses a custom behavioral risk scoring model to prioritize the calling of customers in the early stages of delinquency and utilizes an Avaya Inc. predictive power dialer to assist with productivity of calls. Collection letters are used in the normal collection process.

Nationstar’s primary collection strategy is to determine the facts surrounding the delinquency, obtain customer agreement to determine a resolution and attempt to preclude future delinquency on the part of the borrower. Generally, when a promise for payment is obtained from the borrower by the collector, LSAMS will target the loan in the “queue” for the date of the promised payment. If the payment is made, the account is removed from the collection queue. If the payment is not made, the loan is placed back in the call route for the collector to contact and follow up on the previous arrangements for payment. If the payment is received per the arrangements and no future promise or target dates are noted on LSAMS, the loan will be removed from the collection cycle unless the account becomes delinquent in the future.

Generally, when a loan appears in the LSAMS default management system, the collector will telephone the borrower to discuss the past due payment situation. Standard collection form letters, approved by Nationstar’s legal department, are generally utilized in conjunction with telephone calling, in order to reach the delinquent borrower. Documentation of collection activity is critically important in the Nationstar default management process. For example, collectors have access on LSAMS to borrower demographics, telephone numbers, loan payment history and all previous collection notes, to assist in the collection of a past due account. Nationstar’s policy requires that managers in the collection department monitor the collectors’ work on LSAMS and offer them appropriate guidance and training.

Borrower accounts are assigned to the Loss Mitigation Department of Nationstar typically at day 60 of delinquency. To assist in minimizing loss exposure from delinquent mortgage loans, loss mitigation specialist representatives at Nationstar provide borrowers with modifications, repayment plans, short sales, deeds in lieu of foreclosure, or short payoffs depending on whether specified criteria are met and proper management approvals are obtained.

From May 2009 until the sunset of the Making Home Affordable program in December 2016, Nationstar participated in HAMP. The deadline for borrowers to submit HAMP applications was December 30, 2016.

Since the expiration of HAMP, Nationstar continues to offer modifications and/or loss mitigation strategies for delinquent loans. While HAMP required borrowers to demonstrate financial hardship by submitting detailed income and tax documentation regardless of delinquency status, Nationstar's new proprietary modification program implemented in March 2017, and the GSE's Flex plan modification program implemented by Nationstar in April 2017, no longer require income verification for accounts that are greater than 90 days delinquent and only require tax documentation in limited circumstances. Income verification is only required for accounts that are in imminent default (less than 90 days delinquent). This means a reduction in delays caused by chasing documentation to complete loss mitigation applications.

In general, mortgage loan modifications including the Nationstar proprietary and GSE Flex medication discussed above, as well as modifications offered by other investors, involve either a payment forbearance, a reduction in the interest rate on the loan or an extension of the length of the term of the loan. Nationstar has formal criteria that must be met by the borrowers for any loan modifications, deeds in lieu of foreclosure and short payoffs to be considered. Interest rates may be permanently or temporarily modified to step, fixed, variable or interest only (subject to a maximum 5 year period) rates. The amortization periods may be extended to a maximum of the original term plus ten (10) years. Delinquent interest and advances can be aggregated and capitalized, excluding late charges, deferred late charges or non-sufficient funds charges, and modification fees (if applicable). All temporary modifications will be reset to original terms, after the appropriate time frame.

One alternative to avoid foreclosure is a short sale in which the borrower agrees to sell the mortgaged property for a specific amount of money to release the lien that is less than the full payoff of the mortgage loan. To qualify for a short sale, the borrower should exhibit a permanent or long term involuntary inability to pay and willingness to give up ownership of the property. In allowing a short sale, Nationstar will reasonably determine that the loss sustained from the short sale is expected to be less than the loss that would be sustained if the mortgage property would be sold through foreclosure. All parties involved in the short sale must be unrelated and unaffiliated.

If the borrower is willing to convey the mortgaged property to Nationstar instead of undergoing a foreclosure, a deed in lieu of foreclosure will be used. Typically, a deed in lieu of foreclosure is only considered by Nationstar after all other workout efforts have been exhausted and the borrower has experienced a permanent or long-term involuntary inability to pay or was in imminent danger of default and/or has been unsuccessful in attempts to sell the property. The title review must show no liens junior to Nationstar. Cash for keys may be offered when a deed in lieu of foreclosure is accepted to ensure that the mortgaged property is left clean and the integrity of its condition is maintained.

Nationstar will manage a loan through the foreclosure sale if an alternative workout solution cannot be reached with the borrower. Nationstar has controls in its foreclosure process that align with current regulatory requirements. If Nationstar acquires title to a property at a foreclosure sale or through other means and Nationstar is designated by the investor to manage the REO, an affiliate of Nationstar, Xome Holdings LLC (hereinafter Xome) will utilize its subsidiaries to promptly begin working on the file by having a local real estate broker inspect the mortgaged property and provide an estimate of repairs needed and a recommended list price. An interior appraisal of the mortgage property is ordered through Xome. Xome will provide their estimation of value upon receipt of the interior appraisal and after reviewing the origination appraisal and any interim valuation reports. Xome will complete a marketing strategy which must be approved through the appropriate management at Nationstar depending on the amount of loss estimated based upon the property valuation estimation. Repairs are performed only if it is determined that they are expected to increase the net liquidation proceeds and shorten the timing of disposition.

If the mortgaged property is not vacated when it is acquired, a local attorney will be hired to commence eviction proceedings or cash incentives may be offered the customer to vacate the property in marketable condition. Once it has listed a foreclosed property, Xome will follow up closely with the listing agent to ensure that the REO property is secure and that it is being aggressively marketed.

Xome markets properties through a network of approved real estate brokers. Nationstar and Xome utilize an online purchase offer management system, Equator[®] to track and respond promptly to offers submitted by the real estate brokers. In addition, Xome utilizes on-line auctions to market properties. Xome working with Nationstar handles all paperwork required to transfer the property in the final sale. Nationstar believes that its

REO policies and procedures support expeditious disposition of REO property with the goal of maximizing expected recovery.

Nationstar retains third party vendors to provide escrow services and track tax and insurance payments. Nationstar has a tax service contract with a major vendor, which tracks all mortgaged properties for the payment of property taxes. For loans where proof of insurance is not provided, Nationstar follows an established process of sending letters to notify the borrower of non-receipt of proof of insurance renewal. This three-letter process is supplemented with phone calls made to the homeowner's insurance agent. If proof of insurance has still not been received following this process, Nationstar will obtain a lender-placed insurance policy on the borrower's behalf and at the borrower's expense. Nationstar has a master policy with the insurance provider, which protects against errors and omissions with a blanket policy covering the principal balance on the loan.

Nationstar in its capacity as a servicer, reports borrower information monthly to the major credit reporting agencies.

Nationstar's Delinquency and Foreclosure Experience

The following tables set forth the delinquency and foreclosure experience for the mortgage loan servicing portfolio serviced by Nationstar. Nationstar uses the convention for determining mortgage loan delinquency statistics established by the Office of Thrift Supervision (the "OTS Convention"), which assumes that each month has exactly 30 days, therefore a borrower who has not paid on the last day of the month is only 29 days late under the OTS Convention, and a mortgage loan will be considered between 30 and 59 days delinquent only if a scheduled payment has not been received by the end of the month following the month in which such scheduled payment was to be made. There can be no assurance, and no representation is made, that the delinquency and foreclosure experience noted in the table below is indicative of future performance, nor is any representation made as to the rate at which losses may be experienced on liquidation of defaulted mortgage loans with respect to the Mortgage Loans. Nationstar's portfolio of mortgage loans may differ significantly from the Mortgage Loans in terms of interest rates, principal balances, geographic distribution, types of properties, lien priority, origination and underwriting criteria, prior servicer performance and other possibly relevant characteristics. For example, the delinquency and loss experience of Nationstar's servicing portfolio may include loans and financial assets originated pursuant to different underwriting standards than the Mortgage Loans and mortgage loans having a geographic distribution that varies from the geographic distribution of the Mortgage Loans. In addition, Nationstar's consolidated servicing portfolio includes mortgage loans with a variety of payment and other characteristics that may not correspond to those of the Mortgage Loans. The actual delinquency experience with respect to the Mortgage Loans will depend, among other things, upon the value of the real estate securing such mortgage loans and the ability of the related borrower to make required payments. If the relevant residential real estate markets in which the Mortgage Loans are located experience declines in property values, then the actual rates of delinquencies and foreclosures could be higher than those previously experienced by Nationstar. In addition, adverse economic conditions may affect the timely payment by borrowers of scheduled payments of principal and interest on the Mortgage Loans and, accordingly, the actual rates of delinquencies and foreclosures with respect to these mortgage loans. Finally, the statistics shown below represent the delinquency experience for Nationstar's mortgage servicing portfolio only for the periods presented, whereas the aggregate delinquency experience with respect to the Mortgage Loans will depend on the results obtained over the life of these Mortgage Loans.

	December 31, 2014	December 31, 2015	December 31, 2016	March 31, 2017
Total outstanding principal balance (at period end)	\$332,486,989,616	\$353,067,421,948	\$431,206,940,113	\$428,870,831,244
Delinquency (at period end)				
30-59 days:				
Principal balance	\$5,097,137,837	\$4,192,901,690	\$4,888,663,458	\$3,898,515,503
Delinquency percentage	1.50%	1.19%	1.13%	0.91%
60-89 days:				
Principal balance	\$1,918,092,932	\$1,497,055,620	\$1,847,515,095	\$1,368,316,339
Delinquency percentage	0.60%	0.42%	0.43%	0.32%
90 days or more (excluding Bankruptcies, Foreclosures and REO):	\$4,505,549,521	\$4,050,711,939	\$3,391,992,997	\$2,777,136,597
Principal balance	1.40%	1.15%	0.79%	0.65%
Delinquency percentage				
Bankruptcies:	\$9,462,282,402	\$7,757,914,426	\$6,586,143,933	\$6,122,211,656
Principal balance	2.80%	2.20%	1.53%	1.43%
Delinquency percentage				
Foreclosures:	\$24,470,658,801	\$15,460,563,634	\$12,804,436,315	\$11,396,273,201
Principal balance	7.40%	4.38%	2.97%	2.66%
Delinquency percentage				
Real Estate Owned:	\$4,961,947,807	\$3,859,238,924	\$2,775,555,094	\$2,470,043,907
Principal balance	1.50%	1.09%	0.64%	0.58%
Delinquency percentage				
Total Seriously Delinquent including real estate owned⁽¹⁾:	\$38,424,847,694	\$27,134,663,747	\$21,987,748,906	\$19,409,613,886

(1) Seriously delinquent is defined as loans that are 90 or more days delinquent, foreclosed, REO, or held by a borrower who has declared bankruptcy and is 90 or more days contractually delinquent.

Borrower Bankruptcy. Under the Federal Bankruptcy Code (Title 11 of the United States Code), as amended by the Bankruptcy Amendments and Federal Judgeship Act of 1984, as well as the Bankruptcy Abuse Prevention and Consumer Protection Act, a borrower may be entitled to protection from both the immediate foreclosure by Nationstar upon the mortgaged property and the collection by Nationstar of past due payments. In addition, a borrower's bankruptcy filing could limit the ability of Nationstar to seek and secure a deficiency judgment against the borrower where such judgment may be allowed by state law.

In the case of a Chapter 7 bankruptcy filing by a borrower, unless and until Nationstar secures a reaffirmation agreement from the borrower, the process of collecting payments on the loan or foreclosing on the mortgaged property will be delayed by the filing. If a reaffirmation agreement is executed by the borrower and approved by the bankruptcy court, and is not otherwise rejected in the bankruptcy proceedings, the borrower may retain the mortgaged property and will be obligated to continue to make loan payments. If the borrower elects not to reaffirm the loan, the borrower is no longer liable for the debt and Nationstar may proceed to recover the mortgaged property should the loan become delinquent. However, some bankruptcy courts allow debtors to remain in their homes even if they do not reaffirm the loan provided the debtors are current on the loan. As a matter of law, once the debtor is discharged, the debt is also discharged; however the mortgage lien remains valid. Thus so long as the debtor stays current on the loan, they can remain in the home. However, if the debtor defaults, Nationstar can seek to foreclose the lien in an "in rem" action.

In addition to filings under Chapter 7 of the Bankruptcy Code, borrowers may seek protection from enforcement of loan obligations pursuant to Chapter 13 of the Bankruptcy Code. Courts have broad discretion in the administration of bankruptcies pursuant to Chapter 13, including the discretion to restructure the loan by allowing the debtor on a first lien mortgage loan to cure the default by paying the arrearages back through the Chapter 13 plan while continuing to make the normal monthly payment on the mortgage outside of the Chapter 13 plan, reducing the amount of each monthly payment, changing the rate of interest, altering the repayment schedule, forgiving all or a portion of the loan and reducing the lender's security interest, including classifying the lender as an unsecured lender, or making other modifications to the loan the court deems appropriate.

Upon receipt of notice of the filing of a bankruptcy by a borrower, Nationstar, through bankruptcy counsel, will verify the validity of the filing by the use of the PACER bankruptcy reporting system. In the case of a Chapter 7 bankruptcy filing, a reaffirmation agreement will be provided by Nationstar to counsel for the borrower if the borrower requests to reaffirm the debt. If the borrower fails to execute a reaffirmation agreement and if a reaffirmation agreement is not filed with the bankruptcy court and the loan becomes delinquent, the debtor is no longer liable for the debt and Nationstar may begin the process to recover the property.

In the case of a Chapter 13 bankruptcy filing, Nationstar will file a proof of claim to protect the loan amount and secured nature of the claim. If a borrower fails to make post-petition mortgage payments, or plan payments of arrearages, during the pendency of a Chapter 13 bankruptcy, Nationstar will seek relief from the automatic stay and proceed to recover the mortgaged property.

DESCRIPTION OF THE MORTGAGE LOANS

General

On the Closing Date, the assets of the Trust will include two groups of Mortgage Loans (collectively, the **“Mortgage Loans”** or **“Mortgages”**) consisting of 9,939 seasoned, re-performing mortgage loans that have been modified for maturity terms up to forty (40) years. The Mortgage Loans bear interest at either a fixed-rate or step-rate. The Mortgage Loans may have been originated for the purpose of purchasing, refinancing or rehabilitating the related mortgaged properties. Some Freddie Mac programs allow modifications of non-owner occupied properties. The mortgaged properties may currently be owner-occupied properties or non-owner occupied properties, such as investment properties.

Generally, the Mortgage Loans were modified to assist at-risk borrowers, some of whom were delinquent or at imminent risk of default, to help stabilize mortgage markets and provide support to borrowers experiencing financial hardship.

Certain Mortgage Loans have been modified under the Seller’s HAMP or non-HAMP initiatives. The Seller’s HAMP initiative provided for the modification of mortgage terms, including interest rates, which, in many cases, were modified to step-rate mortgages. Step-rate mortgages have fixed interest rates for the first five (5) years and then the mortgage rates increase annually according to a schedule determined when the mortgage loan was modified, with a maximum interest rate of no more than the prevailing Freddie Mac Primary Market Mortgage Survey rate for 30-year fixed rate mortgages at the time the modification agreement was prepared (the **“HAMP Rate Cap”**). The Seller’s HAMP initiative provides for the payment of incentives to the mortgagors holding HAMP modified loans provided, among other things, the mortgage never becomes 90 or more days delinquent. Annually, for the first five years of the HAMP modification, the Servicer receives up to a \$1,000 incentive payment and after the sixth year of the HAMP modification, the Servicer will receive a \$5,000 incentive payment. Such HAMP incentive payments are applied, generally, to the Interest Bearing Unpaid Principal Balance of the Mortgage resulting in a faster rate of prepayments and lower interest accruing on the Mortgage. However, if the application of the incentive would result in the payoff of the Interest Bearing Unpaid Principal Balance, the Servicer must apply the remaining HAMP incentive to the deferred unpaid principal balance.

Certain borrowers who initially qualified for a HAMP modification and who made timely payments during a HAMP trial period, but who, because of income verification or other reasons, subsequently failed to qualify under the HAMP program, could have their mortgages modified under the Seller’s HAMP backup program (which is a non-HAMP program). Modifications under the Seller’s HAMP backup program generally have terms similar to modifications under the HAMP program, but the mortgagors are not eligible for incentive payments.

The Seller’s non-HAMP initiatives provided for the modification of mortgage terms that included fixed interest rates that generally approximate the HAMP Rate Cap. The Seller’s non-HAMP modification initiatives include (i) its discontinued “classic” program, (ii) its standard modification program, (iii) its alternative modification program, and (iv) its streamlined modification program. Modifications under (i), (ii), (iii) and (iv) above are described in the following paragraphs.

Under the discontinued “classic” program, modifications performed to the Mortgage Loans included capitalization of interest and non-interest arrearages that the borrower could not pay and may have included extensions of the term of the mortgage and reductions in interest rate, but did not include forbearance, reductions of principal balances or borrower pre-modification trial periods.

The standard modification program provides eligible borrowers with a modified mortgage following a three-month trial period plan under which the borrower is required to make monthly payments that approximate the ultimate modified monthly mortgage payment.

The alternative modification program was a one-time program that terminated January 1, 2014. It was offered to borrowers who were 5-24 months delinquent on their mortgage loans with terms similar to the standard modification program.

The underwater modification program was a one-time program for limited servicers that terminated April 1, 2014. The program followed the standard modification program terms at the time and was offered to borrowers who were not HARP eligible and whose mortgage loans were current to 59 days delinquent, originated prior to May 31, 2009 and had pre-modification loan-to-value ratios greater than 150%.

Under the streamlined modification program, modifications are offered to certain borrowers who are at least ninety (90) days delinquent. Under the streamlined modification program, borrowers are not required to apply for assistance or provide income or hardship documentation. However, they must complete a trial period of at least three (3) months making monthly payments that approximate the modified payment prior to being offered a permanent modification, which generally provided the same modification terms and servicer incentives as the standard modification program. The streamlined modification initiative was implemented in July 2013 (with earlier adoption permitted). Under the standard and streamlined modification initiatives, servicers modify the terms of certain mortgage loans, generally, to change the interest rate to a fixed interest rate based on prevailing market rates, extend the term up to 40 years from the effective date of the modification, and, for certain underwater borrowers, forbear a portion of the post-capitalization unpaid principal balance as a deferred, non-interest, non-amortizing balance due as a balloon payment upon the earlier of the modified maturity date, transfer of ownership of the property, or payoff or refinance of the loan.

Summary of Freddie Mac Proprietary Modification

Modification Type (based on Mortgage Loan Count)	Freddie Mac Proprietary Modifications						
	HAMP	Standard	Streamlined	Underwater	Alternative	Classic	Total
STEP	100%	0%	0%	0%	0%	0%	100%
FIXED	3%	64%	29%	4%	0%	0%	100%
Total	<u>71%</u>	<u>19%</u>	<u>9%</u>	<u>1%</u>	<u>0%</u>	<u>0%</u>	<u>100%</u>

In addition, modified mortgages that include step-rate characteristics may have a greater risk of borrower delinquency during the periods when the interest rate and associated monthly amortizing payment of these modified mortgages are increasing.

Unless otherwise noted, the statistical information presented in this Offering Circular concerning the Mortgage Loans is based on the characteristics of the Mortgage Loans as of the Cut-Off Date. In addition, unless otherwise noted, references to a percentage of Mortgage Loans refer to a percentage of the aggregate Unpaid Principal Balance of the related Mortgage Loans as of the Cut-Off Date.

This section and Appendix A generally describe certain of the material characteristics of the Mortgages. Certain loan-level information for each Mortgage Loan may be accessed through the Securities Administrator’s website at www.usbank.com/abs.

The figures in this Offering Circular may not correspond exactly to the related figures in Appendix A due to rounding differences. Prior to the Closing Date, Mortgage Loans will not be removed or substituted from the Trust. Freddie Mac believes that the information set forth in this Offering Circular and in Appendix A is representative of the characteristics of the Mortgage Loans as each will be constituted as of the Closing Date.

On the Closing Date, the assets of the Trust will include two groups of Mortgage Loans (collectively, the “**Mortgage Loans**”) consisting of 9,939 seasoned, re-performing mortgage loans that have been modified for maturity terms of up to forty (40) years.

For each Mortgage Loan, the Seller provided an estimated property valuation by an automated valuation model (“**AVM**”). Home Value Explorer® (“**HVE**”®), was used when it was available. When an HVE value was not available to determine the estimated property value, a Freddie Mac zip code level house price index was used to estimate such property value.

Credit Risk Retention

Freddie Mac, as the sponsor of the securitization in which the Certificates are to be issued, will not retain credit risk pursuant to the provisions of FHFA’s Credit Risk Retention Rule (12 C.F.R. Part 1234) (the “**Risk Retention Rule**”) governing residential single-family securitizations because FHFA, as conservator of Freddie Mac and in furtherance of the goals of the conservatorship, has exercised its authority under Section 1234.12(f)(3) of the Risk Retention Rule to direct Freddie Mac to sell or otherwise hedge the credit risk that Freddie Mac otherwise would be required to retain under the Risk Retention Rule and has instructed Freddie Mac to take such action necessary to effect this outcome.

The Mortgage Pool

Group M and Group H comprise 9,939 Mortgage Loans with an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately \$2,474,629,247.

Group M Mortgage Loans (“Group M”)

Group M comprises 4,160 Mortgage Loans (the “**Group M Mortgage Loans**”) with an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately \$954,772,939. The Group M Mortgage Loans were subject to either fixed-rate modifications or step-rate modifications that have reached their final step-rates and for which the borrowers have made at least one payment after such Mortgage Loans reached their respective final step-rates.

Group H Mortgage Loans (“Group H”)

Group H comprises 5,779 Mortgage Loans (the “**Group H Mortgage Loans**”) with an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately \$1,519,856,308. The Group H Mortgage Loans were subject to step-rate modifications.

See Appendix A for a detailed description of the Mortgage Loans, the Group M Mortgage Loans and the Group H Mortgage Loans. See also the Securities Administrator’s website at www.usbank.com/abs.

Each of Group M and Group H will be referred to herein, individually as a “**Group**” or a “**Mortgage Group**”, and together, as the “**Mortgage Group**” or the “**Mortgage Groups**”.

Due Diligence Review

General

In connection with the issuance of the Certificates, the Seller engaged an independent third party (the “**Diligence Provider**”) to conduct a review on a preliminary pool of 12,438 mortgage loans (the “**Initial Mortgage Loans**”) as described below. As a result of (i) payoffs in full on mortgage loans; (ii) delinquencies; (iii) diligence drops; and (iv) other reasons unrelated to diligence or performance, the number of Mortgage Loans included as of the Cut-Off Date is 9,939 Mortgage Loans.

The Diligence Provider conducted the following reviews:

- (i) a modification data integrity review (the **“Data Integrity Review”**) with respect to each Mortgage Loan to confirm that certain information in the related loan files matched the data supplied by or on behalf of the Seller;
- (ii) a title, tax, and lien review with respect to each Mortgage Loan to confirm the appropriate lien was recorded in the correct amount and lien position as of the report dated June 15, 2017 (the **“Title Review”**);
- (iii) a compliance review (the **“Compliance Review”**) on a sample of the Mortgage Loans with respect to certain federal, state and local laws; and
- (iv) a pay history review on a sample of the Mortgage Loans (**“Pay History Review”**).

Following the Data Integrity Review, the Diligence Provider found the information in the related loan files matched the data supplied by or on behalf of the Seller (other than certain minor discrepancies that were within the agreed-upon tolerance levels set for the scope of the review). The data (including the mortgage loan tape) includes corrections identified by the Diligence Provider and such updated data was used to generate the related numerical information regarding the Mortgage Loans contained herein, other than for one data point on 30 loans where the minor discrepancies were reviewed by the servicer, who determined that the data on the tape was correct.

As part of the Title Review, the Diligence Provider conducted an examination of the title and tax search results, which includes the below:

- the Diligence Provider utilized the information provided by the Seller, including SSN, DOB and information within the collateral file (if provided) to determine if any search findings did not impact the subject mortgage lien position, and if so, removed such findings from their report; and
- the Diligence Provider used its knowledge of the various jurisdictions to remove liens and judgments that would not attach to the subject property and take priority over the subject mortgage.

Upon completion of the Title Review, the Diligence Provider noted 216 Initial Mortgage Loans (or approximately 1.74% of the Initial Mortgage Loans by loan count) that were found to be in a subordinate lien position or had inaccurate or insufficient information with respect to whether the lien was recorded in the correct amount and lien position. (None of these 216 Initial Mortgage Loans will be included in the Trust.) In addition, the Diligence Provider noted 801 Mortgage Loans (or approximately 8.06% of the Mortgage Loans by loan count) that were found to be in a subordinate lien position due to a mortgage, judgment or other liens recorded prior to the Mortgage or where the subject lien was not on record for the respective Mortgage Loan. These 801 Mortgage Loans were included in the Mortgage Pool based on further diligence confirming that (i) there was a clear and final title policy insuring the first lien position of such Mortgage Loans as of the date of origination, or other documentation, such as an indemnification letter from the title company or (ii) prior non-mortgage liens were unenforceable because the applicable statute of limitations (SOL) had expired.

In addition, the Diligence Provider identified 269 Mortgage Loans with statutory liens and 61 Mortgage Loans with delinquent taxes in connection with the Title Review. For a period of up to thirty-six (36) months following the Closing Date, the Seller will be required to indemnify and reimburse the Trust for any actual losses, damages and payments incurred or made by the Trust to lien holders up to the amount of the lien or the statutory amount, if and as applicable:

- (i) 123 Mortgage Loans (or approximately 1.24% of the Mortgage Loans by loan count) that have a HOA super lien, the aggregate amount of the statutory amounts of which is approximately \$543,838;
- (ii) 129 Mortgage Loans (or approximately 1.30% of the Mortgage Loans by loan count) that have a municipal lien, the aggregate amount of the statutory amounts of which is approximately \$525,481; and
- (iii) 17 Mortgage Loan (or less than 0.17% of the Mortgage Loans by loan count) that have a property tax lien, the aggregate amount of which is approximately \$138,280.

In addition, the Diligence Provider identified 61 Mortgage Loans (or approximately 0.61% of the Mortgage Loans by loan count) that have delinquent taxes, the aggregate amount of which is approximately \$79,609.

Initially, the Seller engaged the Diligence Provider to conduct a Compliance Review on a sample of 1,243 of the Initial Mortgage Loans. Upon initial review, the Diligence Provider found six loans to be in violation of state high cost regulations (two loans secured by properties located in Georgia, two loans secured by properties located in Illinois, one loan secured by a property located in Massachusetts and one loan secured by a property located in New York). Due to such findings, the sample size was increased by selecting all loans remaining in the preliminary pool that were originated by the same lenders during the same year and in the same states as those six loans. As a result, the sample was increased by 195 additional loans. Two additional loans in violation of state high cost regulations were found by the Diligence Provider in the upsized sample. Upon completion of its initial review, the Diligence Provider found two loans to be in violation of the Texas Cashout Refinance Loan program. As a result, the sample was increased by one additional loan. This was the only other Texas Cashout Refinance Loan in the population and it was also dropped due to violation. Twenty-four of the Initial Mortgage Loans were excluded from the Mortgage Pool as a result of the Compliance Review, including the eight loans that were found to be in violation of state high cost regulations already described above as well as 13 loans located in unlimited assignee liability (UAL) states where testing for high cost could not be completed due to missing documentation. Ultimately, 1,125 Mortgage Loans (or approximately 11.32% of the Mortgage Loans by loan count) included in the Mortgage Pool as of the Cut-Off Date were subjected to the Compliance Review. With respect to such Mortgage Loans, the Diligence Provider found that 80 Mortgage Loans (or 0.80% of the Mortgage Loans by loan count) had a missing or incomplete HUD-1 statement. However, 49 of these 80 Mortgage Loans with a missing or incomplete HUD-1 statement had testing completed using fees from an alternate document.

The Diligence Provider also reviewed the payment history data for the prior 36-months with respect to 974 Mortgage Loans (or approximately 9.80% of the Mortgage Loans by loan count), of which one Mortgage Loan (approximately 0.01% of the Mortgage Loans by loan count) had one missing month of payment history.

Valuation Review

For each Mortgage Loan in the final Mortgage Pool, the Seller obtained an Automated Valuation Model “AVM” estimated property value. A Home Value Explorer® (“HVE”®) was used when available or, if an HVE value was not available, an MSA level house price index was used to estimate property value. If an MSA level house price index was not available, a state level house price index was used to estimate property value. The Seller also obtained Broker Price Opinions (“BPOs”) or, when a BPO was not available, a Comparative Market Analysis (“CMA”) for a random sample of approximately 10% of the Mortgage Loans and for another 10% of the Mortgage Loans with the highest loan-to-value ratios calculated based upon the updated HVE values obtained by the Seller. A total of 2,421 BPOs and 66 CMAs were obtained by the Seller.

Limitations of the Diligence Provider’s Review Process

As noted above under the risk factor captioned “*Risk Factors — Risks Relating to the Mortgage Loans — Limited Scope and Size of the Diligence Provider’s Review of the Mortgage Loans May Not Reveal Aspects of the Due Diligence Sample Which Could Lead to Realized Losses,*” there can be no assurance that the review conducted by the Diligence Provider uncovered all relevant factors relating to the origination of the Mortgage Loans, their compliance with applicable laws and regulations or uncovered all relevant factors that could affect the future performance of the Mortgage Loans. The review was performed on a sample that did not include all of the Mortgage Loans and the Mortgage Loans that were included in the review may have characteristics that were not discovered, noted or analyzed as part of the Diligence Provider Review that could, nonetheless, result in those Mortgage Loans failing to perform in the future.

Investors are advised that the aforementioned review procedures carried out by the Diligence Provider were performed for the benefit of Freddie Mac and the Underwriters. The Diligence Provider makes no representation and provides no advice to any investor or future investor concerning the suitability of any transaction or investment strategy. The Diligence Provider performed only the review procedures described herein and is not responsible for any decision to include any Mortgage Loan in the mortgage pool. Investors are encouraged to

make their own determination as to the extent to which they place reliance on the limited loan review procedures carried out as part of this review.

DESCRIPTION OF THE CERTIFICATES

General

On the Closing Date, the Seller will sell the Mortgage Loans to the Trust and the Trust will issue Certificates pursuant to the Pooling and Servicing Agreement. The Certificates will represent interests in the assets of the Trust, which on the Closing Date will consist of (i) the Mortgage Loans, (ii) such assets as from time to time are identified as deposited in respect of the Mortgage Loans in the Collection Account, the Payment Account and the Pay-ahead Reserve Account, (iii) property acquired by foreclosure of the Mortgage Loans or deed-in-lieu of foreclosure, (iv) any applicable insurance policies, (v) all proceeds of the conversion, voluntary or involuntary, of any of the foregoing and (vi) the obligations of Freddie Mac pursuant to the Freddie Mac Guarantee with respect to the Offered Certificates.

The Offered Certificates have the approximate initial Class Principal Amounts set forth on the cover page or Schedule I of this Offering Circular. The Class Coupon for each Class of Offered Certificates will be the per annum rate set forth on the cover page or Schedule I of this Offering Circular. The Certificates will be offered only in book-entry form on the book entry system of The Depository Trust Company.

The Certificates will receive distributions of principal and interest in accordance with the distribution rules set forth in the Pooling and Servicing Agreement. The Certificates will be subject to the allocation of Realized Losses and Certificate Writedown Amounts, which will reduce their Class Principal Amounts. To the extent that the Offered Certificates are allocated Realized Losses or Certificate Writedown Amounts, the Guarantor will be required to make a corresponding Guarantor Principal Payment.

Structure of Transaction

This transaction is structured as a double-tier REMIC. Specifically, the Upper-Tier and Lower-Tier REMIC Pools are structured as follows:

<u>REMIC Pool</u>	<u>Classes Issued from REMIC Pool</u>	<u>REMIC Pool Assets</u>
Upper-Tier	Class MA, Class MB, Class HA, Class HB, Class A-IO, Class M-1, Class M-2, Class B, Class B-IO, Class XS-IO and Class R	All Lower-Tier regular interests
Lower-Tier	Lower-Tier regular interests and Class RS	The Mortgage Loans

Form, Registration and Transfer of the Certificates

The Offered Certificates will be Book-Entry Certificates and will be available in fully-registered form (such form, the “**Definitive Certificates**”) only in limited circumstances described below.

The Offered Certificates are issued, held and transferable in minimum denominations of \$1,000 and additional increments of \$1. The Offered Certificates are not intended to be and should not be directly or indirectly held or beneficially owned in amounts lower than such minimum denominations. A single Certificate of each Class may be issued in an amount different (but not less) than the minimum denominations described above.

The Securities Administrator will initially serve as paying agent, certificate registrar and transfer agent for purposes of making calculations and distributions with respect to the Offered Certificates and providing for registration, transfers and exchanges of the Certificates (except for exchanges of Exchangeable Certificates for MACR Certificates and vice versa). In addition, the Securities Administrator will perform certain reporting and other administrative functions.

Book-Entry Certificates. Persons acquiring beneficial ownership interests in the Book-Entry Certificates (“**Certificate Owners**”) will hold such Certificates through The Depository Trust Company (“**DTC**”) in the United States and Clearstream or Euroclear outside the United States, if they are participants of such systems (the “**Participants**”), or indirectly through organizations which are participants in such systems (the “**Indirect**”).

Participants”). Each Class of Book-Entry Certificates initially will be represented by one or more physical certificates registered in the name of Cede & Co., the nominee of DTC. Except as described below, no Certificate Owner will be entitled to receive a Definitive Certificate. Unless and until Definitive Certificates are issued, it is anticipated that the only Certificateholder of the Book-Entry Certificates will be Cede & Co., as nominee of DTC. Certificate Owners will not be Certificateholders as that term is used in the Pooling and Servicing Agreement. Certificate Owners are only permitted to exercise their rights indirectly through Participants, Indirect Participants, Clearstream, Euroclear and DTC.

The Securities Administrator or another designated institution will act as the custodian for Book-Entry Certificates on DTC and as the **“Common Depository”** for Book-Entry Certificates which clear and settle through Euroclear and Clearstream.

A Certificate Owner’s ownership of a Book-Entry Certificate will be recorded on the records of the brokerage firm, bank, thrift institution or other financial intermediary (each, a **“Financial Intermediary”**) that maintains the Certificate Owner’s account for such purpose. In turn, the Financial Intermediary’s ownership of such Book-Entry Certificate will be recorded on the records of DTC (or of a participating firm that acts as agent for the Financial Intermediary, whose interest will in turn be recorded on the records of DTC, if the Certificate Owner’s Financial Intermediary is not a Participant but rather an Indirect Participant), and on the records of Clearstream or Euroclear, and their respective Participants or Indirect Participants, as applicable.

Certificate Owners will receive all distributions of principal and interest on the Book-Entry Certificates from the Securities Administrator through DTC (and Clearstream or Euroclear, as applicable) and Participants. While the Book-Entry Certificates are outstanding (except under the circumstances described below), under the rules, regulations and procedures creating and affecting DTC and its operations (the **“Rules”**), DTC is required to make book-entry transfers among Participants on whose behalf it acts with respect to the Book-Entry Certificates and is required to receive and transmit distributions of principal of, and interest on, the Book-Entry Certificates. Participants and Indirect Participants with whom Certificate Owners have accounts with respect to Book-Entry Certificates are similarly required to make book-entry transfers and receive and transmit such distributions on behalf of their respective Certificate Owners. Accordingly, although Certificate Owners will not possess certificates representing their respective interests in the Book-Entry Certificates, the Rules provide a mechanism by which Certificate Owners will receive distributions and will be able to transfer their interest. It is expected that distributions by Participants and Indirect Participants to Certificate Owners will be governed by such standing instructions and customary practices. However, distributions of principal and interest in respect of such Book-Entry Certificates will be the responsibility of the applicable Participants and Indirect Participants and will not be the responsibility of DTC (or Clearstream or Euroclear, as applicable), the Issuer or the Securities Administrator once paid or transmitted by them.

As indicated above, Certificate Owners will not receive or be entitled to receive certificates representing their respective interests in the Book-Entry Certificates, except under the limited circumstances described below. Unless and until Definitive Certificates are issued, Certificateholders who are not Participants may transfer ownership of Book-Entry Certificates only through Participants and Indirect Participants by instructing such Participants and Indirect Participants to transfer Book-Entry Certificates, by book-entry transfer, through DTC (or Clearstream or Euroclear, as applicable), for the account of the purchasers of such Book-Entry Certificates, which account is maintained with their respective Participants and Indirect Participants. Under the Rules and in accordance with DTC’s normal procedures, transfers of ownership of Book-Entry Certificates will be executed through DTC and the accounts of the respective Participants at DTC will be debited and credited. Similarly, the Participants and Indirect Participants will make debits or credits, as the case may be, on their records on behalf of the selling and purchasing Certificate Owners.

The laws of some states require that certain persons take physical delivery of securities in definitive certificated form. Consequently, this may limit a Certificate Owner’s ability to transfer its interests in a Book-Entry Certificate to such persons. Because DTC can only act on behalf of its Participants, the ability of an owner of a beneficial interest in a Book-Entry Certificate to pledge such interest to persons or entities that are not DTC Participants, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for such interest. In addition, issuance of the Book-Entry Certificates in book-entry form may reduce

the liquidity of such Certificates in the secondary market because certain prospective investors may be unwilling to purchase Certificates for which they cannot obtain a physical certificate.

Because of time zone differences, credits of securities received in Clearstream or Euroclear as a result of a transaction with a Participant will be made during subsequent securities settlement processing and dated as of the next business day for Clearstream and Euroclear following the DTC settlement date. Such credits or any transactions in such securities settled during such processing will be reported to the relevant Euroclear or Clearstream Participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream Participant or Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the next business day for Clearstream and Euroclear following settlement in DTC.

Subject to compliance with the transfer restrictions applicable to the Book-Entry Certificates set forth above, transfers between Participants will occur in accordance with the Rules. Transfers between Clearstream Participants and Euroclear Participants will occur in accordance with their respective rules and operating procedures.

DTC, which is a New York-chartered limited purpose trust company, performs services for its Participants, some of which (or their representatives) own DTC. In accordance with its normal procedures, DTC is expected to record the positions held by each DTC Participant in the Book-Entry Certificates, whether held for its own account or as a nominee for another person. In general, beneficial ownership of Book-Entry Certificates will be subject to the Rules, as in effect from time to time. Certificate Owners will not receive written confirmation from DTC of their purchase, but each Certificate Owner is expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the DTC Participant through which the Certificate Owner entered into the transaction.

Clearstream Banking société anonyme, 42 Avenue JF Kennedy, L-1855, Luxembourg (“**Clearstream**”), is a subsidiary of Clearstream International (“**Clearstream International**”), a Luxembourg limited liability company formed in January 2000 through the merger of Cedel International and Deutsche Boerse Clearing, a subsidiary of Deutsche Boerse AG. In July 2002, Deutsche Boerse AG acquired Cedel International and its 50% ownership of Clearstream International. Clearstream is registered as a bank in Luxembourg, and as such is subject to supervision by the Luxembourg Financial Sector Supervisory Commission, which supervises Luxembourg banks.

Clearstream holds securities for its customers (“**Clearstream Participants**”) and facilitates the clearance and settlement of securities transactions by electronic book-entry transfers between their accounts. Clearstream provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream also deals with domestic securities markets in several countries through established depository and custodial relationships. Clearstream has established an electronic bridge with Euroclear Banks S.A./N.V. as the Euroclear Operator in Brussels to facilitate settlement of trades between systems.

Clearstream International’s customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream International’s United States customers are limited to securities brokers and dealers and banks. Currently, Clearstream International offers settlement and custody services to more than two thousand five hundred (2,500) customers world-wide, covering three hundred thousand (300,000) domestic and internationally traded bonds and equities. Clearstream offers one of the most comprehensive international securities services available, settling more than two hundred fifty thousand (250,000) transactions daily. Indirect access to Clearstream is available to other institutions which clear through or maintain custodial relationship with an account holder of Clearstream.

The Euroclear System (“**Euroclear**”) was created in 1968 to hold securities for its participants (“**Euroclear Participants**”) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Transactions may be settled in a variety of currencies, including United States dollars. Euroclear includes various other securities, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to

the arrangements for cross-market transfers with DTC described above. Euroclear is operated by Euroclear Bank S.A./N.V. (the “**Euroclear Operator**”). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with Euroclear Operator. Euroclear plc establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System and applicable Belgian law (collectively, the “**Terms and Conditions**”). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions on the Book-Entry Certificates will be made on each Distribution Date by the Securities Administrator to Cede & Co., as nominee of DTC. DTC will be responsible for crediting the amount of such distributions to the accounts of the applicable DTC Participants in accordance with DTC’s normal procedures. Each DTC Participant will be responsible for disbursing such distributions to the Certificate Owners of the Book-Entry Certificates that it represents and to each Financial Intermediary for which it acts as agent. Each such Financial Intermediary will be responsible for disbursing funds to the Certificate Owners of the Book-Entry Certificates that it represents.

Under a book-entry format, Certificate Owners may experience some delay in their receipt of distributions, since such distributions will be forwarded by the Securities Administrator to Cede & Co. Distributions with respect to Certificates held through Clearstream or Euroclear will be credited to the cash accounts of Clearstream Participants or Euroclear Participants in accordance with the relevant system’s rules and procedures, to the extent received by the Common Depository. Such distributions will be subject to tax reporting in accordance with relevant U.S. federal tax laws and regulations. See “*Certain Federal Income Tax Consequences — Taxation of Certain Foreign Investors*”, “— *Backup Withholding*” and “— *Reporting and Administrative Matters*”.

DTC has advised the Securities Administrator that unless and until Definitive Certificates are issued or modified, DTC will take any action the holders of the Book-Entry Certificates are permitted to take under the Pooling and Servicing Agreement only at the direction of one or more Financial Intermediaries to whose DTC accounts the Book-Entry Certificates are credited, to the extent that such actions are taken on behalf of Financial Intermediaries whose holdings include such Book-Entry Certificates. Clearstream or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by a Certificateholder under the Pooling and Servicing Agreement on behalf of a Clearstream Participant or Euroclear Participant only in accordance with its relevant rules and procedures and subject to the ability of the Common Depository to effect such actions on its behalf through DTC. DTC may take actions, at the direction of the related Participants, with respect to some Book-Entry Certificates which conflict with actions taken with respect to other Book-Entry Certificates.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Book-Entry Certificates among DTC Participants, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued or modified at any time. The Securities Administrator will not have any responsibility for the performance by any system or their respective direct Participants or Indirect Participants or accountholders of their respective obligations under the rules and procedures governing their operations.

Neither the Trustee nor the Securities Administrator will have any responsibility for any aspect of the records relating to or distributions made on account of beneficial ownership interests of the Book-Entry Certificates held by Cede & Co., as nominee for DTC, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. In the event of the insolvency of DTC, a Participant or an Indirect Participant of DTC in whose name Book-Entry Certificates are registered, the ability of the Certificate Owners of

such Book-Entry Certificates to obtain timely distributions and, if the limits of applicable insurance coverage by the Securities Investor Protection Corporation are exceeded or if such coverage is otherwise unavailable, ultimate distributions, of amounts distributable with respect to such Book-Entry Certificates may be impaired.

Definitive Certificates. Definitive Certificates will be issued to Certificate Owners of the Book-Entry Certificates, or their nominees, rather than to DTC, only if (i) Freddie Mac, in its corporate capacity, advises the Trustee and the Securities Administrator, or the Trustee or the Securities Administrator otherwise become aware, that DTC is no longer willing or able to discharge properly its responsibilities as nominee and depository with respect to the Book-Entry Certificates and Freddie Mac, in its corporate capacity, is unable to locate a qualified successor, or (ii) Freddie Mac, in its corporate capacity, at its option and with the consent of the applicable DTC Participants, advises the Securities Administrator in writing that it elects to terminate the book-entry system through DTC with respect to the Book-Entry Certificates.

Upon the occurrence of either of the events described above, the Securities Administrator is required to notify all applicable Certificate Owners through the applicable DTC Participants, of the occurrence of either such event and of the availability of Definitive Certificates to related Certificate Owners requesting the same. Upon surrender to the Securities Administrator of the related Certificates by DTC accompanied by registration instructions from DTC for registration, the Securities Administrator will issue the Definitive Certificates for such Class. None of the Securities Administrator, Freddie Mac or the Trustee will be liable for any delay in the delivery of such instructions and may conclusively rely on, and will be protected in relying on, such instructions. Upon the issuance of Definitive Certificates, all references in the Pooling and Servicing Agreement to obligations imposed upon or to be performed by DTC will be deemed to be imposed upon and performed by the Securities Administrator, to the extent applicable with respect to such Definitive Certificates, and the Securities Administrator and the Trustee will recognize the Holders of the Definitive Certificates of the related Class as Certificateholders of such Class thereunder. Such Definitive Certificates may also bear additional legends that Freddie Mac deems advisable. None of the Certificates will ever be issuable in bearer form.

Any portion of an interest in such a Book-Entry Certificate transferred or exchanged will be executed, authenticated and delivered only in the required minimum denomination as set forth herein. A Definitive Certificate delivered in exchange for an interest in such a Book-Entry Certificate will bear the applicable legend set forth in the applicable exhibits to the Pooling and Servicing Agreement and will be subject to the transfer restrictions referred to in such applicable legends and any additional transfer restrictions as may from time to time be adopted by Freddie Mac and the Securities Administrator.

The holders of the Definitive Certificates will be able to transfer or exchange the Definitive Certificates, by surrendering them at the office of the Securities Administrator together with the form of transfer endorsed thereon duly completed and executed, and otherwise in accordance with the provisions of the Pooling and Servicing Agreement, and in exchange therefor one or more new Definitive Certificates will be issued having an aggregate Class Principal Amount equal to the remaining Class Principal Amount of the Definitive Certificates transferred or exchanged.

The Securities Administrator will keep in a certificate register the records of the ownership, exchange and transfer of Definitive Certificates. No service charge will be imposed for any registration of transfer or exchange of a Definitive Certificate, but the Securities Administrator or Trustee may require payment of a sum sufficient to cover any tax or other governmental charge imposed in connection therewith.

Replacement

The Securities Administrator will replace Definitive Certificates that are mutilated, destroyed, stolen or lost at the holder's expense when the holder provides evidence of the destruction, theft or loss of the Certificates to the Securities Administrator as well as an indemnity, satisfactory to the Trustee and the Securities Administrator.

Certificates Acquired by Freddie Mac

We may, from time to time, repurchase or otherwise acquire (either for cash or in exchange for newly-issued Certificates) some or all of the Certificates at any price or prices, in the open market or otherwise. We may hold or sell any Certificates that we repurchase. Any Certificates we own will have an equal and proportionate

benefit under the provisions of the Pooling and Servicing Agreement, without preference, priority or distinction as among those Certificates. However, in determining whether the required percentage of holders of the Certificates have given any required demand, authorization, notice, consent or waiver, Certificates we own, directly or indirectly, will be deemed not to be outstanding. As long as a Guarantor Nonpayment Event does not exist and the Guarantee Expiration Date has not passed, the Voting Rights with respect to the Offered Certificates will be vested in the Guarantor.

Notice

Any notice, demand or other communication which is required or permitted to be given to a holder may be given, in the case of a holder of a Certificate maintained on DTC, by transmission through the DTC communication system. The communication will be deemed to have been sufficiently given or made upon mailing or transmission.

Distributions

Distributions on the Certificates will be made by the Securities Administrator, as paying agent, on the twenty-fifth (25th) day of each month (or, if such day is not a Business Day, then on the next succeeding Business Day), beginning in August 2017 (each, a “**Distribution Date**”), to the persons in whose names such Certificates are registered as of the Record Date. A “**Business Day**” means a day other than:

- A Saturday or Sunday.
- A day on which the offices of Freddie Mac are authorized or obligated by law or executive order to be closed.
- A day on which banking or savings and loan institutions are authorized or obligated by law or executive order to be closed in the State of New York, any state in which the Securities Administrator operates, or any city or state in which the Trust Agent or the Securities Administrator or the Servicer or the entity maintaining the Escrow Account and Collection Account is located or is authorized or obligated by law or executive order to be closed.

Distributions on each Distribution Date will be made by wire transfer in immediately available funds to each Certificateholder’s account at a bank or other depository institution having appropriate wire transfer facilities. Cede & Co. will be the registered holder of the Certificates. However, the final distribution on any Certificate will be made in like manner only upon presentation and surrender of such Certificate at the offices of the of the Securities Administrator located at 111 East Fillmore Avenue, St. Paul, MN 55107 Attention: Bondholder Services — Freddie SCRT 2017-2 or as otherwise indicated on the relevant notice thereof. Distributions will be made to Certificate Owners through the facilities of DTC, as described above under “— *Form, Registration and Transfer of the Certificates*”.

Distributions on the Certificates are to be made by the Securities Administrator, on behalf of the Issuer, without deduction or withholding of taxes, except as otherwise required by law. The Certificates will not provide for any gross-up distributions in the case that distributions on the Certificates become subject to any deduction or withholding on account of taxes.

Reporting Periods

For any Distribution Date and for the purpose of making calculations with respect to the Certificates, the Collection Period, the Prepayment in Full Period and the Delinquency Determination Date on the Certificates are described under “*Summary of Terms*” and the examples provided below.

For example, on the Distribution Date in October 2017 and for purposes of making calculations with respect to the Certificates:

- (1) The Collection Period will be from September 1, 2017 through September 30, 2017,
- (2) The Prepayment in Full Period will be from September 11, 2017 through October 10, 2017, and
- (3) The Delinquency Determination Date will be no earlier than September 29, 2017.

Glossary of Terms

The following terms are given the meanings shown below to help describe the cash flows on the Certificates:

“Aged Securitization Test” means for any Distribution Date, a test that will be satisfied if:

- (a) either the Class M-1 or Class M-2 Certificates remain outstanding; and
- (b) the Distribution Date is on or before the Distribution Date occurring in July 2032.

“Aggregate Fee Rate” means a per annum rate equal to the sum of the Servicing Fee Rate, the Trust Agent Fee Rate, the Securities Administrator Fee Rate, the Custodian Fee Rate, the Excess Servicing Fee Rate and the Guarantor Oversight Fee Rate.

“Cap Carryover” means for any Distribution Date, if the Class Coupon for the Class M-1 or Class M-2 Certificates is calculated based on the Class M Net WAC (and not the related fixed rate for such Class set forth in clause (i) in the applicable description of the Class Coupon for such Class), an amount equal to the excess, if any, of (a) the amount of interest that would have accrued at the Class Coupon for such Class (without regard to the Class M Net WAC) over (b) the amount of interest that actually accrued on such Class for such Distribution Date giving effect to the limitation of the Class M Net WAC. Cap Carryover will be payable to the Class M-1 or Class M-2 Certificates, as applicable, from the Interest Distribution Amounts otherwise distributable to the more junior Classes of Certificates as further described under “— *Distributions of Interest.*”

“Capitalization Amount” means for any Distribution Date and any Mortgage Loan modified during the related Collection Period by the Servicer, a positive amount, if any, equal to the Unpaid Principal Balance of such Mortgage Loan upon completion of the modification, minus the Unpaid Principal Balance of such Mortgage Loan as of the first day of the related Collection Period. Capitalization Amounts may include amounts attributable to Servicing Advances and Pre-Existing Servicing Advances and may be net of borrower principal payments.

“Capitalization Reimbursement Amount” means for any Distribution Date and either Mortgage Group, the aggregate Capitalization Amount of the Mortgage Loans in respect of Pre-Existing Servicing Advances and Servicing Advances for such Distribution Date in such Mortgage Group.

“Certificate Realized Loss” means with respect to any Class of Certificates (other than the Interest Only Certificates, the Mortgage Insurance Certificate and the Residual Certificates) and any Distribution Date, the amount by which the related Class Principal Amount is reduced as a result of any Realized Losses allocated to such Class.

“Certificate Writedown Amount” means for any Distribution Date, the amount by which the aggregate Class Principal Amount of all the Classes of Certificates (other than the Interest Only Certificates, the Mortgage Insurance Certificate and the Residual Certificates) on such Distribution Date (after giving effect to distributions of principal and allocations of any related Realized Losses and any related Subsequent Recoveries on such Distribution Date) exceeds the aggregate Unpaid Principal Balance of the Mortgage Loans at the end of the related Collection Period.

“Class Coupon” means with respect to each Distribution Date, the per annum rate equal to (A) for the Class MA, Class MB and Class MT Certificates, 3.000%; and (B) for the Class HA, Class HB and Class HT Certificates, (i) 2.000% for the Distribution Dates occurring in August 2017 through January 2018, (ii) 2.250% for the Distribution Dates occurring in February 2018 through July 2018, (iii) 2.500% for the Distribution Dates occurring in August 2018 through January 2019, (iv) 2.750% for the Distribution Dates occurring in February 2019 through July 2019 and (v) 3.000% beginning on the Distribution Date occurring in August 2019 and thereafter.

The Class Coupon of the Class A-IO Certificates with respect to each Distribution Date, will be a per annum rate equal to the excess, if any, of (i) the Senior Adjusted Net WAC for such Distribution Date over (ii) the weighted average of the Class Coupons of the Class MA, Class MB, Class HA and Class HB Certificates (weighted based on the outstanding Class Principal Amounts of such Classes of Certificates immediately after the preceding Distribution Date) (calculated assuming no exchanges for MACR Certificates have occurred). The

Class Coupon of the Class M-1 Certificates with respect to each Distribution Date, will be a per annum rate equal to the lesser of (i) 4.00% and (ii) the Class M Net WAC for such Distribution Date. The Class Coupon of the Class M-2 Certificates with respect to each Distribution Date will be a per annum rate equal to the lesser of (i) 4.00% and (ii) the Class M Net WAC for such Distribution Date. The Class Coupon of the Class B-IO Certificates with respect to each Distribution Date, will be a per annum rate equal to the excess, if any, of (i) the Subordinate Adjusted Net WAC for such Distribution Date over (ii) the weighted average of the Class Coupons of the Class M-1, Class M-2 and Class B Certificates (calculated with respect to the Class M-1 and Class M-2 Certificates, without regard to the Class M Net WAC) for such Distribution Date (weighted based on the outstanding Class Principal Amounts of such Classes of Certificates immediately after the preceding Distribution Date). The initial Class Coupons of the Class A-IO and Class B-IO Certificates will be approximately 0.17827% and 0.91705% per annum, respectively.

“Class M Net WAC” means as of any Distribution Date, a per annum rate not less than zero, equal to the product of (x) the Subordinate Adjusted Net WAC and (y) a fraction, expressed as a percentage, equal to the quotient of (i) the aggregate outstanding Class Principal Amount of the Class M-1, Class M-2 and Class B Certificates immediately following the preceding Distribution Date, and (ii) the aggregate outstanding Class Principal Amount of the Class M-1 and Class M-2 Certificates immediately following the preceding Distribution Date.

“Cumulative Loss Test” means with respect to any Distribution Date, a test that will be satisfied if the cumulative Realized Losses, as a percentage of the aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date, does not exceed the applicable percentage indicated below:

<u>Distribution Date occurring in the period</u>	<u>Percentage</u>
August 2017 to July 2019	2.00%
August 2019 to July 2020	3.00%
August 2020 to July 2021	4.00%
August 2021 to July 2022	5.00%
August 2022 to July 2023	6.00%
August 2023 to July 2024	7.00%
August 2024 to July 2025	8.00%
August 2025 to July 2026	9.00%
August 2026 and thereafter	10.00%

“Custodian Fee” means with respect to any Distribution Date, an amount equal to one-twelfth of the product of (i) 0.0065% and (ii) the aggregate Interest Bearing Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

“Custodian Fee Rate” means for any Distribution Date, a per annum rate, expressed as a percentage, obtained by (i) dividing the related Custodian Fee by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) multiplying by 12.

“Cut-Off Date Balance” means with respect to any Mortgage Loan, the Mortgagor Total Unpaid Principal Balance as of the Cut-Off Date (which is equal to the aggregate Unpaid Principal Balance as of the Cut-Off Date).

“Deficiency Amount” means with respect to any Class of Guaranteed Certificates and any Distribution Date, the sum of:

- (a) any Realized Losses and Certificate Writedown Amounts allocated to such Class on such Distribution Date, net of any Subsequent Recoveries allocated to such Class on such Distribution Date (**“Principal Deficiency Amount”**), and
- (b) the amount by which the Interest Distribution Amount for such Class exceeds the interest actually distributed to such Class pursuant to the Priority of Distributions (**“Interest Deficiency Amount”**).

“Delinquency Test” means with respect to any Distribution Date, a test that will be satisfied if:

- (a) the sum of the Distressed Principal Balances for the Mortgage Loans for such Distribution Date *is less than*
- (b) the product of 50% and an amount equal to the excess, if any, of (i) the sum of the outstanding Class Principal Amounts of the Class M-1, Class M-2 and Class B Certificates immediately following the preceding Distribution Date; over (ii) the aggregate Realized Losses for such Distribution Date.

“Distressed Principal Balance” means with respect to any Distribution Date, the sum of, without duplication, (a) the aggregate Unpaid Principal Balance of (i) any REO property, (ii) any Mortgage Loan in a foreclosure or bankruptcy status and (iii) any Mortgage Loans delinquent sixty (60) days or more as of the related Delinquency Determination Date, and (b) the aggregate Unpaid Principal Balance of Mortgage Loans modified in the related Collection Period or any of the preceding eleven (11) Collection Periods.

“Excess Servicing Fee Amount” means with respect to each Distribution Date, an amount equal to one-twelfth of the product of (i) the Excess Servicing Fee Rate and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

“Excess Servicing Fee Rate” means with respect to each Distribution Date, a per annum rate equal to the excess, if any, of 0.200% over the Servicing Fee Rate.

“Existing Liens” means liens shown on Schedule I to Appendix C that exist with respect to the specified Mortgage Loans as of the Closing Date.

“Expenses” means an amount equal to the sum of charges, indemnification amounts, litigation costs and other costs relating to the Mortgage Loans, the Custodial Agreement and the Pooling and Servicing Agreement, which are reimbursable to such party from the Trust in excess of the amount of the Servicing Fee, the Guarantor Oversight Fee, the Trust Agent Fee, the Securities Administrator Fee or the Custodian Fee payable to such party. For the avoidance of doubt, Servicing Advances are not deemed expenses.

“Expenses Cap” means the aggregate annual cap on Expenses applicable to the Securities Administrator, the Custodian, the Trust Agent, the Servicer, the Seller, the Issuer, the Trustee and the Guarantor, which will be equal to an aggregate maximum reimbursement of \$300,000 in any calendar year; provided that, in no event, in any calendar year, will the aggregate amount of such Expenses reimbursed to (i) the Trust Agent exceed \$25,000, (ii) the Securities Administrator exceed \$50,000, (iii) the Servicer exceed \$50,000, (iv) the Custodian exceed \$25,000 and (v) the Seller, Issuer, Trustee and Guarantor exceed \$150,000; provided, however, that Expenses incurred by the Trustee, the Securities Administrator or the Custodian related to or resulting from a Servicer Event of Default will not be subject to any of their respective cap amounts listed above; and provided further, that neither the Servicer nor any affiliate of the Servicer may be reimbursed for any Expense related to or arising from a Servicer Event of Default. Any Expenses in excess of the aggregate, respective limits herein (**“Excess Expenses”**) will be reimbursable to the Servicer, the Securities Administrator, the Custodian, the Seller, the Trust Agent, the Trustee, and the Guarantor to the extent of funds available on each Distribution Date. See *“— Interest”* and *“— Distributions of Interest”*. As of any date of determination, any Excess Expenses which remain unreimbursed after application of the applicable Expenses Cap in any calendar year, will be reimbursable, subject to the applicable Expenses Cap, to the applicable party in subsequent years.

“Freddie Mac Pay-ahead Payment” means for the first Distribution Date only, with respect to each Pay-ahead Loan as of the Cut-Off Date, the amount the Servicer is required to remit to the Trust on behalf of Freddie Mac (and which Freddie Mac will be required to reimburse the Servicer) equal to the aggregate of the excess, if any, of (i) the Monthly Interest Amount for such Mortgage Loan, over (ii) any payment of interest collected during the related Collection Period for such Mortgage Loan.

“Group H Adjusted Net WAC” means for any Distribution Date, a per annum rate, expressed as a percentage, equal to the weighted average of the Net Mortgage Rates of the Group H Mortgage Loans, weighted on the basis of the respective Unpaid Principal Balances of the Group H Mortgage Loans as of the first day of the related Collection Period.

“Group M Adjusted Net WAC” means for any Distribution Date, a per annum rate, expressed as a percentage, equal to the weighted average of the Net Mortgage Rates of the Group M Mortgage Loans, weighted on the basis of the respective Unpaid Principal Balances of the Group M Mortgage Loans as of the first day of the related Collection Period.

“Guarantor Interest Payment” means for any Distribution Date and any Class of Guaranteed Certificates entitled to interest, an amount equal to the Interest Deficiency Amount for such Class for such Distribution Date. The Guarantor is required to remit on such Distribution Date such amount to the Trust to be distributed as interest to any Class of Guaranteed Certificates up to the Interest Deficiency Amount for such Class.

“Guarantor Maturity Payment” means if the remaining Class Principal Amount of any Class of Guaranteed Certificates is greater than zero after the application of the distributions of interest and principal in accordance with the Priority of Distributions and the allocations of Realized Losses, Certificate Writedown Amounts and Subsequent Recoveries on the Stated Final Distribution Date, the Guarantor will be required to remit such amount to the Trust an amount equal to the remaining Class Principal Amount of such Class of Guaranteed Certificates. This amount will be distributed to each such Class of Guaranteed Certificates as principal.

“Guarantor Nonpayment Event” exists with respect to any date of determination if, as of such date of determination, the Guarantor owes any Guarantor Interest Payment, Guarantor Principal Payment or Guarantor Maturity Payment that it was required and failed to make on any prior Distribution Date.

“Guarantor Principal Payment” means for any Distribution Date and any Class of Guaranteed Certificates entitled to principal, an amount equal to the Principal Deficiency Amount for such Class for such Distribution Date. The Guarantor is required to remit on such Distribution Date such amount to the Trust to be distributed as principal to any Class of Guaranteed Certificates up to the Principal Deficiency Amount for such Class.

“Initial Principal Forbearance Amount” means for any Mortgage Loan, the deferred principal balance, if any, of such Mortgage Loan as of the Cut-Off Date. The aggregate Initial Principal Forbearance Amount of all the Mortgage Loans is equal to approximately \$488,058,027.

“Insurance Proceeds” means all proceeds of any insurance policies with respect to the Mortgage Loans, mortgaged properties and REO properties to the extent such proceeds are not to be applied to the restoration of the related mortgaged property or REO property and released to the related mortgagor in accordance with the Servicing Requirements and excluding insured expenses.

“Interest Bearing Unpaid Principal Balance” means for any date of determination and as to each Mortgage Loan, the portion of the Mortgagor Total Unpaid Principal Balance that bears interest in accordance with the related mortgage note, any modification agreement or other loan documentation. The aggregate Interest Bearing Unpaid Principal Balance of all the Mortgage Loans, as of the Cut-Off Date, is equal to approximately \$1,986,571,220.

“Interest Distribution Amount” means for any Class of Certificates (other than the Class B Certificates, the Mortgage Insurance Certificate and the Residual Certificates), on any Distribution Date, an amount equal to the interest accrued during the related Accrual Period on the related Class Principal Amount or Class Notional Amount, as applicable, as of the preceding Distribution Date at the applicable Class Coupon, together with any unpaid Interest Distribution Amounts for such Class from the preceding Distribution Date.

“Interest Remittance Amount” means with respect to any Distribution Date and any Mortgage Group, without duplication an amount, not less than zero, equal to:

- (a) the sum of (i) with respect to any Mortgage Loan in such Mortgage Group, all payments of interest collected during the related Collection Period, including amounts paid by the Servicer as Compensating Interest on such Mortgage Loan; (ii) collections from borrowers for Pre-Existing Servicing Advances, if any, with respect to any such Mortgage Loan in such Mortgage Group during the related Collection Period; (iii) on the Distribution Date on which the Trust is to be terminated pursuant to an Optional Termination, accrued interest on the Mortgage Loans payable

as part of the Termination Price; (iv) the IRA Shortfall Amount for such Mortgage Group as of the preceding Distribution Date; (v) the Capitalization Reimbursement Amount for such Mortgage Group and for such Distribution Date; and (vi) the Pay-ahead Reserve Account Release for such Distribution Date;

Minus, without duplication:

- (b) the sum of (i) the total fees and Expenses (subject to the Expenses Cap) for such Distribution Date; (ii) any amount, without duplication, paid to reimburse the Seller or the Servicer in respect of Pre-Existing Servicing Advances or Servicing Advances with respect to such Distribution Date, to the extent of such amounts remaining after allocating such amounts first to clause (b)(iii) of the Principal Remittance Amount for such Distribution Date; (iii) the PRA Shortfall Amount for such Mortgage Group and for such Distribution Date; and (iv) the Pay-ahead Reserve Account Deposit for such Distribution Date (excluding any amounts deposited in the Pay-ahead Reserve Account on such Distribution Date pursuant to priority “*Fifteenth*” described under “— *Distributions of Interest*”).

“IRA Shortfall Amount” means with respect to any Distribution Date and any Mortgage Group, an amount, not less than zero, equal to the PRA Shortfall Amount for such Mortgage Group minus the Servicer Shortfall Amount for such Mortgage Group.

“LIBOR Adjustment Date” means with respect to any Distribution Date, the second business day prior to the previous Distribution Date. For this purpose, a “business day” is a day on which banks are open for dealing in foreign currency and exchange in London, New York City and Washington, D.C.

“Liquidated Mortgage Loan” means a Mortgage Loan that is liquidated, in whole or in part, or charged off as a result of a third-party foreclosure sale, REO property sale, short sale, or otherwise, or a Mortgage Loan that is removed from the Trust by a governmental authority exercising the power of eminent domain or through a condemnation proceeding, or other means, that is processed by the Servicer and is reflected in its system of record as a liquidation during the related Collection Period.

“Liquidation Proceeds” means with respect to any Liquidated Mortgage Loan and for the Distribution Date related to the liquidation of such Mortgage Loan, (a) all cash amounts (net of selling expenses), including Other Insurance Proceeds and any related Loss Indemnification Amounts or Servicing Remedy Amounts, received in connection with the liquidation of such defaulted Mortgage Loan, whether through a foreclosure sale, REO Property sale, short sale or otherwise or amounts received in connection with any condemnation or partial release of a mortgaged property, (b) any amounts received by the Trust from a governmental authority in connection with the acquisition of a Mortgage Loan by eminent domain (to the extent such amounts, with respect to a Mortgage Loan, are less than the outstanding principal balance of the related Mortgage Loan), and (c) any other proceeds (net of selling expenses) received in connection with the disposition of an REO property.

“Loss Indemnification Amount” means an amount equal to: (i) for any Liquidated Mortgage Loan, the lesser of (x) the Final Loss Estimate Amount and (y) the aggregate amount of any Realized Losses, net of any Subsequent Recoveries, attributed to such Liquidated Mortgage Loan for such Distribution Date; or (ii) for any Mortgage Loan that is not a Liquidated Mortgage Loan, the Final Loss Estimate Amount as determined by the Independent Reviewer in its sole discretion.

“Minimum Credit Enhancement Test” means with respect to any Distribution Date, a test that will be satisfied if:

- (a) the weighted average of the Group H and Group M Subordinate Percentages, weighted based on the aggregate Unpaid Principal Balance of each Mortgage Group as of the first day of the related Collection Period, is greater than or equal to 22.00%; and
- (b) the aggregate Class Principal Amount of the Subordinate Certificates exceeds 5.00% of the aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date.

“Monthly Interest Amount” means with respect to any Mortgage Loan and any Distribution Date, one-twelfth of the product of (i) the Interest Bearing Unpaid Principal Balance for such Mortgage Loan as of the

beginning of the related Collection Period, and (ii) the Mortgage Interest Rate applicable to the scheduled payment that is next due and payable by the related mortgagor as of the end of the second preceding month in which such Distribution Date occurs.

“Mortgage Interest Rate” means (a) with respect to each fixed-rate Mortgage Loan, the fixed annual rate of interest provided for in the related mortgage note and (b) with respect to each step-rate Mortgage Loan, the annual rate that interest accrues on such step-rate Mortgage Loan from time to time in accordance with the provisions of the related mortgage note, in each case net of any reduction due to the Relief Act or similar state laws and as such may be modified in accordance with a servicer modification.

“Mortgagor Total Unpaid Principal Balance” means with respect to any Mortgage Loan or related REO property and any date of determination, the balance of such Mortgage Loan at origination; plus the total Capitalization Amount for such Mortgage Loan; minus any amounts applied to the related mortgagor’s account to reduce the principal balance of such Mortgage Loan, including all principal payments, without duplication (including, *inter alia*, the principal portion of monthly payments received by the Servicer, partial or full prepayments of principal, application of Net Liquidation Proceeds to the unpaid principal balance, and incentive payments under HAMP, if applicable), minus any principal forgiven as a result of any servicer modification by the Servicer or by a court of competent jurisdiction or a governmental entity with authority to require that such Mortgage Loan be modified.

Unless otherwise noted, references to the aggregate Mortgagor Total Unpaid Principal Balance of the Mortgage Loans will also include the aggregate Mortgagor Total Unpaid Balance of any REO properties.

“Net Liquidation Proceeds” means with respect to any Liquidated Mortgage Loan, the related Liquidation Proceeds net of the reimbursement of any related Servicing Advances.

“Net Mortgage Rate” means with respect to each Mortgage Loan and any Distribution Date, (i) the product of (a) the Mortgage Interest Rate applicable to the scheduled payment that is next due and payable by the related mortgagor as of the end of the second preceding month in which such Distribution Date occurs, and (b) a fraction, the numerator of which is the Interest Bearing Unpaid Principal Balance, and the denominator of which is the Unpaid Principal Balance (both as of the first day of the month immediately preceding the month in which such Distribution Date occurs), reduced by (ii) the Aggregate Fee Rate.

“One-Month LIBOR” means the “Interest Settlement Rate” for U.S. dollar deposits with a maturity of one month set by ICE Benchmark Administration Limited (“**ICE**”) as of 11:00 a.m. (London time) on the LIBOR Adjustment Date (the “**ICE Method**”).

ICE’s Interest Settlement Rates are currently displayed on Bloomberg L.P.’s page “BBAM.” That page, or any other page that may replace page BBAM on that service or any other service that ICE nominates as the information vendor to display the ICE’s Interest Settlement Rates for deposits in U.S. dollars, is a “Designated Page.” ICE’s Interest Settlement Rates currently are rounded to five decimal places.

If ICE’s Interest Settlement Rate does not appear on the Designated Page as of 11:00 a.m. (London time) on a LIBOR Adjustment Date, or if the Designated Page is not then available, One-Month LIBOR for that date will be the most recently published Interest Settlement Rate. If ICE no longer sets an Interest Settlement Rate, the Guarantor will designate an alternative index that has performed, or that the Guarantor (or its agent) expects to perform, in a manner substantially similar to ICE’s Interest Settlement Rate.

“Optional Control Class” with respect to any Distribution Date, after giving effect to distributions of principal and allocations of any related Realized Losses, any related Certificate Writedown Amounts, and any related Subsequent Recoveries on such Distribution Date, (a) if the aggregate Class Principal Amount of the Class M-1, Class M-2 and Class B Certificates is less than the Pipeline Losses for the related Distribution Date, then there will be no Optional Control Class; otherwise (b) if the aggregate Class Principal Amount of the Class M-2 and Class B Certificates is less than the Pipeline Losses for the related Distribution Date, the Class M-1 Certificates will be the Optional Control Class; or if neither (a) nor (b) is satisfied, then (c) if (1) the Class Principal Amount of the Class B Certificates is less than the Pipeline Losses for the related Distribution Date, or (2) the Class Principal Amount of the Class M-2 Certificates is greater than 10% of the Class Principal Amount of the Class M-2 Certificates as of the Cut-Off Date, the Class M-2 Certificates will be the Optional

Control Class. Otherwise, to the extent none of (a), (b) or (c) are satisfied with respect to any other date of determination, the Class B Certificates will be the Optional Control Class.

“Other Insurance Proceeds” means all proceeds of any insurance policies, except Primary Mortgage Insurance Policies, with respect to the Mortgage Loans, mortgaged properties and REO properties to the extent such proceeds are not to be applied to the restoration of the related mortgaged properties or REO properties and released to the related mortgagor in accordance with the servicing requirements and excluding insured expenses.

“Pay-ahead Loan” means for each Distribution Date, a Mortgage Loan for which, as of the last day of the related Collection Period, its next payment is due in or after the calendar month following such Distribution Date.

“Pay-ahead Reserve Account” means the account to which, for each Distribution Date, the interest component of the scheduled mortgage payment of any Pay-ahead Loan is remitted by the Servicer to the Securities Administrator in the related Collection Period for deposit. In addition, as further described under “— *Distributions of Interest*” below, any amounts remaining after priority “*Fourteenth*” will be deposited into the Pay-ahead Reserve Account. All such amounts deposited into the Pay-ahead Reserve Account for any Distribution Date will be released into the Interest Remittance Amount on the following Distribution Date.

“Pay-ahead Reserve Account Deposit” means for any Distribution Date, the sum of (A) for each Pay-ahead Loan, the aggregate of the excess, if any, of (i) any payment of interest collected during the related Collection Period for each such Mortgage Loan, over (ii) the Monthly Interest Amount for each such Mortgage Loan and (B) any amounts distributable to the Pay-ahead Reserve Account pursuant to priority “*Fifteenth*” of the “— *Distributions of Interest*”; provided, however, on the final Distribution Date the Pay-ahead Reserve Account Deposit will be zero.

“Pay-ahead Reserve Account Release” means for any Distribution Date (other than the first Distribution Date), the Pay-ahead Reserve Account Deposit for the preceding Distribution Date; for the first Distribution Date, the Freddie Mac Pay-ahead Payment.

“Pipeline Losses” means with respect to any Distribution Date, the product of (i) the Distressed Principal Balance and (ii) the minimum of (a) 60% and (b) the maximum of (x) 25% and (y) the sum of the Realized Losses from the last 12 Collection Periods divided by the sum of the Unpaid Principal Balance of all Liquidated Mortgage Loans from the last 12 Collection Periods.

“Primary Mortgage Insurance Policy” means with respect to any Mortgage Loan, any primary mortgage guaranty insurance policy (including all endorsements thereto) issued by an insurance company duly qualified as such under the laws of the state in which the related mortgaged property is located, duly authorized and licensed in such state to transact the applicable insurance business and to write the insurance provided and, with respect to mortgage guaranty insurers, is an approved or eligible Freddie Mac insurer in connection with such Mortgage Loan that provides compensation to such Mortgage Loan holder in the event of default by the obligor under such Mortgage Loan or the related security instrument, if any, or any replacement policy therefor.

“Primary Mortgage Insurance Proceeds” means with respect to any Distribution Date, the aggregate of the mortgage insurance proceeds related to the Mortgage Loans, collected during the related Collection Period, resulting from Primary Mortgage Insurance Policies.

Primary Mortgage Insurance Proceeds will not be included in Liquidation Proceeds and will be paid on each Distribution Date to the Class MI Certificate, in an amount equal to all available Primary Mortgage Insurance Proceeds.

“Principal Forbearance Loss” means for any Mortgage Loan and any Distribution Date, the greater of (i) zero and (ii) the maximum of (a) the deferred principal balance of such Mortgage Loan as of the end of the related Collection Period and (b) the related Initial Principal Forbearance Amount, minus the maximum of (x) the deferred principal balance of such Mortgage Loan as of the beginning of the related Collection Period and (y) the related Initial Principal Forbearance Amount.

“Principal Remittance Amount” means with respect to any Distribution Date and any Mortgage Group, without duplication, an amount not less than zero, equal to:

- (a) the sum of (i) all scheduled and partial principal payments collected on the Mortgage Loans in such Mortgage Group during the related Collection Period (including any incentive payments under HAMP, if applicable); (ii) all full prepayments of principal collected on the Mortgage Loans in such Mortgage Group during the related Prepayment in Full Period; (iii) Net Liquidation Proceeds in such Mortgage Group; (iv) Subsequent Recoveries in such Mortgage Group (without duplication of any recovered Principal Forbearance Loss amounts included above); (v) any Loss Indemnification Amounts and Servicing Remedy Amounts that are not included in Liquidation Proceeds or Subsequent Recoveries; and (vi) on the Distribution Date on which the Trust is to be terminated pursuant to the Optional Termination, the sum of (1) the aggregate Mortgagor Total Unpaid Principal Balance of the Mortgage Loans in such Mortgage Group (other than with respect to the REO properties) and (2) the aggregate market value of any REO properties in such Mortgage Group;

Minus

- (b) the sum of (i) any related Subsequent Losses, (ii) any related Capitalization Reimbursement Amount; and (iii) any related PRA Shortfall Amount (if not already netted out from the Interest Remittance Amount pursuant to clause (b)(iii) of the definition of Interest Remittance Amount herein) as of the preceding Distribution Date, in each case, with respect to the Mortgage Loans in such Mortgage Group.

“PRA Shortfall Amount” means with respect to any Distribution Date and any Mortgage Group, an amount, not less than zero, equal to the amount in clause (b) of the Principal Remittance Amount definition with respect to such Mortgage Group, minus the amount in clause (a) of the Principal Remittance Amount definition with respect to such Mortgage Group.

“Realized Loss” means for any Distribution Date, an amount (without duplication) equal to the sum of, with respect to each Mortgage Loan:

- (a) if such Mortgage Loan becomes a Liquidated Mortgage Loan during the related Collection Period, an amount (not less than zero), equal to (i) the Unpaid Principal Balance as of the first day of the related Collection Period, minus (ii) the Net Liquidation Proceeds,
- (b) the amount by which, in the event of bankruptcy of a mortgagor, a bankruptcy court reduces the Unpaid Principal Balance of any related Mortgage Loan, as reported to the Servicer and recorded in its system of record,
- (c) the related Principal Forbearance Loss and any forgiveness amounts for such Distribution Date, and
- (d) any related subsequent losses if such Mortgage Loan became a Liquidated Mortgage Loan in a prior Collection Period (**“Subsequent Loss”**).

“Review Notice” means the notice provided by the Servicer or the Trustee to the Trust Agent, Seller, Custodian and the Servicer (if initiated by the Trustee) initiating a Breach Review.

“Senior Adjusted Net WAC” mean for any Distribution Date, a per annum rate not less than zero, expressed as a percentage, equal to the weighted average of the Group M Adjusted Net WAC and Group H Adjusted Net WAC for such Distribution Date, weighted based on the product of (i) the aggregate Unpaid Principal Balance of the Mortgage Loans within each Mortgage Group as of the first day of the related Collection Period and (ii) the Senior Percentage for the related Mortgage Group for such Distribution Date.

“Senior Percentage” means with respect to any Distribution Date and either Mortgage Group, the percentage equivalent of a fraction (not to exceed 100%), the numerator of which is the aggregate Class Principal Amount of the related Guaranteed Certificates in such Mortgage Group immediately preceding such Distribution Date and the denominator of which is the aggregate Unpaid Principal Balance of the Mortgage Loans for such Mortgage Group as of the first day of the related Collection Period.

The initial Senior Percentage for each of Group M and Group H will be approximately 83%.

“Senior Principal Distribution Amount” means with respect to any Distribution Date on which the Step-Down Test is satisfied and for each Mortgage Group, the sum of (a) the product of (i) the related Senior Percentage for the related Mortgage Group and for such Distribution Date and (ii) the related Principal Remittance Amount less Net Liquidation Proceeds related to such Mortgage Group for such Distribution Date; and (b) the Net Liquidation Proceeds related to such Mortgage Group for such Distribution Date.

For any Distribution Date on which the Step-Down Test is not satisfied, the Senior Principal Distribution Amount for each Mortgage Group will be equal to the Principal Remittance Amount for such Mortgage Group for such Distribution Date.

“Servicer Shortfall Amount” means with respect to any Distribution Date and any Mortgage Group, an amount, not less than zero, equal to the amount in clause (b) of the related Interest Remittance Amount definition for such Mortgage Group minus the amount in clause (a) of the related Interest Remittance Amount definition with respect to such Mortgage Group.

“Servicing Control Trigger” means with respect to any Distribution Date, a trigger that will occur if:

- (1) the sum of the Distressed Principal Balances for the Mortgage Loans for such Distribution Date is greater than
- (2) an amount equal to (i) the aggregate Class Principal Amount of the Class M-1, Class M-2 and Class B Certificates immediately following the preceding Distribution Date, minus (ii) the aggregate Realized Losses for such Distribution Date;

provided, however, that if the Servicing Trigger Agent is not Freddie Mac and has terminated the Servicer or a successor servicer as a result of a Servicing Control Trigger, then a new Servicing Control Trigger cannot occur until the twelfth month following the transfer of servicing to such successor servicer.

“Servicing Fee” means for any Distribution Date, a monthly fee, calculated as provided in the Pooling and Servicing Agreement, equal to one-twelfth of the product of (i) 0.125% and (ii) the Mortgagor Total Unpaid Principal Balance of each Mortgage Loan or attributable to each REO property as of the first day of the related Collection Period.

“Servicing Fee Rate” means for any Distribution Date, a per annum rate, expressed as a percentage, obtained by (i) dividing the related Servicing Fee by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) multiplying by 12.

“Servicing Remedy Amount” means for any Distribution Date, an amount payable by the Servicer for certain servicing violations, as determined by the Guarantor pursuant to an oversight and remedy management process as described in the Pooling and Servicing Agreement.

“Servicing Trigger Agent” means the Guarantor so long as a Guarantor Nonpayment Event does not exist and the Guarantee Expiration Date has not passed. Otherwise, the Certificateholders holding more than 50% of the aggregate Voting Rights of the Optional Control Class (or if there is no Optional Control Class, all of the Classes of Certificates outstanding) (the **“Alternative Servicing Trigger Agent”**).

“Step-Down Test” means with respect to any Distribution Date, a test that will be satisfied if the Minimum Credit Enhancement Test, the Aged Securitization Test, the Cumulative Loss Test and the Delinquency Test are satisfied.

“Subordinate Adjusted Net WAC” means for any Distribution Date, a per annum rate not less than zero, expressed as a percentage, equal to the weighted average of the Group M Adjusted Net WAC and Group H Adjusted Net WAC for such Distribution Date, weighted based on the product of (i) the aggregate Unpaid Principal Balance of the Mortgage Loans within each Mortgage Group as of the first day of the related Collection Period and (ii) the Subordinate Percentage for the related Mortgage Group for such Distribution Date.

“Subordinate Percentage” means with respect to any Distribution Date and either Mortgage Group, the difference between 100% and the related Senior Percentage for such Distribution Date. The initial Subordinate Percentage for each of Group M and Group H will be approximately 17%.

“Subsequent Recoveries” means for any Distribution Date, amounts recovered (whether from the mortgagor, the Seller, the Servicer, related Other Insurance Proceeds, Loss Indemnification Amounts, Servicing Remedy Amounts or otherwise, as applicable) or adjustments made during the related Collection Period with respect to any Mortgage Loan for which a Realized Loss was allocated on a prior Distribution Date, such that the cumulative Realized Loss for such Mortgage Loan is reduced, provided that with respect to recovery of a Principal Forbearance Loss, such amount, cumulatively, cannot exceed any aggregate prior Principal Forbearance Loss amount less any aggregate prior recoveries related to such prior Principal Forbearance Losses. For the avoidance of doubt, any recovery of a Principal Forbearance Loss during the month in which a Mortgage Loan becomes a Liquidated Mortgage Loan will be included in Liquidation Proceeds only.

“Termination Price” means the sum of: (i) the aggregate Mortgagor Total Unpaid Principal Balance of the Mortgage Loans (other than with respect to the REO properties), plus accrued and unpaid interest thereon, (ii) the market value of any REO properties in the Trust, (iii) any remaining unreimbursed Pre-Existing Servicing Advances and Servicing Advances, unpaid Independent Reviewer fees and any other amounts payable to the Securities Administrator, the Custodian, the Servicer, the Seller, the Guarantor, the Trustee or the Trust Agent and (iv) any unreimbursed Guarantor Principal Payments, Guarantor Interest Payments, Guarantor Maturity Payments and related interest thereon.

“Trust Agent Fee” means for any Distribution Date, an amount equal to one-twelfth of the product of (i) the Trust Agent Fee Rate and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

“Trust Agent Fee Rate” means 0.0011% per annum.

“Unpaid Principal Balance” means for the Cut-Off Date and any Distribution Date, and any Mortgage Loan or related REO Property, the principal balance to which the Trust is then entitled, the amount, not less than zero, being equal to:

- (a) the Cut-Off Date Balance of such Mortgage Loan; plus
- (b) the total Capitalization Amount for such Mortgage Loan for any Distribution Date; minus
- (c) all principal payments for such Mortgage Loan, without duplication (including, *inter alia*, the principal portion of monthly payments received by the Servicer, partial or full prepayments, Net Liquidation Proceeds, Other Insurance Proceeds and incentive payments under HAMP, if applicable) that have been applied by the Servicer and included in the Principal Remittance Amount on any Distribution Date; minus
- (d) any Realized Losses for such Mortgage Loan allocated to the Certificates on any Distribution Date.

Unless otherwise noted, references to the aggregate Unpaid Principal Balance of the Mortgage Loans will also include the aggregate Unpaid Principal Balance of any REO properties.

“Voting Rights” means the portion of the voting rights of all the Certificates that is allocated to any Certificate for purposes of the voting provisions of the Pooling and Servicing Agreement. At all times during the term of the Pooling and Servicing Agreement, each holder of the Senior and Subordinate Certificates will be allocated “Voting Rights” equal to their pro rata ownership interest (based on Class Principal Amount) in the Certificates. No Certificate with a Class Principal Amount equal to zero will have any Voting Rights. The Interest Only Certificates, Mortgage Insurance Certificate and Residual Certificates will not have any Voting Rights. As long as a Guarantor Nonpayment Event does not exist and the Guarantee Expiration Date has not passed, the Voting Rights with respect to the Guaranteed Certificates will be vested in the Guarantor.

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the Certificateholders of such MACR Certificates will be entitled to exercise all the voting and direction rights that are allocated to such exchanged Exchangeable Certificates and the outstanding balances of such MACR Certificates will be used to determine if the requisite percentage of Holders under the Pooling and Servicing Agreement has voted or given direction. In calculating a requisite percentage of Certificateholders under the Pooling and Servicing Agreement, the outstanding Class Principal Amounts of the Certificates will be determined without regard to any exchanges of Exchangeable Certificates for MACR Certificates.

Interest

The Class Coupon and Accrual Period for each Class of Certificates for each Distribution Date is as described in the “*Summary of Terms — Interest*”.

On each Distribution Date, each Class of Certificates (other than the Class B Certificates, Mortgage Insurance Certificate and Residual Certificates), will be entitled to receive interest accrued during the related Accrual Period at the applicable Class Coupon on the related Class Principal Amount or Class Notional Amount as of the preceding Distribution Date, together with any unpaid Interest Distribution Amount or any unpaid Cap Carryover, as applicable, for such Class from the preceding Distribution Date.

Interest will be calculated and payable on the basis of a 30-day Accrual Period and a 360-day year.

The determination by the Securities Administrator of the Class Coupons on the applicable Classes of Certificates and the determination of any distribution on any Certificate (or any interim calculation in the determination of any such interest rate or distribution) will, absent manifest error, be final and binding on all parties.

See “*Prepayment and Yield Considerations*”.

Distributions of Interest

On each Distribution Date, the Interest Remittance Amount for each Mortgage Group will be distributed in the following order of priority, with the following allocation assuming that no exchanges for MACR Certificates have occurred:

First, sequentially, (A) to the Class XS-IO Certificates, from the Interest Remittance Amount for Group M, the aggregate Excess Servicing Fee Amount relating to the Group M Mortgage Loans and from the Interest Remittance Amount for Group H, the aggregate Excess Servicing Fee Amount relating to the Group H Mortgage Loans and then (B) to the Class XS-IO Certificates, from the Interest Remittance Amount for Group H, the aggregate unpaid Excess Servicing Fee Amount relating to the Group M Mortgage Loans and from the Interest Remittance Amount for Group M, the aggregate unpaid Excess Servicing Fee Amount relating to the Group H Mortgage Loans;

Second, concurrently,

- from the Interest Remittance Amount for Group M, to the Class MA and Class MB Certificates, pro rata based on interest distributable to each such Class, in an amount equal to its related Interest Distribution Amount for such Distribution Date; and
- from the Interest Remittance Amount for Group H, to the Class HA and Class HB Certificates, pro rata based on the interest distributable to each such Class, in an amount equal to its related Interest Distribution Amount for such Distribution Date;

Third, concurrently,

- from the Interest Remittance Amount for Group M, to the Class HA and Class HB Certificates, pro rata based on interest distributable to each such Class, in an amount equal to its Interest Distribution Amount in excess of the amount distributed to such Class in priority “*Second*” above from the Interest Remittance Amount for Group H for such Distribution Date; and
- from the Interest Remittance Amount for Group H, to the Class MA and Class MB Certificates, pro rata based on interest distributable to each such Class, in an amount equal to its Interest Distribution Amount in excess of the amount distributed to such Class in priority “*Second*” above from the Interest Remittance Amount for Group M for such Distribution Date;

Fourth, to the Guarantor, the aggregate of the interest accrued on unreimbursed Guarantor Maturity Payments with respect to each Class of Guaranteed Certificates, at a monthly rate equal to one-twelfth of the sum of (i) the Class Coupon of such Class of Guaranteed Certificates on the Stated Final Distribution Date and (ii) One-Month LIBOR;

Fifth, to the Guarantor, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made for any prior Distribution Date;

Sixth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payments;

Seventh, to the Class A-IO Certificates, in an amount up to its Interest Distribution Amount for such Distribution Date;

Eighth, to the Class M-1 Certificates, in an amount up to its Interest Distribution Amount and when the Class M-1 Certificates are outstanding, to its prior and current unpaid Cap Carryover for such Distribution Date;

Ninth, to the Class M-2 Certificates, in an amount up to its Interest Distribution Amount and when the Class M-2 Certificates are outstanding, to its prior and current unpaid Cap Carryover for such Distribution Date;

Tenth, to the Class B-IO Certificates, in an amount up to its Interest Distribution Amount for such Distribution Date;

Eleventh, to the Servicer, the Securities Administrator, the Custodian, the Seller, the Trustee, the Guarantor and the Trust Agent, in proportion to their respective unpaid Excess Expenses as of the preceding Distribution Date, an amount up to their respective unpaid Excess Expenses;

Twelfth, to the Class M-1 Certificates to reimburse for Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed to the Class M-1 Certificates;

Thirteenth, to the Class M-2 Certificates to reimburse for Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed to the Class M-2 Certificates;

Fourteenth, to the Class B Certificates to reimburse for Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed to the Class B Certificates;

Fifteenth, to the Pay-ahead Reserve Account; and

Sixteenth, to the Class R and Class RS Certificates as specified in the Pooling and Servicing Agreement.

Any Excess Expenses reimbursable to the Servicer, the Securities Administrator, the Custodian, the Seller, the Trustee, the Guarantor and the Trust Agent pursuant to priority “*Eleventh*” above will be distributed to the extent of funds available on each Distribution Date. To the extent that any amounts of Excess Expenses remain unreimbursed after application of the Expenses Cap in any calendar year, such remaining Excess Expenses will be reimbursable, subject to the applicable Expenses Cap, to the applicable party in subsequent years.

With respect to any Distribution Date, the Guarantor is required to remit to the Trust the Guarantor Interest Payment, if any, for distributions to each Class of Guaranteed Certificates equal to the Interest Deficiency Amount for such Class.

With respect to any Distribution Date on which the Class Coupon of the Class MA and Class MB Certificates is greater than the Group M Adjusted Net WAC or the Class Coupon of the Class HA and Class HB Certificates is greater than the Group H Adjusted Net WAC, the Interest Distribution Amount for such Classes of Certificates will be deemed to consist of two portions: (a) the portion calculated as if the Class Coupon was based upon the Group M Adjusted Net WAC or Group H Adjusted Net WAC, as applicable (such portion, the “**WAC Portion**”), and (b) the portion equal to the excess, if any, of (i) the Interest Distribution Amount for such Class of Certificates over (ii) the WAC Portion (the “**Senior Additional Portion**”). Amounts otherwise distributable to certain Classes of the Non-Guaranteed Certificates will be used to pay the Guaranteed Certificates any Senior Additional Portions (or, if the Guarantor is required to pay a Senior Additional Portion in connection with making a Guarantor Interest Payment, reimburse the Guarantor for such Senior Additional Portion).

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the MACR Certificates received in such an exchange will be allocated a proportionate share of the aggregate interest otherwise allocable to the Classes of Exchangeable Certificates so exchanged.

Principal

Allocation of Principal Remittance Amount

On each Distribution Date, the Principal Remittance Amount in respect of the Mortgage Loans for each Group will be distributed in the following order of priority, with the following allocation assuming that no exchanges for MACR Certificates have occurred:

First, to the extent not already deducted from the Interest Remittance Amount, from the Principal Remittance Amount for both Mortgage Groups on a pro rata basis (based on the aggregate Unpaid Principal Balance of the Mortgage Loans for each Mortgage Group as of the first day of the related Collection Period), as follows: (i) to the Servicer or Seller, an amount equal to the sum of (a) if any, without duplication, paid to reimburse in respect of Pre-Existing Servicing Advances and Servicing Advances (in connection with Capitalization Reimbursement Amounts) with respect to such Distribution Date and (b) any unpaid Servicing Fee for such Distribution Date, (ii) to the Trust Agent, any unpaid Trust Agent Fee for such Distribution Date, (iii) to the Securities Administrator, any unpaid Securities Administrator Fee for such Distribution Date, (iv) to the Custodian, any unpaid Custodian Fee for such Distribution Date, and (v) to the Guarantor, any unpaid Guarantor Oversight Fee for such Distribution Date;

Second, after distribution of the Interest Remittance Amounts for such Distribution Date as described above, sequentially, (A) to the Class XS-IO Certificates, from the Principal Remittance Amount for Group M, the aggregate unpaid Excess Servicing Fee Amount relating to the Group M Mortgage Loans and from the Principal Remittance Amount for Group H, the aggregate unpaid Excess Servicing Fee Amount relating to the Group H Mortgage Loans and then (B) to the Class XS-IO Certificates, from the Principal Remittance Amount for Group H, the aggregate unpaid Excess Servicing Fee Amount relating to the Group M Mortgage Loans and from the Principal Remittance Amount for Group M, the aggregate unpaid Excess Servicing Fee Amount relating to the Group H Mortgage Loans;

Third, to the Guarantor, as follows:

- Concurrently, (A) from the Principal Remittance Amount for Group M, up to the amount of any Subsequent Recoveries for Group M, until any Guarantor Principal Payments and Guarantor Interest Payments made with respect to the Class MA and Class MB Certificates are fully reimbursed; and (B) from the Principal Remittance Amount for Group H, up to the amount of any Subsequent Recoveries for Group H, until any Guarantor Principal Payments and Guarantor Interest Payments made with respect to the Class HA and Class HB Certificates are fully reimbursed; and
- From the Principal Remittance Amount for Group M or Group H, as applicable, the amount of any remaining Subsequent Recoveries for Group M or Group H, respectively, until any Guarantor Principal Payments or Guarantor Interest Payments are fully reimbursed;

Fourth, concurrently,

- from the Principal Remittance Amount for Group M, sequentially to the Class HA and Class HB Certificates, in that order, the amount by which the aggregate Class Principal Amount of the related Guaranteed Certificates as of the preceding Distribution Date exceeds the aggregate Unpaid Principal Balance of the Group H Mortgage Loans as of the first day of the related Collection Period, until the Class Principal Amount of each such Class has been reduced to zero; and
- from the Principal Remittance Amount for Group H, sequentially to the Class MA and Class MB Certificates, in that order, the amount by which the aggregate Class Principal Amount of the related Guaranteed Certificates as of the preceding Distribution Date exceeds the aggregate Unpaid Principal Balance of the Group M Mortgage Loans as of the first day of the related Collection Period, until the Class Principal Amount of each such Class has been reduced to zero;

Fifth, concurrently,

- from the Principal Remittance Amount for Group M, sequentially to the Class MA and Class MB Certificates, in that order, the Senior Principal Distribution Amount for Group M, until the Class Principal Amount of each such Class has been reduced to zero; and
- from the Principal Remittance Amount for Group H, sequentially to the Class HA and Class HB Certificates, in that order, the Senior Principal Distribution Amount for Group H, until the Class Principal Amount of each such Class has been reduced to zero;

Sixth, concurrently,

- from the Principal Remittance Amount for Group M, sequentially to the Class HA and Class HB Certificates, in that order, the remaining Senior Principal Distribution Amount for Group M until the Class Principal Amount of each such Class has been reduced to zero; and
- from the Principal Remittance Amount for Group H, sequentially to the Class MA and Class MB Certificates, in that order, the remaining Senior Principal Distribution Amount for Group H until the Class Principal Amount of each such Class has been reduced to zero;

Seventh, to the Guarantor, to the extent not already deducted from the Interest Remittance Amount, the aggregate of the interest accrued on unreimbursed Guarantor Maturity Payments with respect to each Class of Guaranteed Certificates, at a monthly rate equal to one-twelfth of the sum of (i) the Class Coupon of such Class of Guaranteed Certificates on the Stated Final Distribution Date and (ii) One-Month LIBOR;

Eighth, to the Guarantor, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made for any prior Distribution Date;

Ninth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payments;

Tenth, to the Class M-1 Certificates, until the Class Principal Amount of such Class has been reduced to zero;

Eleventh, to the Class M-1 Certificates, to the extent not already distributed from the Interest Remittance Amounts, an amount up to its unpaid Interest Distribution Amount for such Distribution Date;

Twelfth, to the Class M-2 Certificates, until the Class Principal Amount of such Class has been reduced to zero;

Thirteenth, to the Class M-2 Certificates, to the extent not already distributed from the Interest Remittance Amounts, an amount up to its unpaid Interest Distribution Amount for such Distribution Date; and

Fourteenth, to the Class B Certificates, until the Class Principal Amount of such Class has been reduced to zero.

Notwithstanding the foregoing, on any Distribution Date on and after the Distribution Date on which the Class Principal Amount of any Class of Certificates has been reduced to zero (provided any other Class of Certificates remains outstanding), such Class of Certificates will remain outstanding for purposes of receiving distributions of any unpaid Interest Distribution Amount from the Interest Remittance Amount or, if applicable, the Principal Remittance Amount until the termination of the Trust; provided, however, that no such Class of Certificates will have Voting Rights with respect to matters under the Pooling and Servicing Agreement requiring or permitting actions to be taken by any Certificateholders (if applicable).

Principal payments allocated to reduce the Class Principal Amount of the Class MA, Class MB, Class HA or Class HB Certificates will result in a corresponding reduction to the Class Notional Amount of the Class A-IO Certificates and principal payments allocated to reduce the Class Principal Amount of the Class M-1, Class M-2 or Class B Certificates will result in a corresponding reduction to the Class Notional Amount of the Class B-IO Certificates. Such reductions to the Class Notional Amounts of the Class A-IO Certificates or Class B-IO Certificates will result in less interest accruing on the Class A-IO Certificates or Class B-IO Certificates, respectively, in future periods and there will be no Guarantor Interest Payment in respect of such reductions in interest.

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the MACR Certificates received in such an exchange will be allocated a proportionate share of the aggregate principal otherwise allocable to the Classes of Exchangeable Certificates so exchanged.

Reductions in Class Principal Amounts Due to Allocation of Realized Losses

Subsequent to the distribution of the Principal Remittance Amount in the order of priority set forth above under “— *Allocation of Principal Remittance Amount*”, on each Distribution Date, Realized Losses will be allocated as follows, with the following allocation assuming that no exchanges for MACR Certificates have occurred:

First, to reduce the Class Principal Amount of the Class B Certificates until the Class Principal Amount of such Class has been reduced to zero;

Second, to reduce the Class Principal Amount of the Class M-2 Certificates until the Class Principal Amount of such Class has been reduced to zero;

Third, to reduce the Class Principal Amount of the Class M-1 Certificates until the Class Principal Amount of such Class has been reduced to zero;

Fourth, to reduce the Class Principal Amount of the Class MA and Class MB Certificates (pro rata based on their respective Class Principal Amounts, as reduced by any principal payments for such Distribution Date) and the Class HA and Class HB Certificates (pro rata based on their respective Class Principal Amounts, as reduced by any principal payments for such Distribution Date), in each case, in proportion to the Realized Losses of the Group M Mortgage Loans (in the case of the Class MA and Class MB Certificates) and the Group H Mortgage Loans (in the case of the Class HA and Class HB Certificates) for such Distribution Date, in each case until the respective Class Principal Amounts of such Classes have been reduced to zero; and

Fifth, any remaining Realized Losses from the Group M Mortgage Loans, to reduce the Class Principal Amount of the Class HA and Class HB Certificates (pro rata based on their respective Class Principal Amounts, as reduced by any principal payments for such Distribution Date), and any remaining Realized Losses from the Group H Mortgage Loans, to reduce the Class Principal Amount of the Class MA and Class MB Certificates (pro rata based on their respective Class Principal Amounts, as reduced by any principal payments for such Distribution Date), in each case until the respective Class Principal Amounts of such Classes have been reduced to zero.

Realized Losses allocated to the Class MA, Class MB, Class HA or Class HB Certificates will result in Principal Deficiency Amounts that will require Guarantor Principal Payments to be made.

Realized Losses allocated to reduce the Class Principal Amounts of the Class MA, Class MB, Class HA or Class HB Certificates will result in a corresponding reduction to the Class Notional Amount of the Class A-IO Certificates and Realized Losses allocated to reduce the Class Principal Amount of any of the Class M-1, Class M-2 or Class B Certificates will result in a corresponding reduction to the Class Notional Amount of the Class B-IO Certificates. Such reductions to the Class Notional Amount of the Class A-IO Certificates or Class B-IO Certificates will result in less interest accruing on the Class A-IO Certificates or Class B-IO Certificates, respectively, in future periods and there will be no Guarantor Interest Payment in respect of such reductions in interest.

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the MACR Certificates received in such an exchange will be allocated a proportionate share of the aggregate Realized Losses otherwise allocable to the Classes of Exchangeable Certificates so exchanged.

Increases in Class Principal Amounts Due to Allocation of Subsequent Recoveries

Prior to the distribution of the Principal Remittance Amounts pursuant to the Priority of Distributions and the allocation of Realized Losses or Certificate Writedown Amounts on any Distribution Date, Subsequent

Recoveries will be allocated as follows (with the following allocation assuming that no exchanges for MACR Certificates have occurred):

First, with respect to any Subsequent Recoveries on the Mortgage Loans in Group M and Group H, to the Class MA and Class MB Certificates, pro rata based on the amount of Certificate Writedown Amounts and Realized Losses previously allocated thereto (in the case of Group M) and the Class HA and Class HB Certificates, pro rata based on the amount of Certificate Writedown Amounts and Realized Losses previously allocated thereto (in the case of Group H), until the cumulative Subsequent Recoveries allocated are equal to the cumulative related Certificate Writedown Amounts and related Realized Losses, net of cumulative related Guarantor Principal Payments, allocated to each such Class of Certificates on or prior to such Distribution Date;

Second, to the Class MA and Class MB Certificates or Class HA and Class HB Certificates (pro rata based on the amount of Certificate Writedown Amounts and Realized Losses previously allocated thereto), as applicable, until the cumulative Subsequent Recoveries allocated are equal to the cumulative Certificate Writedown Amounts and Realized Losses, net of cumulative Guarantor Principal Payments, allocated to such Classes of Certificates on or prior to such Distribution Date;

Third, to the Guarantor until Guarantor Principal Payments and Guarantor Interest Payments made on or prior to such Distribution Date are fully reimbursed;

Fourth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payments;

Fifth, to the Class M-1 Certificates, until the cumulative Subsequent Recoveries allocated to the Class M-1 Certificates are equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date;

Sixth, to the Class M-2 Certificates, until the cumulative Subsequent Recoveries allocated to the Class M-2 Certificates are equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date; and

Seventh, to the Class B Certificates, until the cumulative Subsequent Recoveries allocated to the Class B Certificates are equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date.

In the event any Subsequent Recoveries are allocated to any Class of Certificates, the related Class Principal Amount will be increased by the amount of such allocated Subsequent Recoveries. For the avoidance of doubt, the allocation of Subsequent Recoveries above does not directly result in any principal distributions to any Class of Certificates.

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the MACR Certificates received in such an exchange will be allocated a proportionate share of the aggregate Subsequent Recoveries, as applicable, otherwise allocable to the Classes of Exchangeable Certificates so exchanged.

Reductions in Class Principal Amounts Due to Allocation of Certificate Writedown Amounts

Subsequent to the distribution of the Principal Remittance Amounts, the allocation of any related Realized Losses and any related Subsequent Recoveries in the order of priorities set forth above, on any Distribution Date, Certificate Writedown Amounts will be allocated as follows (with the following allocation assuming that no exchanges for MACR Certificates have occurred):

First, to reduce the Class Principal Amount of the Class B Certificates until the Class Principal Amount of such Class has been reduced to zero;

Second, to reduce the Class Principal Amount of the Class M-2 Certificates until the Class Principal Amount of such Class has been reduced to zero;

Third, to reduce the Class Principal Amount of the Class M-1 Certificates until the Class Principal Amount of such Class has been reduced to zero; and

Fourth, to reduce the Class Principal Amounts of the Class MA, Class MB, Class HA and Class HB Certificates, pro rata, based on their outstanding Class Principal Amount until the respective Class Principal Amounts of such Classes are reduced to zero.

Certificate Writedown Amounts allocated to the Class MA, Class MB, Class HA or Class HB Certificates will result in Principal Deficiency Amounts that will require Guarantor Principal Payments to be made.

Certificate Writedown Amounts allocated to reduce the Class Principal Amount of the Class MA, Class MB, Class HA or Class HB Certificates will result in a corresponding reduction to the Class Notional Amount of the Class A-IO Certificates and Certificate Writedown Amounts allocated to reduce the Class Principal Amount of any of the Class M-1, Class M-2 or Class B Certificates will result in a corresponding reduction to the Class Notional Amount of the Class B-IO Certificates. Such reductions to the Class Notional Amounts of the Class A-IO Certificates and Class B-IO Certificates will result in less interest accruing on the Class A-IO Certificates and Class B-IO Certificates, respectively, in future periods and there will be no Guarantor Interest Payment in respect of such reductions in interest.

In the event that Exchangeable Certificates have been exchanged for the related MACR Certificates in one of the combinations described on Schedule I, the MACR Certificates received in such an exchange will be allocated a proportionate share of the aggregate Certificate Writedown Amounts otherwise allocable to the Classes of Exchangeable Certificates so exchanged.

Principal Distribution on the Stated Final Distribution Date

On the Stated Final Distribution Date, the Trust will be required to pay 100% of the outstanding Class Principal Amount as of such date for each of the Guaranteed Certificates, either through allocation of the Principal Remittance Amount, a Guarantor Principal Payment or a Guarantor Maturity Payment.

Servicing Advances

The Servicer is not required to advance delinquent principal and interest on the Mortgage Loans. The Servicer is required to make or cause to be made certain Servicing Advances to third parties pursuant to the terms of the Pooling and Servicing Agreement. See *“The Pooling and Servicing Agreement — Servicing Advances”*.

Exchange Procedures

In order to effect an exchange of Exchangeable Certificates and MACR Certificates, the Certificateholder will be required to notify the Securities Administrator in writing, by e-mail at sfs.exchanges@usbank.com, and in accordance with the requirements set forth in the Pooling and Servicing Agreement, no later than two Business Days before the proposed exchange date. The exchange date with respect to any such exchange can be any Business Day other than the first or last Business Day of the month, a Distribution Date, the Record Date related to the next Distribution Date or the Business Day following such Record Date. After receiving the notice, the Securities Administrator will e-mail the Certificateholder with wire payment instructions relating to the exchange fee. The Certificateholder will utilize the “Deposit and Withdrawal System” at DTC to exchange the Exchangeable Certificates and the MACR Certificates. A notice becomes irrevocable on the second Business Day before the proposed exchange date.

A fee will be payable by the exchanging Certificateholder to the Securities Administrator in connection with each exchange equal to \$5,000. Such fee must be received by the Securities Administrator prior to the exchange date or such exchange will not be effected. In addition, any Certificateholder wishing to effect an exchange must pay any other expenses related to such exchange, including any fees charged by DTC.

The Securities Administrator will make the first distribution on an Exchangeable Certificate or a MACR Certificate received in an exchange transaction on the Distribution Date in the month following the exchange to the Certificateholder of record as of the close of business on the last day of the month of the exchange.

Freddie Mac Guarantee of Offered Certificates

Freddie Mac, as Guarantor, guarantees the following:

- To each Class of Offered Certificates the timely payment of interest at its applicable Class Coupon.
- To each Class of Offered Certificates the payment of principal as described herein, including payment in full by the Stated Final Distribution Date.

Freddie Mac is required to make any guarantee payments to the Securities Administrator for distribution to the holders of the Guaranteed Certificates.

Pursuant to its guarantee of timely payment of interest and payment of principal, as applicable, on each Distribution Date, Freddie Mac is required to pay or cause to be paid to the Offered Certificates:

- (i) the Guarantor Interest Payments,
- (ii) the Guarantor Principal Payments, and
- (iii) on the Stated Final Distribution Date, the remaining Class Principal Amount of such Offered Certificates (after giving effect to all amounts distributable and allocable to principal on such Distribution Date).

THE POOLING AND SERVICING AGREEMENT

The following summary describes certain provisions of the Pooling and Servicing Agreement, not otherwise described in this Offering Circular.

Freddie Mac as Sponsor, Seller, Trustee and Guarantor

Freddie Mac, a corporate instrumentality of the United States created and existing under the Freddie Mac Act, is the Seller of the Mortgage Loans, the Guarantor of the Offered Certificates and the Trustee. Freddie Mac's principal office is located at 8200 Jones Branch Drive, McLean, Virginia 22102. Freddie Mac currently has approximately 5,400 employees in the McLean, Virginia headquarters and in regional offices located in New York, New York, Atlanta, Georgia, Chicago, Illinois, Carrollton, Texas and Los Angeles, California. Freddie Mac conducts business in the U.S. secondary mortgage market by working with a national network of experienced single-family seller/servicers to purchase single-family homes and to set servicing standards for such mortgage loans. Freddie Mac performs in-house quality control reviews of single-family loans but does not directly originate loans or service loans for third-party investors.

On the Closing Date, Freddie Mac will deposit the Mortgage Loans into the Trust. As Seller, Freddie Mac will be a party to the Pooling and Servicing Agreement and will be the only party with whom the Trust will have any rights with respect to the repurchase of any Mortgage Loans or payment of a Loss Indemnification Amount due to Material Breaches of representation and warranties with respect thereto.

Freddie Mac will act as Trustee under the Pooling and Servicing Agreement. The Trustee may resign from its duties under the Pooling and Servicing Agreement by giving written notice to the other parties to the Pooling and Servicing Agreement and all Certificateholders. The resignation of the Trustee will not become effective until a successor trustee is appointed. A resigning Trustee will be responsible for the payment of all reasonable expenses incurred in connection with such resignation and discharge and the appointment of a successor trustee. Even if Freddie Mac's duties as Trustee were to terminate, Freddie Mac, in its capacity as Guarantor, will still be obligated under the Pooling and Servicing Agreement with respect to its Guarantee.

Under the Pooling and Servicing Agreement, the Trustee may consult with counsel and rely upon the written advice of counsel and the Trustee will not be liable for any action taken or suffered or omitted by it in good faith in reliance thereon.

The Securities Administrator, Trustee, Trust Agent and Guarantor will be indemnified, subject to the Expenses Cap, against any and all losses, liabilities, damages, claims, judgments, costs, fees, penalties, fines, forfeitures or other expenses (including reasonable legal fees and expenses) that may be imposed on, incurred by,

or asserted against it in connection with, related to, or arising out of the Pooling and Servicing Agreement, the transactions contemplated thereby, or the Certificates, other than any loss, liability, damage, claim, judgment, cost, fee, penalty, fine, forfeiture or other expense (including reasonable legal fees and expenses) (1) that constitutes a specific liability of such party, under the Pooling and Servicing Agreement, (2) incurred by reason of any breach of any representation or warranty made by such party, or by reason of any willful misfeasance, bad faith, fraud or negligence of such party in the performance of its obligations and duties under the Pooling and Servicing Agreement or negligent disregard by such party of its obligations and duties thereunder or (3) that are not “unanticipated expenses incurred by the REMIC” within the meaning of Treasury Regulations Section 1.860G-1(b)(3)(iii).

The Trustee is entitled to be paid or reimbursed by the Trust for its reasonable expenses and disbursements. Any such reimbursement due to Freddie Mac, as Trustee, will not affect Freddie Mac’s obligation with respect to the Guarantee.

Freddie Mac’s senior long-term debt ratings are “AA+” by Standard & Poor’s, “Aaa” by Moody’s, and “AAA” by Fitch. Its short-term debt ratings are “A-1+” by Standard & Poor’s, “P-1” by Moody’s and “F1+” by Fitch.

Freddie Mac continues to operate under the conservatorship of the FHFA that commenced on September 6, 2008. From time to time, Freddie Mac is a party to various lawsuits and other legal proceedings arising in the ordinary course of business and is subject to regulatory actions that could materially adversely affect its operations and its ability to perform its obligations pursuant to the Pooling and Servicing Agreement. See “*Risk Factors — Risks Relating to Freddie Mac*”.

The information set forth in this section has been provided by Freddie Mac. No person other than Freddie Mac makes any representation or warranty as to the accuracy or completeness of such information. Certain duties and obligations of Freddie Mac and the provisions of the Pooling and Servicing Agreement are described herein.

Assignment of the Mortgage Loans

Freddie Mac will sell, assign and transfer all of its right, title and interest in the Mortgage Loans to the Trust pursuant to the terms of the Pooling and Servicing Agreement. In connection with the transfer of the Mortgage Loans, Freddie Mac will make the representations and warranties set forth in Appendix C hereto concerning the Mortgage Loans as of the Closing Date to the Trust.

Pursuant to the Pooling and Servicing Agreement, Freddie Mac as Seller will agree to recognize the Trust as the owner of the Mortgage Loans transferred thereunder. In addition, the Trustee will grant limited powers of attorney to the Servicer and other third parties engaged in the management and disposition of REO (*e.g.*, listing brokers and title companies) to act on behalf of the Trust.

The Pooling and Servicing Agreement requires that, with respect to each Mortgage Loan, the mortgage note or other promissory note, the Mortgage and any assumption, consolidation, modification agreement or power of attorney have been delivered to the Custodian on behalf of the Trust by the Closing Date. From and after the Closing Date, the Custodian will hold the Mortgage Loan documents for the benefit of the Trust and the Certificateholders, subject to the Custodial Agreement.

Mortgage Loan Representations and Warranties and Breach Review

The Seller will make the certain representations and warranties set forth in Appendix C hereto. In the event that a Review Notice is sent with respect to a Mortgage Loan, the Trust Agent will be required to engage an Independent Reviewer (as defined herein) to review such Mortgage Loan. The Trust Agent will be required to provide the Independent Reviewer with a Review Notice (x) at any time at the direction of the Trustee, or (y) by the earlier of (A) for any Liquidated Mortgage Loan, within five (5) Business Days after receiving such Review Notice from the Servicer or the Trustee, and (B) for any other Mortgage Loan, within ten (10) Business Days following the end of the Warranty Period. The Seller’s representations and warranties will expire at the end of the Warranty Period, except for the REMIC-related representation and warranty, which will not expire.

The Seller may review the Mortgage Loan at the same time. If the Independent Reviewer determines that a Material Breach exists, it will be required to provide to the Seller the estimated loss amount, if any, for that Material Breach. The Seller, in its sole discretion, will have the right to (A) either (x) cure a Material Breach, (y) repurchase such Mortgage Loan or (z) agree to the Loss Estimate Amount; or (B) appeal either (x) the determination by the Independent Reviewer that a Material Breach exists with respect to a Mortgage Loan or (y) the Independent Reviewer's Loss Estimate Amount. The Independent Reviewer will be required to review the information provided by the Seller with respect to its appeal, and determine if (i) in fact a Material Breach exists and, if so, (ii) a new loss amount, if any, for such Material Breach or reaffirm that such Loss Estimate Amount is accurate. The **"Final Loss Estimate Amount"** with respect to a Mortgage Loan will be equal to either (i) the Loss Estimate Amount provided by the Independent Reviewer, if the Seller agrees to the Loss Estimate Amount without forwarding an Appeal Notice, or (ii) as a result of a review pursuant to an Appeal Notice, either (x) the new loss amount determined by the Independent Reviewer or (y) the Loss Estimate Amount, if the Independent Reviewer affirms such amount. To the extent that the Independent Reviewer concludes, after any such appeals by the Seller, that a mortgage has suffered a Material Breach, the Seller will be required to (x) cure such Material Breach, (y) indemnify the Trust in the amount of the Loss Indemnification Amount or (z) repurchase the Mortgage Loan; provided, that if the Material Breach is with respect to the REMIC-related representation, then the Seller will be required to repurchase the Mortgage Loan.

In addition, during the Warranty Period, the Trustee may request a review based on specific evidence that supports the existence of a Material Breach with respect to a Mortgage Loan.

Payment Account; Pay-ahead Reserve Account

Under the terms of the Pooling and Servicing Agreement, the Securities Administrator is required to establish and maintain one or more accounts (the **"Payment Account"**), held in trust for the benefit of the Certificateholders, the Trust and the Guarantor. Pursuant to the terms of the Pooling and Servicing Agreement, the Servicer is required to deposit in the Payment Account all payments received during the applicable Collection Period less any amounts the Servicer is permitted to retain under the Pooling and Servicing Agreement. In the event the Servicer delivers to the Securities Administrator for deposit in the Payment Account any amount not required to be deposited therein, the Servicer may at any time request that the Securities Administrator withdraw such amount from the Payment Account and remit to it any such amount. In addition, the Guarantor, is required to deliver to the Securities Administrator from time to time for deposit, and the Securities Administrator is required to so deposit, in the Payment Account any Guarantor Principal Payment, Guarantor Interest Payment or Guarantor Maturity Payment required to be made.

Under the terms of the Pooling and Servicing Agreement, the Securities Administrator is also required to establish and maintain an account (the **"Pay-ahead Reserve Account"**), held in trust for the benefit of the Certificateholders, the Trust and the Guarantor. Pursuant to the terms of the Pooling and Servicing Agreement, on or before each Distribution Date, the Securities Administrator is required to deposit in the Pay-ahead Reserve Account the Pay-ahead Reserve Account Deposit for such Distribution Date. The Securities Administrator, on or before each Distribution Date, shall withdraw an amount from the Pay-ahead Reserve Account equal to the Pay-ahead Reserve Account Release for that Distribution Date and distribute such amount as set forth in the Pooling and Servicing Agreement as part of the Interest Remittance Amount.

Securities Administrator Reports

The Securities Administrator is required to prepare the Certificateholder Report and make it available no later than one Business Day prior to each Distribution Date. The Certificateholder Report for each Distribution Date shall set forth the following information:

- the Principal Remittance Amount for each Group for such Distribution Date, including interest bearing prepayments, non-interest bearing prepayments, interest bearing curtailments and non-interest bearing curtailments;
- the Interest Remittance Amount for each Mortgage Group for such Distribution Date, including the portion of the Interest Remittance Amount attributable to Compensating Interest and any reduction resulting from a Servicer Shortfall Amount, any Pre-Existing Servicing Advances received from the mortgagor and any Servicing Remedy Amounts received from the Servicer;

- the amount of the Servicing Fee, the Excess Servicing Fee Amount, the Trust Agent Fee, the Custodian Fee, the Securities Administrator Fee, the Guarantor Oversight Fee and the Independent Reviewer Fees to be paid to, or retained by the Servicer, the Trust Agent, the Custodian, the Securities Administrator, the Guarantor and the Independent Reviewer, respectively, on such Distribution Date;
- the amount applied to reduce the Class Principal Amount of each Class of Certificates;
- the amount, if any, of Servicing Advances made and reimbursed during the related Distribution Date and the amount of Servicing Advances outstanding as of the end of the related Distribution Date broken out by type (corporate advance not recoverable from the borrower, corporate advance recoverable from the borrower, and escrow advance), along with breaking out the portion attributable to Pre-Existing Servicing Advances and the amount, if any, of Servicing Remedy Amounts paid to Freddie Mac;
- the aggregate Interest Bearing Unpaid Principal Balance and Unpaid Principal Balance of the Mortgage Loans for each Group as of the Distribution Date, the mortgage rates (in incremental ranges) and the weighted average remaining term of the Mortgage Loans;
- the number and Unpaid Principal Balance of the (I) Mortgage Loans that were (A) delinquent (exclusive of Mortgage Loans in foreclosure) (1) 30 to 59 days, (2) 60 to 89 days, (3) 90 to 119 days and (4) 120 or more days, (B) in foreclosure and (C) in bankruptcy and (II) REO properties, all as of the Delinquency Determination Date relating to the Distribution Date;
- the aggregate Distressed Principal Balance of the Mortgage Loans as of the Distribution Date, together with any related Pipeline Losses;
- the amount of Subsequent Recoveries on each of the Group H Mortgage Loans and Group M Mortgage Loans;
- the Class Principal Amount and Class Notional Amount of each Class of Certificates (other than the Mortgage Interest Certificate and the Residual Certificates) after giving effect to the distribution of principal on that Distribution Date;
- the aggregate amount of (A) Prepayments in Full reported to the Servicer during the applicable Collection Period, (B) partial prepayments reported to the Servicer during the applicable Collection Period, (C) Liquidation Proceeds received during the applicable Collection Period and (D) Subsequent Recoveries received during the applicable Collection Period;
- for each Mortgage Group, the Senior Percentage, Subordinate Percentage and Senior Principal Distribution Amount for such Distribution Date;
- the Interest Distribution Amount distributed to each Class of Certificates, along with the related Class Coupon, Cap Carryover, Group M Adjusted Net WAC, Group H Adjusted Net WAC, Senior Adjusted Net WAC, Subordinate Adjusted Net WAC, Class M Net WAC, and, if any, unpaid interest shortfall;
- the cumulative aggregate amount of Realized Losses and Certificate Writedown Amounts from the Cut-Off Date through and including such Distribution Date for each Class;
- the Certificate Realized Losses and Certificate Writedown Amounts for such Distribution Date;
- the aggregate repurchase price or Loss Indemnification Amount deposited into the Payment Account with respect to the Mortgage Loans, which information may be presented in a footnote for such Distribution Date;
- the amount of any IRA Shortfall Amounts and/or PRA Shortfall Amounts;
- whether each of (A) the Minimum Credit Enhancement Test, (B) the Cumulative Loss Test, (C) the Step Down Test, (D) the Aged Securitization Test, and (E) the Delinquency Test is satisfied for such Distribution Date;

- whether (A) the Servicing Control Trigger is satisfied, (B) there has been a Servicer Event of Default, and (C) there exists a Guarantor Nonpayment Event for such Distribution Date;
- the Servicing Trigger Agent, the Alternative Servicing Trigger Agent and the Optional Control Class for such Distribution Date;
- the Capitalization Reimbursement Amount for such Distribution Date;
- the Interest Deficiency Amount for such Distribution Date;
- the Principal Deficiency Amount for such Distribution Date;
- the status and outcome of any Independent Review conducted pursuant to the Pooling and Servicing Agreement, as reported to the Securities Administrator by the Trust Agent;
- the applicable Record Date and Accrual Period for each Class of Certificates and such Distribution Date;
- the nature of any Material Breach of a Mortgage Loan, the related Loss Indemnification Amount, if any, and the representation and warranty claimed to be breached;
- any Servicing Remedy Amount for such Distribution Date;
- the amount of total fees and Expenses paid or reimbursed from the Payment Account on the related Distribution Date, including any Expenses and Excess Expenses for (A) the Trust Agent, (B) the Securities Administrator, (C) the Servicer, (D) the Custodian and (E) the Seller, the Trustee, and the Guarantor, broken out by each of their related Expenses Caps, the maximum annual amount available, and the remaining amount available under each of their related Expenses Caps;
- for any Mortgage Loan that was modified, the modification statement, and for any Mortgage Loan or mortgaged property that had a Realized Loss, the loss statement;
- the Unpaid Principal Balance of every REO property as of the Distribution Date;
- the Interest Distribution Amount for each Class of Certificates for such Distribution Date;
- any Guarantor Interest Payments, Guarantor Maturity Payments and/or Guarantor Principal Payments for such Distribution Date;
- for Group H, the aggregate number and Unpaid Principal Balance of the Mortgage Loans broken out by having 0, 1, 2, 3, 4, or 5 mortgage rate steps remaining as of such Distribution Date;
- information regarding delinquencies (using the MBA methodology), foreclosures, bankruptcies, and REO Properties during the related Distribution Date and since the Cut-Off Date, by number of Mortgage Loans and the Unpaid Principal Balance;
- detailed reporting on prepayments and liquidations;
- with respect to Mortgage Loans that were subject to modification: (i) the percentage (by aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date and the aggregate Unpaid Principal Balance as of the last date of the related Distribution Date) and number of Mortgage Loans modified during the related Distribution Date and since the Closing Date, (ii) the amount of principal forgiveness for the related Distribution Date and since the Closing Date, (iii) the date of the most recent modification, (iv) the number of modifications during the preceding twelve months, (v) the percentage of modified Mortgage Loans that are delinquent, (vi) the mortgage interest rate prior to and after modification for Mortgage Loans modified since the Closing Date, (vii) the original balance, (viii) the pre-modification balance, (ix) the modified balance (x) the pre-modification principal and interest, (xi) the modification principal and interest and (xii) the next due date;
- a statement regarding any eminent domain proceeding with respect to a Mortgage Loan or mortgaged property securing a Mortgage Loan commenced by a governmental entity, the results of the valuation on the related mortgaged property and the amount received from the governmental entity on such mortgaged property;

- the number and Unpaid Principal Balance of the Mortgage Loans that were repurchased by the Seller; and
- to the extent that the Securities Administrator possesses such information, any information required by the Code and such other information, in each case, as the Guarantor may reasonably request.

The Securities Administrator is required to make such statement available to Certificateholders, and to potential or beneficial owners of the Certificates that provide appropriate certification in the form furnished by the Securities Administrator (which are submitted electronically via the Securities Administrator's website) through the Securities Administrator's website.

The Securities Administrator also is required to make available loan level information provided to it by Freddie Mac and the Servicer relating to the Mortgage Loans. Such information will be available on the Securities Administrator's website. Any person seeking access to the loan level data must agree to the terms and conditions set forth on the website prior to obtaining the information.

In addition, at the end of each calendar year, the Securities Administrator is required to provide to each person who was a holder at any time during that year customary information required by the Internal Revenue Service ("IRS"). The Securities Administrator will make the Certificateholder Report (and, at its option, any additional files containing the same information in an alternative format) available each month to the holders and to the parties to the Pooling and Servicing Agreement on its internet website. The Securities Administrator's internet website will initially be located at "www.usbank.com/abs". If you need assistance in using the website, you should call the Securities Administrator's customer service desk at (800) 934-6802. You may have a paper copy of the report mailed to you by requesting a copy from the Securities Administrator customer service desk.

Servicing

The Mortgage Loans will be serviced by the Servicer pursuant to the terms of the Pooling and Servicing Agreement. Set forth below are summaries of the specific terms and provisions pursuant to which the Mortgage Loans will be serviced. The summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the Pooling and Servicing Agreement.

General

The Servicer will service and administer the Mortgage Loans (or cause the Mortgage Loans to be serviced and administered) in accordance with accepted servicing practices, applicable law and the Pooling and Servicing Agreement, and will have full power and authority to do any and all things in connection with such servicing and administration that the Servicer may deem necessary or desirable and consistent with the terms of the Pooling and Servicing Agreement and with accepted servicing practices. In servicing and administering the Mortgage Loans, the Servicer will be required to employ procedures (including collection procedures) intended to maximize the timely and complete recovery of principal and interest on the Mortgage Loans for the Trust and exercise the same care that it would employ and exercise in servicing and administering mortgage loans it services giving due consideration to accepted servicing practices, the Pooling and Servicing Agreement, and applicable law.

The Pooling and Servicing Agreement authorizes the Servicer to solicit mortgagors for refinance into new mortgage loans so long as the mortgagors are not selected for solicitation based solely on the inclusion of the related Mortgage Loans in the transaction. Such refinancing will be in an amount sufficient to pay off the Unpaid Principal Balance of the Mortgage Loan in full and any accrued and unpaid interest thereon.

Servicing and Other Compensation and Payment of Expenses

The Servicer will be entitled to receive the Servicing Fee equal to one-twelfth of the product of (i) 0.125% and (ii) the Mortgagor Total Unpaid Principal Balance of each Mortgage Loan or attributable to each REO Property as of the first day of the related Collection Period. The Servicer will retain the Servicing Fee from all amounts collected in respect of the Mortgage Loans during the related Collection Period prior to remittance of required amounts to the Securities Administrator for its distributions on the Certificates on each applicable Distribution Date.

The Servicer is entitled to retain any net interest earned on deposits in the Collection Account, including any investment earnings on investments of such funds permitted under the Pooling and Servicing Agreement, as additional compensation for performing its duties as the Servicer. In addition to the compensation described above, the Servicer will be entitled to retain all assumption fees, tax service fees, late payment charges and incentive payable to it under government loss mitigation programs, all to the extent collected from mortgagors and as provided in the Pooling and Servicing Agreement. In connection with mortgagor prepayments of principal, the Servicer may retain the excess, if any, of the aggregate of any prepayment interest excess over the aggregate of any prepayment interest shortage; however, if the aggregate of any prepayment interest shortages exceeds the aggregate of any prepayment interest surplus, it must remit a Compensating Interest payment to the Securities Administrator.

The Servicer will be required to pay all related expenses incurred in connection with its servicing responsibilities (subject to limited reimbursement as set forth in the Pooling and Servicing Agreement).

Loss Mitigation

Subject to the terms of the Pooling and Servicing Agreement, the Servicer will be required to take such action as it deems to be in the best interest of the Certificateholders and the Trust with respect to defaulted Mortgage Loans and foreclose upon or otherwise comparably convert the ownership of properties securing defaulted Mortgage Loans as to which no satisfactory collection arrangements can be made, which may include the donation of REO properties or delinquent Mortgage Loans for which foreclosure may not be in the best interests of the Trust. To the extent set forth in the Pooling and Servicing Agreement, the Servicer will be required to service any REO property acquired through foreclosure or deed-in-lieu of foreclosure in accordance with procedures that the Servicer employs and exercises in servicing and administering for other mortgage loans that it services and which are in accordance with accepted mortgage servicing practices of prudent lending institutions, except that Servicer must market such REO properties for a period of at least 20 days to prospective owner occupants and non-profit buyers who will be provided an exclusive opportunity to purchase such property during this period. In addition, the Servicer may be entitled to retain additional amounts in connection with the management and liquidation of REO properties as provided in the Pooling and Servicing Agreement and the rules governing REMICs.

Subject to accepted servicing practices and applicable law, the Pooling and Servicing Agreement permits the Servicer to waive any late payment charge, assumption fee or other fee that may be collected in the ordinary course of servicing the Mortgage Loans. The Servicer may make such modifications to Mortgage Loans as it deems to be in the best interests of the of the Certificateholders. Unless a mortgagor is in default with respect to its Mortgage Loan or such default is, in the judgment of the Servicer based upon communication with such mortgagor, reasonably foreseeable (determined in a manner consistent with applicable REMIC rules), the Servicer may not permit any modification of any material term of any Mortgage Loan, including any modification that would change the mortgage rate, defer or forgive the payment of principal or interest, reduce or increase the outstanding principal balance (except for actual payments of principal), accept payment (whether in connection with a short sale or payoff) the related mortgagor of an amount less than the Unpaid Principal Balance of such Mortgage Loan in final satisfaction of such Mortgage Loan or change the final maturity date on such Mortgage Loan. Notwithstanding the foregoing, in the event that any Mortgage Loan is in default or, in the judgment of the Servicer, such default is reasonably foreseeable, the Servicer, may also waive, modify or vary any term of such Mortgage Loan (including modifications that would change the mortgage rate, forgive or forbear the payment of principal or interest or extend the final maturity date of such Mortgage Loan, or consent to the postponement of strict compliance with any such term or otherwise grant indulgence to any mortgagor, provided; however, that the Servicer may not modify a Mortgage Loan, more than once during any twelve (12) month period or more than twice after the Closing Date and further provided, that the Servicer may not modify the loan to forgive principal that would result in a marked-to-market loan-to-value ratio of less than 105% based on the post-modification Interest Bearing Unpaid Principal Balance of the related Mortgage Loan and the current market value of the related mortgaged property. Notwithstanding anything in the Pooling and Servicing Agreement to the contrary, no waiver, modification, variance, postponement of compliance or indulgence made or proposed to be made by the Servicer in accordance with the foregoing will require the consent of the Guarantor, the Securities Administrator, the Trustee or any other entity. Notwithstanding the foregoing, the

Servicer will not make or permit any modification, waiver, or amendment of any Mortgage Loan which would cause any REMIC created under the Pooling and Servicing Agreement to fail to qualify as a REMIC or result in the imposition of any tax under the Code.

In cases where a modification is not feasible or in the best interests of Certificateholders, the Servicer may agree to a short sale, allowing the mortgagor to sell the mortgaged property to a third party for an amount that is insufficient to pay off the Mortgage Loan in full, or a deed in lieu of foreclosure, allowing the mortgagor to convey the mortgaged property to the Trust, becoming an REO property.

In the case of foreclosure of a mortgaged property or damage to a mortgaged property or an REO property, the Servicer will not be required to expend its own funds to foreclose or restore any damaged property, unless it determines (i) that such foreclosure and/or restoration will increase the proceeds of liquidation of the Mortgage Loan or REO property after reimbursement of expenses and (ii) that such expenses will be recoverable through Liquidation Proceeds or any applicable insurance policy in respect of such Mortgage Loan, except that, if the Servicer is unable to enter into an alternative to foreclosure or otherwise donate the Mortgage Loan, including a donation to a non-profit or governmental entity, the Servicer must foreclose on the mortgaged property. In the event that the Servicer has expended its own funds for foreclosure or to restore damaged property where such advances constitute non-recoverable advances, it will be entitled to be reimbursed from the Collection Account on a daily basis in an amount equal to all costs and expenses incurred by it, without restriction and any other such expenditures will be reimbursed as a Servicing Advance out of the Liquidation Proceeds of the related Mortgage Loan or REO property.

Servicing Advances

In the course of performing its servicing obligations under the Pooling and Servicing Agreement, the Servicer will be required to pay all customary, reasonable and necessary “out-of-pocket” costs and expenses paid to a third-party, including, but not limited to, (a) the cost of preservation, inspection, restoration, protection and repair of a mortgaged property or REO property, including, without limitation, advances in respect of liens, real estate taxes and assessments that may result in the subordination of the Mortgage lien or REO Deed, (b) insurance premiums related to the Mortgage Loan, (c) the cost of any collection, enforcement or judicial proceedings, including without limitation foreclosures, collections, liquidations, bankruptcies and evictions, and any expenses incurred in connection with any such proceeding that results from the Mortgage Loan being registered on the MERS system, (d) the cost of the conservation, management and valuation, of any REO property and any REO disposition, (e) the cost of obtaining any legal documentation required to be included in the servicing file and/or correcting any outstanding title issues (i.e., any lien or encumbrance on the mortgaged property that prevents the effective enforcement of the intended lien position or any lien on an REO property that prevents the timely liquidation thereof) reasonably necessary for the Servicer to perform its obligations under the Pooling and Servicing Agreement, (f) the cost of preparing, executing and recording instruments of satisfaction, deeds of reconveyance or assignments of mortgage to the extent not recovered from the related mortgagor, (g) expenses incurred in connection with any loss mitigation alternative, and (h) fees and expenses incurred in connection with a refinance of a defaulted Mortgage Loan. Servicing Advances do not include Pre-Existing Servicing Advances and also do not include Compensating Interest payments.

The Servicer will be entitled to withdraw or cause to be withdrawn from the Collection Account out of general collections therein on a daily basis, prior to any remittance to the Trust, amounts representing unreimbursed Servicing Advances, that the Servicer has determined to be non-recoverable. With respect to all other unreimbursed Servicing Advances, the Pooling and Servicing Agreement also will provide that the Servicer will be entitled to reimbursement of certain expenses as well as any unreimbursed Servicing Advances upon liquidation of the related Mortgage Loan, subject to the Seller’s right of reimbursement of Pre-Existing Servicing Advances.

The aggregate amount of unreimbursed advances, as of the Cut-Off Date, is equal to approximately \$1,363,600. The aggregate amount of unreimbursed advances for the Group M Mortgage Loans, as of the Cut-Off Date, is equal to approximately \$723,392 and the aggregate amount of unreimbursed advances for the Group H Mortgage Loans, as of the Cut-Off Date, is equal to approximately \$640,208. These Pre-Existing Servicing Advances were made by the previous servicer on certain of the Mortgage Loans. While the Servicer

will collect these Pre-Existing Servicing Advances from the related mortgagors, if possible, or may capitalize them into the mortgagors' Unpaid Principal Balances as part of permitted modifications, any collections received in respect of such Pre-Existing Servicing Advances will not be available for distribution to the Certificateholders and the Servicer will not reimburse itself for these Pre-Existing Servicing Advances.

The Servicer will not be required to make principal and interest advances.

In connection with the modification of a Mortgage Loan prior to the Cut-Off Date, a prior servicer may have deferred the repayment of any amounts owed by the related mortgagor until the earlier of the maturity date for the Mortgage Loan, sale of the related mortgaged property or payoff of the Mortgage Loan by the mortgagor, at which time such amount will be due by such mortgagor (any such amount, a **“Initial Principal Forbearance Amount”**). The Initial Principal Forbearance Amount with respect to any Mortgage Loan is considered part of the Unpaid Principal Balance of such Mortgage Loan.

Additionally, as provided in the Pooling and Servicing Agreement, in connection with the modification of a Mortgage Loan after the Cut-Off Date, the Servicer may capitalize certain amounts, such as accrued and unpaid interest and certain Servicing Advances and Pre-Existing Servicing Advances by adding such capitalized amounts to the Unpaid Principal Balance of the related Mortgage Loan. In connection with the modification of a Mortgage Loan, the Servicer may defer or capitalize the repayment of any amounts owed by the related mortgagor. If the Servicer defers such amounts, such amounts will be non-interest bearing, non-amortizing, and due by the related mortgagor at the earliest of the maturity date for the Mortgage Loan, sale of the related mortgaged property or payoff of the Mortgage Loan by the mortgagor.

REO Management and Disposition

Pursuant to the Pooling and Servicing Agreement, the Servicer, either itself or through an agent selected by it, will be required to manage, conserve, protect and operate each REO property (i) solely for the purpose of its prompt disposition and sale in a manner that does not cause such REO property to fail to qualify as “foreclosure property” within the meaning of Section 860G(a)(8) of the Code or result in the receipt by any REMIC Pool of any “income from non-permitted assets” within the meaning of Section 860F(a)(2)(B) of the Code, or any “net income from foreclosure property” which is subject to taxation under the REMIC provisions. The Servicer will cause each REO property to be inspected promptly upon the acquisition of title thereto and vacancy of the property and will cause each REO property to be inspected in accordance with accepted servicing practices thereafter.

Each disposition of an REO property will be carried out by the Servicer at such price and upon such terms and conditions as the Servicer determines in good faith, to likely result in a higher expected recovery of net proceeds taking into account the risks of recovery, except that Servicer must market such properties for a period of at least 20 days to prospective owner occupants and non-profit buyers who will be provided an exclusive opportunity to purchase such property during this period. Any disposition will be for cash only (unless changes in the REMIC provisions made subsequent to the Closing Date allow a sale for other consideration). The Servicer, on behalf of the Trust, is required to sell any REO property as soon as practicable and in any event no later than the end of the third full taxable year after the taxable year in which the Trust acquires ownership of such REO property for purposes of Section 860G(a)(8) of the Code or request from the IRS, no later than 60 days before the day on which the three-year grace period would otherwise expire, an extension of such three-year period unless the Servicer delivers to the Securities Administrator and the Trustee an opinion of counsel, to the effect that the holding by the Issuer of such REO property subsequent to three years after its acquisition will not for U.S. federal income tax purposes (i) cause such REO property to fail to qualify as “foreclosure property” within the meaning of Section 860G(a)(8) of the Code or (ii) result in an Adverse REMIC Event.

Servicing Monitoring and Oversight by the Guarantor

The Guarantor will monitor the Servicer's servicing of the Mortgage Loans and the Servicer is required to take all steps required to facilitate such monitoring, including, but not limited to: (i) providing access to the Guarantor, as reasonably requested and during normal business hours, to all books, records and other information in relation to the Mortgage Loans prepared and/or maintained by the Servicer and (ii) reporting to the Guarantor. As compensation for this monitoring obligation, the Guarantor will receive the Guarantor Oversight Fee.

In connection with this monitoring, the Guarantor may become aware of breaches by the Servicer in performing its obligation to service and administer the Mortgage Loans in accordance with the Servicing Requirements, applicable law and the Pooling and Servicing Agreement. The Guarantor may review any such breaches pursuant to the remedy management process set forth in the Pooling and Servicing Agreement. As a result of such review, the Guarantor will determine whether there was a violation by the Servicer of any requirement related to its servicing obligations, and if so, (i) determine whether the Servicer could correct such violation or (ii) if the Guarantor determines that such violation is non-correctable, or any correction would result in losses to the Trust or Freddie Mac (in any capacity), the Guarantor will determine the Servicing Remedy Amount related to such violation. The Servicer can appeal the Guarantor's determination; however, upon final review and determination, the Guarantor's decision will be binding. If as a result of this process, it is determined that the Servicer is required to pay a Servicing Remedy Amount, the Servicer will provide notification to the Securities Administrator and be required to remit such amount to the Collection Account not later than the Remittance Date in the month following such determination.

Collections on Mortgage Loans; Collection Account and Escrow Account

Upon receipt by the Servicer of amounts in respect of the Mortgage Loans (excluding Escrow Amounts and amounts representing the Servicing Fee or other servicing compensation and similar items), the Servicer will be required to deposit such amounts within two business days of identification thereof into an account (the "**Collection Account**") for the benefit of the Certificateholders, which will be an Eligible Account. Amounts on deposit in the Collection Account may be invested at the direction of the Servicer and for the benefit and at the risk of the Servicer in certain investments permitted under the Pooling and Servicing Agreement. On the second business day prior to each Distribution Date (the "**Remittance Date**"), the Servicer will be required to withdraw from the Collection Account all amounts required to be remitted by the Servicer for such month pursuant to the Pooling and Servicing Agreement and will remit such amounts to the Securities Administrator for deposit to the Payment Account.

To the extent required by the related mortgage note and not violative of current law, the Servicer will segregate and hold all amounts constituting taxes, assessments, insurance premiums, fire and hazard insurance premiums and other payments as may be required to be escrowed by the mortgagor pursuant to the terms of any mortgage note or mortgage ("**Escrow Amounts**"). The Servicer will be required to deposit Escrow Amounts within two business days of identification thereof into an account (the "**Escrow Account**"), for the benefit of the Certificateholders which will be an Eligible Account.

An "**Eligible Account**" is an account that is:

- (i) a segregated account or accounts maintained with a federal or state chartered depository institution or trust company (including the Securities Administrator) that has a combined capital and surplus of at least \$1,000,000 and (A) the long-term deposit rating or long-term unsecured debt obligations of which are rated at least "A2" by Moody's, if the deposits are to be held in such account for thirty (30) days or more, and the short-term debt obligations of which have a short-term rating of not less than "P-1" from Moody's, if the deposits are to be held in such account for less than thirty (30) days and (B) the long-term unsecured debt obligations of which are rated at least "A" by DBRS (if then rated by DBRS, or if not rated by DBRS, an equivalent rating (or higher) by at least two (2) NRSROs (which may include Moody's) or such other rating confirmed in a rating agency confirmation), if the deposits are to be held in such account for thirty (30) days or more, and the short-term debt obligations of which have a short-term rating of not less than "R-1(middle)" from DBRS (if then rated by DBRS, or if not rated by DBRS, an equivalent rating (or higher) by at least two (2) NRSROs (which may include Moody's) or such other rating confirmed in a rating agency confirmation), if the deposits are to be held in such account for less than thirty (30) days; or
- (ii) a segregated trust account or accounts maintained with the corporate trust department of a federal or state-chartered depository institution or trust company that, in either case, has a combined capital and surplus of at least \$50,000,000 and a long-term unsecured debt rating of at least "A2" from Moody's (if the deposits are to be held in the account for more than thirty (30) days) or a short-term unsecured debt rating of at least "P-1" from Moody's (if the deposits are to be held in

the account for thirty (30) days or less) and that, in either case, has corporate trust powers, provided, that with respect to this clause (ii), that any state-chartered depository institution or trust company is subject to regulation regarding fiduciary funds substantially similar to 12 C.F.R. § 9.10(b).

Eligible Accounts may bear interest.

Hazard and Flood Insurance

With respect to each Mortgage Loan, the Servicer is required to cause to be maintained for each mortgaged property securing such Mortgage Loan a fire and hazard insurance policy with extended coverage as is customary in the area where the mortgaged property is located, which contains a standard mortgagee's clause, in at least an amount equal to the lesser of (i) the replacement value of the improvements securing such Mortgage Loan or (ii) the greater of (a) the outstanding principal balance of the Mortgage Loan and (b) an amount such that the proceeds thereof will be sufficient to prevent the mortgagor or the loss payee from becoming a co-insurer. If the related mortgagor allows hazard coverage to lapse, the Servicer will procure coverage at least equal to the least of (i) the Mortgagor Total Unpaid Principal Balance, (ii) the full insurable value of the related mortgaged property or (iii) the maximum amount of insurance which is available under the National Flood Insurance Act of 1968. As set forth above, all amounts collected by the Servicer under any hazard policy, except for amounts to be applied to the restoration or repair of the mortgaged property or released to the mortgagor on the holder of a prior lien in accordance with the Servicer's normal servicing procedures, to the extent they constitute Net Liquidation Proceeds, will ultimately be deposited in the Collection Account. With respect to each Mortgage Loan, if the improvements on a mortgaged property at origination were in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards, the Servicer is required to cause to be maintained a flood insurance policy meeting the requirements of the current guidelines of the Federal Insurance Administration with an insurer generally acceptable in the mortgage loan industry in an amount representing coverage not less than the least of (i) the Mortgagor Total Unpaid Principal Balance, (ii) the insurable value of the mortgaged property, and (iii) the maximum amount of insurance that was available under the National Flood Insurance Act of 1968, as amended.

To the extent the Servicer has not already procured a hazard policy (and a flood insurance policy, if applicable) meeting the requirements on the related mortgaged property secured by the related Mortgage Loan prior to foreclosure or a deed-in-lieu of foreclosure, the Servicer will be required to obtain for any REO property (a) fire and hazard insurance with extended coverage in an amount which is at least equal to the maximum insurable value of the improvements that are a part of such property and (b) flood insurance not less than the least of (i) the unpaid principal balance of the Mortgage Loan, (ii) the full insurable value of the related mortgaged property or (iii) the maximum amount of insurance which is available under the National Flood Insurance Act of 1968, as amended. The Servicer will not be required to maintain any such insurance if the related Servicing Advance therefor would, in the reasonable judgment of the Servicer, be a nonrecoverable Servicing Advance. Servicer may obtain a blanket liability policy for REO properties without a related hazard insurance policy that provides at least the same minimum coverage as an individual hazard insurance policy would for that same property.

The ability of the Servicer to assure that hazard and flood insurance proceeds are appropriately applied may be dependent on its being named as an additional insured under any hazard insurance policy, or upon the extent to which information in this regard is furnished to the Servicer by a mortgagor. The Pooling and Servicing Agreement provides that the Servicer may satisfy its obligation to cause hazard policies to be maintained by maintaining a blanket policy insuring against losses on the Mortgage Loans and REO properties. If such blanket policy contains a deductible clause, the Servicer is obligated to deposit in the Collection Account the sums that would have been deposited in the Collection Account but for such clause.

In general, the standard form of fire and extended coverage policy covers physical damage to or destruction of the improvements on the property by fire, lightning, explosion, smoke, windstorm and hail, and riot, strike and civil commotion, subject to the conditions and exclusions specified in each policy. Although the policies relating to the Mortgage Loans will be underwritten by different insurers under different state laws in accordance with different applicable state forms and therefore will not contain identical terms and conditions, the terms of the policies are dictated by respective state laws, and most such policies typically do not cover any physical damage

resulting from the following: war, revolution, governmental actions, floods and other weather-related causes, earth movement, including earthquakes, landslides and mudflows, nuclear reactions, wet or dry rot, vermin, rodents, insects or domestic animals, theft and, in certain cases, vandalism. The foregoing list is merely indicative of certain kinds of uninsured risks and is not intended to be all-inclusive.

The hazard insurance policies covering the mortgaged properties typically contain a co-insurance clause which in effect requires the insured at all times to carry insurance of a specified percentage, generally 80% to 90%, of the full replacement value of the improvements on the property in order to recover the full amount of any partial loss. If the insured's coverage falls below this specified percentage, such clause generally provides that the insurer's liability in the event of partial loss does not exceed the greater of (x) the replacement cost of the improvements less physical depreciation or (y) such proportion of the loss as the amount of insurance carried bears to the specified percentage of the full replacement cost of such improvements.

Certain Matters Regarding the Servicer

The duties to be performed by the Servicer include foreclosure proceedings, liquidations of Mortgage Loans and REO properties, collection and remittance of principal and interest payments or other collections in respect of the Mortgage Loans, administration of mortgage escrow accounts, collection of insurance claims and making Servicing Advances. The Servicer also will provide such accounting and reporting services as are necessary to provide required information to the Securities Administrator and the Trustee with respect to the Mortgage Loans. Any of the servicing obligations of the Servicer may be delegated to another person who meets the eligibility requirements set forth in the Pooling and Servicing Agreement and agrees to conduct such duties in accordance with the Pooling and Servicing Agreement and no subservicer or any other person will be entitled to any additional compensation from assets of the Trust. In the case of any such delegation, the Servicer will remain liable under the Pooling and Servicing Agreement.

The Pooling and Servicing Agreement will also provide that neither the Servicer, nor any director, officer, employee or agent of the Servicer, will be under any liability to the Trustee, the Securities Administrator, the Trust Agent, the Trust or the Certificateholders for the taking of any action or for refraining from the taking of any action in good faith pursuant to the Pooling and Servicing Agreement; *provided, however*, that none of the Servicer, any subcontractor, or any director, officer, employee or agent of the Servicer will be protected against any liability that would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of its duties or by reason of reckless disregard of his or its obligations and duties thereunder. The Pooling and Servicing Agreement will further provide that, subject to certain limitations, the Servicer, and any director, officer, employee or agent of the Servicer will be entitled to indemnification from the assets of the Trust and will be held harmless against any loss, liability or expense incurred in connection with the performance of its duties and obligations and any legal action relating to the Pooling and Servicing Agreement or the Certificates, other than any loss, liability or expense incurred by reason of willful misfeasance, bad faith or negligence in the performance of its duties thereunder or by reason of reckless disregard of its obligations and duties thereunder. In addition, the Pooling and Servicing Agreement will provide, subject to the limitations set forth therein, that the Servicer will not be under any obligation to appear in, prosecute or defend any legal action unless such action is related to its duties under the Pooling and Servicing Agreement and that in its opinion may involve it in any expense or liability; *provided, however*, that the Servicer may in its discretion undertake any action, subject to the terms of the Pooling and Servicing Agreement, related to its obligations under the Pooling and Servicing Agreement that it may deem necessary or desirable with respect to the Pooling and Servicing Agreement and the rights and duties of the parties under the Pooling and Servicing Agreement and the interests of the Certificateholders. In such event, the legal expenses and costs of such action and any liability resulting therefrom will be expenses, costs and liabilities of the Trust and the Servicer will be entitled to be reimbursed therefor out of the Collection Account in accordance with the Pooling and Servicing Agreement.

Under the Pooling and Servicing Agreement, the Servicer may not: (i) initiate any action, suit or proceeding solely under the name of the Trustee, the Seller, the Trust, or the Guarantor without the written consent of such person, and if such consent is provided, Servicer must indicate the Servicer's representative capacity or (ii) take any action with the intent to cause, and which actually does cause, the Trustee, the Seller, the Trust, or the Guarantor to be registered to do business in any state; except that Servicer may initiate actions, suits and proceedings in the name of the Trust and Trustee pursuant to a power of attorney with respect to routine

foreclosure, bankruptcy and eviction proceedings. In addition, the Servicer is required to provide notice to the Guarantor in the event “non-routine litigation” arises, as that term is defined in the Guide Section 9402.2, in accordance with the notice provisions of the Guide Section 9402.3(b)(1), except that Servicer must include the name of the Issuer and the corresponding loan number reported to Freddie Mac. In the event of non-routine litigation arises, Freddie Mac, as Trustee and/or as Guarantor, reserves the right to direct the Servicer and its counsel and otherwise manage such litigation.

Any person into which the Servicer may be merged or consolidated, or any person resulting from any merger, conversion or consolidation to which the Servicer is a party, or any organization succeeding to the business through the transfer of substantially all of its assets or all assets relating to such business, or otherwise, of the Servicer will be the successor of the Servicer under the Pooling and Servicing Agreement without requiring the consent of any party, *provided* that such successor or resulting entity has a net worth of not less than \$15,000,000 and meets other requirements set forth in the Pooling and Servicing Agreement.

Servicer Events of Default

A “**Servicer Event of Default**” under the Pooling and Servicing Agreement will consist of:

- (i) any failure by the Servicer to remit to the Securities Administrator any payment required to be made under the terms of the Pooling and Servicing Agreement which continues unremedied for a period of 2 business days after the date upon which written notice of such failure, requiring the same to be remedied, have been given to the Servicer by the Securities Administrator or the Trustee;
- (ii) any failure by the Servicer to duly perform, within the required time period and without notice, its obligations to provide the “Annual Servicer’s Officer’s Certificate” and “Annual Independent Public Accountants’ Servicing Report” pursuant to the Pooling and Servicing Agreement, which failure continues unremedied for a period of 10 calendar days from the date of delivery required with respect to such certification;
- (iii) any failure by the Servicer to duly perform within the required time period and without notice or grace period, its obligations to provide the “Monthly Disclosure File” to the Securities Administrator pursuant to the Pooling and Servicing Agreement;
- (iv) except with respect to those items listed in clauses (ii) and (iii) above, a breach of any of the Servicer’s representations and warranties set forth in the Pooling and Servicing Agreement, which breach materially and adversely affects the ability of the Servicer to perform its duties and obligations thereunder or otherwise materially and adversely affects the value of the Mortgage Loans, the mortgaged properties, the REO properties or the interests of the Certificateholders or the parties thereto, or any failure by the Servicer to duly observe or perform in any material respect any other of the covenants or agreements on the part of the Servicer set forth in the Pooling and Servicing Agreement which breach or failure continues unremedied for a period of 30 calendar days after the first date on which written notice of such breach or failure is received by the Servicer;
- (v) failure by the Servicer to maintain its license to do business or service residential mortgage loans in any jurisdiction, if required by such jurisdiction, where the mortgaged properties securing the Mortgage Loans are located;
- (vi) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, including bankruptcy, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, has been entered against the Servicer and such decree or order have remained in force undischarged or unstayed for a period of 60 calendar days;
- (vii) the Servicer consents to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to the Servicer or of or relating to all or substantially all of its property;
- (viii) the Servicer admits in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency, bankruptcy or reorganization statute, make

an assignment for the benefit of its creditors, voluntarily suspend payment of its obligations or cease its normal business operations for three (3) calendar days;

- (ix) the Servicer fails to provide two consecutive Guarantor loan data remittance reports twice in any twelve-month period to the Guarantor as required under the Pooling and Servicing Agreement and the Guarantor declares such failure a default; or
- (x) the Servicer otherwise ceases to meet the qualifications of a Freddie Mac seller/servicer.

Servicing Control Trigger and Servicing Trigger Agent

“Servicing Control Trigger” under the Pooling and Servicing Agreement means with respect to any Distribution Date, a trigger that will occur if the sum of the Distressed Principal Balances for the Mortgage Loans for such Distribution Date is greater than an amount equal to (i) the aggregate Class Principal Amounts of the Class M-1, Class M-2 and Class B Certificates immediately following the preceding Distribution Date, minus (ii) the aggregate Realized Losses for such Distribution Date; provided however that if the Servicing Trigger Agent (i) is not Freddie Mac and (ii) has terminated the Servicer or a successor servicer as a result of a Servicing Control Trigger, then a new Servicing Control Trigger cannot occur until the twelfth month following the transfer of servicing to such successor servicer.

The Guarantor will be the **“Servicing Trigger Agent”**, so long as a Guarantor Nonpayment Event does not exist and the Guarantee Expiration Date has not passed. Otherwise, the Servicing Trigger Agent will be the Certificateholders holding more than 50% of the aggregate Voting Rights of the Optional Control Class (or if there is no Optional Control Class, all of the Classes of Certificates outstanding) (the **“Alternative Servicing Trigger Agent”**).

The **“Optional Control Class”** will be, with respect to any Distribution Date, after giving effect to distributions of principal and allocations of any related Realized Losses and any related Subsequent Recoveries on such Distribution Date, (a) if the aggregate Class Principal Amount of the Class M-1, Class M-2 and Class B Certificates is less than the Pipeline Losses for the related Distribution Date, then there will be no Optional Control Class; otherwise (b) if the aggregate Class Principal Amount of the Class M-2 and Class B Certificates is less than the Pipeline Losses for the related Distribution Date, the Class M-1 Certificates will be the Optional Control Class; or if neither (a) nor (b) is satisfied, then (c) if (1) the aggregate Class Principal Amount of the Class B Certificates is less than the Pipeline Losses for the related Distribution Date, or (2) the Class Principal Amount of the Class M-2 Certificates is greater than 10% of the Class Principal Amount of the Class M-2 Certificates as of the Cut-Off Date, the Class M-2 Certificates will be the Optional Control Class. Otherwise, to the extent none of (a), (b) or (c) are satisfied with respect to any other date of determination, the Class B Certificates will be the Optional Control Class.

Rights Upon Servicer Events of Default

So long as a Servicer Event of Default under the Pooling and Servicing Agreement remains unremedied, the Servicing Trigger Agent may direct the Trustee to terminate all of the rights and obligations of the defaulting Servicer with respect to the Mortgage Loans, as provided in the Pooling and Servicing Agreement, whereupon the Trustee is required to appoint a successor servicer to succeed to all of the responsibilities and duties of the Servicer, including the obligation to make any required Servicing Advances. The Servicer will continue to service the Mortgage Loans until a successor servicer has assumed all of the servicing responsibilities under the Pooling and Servicing Agreement. Any successor servicer (i) must be reasonably acceptable to the Servicing Trigger Agent and if Freddie Mac is the Servicing Trigger Agent, must be a Freddie Mac approved servicer (or if such entity is no longer in existence, any successor or successors thereto), (ii) must have a net worth of at least \$15,000,000 or such higher amount as may be required by the Servicing Trigger Agent, and (iii) must agree, and the Servicing Trigger Agent has determined that, it has the capacity to assume all of the responsibilities, duties and obligations of the Servicer under the Pooling and Servicing Agreement.

Notwithstanding anything to the contrary set forth above, the Servicing Trigger Agent may direct the Trustee to waive any Servicer Event of Default permitting removal of the Servicer, provided that the Servicer has paid to the Trust and remitted to the Securities Administrator the amount of any payment (plus interest accrued thereon), the nonpayment of which gave rise to such Servicer Event of Default. Upon any waiver of an existing

default and receipt of such payment, such default will cease to exist and any Servicer Event of Default arising therefrom will be deemed to have been remedied. The Pooling and Servicing Agreement will provide that no such waiver will extend to any subsequent or other default or impair any right consequent thereto except to the extent expressly waived by the Trustee as set forth above.

Rights Upon the Occurrence of a Servicing Control Trigger

In the case that a Servicing Control Trigger occurs, the Servicing Trigger Agent may direct the Trustee to pursue either of the following remedies: (i) require the Servicer to service the Mortgage Loans in accordance with Freddie Mac servicing requirements, including but not limited to the Freddie Mac Single Family Seller/Servicer Guide as amended from time to time (the “Guide”), or (ii) direct the Trustee to terminate the Servicer and appoint a successor servicer; provided that, any such successor servicer will be required to service in accordance with either the Pooling and Servicing Agreement or Freddie Mac’s servicing requirements, including but not limited to, the Guide.

Successor Servicer

Upon termination of the Servicer pursuant to the occurrence of a Servicer Event of Default or a Servicing Control Trigger, if the Trustee is required to appoint a successor servicer, it will do so as soon as practicably possible, and the Servicer will remain obligated pursuant to the Pooling and Servicing Agreement until its successor is appointed. The Trustee and any successor servicer may agree upon such successor servicer’s compensation, which may not be greater than the aggregate of the Servicing Fee Rate and the Excess Servicing Fee Rate.

For the avoidance of doubt, in no event will the Securities Administrator or the Trustee be required to act as successor servicer under the Pooling and Servicing Agreement. Any reasonable costs incurred by the Trustee or Guarantor in connection with securing successor servicer will be reimbursed to it by the predecessor Servicer. In the event that the predecessor Servicer fails to reimburse the Trustee and Guarantor, as applicable, for such costs within a sixty days, the Trustee and Guarantor, as applicable, will be entitled to reimbursement from amounts on deposit in the Payment Account. In no event may the successor servicer be paid a servicing fee in excess of the Servicing Fee and the Excess Servicing Fee.

Any reasonable servicing transfer costs of the successor servicer incurred in connection with the transfer of servicing from the predecessor Servicer, including without limitation any reasonable costs or expenses associated with the documentation of the assumption of servicing by the successor servicer, the complete transfer of all servicing data and the completion, correction and manipulation of such servicing data as may be required by the successor servicer to correct any errors or insufficiencies in the servicing data or otherwise to enable the successor servicer to service the Mortgage Loans properly and effectively, will be paid by the predecessor Servicer. In the event that the predecessor Servicer fails to reimburse the successor servicer for such costs within a reasonable period of time, the successor servicer will be entitled to reimbursement from the assets of the Trust Estate. The successor servicer will assume the servicing obligations as soon as practicable, but in no event later than 90 days after its appointment.

No assurance can be given that termination of the rights and obligations of the Servicer would not adversely affect the servicing of the Mortgage Loans or the management and disposition of the REO properties, including the delinquency experience of the Mortgage Loans or the timing of liquidations of the Mortgage Loans and sales of REO properties.

Resignation of the Servicer

Except in the limited circumstances permitted under the Pooling and Servicing Agreement, the Servicer may not assign its obligations under the Pooling and Servicing Agreement or resign from the obligations and duties imposed on it by the Pooling and Servicing Agreement except by mutual written consent of the Servicer, the Trustee, the Guarantor and the Securities Administrator, which consent will not be unreasonably withheld or upon the determination that the Servicer’s duties under the Pooling and Servicing Agreement are no longer permissible under applicable law and such incapacity cannot be cured by the Servicer, in which event the Servicer may resign as servicer. Notwithstanding the foregoing, the Servicer has the right to resign as Servicer

under the Pooling and Servicing Agreement if the Servicer has proposed a successor servicer to the Trustee, the Guarantor, and the Securities Administrator in writing and such proposed successor servicer is reasonably acceptable to the Trustee, the Guarantor, and the Securities Administrator. Any successor servicer (i) must be reasonably acceptable to the Guarantor and must be a Freddie Mac approved servicer (or if such entity is no longer in existence, any successor or successors thereto), (ii) must have a net worth of at least \$15,000,000 or such higher amount as may be required by the Freddie Mac servicer financial eligibility requirements set forth in the Guide, and (iii) must agree, and Freddie Mac has determined, that, it has the capacity to assume all of the responsibilities, duties and obligations of the Servicer under the Pooling and Servicing Agreement. No such resignation will become effective until a successor has assumed the Servicer's responsibilities and obligations in accordance with the Pooling and Servicing Agreement. Servicing transfer costs of the successor servicer will be paid by the Servicer or, if the Servicer fails to pay such costs within 60 days of written notice thereof, from the Trust.

Various Matters Regarding Freddie Mac

The Pooling and Servicing Agreement provides that Freddie Mac and its directors, officers, employees and agents will not be liable for any action taken or omitted in good faith under the Pooling and Servicing Agreement or for errors in judgment. However, Freddie Mac will not be protected against any liability imposed by reason of willful misfeasance, bad faith, fraud or negligence or by reason of negligent disregard of obligations and duties.

Freddie Mac may employ agents or independent contractors to perform our responsibilities under the Pooling and Servicing Agreement. As Trustee, we may also provide the Servicer and vendors with a limited power of attorney to take certain actions for the Trust.

Freddie Mac, in its capacities as Trustee, Seller and Guarantor, will not be subject to the control of Certificateholders in any manner in the discharge of its responsibilities under the Pooling and Servicing Agreement. We will have no liability to you other than for any direct damage resulting from our failure to exercise that degree of ordinary care that we exercise in the conduct and management of our own affairs. We will have no liability of any nature for consequential damages.

Amendment

The Pooling and Servicing Agreement may be amended from time to time by the mutual agreement of the parties thereto, without the consent of any of the Certificateholders:

- (i) to cure any ambiguity or to correct any provision therein if the amendment does not materially or adversely affect any Certificateholder;
- (ii) to correct, modify or supplement any provision therein which may be inconsistent with this Offering Circular or the private placement memorandum pursuant to which the Non-Guaranteed Certificates will be issued;
- (iii) to correct, modify or supplement any provision therein which may be inconsistent with any other provision therein or to correct any error;
- (iv) to make any other provisions with respect to matters or questions arising thereunder which are not inconsistent with the then existing provisions thereof;
- (v) as evidenced by an opinion of counsel delivered to the Trustee, the Securities Administrator, the Servicer, the Guarantor and the Trust Agent, to relax or eliminate (A) any requirement thereunder imposed by the REMIC provisions (if the REMIC provisions are amended or clarified such that any such requirement may be relaxed or eliminated) or (B) any transfer restriction imposed on the Certificates pursuant to the Pooling and Servicing Agreement (if applicable law is amended or clarified such that any such restriction may be relaxed or eliminated);
- (vi) as evidenced by an opinion of counsel delivered to the Trustee, the Securities Administrator, the Servicer, the Guarantor and the Trust Agent, either (A) to comply with any requirements imposed by the Code or any successor or amended statute or any temporary or final regulation, revenue ruling, revenue procedure or other written official announcement or interpretation

relating to federal income tax laws or any such proposed action which, if made effective, would apply retroactively to either REMIC Pool at least from the effective date of such amendment, or (B) to avoid the occurrence of a prohibited transaction or to reduce the incidence of any tax that would arise from any actions taken with respect to the operation of either REMIC Pool;

- (vii) to modify the procedures therein relating to Rule 15Ga-1 under the Exchange Act;
- (viii) to modify, alter, amend, add to or rescind any of the provisions contained therein to comply with any rules or regulations promulgated by the SEC from time to time;
- (ix) to add to Freddie Mac's covenants for Certificateholders' benefit or to surrender any right or power conferred upon Freddie Mac; or
- (x) to evidence the succession of another entity to Freddie Mac and its assumption of Freddie Mac's covenants;

provided that no such amendment for the specific purposes described in clause (iii) or (iv) above may adversely affect in any material respect the interests of any Certificateholder or any provision of the Pooling and Servicing Agreement, as evidenced by the receipt by the Securities Administrator and the Trustee of an opinion of counsel to that effect or, alternatively, in the case of any particular Certificateholder, an acknowledgment to that effect from such person.

The Pooling and Servicing Agreement may also be amended from time to time by the mutual agreement of the parties thereto, with the written consent of the holders of Certificates entitled to at least 66 2/3% of the Voting Rights allocated to each of the Classes of Certificates that are materially affected by the amendment, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of such agreement or of modifying in any manner the rights of the holders of Certificates; *provided, however*, that no such amendment may:

- (i) reduce in any manner the amount of, or delay the timing of, payments received or advanced on Mortgage Loans and/or REO properties which are required to be distributed on any Certificate, without the consent of the holder of such Certificate;
- (ii) adversely affect in any material respect the interests of the holders of any Class of Certificates in a manner other than as described in clause (i) above, without the consent of the holders of all Certificates of such Class;
- (iii) modify the provisions therein allowing for amendments to such agreement, without the consent of the holders of all Certificates then outstanding;
- (iv) modify the obligations therein of the Guarantor under the Guarantee;
- (v) change the Stated Final Distribution Date or any monthly Distribution Date of the Certificates;
- (vi) reduce the Class Principal Amount or Class Notional Amount (other than as provided for in such agreement), delay the principal distribution of (other than as provided for in such agreement), or materially modify the rate of interest or the calculation of the rate of interest on, the Certificates;
- (vii) reduce the percentage of Certificateholders whose consent or affirmative vote is necessary to amend the terms of the Certificates; or
- (viii) significantly change the activities of the Trust.

Notwithstanding these rights, no amendment to the Pooling and Servicing Agreement and the terms of the Certificates may be made unless the Trustee and Securities Administrator have received an opinion of nationally-recognized U.S. federal income tax counsel to the effect that, and subject to customary assumptions, qualifications and exclusions, (i) such amendment will not result in an Adverse REMIC Event and (ii) Certificateholders will not recognize any adverse tax consequences as a result of such amendment and the Trustee and Security Administrator each receives an opinion that such proposed amendment is authorized or permitted pursuant to the terms of the Pooling and Servicing Agreement. An “**Adverse REMIC Event**” is either

(a) a loss of status as a REMIC within the meaning of Section 860D of the Code for any group of assets identified in that agreement as a REMIC, or (b) the imposition of any tax, including the tax imposed under Section 860F(a)(1) of the Code on prohibited transactions, and the tax imposed under Section 860G(d) of the Code on certain contributions to a REMIC, on any REMIC created under that agreement to the extent such tax would be payable from assets held as part of the Trust. In addition, no amendment to the Pooling and Servicing Agreement will affect the rights, fees or other amounts payable to any party to a transaction document related to the Trust or increase the duties or obligations of any party to such transaction document without such party's prior written consent.

A quorum at any meeting of Certificateholders called to adopt a resolution will be Certificateholders entitled to vote a majority of the Voting Rights of each Class of Certificates at the time outstanding. At any reconvened meeting adjourned for lack of a quorum, a quorum will be achieved with 25% of the Voting Rights of each Class of Certificates at the time outstanding. In both cases, this will exclude any such Certificates owned by Freddie Mac, but will not prevent the Guarantor from exercising its right to vote with respect to the Guaranteed Certificates. See *"Risk Factors — Investment Factors and Risks Related to the Certificates — Investors Have No Direct Right to Enforce Remedies"*.

As provided in the Pooling and Servicing Agreement, the Trustee is required to establish a record date for the determination of Certificateholders entitled to vote at any meeting of Certificateholders, to grant any consent regarding Certificates and for the purpose of providing notice of any such meeting or consent.

Any instrument given by a Certificateholder relating to a consent will be irrevocable once given and will be conclusive and binding on all subsequent Certificateholders of that Certificate or any substitute or replacement Certificate, and whether or not notation of any amendment is made upon the Certificates. Any amendment of the Pooling and Servicing Agreement or of the terms of Certificates will be conclusive and binding on all Certificateholders of those Certificates, whether or not they have given such consent or were present at any meeting (unless by the terms of the Pooling and Servicing Agreement a written consent or an affirmative vote of such Certificateholders is otherwise required), and whether or not notation of any such amendment is made upon the Certificates.

Notice

Any notice, demand or other communication which is required or permitted to be delivered to us must be given in writing addressed as follows: Freddie Mac, 8200 Jones Branch Drive, McLean, Virginia 22102, Attention: General Counsel and Secretary. The communication will be deemed to have been sufficiently given or made only upon actual receipt of the writing by us.

Governing Law

The Pooling and Servicing Agreement and the rights and obligations of Certificateholders and Freddie Mac with respect to the Certificates are to be interpreted under the federal laws of the United States. If there is no applicable U.S. federal law precedent, and if the application of New York law would not frustrate the purposes of the Freddie Mac Act or any provision of the Pooling and Servicing Agreement or the transactions governed by the Pooling and Servicing Agreement, then the local laws of the State of New York will be deemed to reflect the federal laws of the United States.

PREPAYMENT AND YIELD CONSIDERATIONS

Realized Losses

The amount and timing of Realized Losses on the Mortgage Loans will affect the yield on the Certificates. To the extent that Realized Losses are allocated to a Class of Certificates, the Class Principal Amount of such Class of Certificates will be reduced, without any corresponding distribution of principal, by the amount of such Certificate Realized Losses, as described under *"Description of the Certificates — Principal — Reductions in Class Principal Amounts Due to Allocation of Realized Losses"*. Realized Losses (including, but not limited to, Realized Losses resulting from modifications) can be caused by, but are not limited to, mortgagor

mismanagement of credit and unforeseen events. The rate of delinquencies on re-performing Mortgage Loans may be higher than for other types of Mortgage Loans. Furthermore, the rate and timing of any Realized Losses on the Mortgage Loans will be affected by the general economic condition of the region of the country in which the related mortgaged properties are located. See *“Risk Factors — Risks Relating to the Mortgage Loans — Geographic Concentration May Increase Risk of Losses Due to Adverse Economic Conditions or Natural Disasters”*. The risk of Realized Losses is greater and prepayments are less likely in regions where a weak or deteriorating economy exists, as may be evidenced by, among other factors, increasing unemployment or falling property values. The yield on any Class of Certificates and the rate and timing of Realized Losses on the Mortgage Loans may also be affected by servicing decisions by the Servicer.

Prepayment Considerations and Risks

The rate of principal distributions on the Certificates and the yield to maturity of Certificates purchased at a price other than par are directly related to the rate and timing of payments of principal on the Mortgage Loans. The principal payments on the Mortgage Loans may be in the form of scheduled principal or unscheduled principal. Any unscheduled principal may result in distributions to an investor of amounts that would otherwise be distributed over the remaining term of the Mortgage Loans.

The rate at which Mortgage Loans in general prepay may be influenced by a number of factors, including general economic conditions, mortgage market interest rates, availability of mortgage funds, the value of the mortgaged property, solicitations, Servicer decisions and homeowner mobility.

- In general, if prevailing mortgage rates fall significantly below the mortgage rates on the Mortgage Loans, the Mortgage Loans are likely to prepay at higher rates than if prevailing mortgage interest rates remain at or above the mortgage rates on the Mortgage Loans.
- Conversely, if prevailing mortgage rates rise above the mortgage rates on the Mortgage Loans, the rate of prepayment would be expected to decrease.

The timing of changes in the rate of prepayments may significantly affect an investor’s actual yield to maturity, even if the average rate of principal prepayments is consistent with an investor’s expectations. In general, the earlier the payment of principal of the Mortgage Loans the greater the effect on an investor’s yield to maturity. As a result, the effect on investors’ yield due to principal prepayments occurring at a rate higher (or lower) than the rate investors anticipate during the period immediately following the issuance of the Certificates may not be offset by a subsequent like reduction (or increase) in the rate of principal prepayments. Prospective investors should also consider the risk, in the case of a Certificate purchased at a discount (and particularly the Principal Only Certificates) that a slower than anticipated rate of payments in respect of principal (including prepayments) on the Mortgage Loans will have a negative effect on the yield to maturity of such Certificate. Prospective investors should also consider the risk, in the case of a Certificate purchased at a premium (and particularly any Interest Only Certificates), that a faster than anticipated rate of payments in respect of principal (including prepayments) on the Mortgage Loans will have a negative effect on the yield to maturity of such Certificate. Prospective investors must make decisions as to the appropriate prepayment assumptions to be used in deciding whether to purchase Certificates.

A mortgagor may make a full or partial prepayment on a Mortgage Loan at any time without paying a penalty. A mortgagor may fully prepay a Mortgage Loan for several reasons, including an early payoff, a sale of the related mortgaged property or a refinancing of the Mortgage Loan. A mortgagor who makes a partial prepayment of principal may request that the monthly principal and interest installments be recalculated, provided that the monthly payments are current. Any recalculation of payments must be documented by a modification agreement. The recalculated payments cannot result in an extended maturity date or a change in the interest rate. Modifications of any Mortgage Loan as a result of a prepayment, as described in the foregoing sentence, are not contemplated as a Breach Review Trigger and will not result in a review of such Mortgage Loans by an Independent Reviewer. In addition, the repurchase of a Mortgage Loan (or the payment of a Loss Indemnification Amount) by the Seller has the same effect on the Mortgage Group as a prepayment. As such, the rate and timing of repurchases (and any such indemnification payments) will also affect the yield on the Certificates.

Furthermore, to the extent any Realized Losses or Certificate Writedown Amounts are allocated to reduce the Class Principal Amount of the Guaranteed Certificates, the Guarantor is required to make a Guarantor Principal Payment in respect of the related Principal Deficiency Amount. Any such Guarantor Principal Payments will have the same effect as principal prepayments on the Mortgage Loans distributed to Guaranteed Certificates.

The Mortgage Loans include “due-on-sale” clauses, which allow the holder of such Mortgage Loans to demand payment in full of the remaining principal balance upon sale or certain transfers of the property securing such Mortgage Loan.

Assumptions Relating to Declining Balances Tables, Cumulative Realized Losses Table and Yield Tables

The tables on the following pages have been prepared on the basis of the following assumptions (the “**Modeling Assumptions**”):

(a) the characteristics of the Mortgage Loans are as set forth in the loan level tape related to the Mortgage Loans (as of the Cut-Off Date);

(b) the initial Class Principal Amounts and Class Notional Amounts for the Certificates are as set forth and described herein;

(c) the scheduled monthly payment for each Mortgage Loan is based on its outstanding Interest Bearing Unpaid Principal Balance, current mortgage rate and remaining term to maturity so that it will fully amortize in amounts sufficient for the repayment thereof over its remaining term to maturity;

(d) (i) with respect to the Cumulative Realized Losses Table and Yield Tables, the Mortgage Loans experience defaults at the indicated CDR percentages, there is no lag between the related default and the application of any Realized Losses, the Loss Severity is 35%, and all recoveries related to the defaulted Mortgage Loans are received by the Trust at the time of liquidation; and (ii) with respect to the Declining Balances Tables, the Mortgage Loans do not experience any Realized Losses;

(e) each monthly payment of scheduled principal and interest on the Mortgage Loans is timely received on the last day of each month beginning in July 2017 (except in the case of the defaults described in (d)(i) above);

(f) principal prepayments in full on the Mortgage Loans are received, together with thirty (30) days’ interest thereon, on the last day of each month beginning in July 2017;

(g) there are no partial principal prepayments on the Mortgage Loans;

(h) the Mortgage Loans prepay at the indicated CPR percentages;

(i) no Mortgage Loans are purchased, substituted, or removed from either Group after the Cut-Off Date;

(j) there are no modifications nor any Principal Forbearance Losses in connection with the Mortgage Loans after the Cut-Off Date;

(k) there is no Optional Termination (except in the case of “Weighted Average Life (years) to Optional Termination”);

(l) the Certificates are issued on August 11, 2017;

(m) distributions on the Certificates are received on the twenty-fifth (25th) day of each month beginning in August 2017;

(n) the Servicing Fee Rate is 0.125% per annum; the Excess Servicing Fee Rate is 0.075% per annum; the Securities Administrator Fee Rate is 0.006% per annum; the Trust Agent Fee Rate is 0.0011% per annum; the Guarantor Oversight Fee Rate is 0.050% per annum only when the Guaranteed Certificates are outstanding immediately following the preceding Distribution Date; the Custodian Fee Rate is 0.0065% per annum multiplied by the quotient of (i) the aggregate Interest Bearing Unpaid Principal Balance of the

Mortgage Loans and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans; all other fees and Expenses are assumed to be zero;

(o) there are no Subsequent Recoveries related to the Mortgage Loans;

(p) there are no delinquencies related to the Mortgage Loans;

(q) Initial Principal Forbearance Amounts are not amortized but can be prepaid or defaulted and any such amounts (that are not prepaid or defaulted) are paid in full at maturity;

(r) each Mortgage Loan with a step-rate will increase its mortgage rate on the date(s) identified on the loan level tape, with such date(s) adjusted to account for any monthly mortgage payment made by the borrower in advance as of the Cut-Off Date;

(s) there are no Servicing Advances or Pre-Existing Servicing Advances;

(t) there are no Loss Indemnification Amounts or Servicing Remedy Amounts; and

(u) there are no Pay-ahead Reserve Account Deposits or Pay-ahead Reserve Account Releases.

Although the characteristics of the Mortgage Loans for the tables have been prepared on the basis of the characteristics of the Mortgage Loans, there is no assurance that the Modeling Assumptions will reflect the actual characteristics or performance of the Mortgage Loans or that the performance of the Certificates will conform to the results set forth in the tables.

Weighted Average Lives of the Certificates

Weighted average life of a Class of Certificates refers to the average amount of time that will elapse from the date of issuance of such Class of Certificates until its Class Principal Amount or Class Notional Amount is reduced to zero. The weighted average lives of the Certificates will be influenced by, among other things, the rate at which principal of the Mortgage Loans is actually paid by the related mortgagor, which may be in the form of scheduled amortization or prepayments, any HAMP incentive payments made on behalf of the mortgagor, the repurchase price or Loss Indemnification Amounts paid by the Seller in connection with Material Breaches of representation and warranties, Servicing Remedy Amounts paid by the Servicer, the timing of changes in such rate of principal payments and repurchases and indemnification payments and the timing and rate of allocation of Realized Losses, Certificate Writedown Amounts and Subsequent Recoveries to the Certificates. The interaction of the foregoing factors may have different effects on each Class of Certificates and the effects on any such Class may vary at different times during the life of such Class. Accordingly, no assurance can be given as to the weighted average life of any Class of Certificates.

Prepayments on mortgage loans are commonly measured relative to a constant prepayment standard or model. The model used in this Offering Circular for the Mortgage Loans is a CPR. CPR assumes that the outstanding principal balance of a pool of mortgage loans prepays at a specified constant annual rate. In projecting monthly cashflows, this annual rate is converted to an equivalent monthly rate.

CPR does not purport to be either a historical description of the prepayment experience of mortgage loans or a prediction of the anticipated rate of prepayment of any mortgage loans, including the Mortgage Loans. The percentages of CPR in the tables below do not purport to be historical correlations of relative prepayment experience of the Mortgage Loans or predictions of the anticipated relative rate of prepayment of the Mortgage Loans. Variations in the prepayment experience and the number of Mortgage Loans that prepay may increase or decrease the percentages of initial Class Principal Amounts or Class Notional Amounts (and weighted average lives) shown in the Declining Balances Tables below. Such variations may occur even if the average prepayment experience of all such Mortgage Loans equals any of the specified percentages of CPR.

When a Mortgage Loan defaults and experiences a Realized Loss, it will incur a loss severity. The loss severity is calculated by dividing the Realized Loss by the Unpaid Principal Balance of the related Mortgage Loan at liquidation (the “**Loss Severity**”). A Loss Severity of 35% assumes that 35% of the Unpaid Principal Balance of the Mortgage Loan in default is not recovered at liquidation. Any Loss Severity assumption used herein does not purport to be a prediction of the anticipated Loss Severity on the Mortgage Loans. The rate and

extent of Realized Losses experienced on the Mortgage Loans are likely to differ from those assumed and may differ significantly. Further, it is unlikely the Mortgage Loans will incur Realized Losses at any specified Loss Severity rate.

It is unlikely that the Mortgage Loans will prepay or experience Realized Losses at any of the rates specified or times assumed or that Realized Losses will be incurred according to one particular pattern. The Cumulative Realized Losses Table below assumes the Mortgage Loans incur a constant rate of defaults each month relative to the then outstanding Unpaid Principal Balance of the Mortgage Loans. The CDR does not purport to be a prediction of the anticipated rate of defaults on the Mortgage Loans. The rate and extent of actual defaults experienced on the Mortgage Loans are likely to differ from those assumed and may differ significantly. A rate of 1% CDR assumes defaults occur on Mortgage Loans at an annual rate of 1%, which remains in effect through the remaining lives of such Mortgage Loans. Further, it is unlikely the Mortgage Loans will default at any specified percentage of CDR.

The Declining Balances Tables, Cumulative Realized Losses Table and Yield Tables have been prepared on the basis of the Modeling Assumptions described above under “— *Assumptions Relating to Declining Balances Tables, Cumulative Realized Losses Table and Yield Tables*”. There may be discrepancies between the characteristics of the actual Mortgage Loans and the characteristics of the representative mortgage loans assumed in preparing the Declining Balances Tables, Cumulative Realized Losses Table and Yield Tables. Any such discrepancy may have an effect upon the percentages of initial Class Principal Amounts outstanding set forth in the Declining Balances Tables (and the weighted average lives of the Certificates set forth in the Declining Balances Tables). In addition, to the extent that the Mortgage Loans have characteristics that differ from those assumed in preparing the following Declining Balances Tables, the Class Principal Amount of a Class of Certificates could be reduced to zero earlier or later than indicated by the applicable Declining Balances Table.

Furthermore, the information contained in the Declining Balances Tables with respect to the weighted average life of any Certificate is not necessarily indicative of the weighted average life of that Class of Certificates that might be calculated or projected under different or varying prepayment assumptions.

It is not likely that all of the Mortgage Loans will have the interest rates or remaining terms to maturity assumed or that the Mortgage Loans will prepay at the indicated CPR percentages. In addition, the diverse remaining terms to maturity of the Mortgage Loans could produce slower or faster reductions of the Class Principal Amounts than indicated in the Declining Balances Tables at the various CPR percentages specified.

Declining Balances Tables

Based upon the Modeling Assumptions, the following Declining Balances Tables indicate the projected weighted average lives of each Class of Certificates and sets forth the percentages of the initial Class Principal Amount of each Class that would be outstanding after each of the dates shown at various CPR percentages.

**Percentages of Initial Class Principal Amounts
and Weighted Average Lives**

Date	Class MT				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	99	93	87	81	75
July 25, 2019	98	86	75	67	59
July 25, 2020	96	80	66	56	46
July 25, 2021	95	74	59	47	35
July 25, 2022	94	69	53	39	26
July 25, 2023	92	65	47	31	18
July 25, 2024	91	61	41	24	11
July 25, 2025	89	57	35	18	7
July 25, 2026	87	53	30	13	3
July 25, 2027	86	50	25	9	0
July 25, 2028	84	46	21	5	0
July 25, 2029	82	43	17	3	0
July 25, 2030	80	39	13	0	0
July 25, 2031	78	36	10	0	0
July 25, 2032	76	32	8	0	0
July 25, 2033	73	29	5	0	0
July 25, 2034	71	26	3	0	0
July 25, 2035	69	23	1	0	0
July 25, 2036	66	20	0	0	0
July 25, 2037	63	18	0	0	0
July 25, 2038	61	15	0	0	0
July 25, 2039	58	13	0	0	0
July 25, 2040	55	11	0	0	0
July 25, 2041	52	9	0	0	0
July 25, 2042	49	7	0	0	0
July 25, 2043	46	5	0	0	0
July 25, 2044	42	3	0	0	0
July 25, 2045	38	2	0	0	0
July 25, 2046	35	0	0	0	0
July 25, 2047	31	0	0	0	0
July 25, 2048	27	0	0	0	0
July 25, 2049	22	0	0	0	0
July 25, 2050	9	0	0	0	0
July 25, 2051	4	0	0	0	0
July 25, 2052 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution					
Date	22.47	11.15	6.45	4.39	3.27
Weighted Average Life (years) to Optional Termination**	22.47	11.15	6.45	4.39	3.27

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Date	Class MA				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	98	90	83	75	67
July 25, 2019	97	81	67	55	45
July 25, 2020	95	73	55	41	29
July 25, 2021	93	65	45	29	14
July 25, 2022	92	59	37	18	1
July 25, 2023	90	53	29	7	0
July 25, 2024	88	48	21	0	0
July 25, 2025	85	42	13	0	0
July 25, 2026	83	37	6	0	0
July 25, 2027	81	33	0	0	0
July 25, 2028	78	28	0	0	0
July 25, 2029	76	24	0	0	0
July 25, 2030	73	19	0	0	0
July 25, 2031	71	14	0	0	0
July 25, 2032	68	10	0	0	0
July 25, 2033	65	6	0	0	0
July 25, 2034	61	1	0	0	0
July 25, 2035	58	0	0	0	0
July 25, 2036	55	0	0	0	0
July 25, 2037	51	0	0	0	0
July 25, 2038	48	0	0	0	0
July 25, 2039	44	0	0	0	0
July 25, 2040	40	0	0	0	0
July 25, 2041	36	0	0	0	0
July 25, 2042	32	0	0	0	0
July 25, 2043	27	0	0	0	0
July 25, 2044	23	0	0	0	0
July 25, 2045	18	0	0	0	0
July 25, 2046	13	0	0	0	0
July 25, 2047	8	0	0	0	0
July 25, 2048	2	0	0	0	0
July 25, 2049 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution					
Date	18.97	7.33	4.06	2.73	2.02
Weighted Average Life (years) to Optional Termination**	18.97	7.33	4.06	2.73	2.02

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Date	Class MB				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	100	100	100	100	100
July 25, 2019	100	100	100	100	100
July 25, 2020	100	100	100	100	100
July 25, 2021	100	100	100	100	100
July 25, 2022	100	100	100	100	100
July 25, 2023	100	100	100	100	71
July 25, 2024	100	100	100	95	46
July 25, 2025	100	100	100	71	26
July 25, 2026	100	100	100	52	10
July 25, 2027	100	100	100	36	0
July 25, 2028	100	100	83	22	0
July 25, 2029	100	100	67	10	0
July 25, 2030	100	100	54	0	0
July 25, 2031	100	100	42	0	0
July 25, 2032	100	100	31	0	0
July 25, 2033	100	100	21	0	0
July 25, 2034	100	100	13	0	0
July 25, 2035	100	93	5	0	0
July 25, 2036	100	82	0	0	0
July 25, 2037	100	71	0	0	0
July 25, 2038	100	62	0	0	0
July 25, 2039	100	53	0	0	0
July 25, 2040	100	44	0	0	0
July 25, 2041	100	36	0	0	0
July 25, 2042	100	28	0	0	0
July 25, 2043	100	21	0	0	0
July 25, 2044	100	14	0	0	0
July 25, 2045	100	7	0	0	0
July 25, 2046	100	0	0	0	0
July 25, 2047	100	0	0	0	0
July 25, 2048	100	0	0	0	0
July 25, 2049	90	0	0	0	0
July 25, 2050	38	0	0	0	0
July 25, 2051	15	0	0	0	0
July 25, 2052 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution					
Date	32.97	22.60	13.64	9.37	7.01
Weighted Average Life (years) to Optional Termination**	32.97	22.60	13.64	9.37	7.01

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Date	Class HT				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	98	92	86	81	75
July 25, 2019	97	85	75	66	58
July 25, 2020	95	79	66	55	46
July 25, 2021	94	73	58	46	35
July 25, 2022	92	68	52	38	25
July 25, 2023	90	63	46	30	17
July 25, 2024	89	59	40	23	11
July 25, 2025	87	55	34	17	6
July 25, 2026	85	52	29	13	2
July 25, 2027	83	48	24	8	0
July 25, 2028	81	45	20	5	0
July 25, 2029	79	42	16	2	0
July 25, 2030	77	38	13	0	0
July 25, 2031	74	34	10	0	0
July 25, 2032	72	31	7	0	0
July 25, 2033	69	28	5	0	0
July 25, 2034	67	24	3	0	0
July 25, 2035	64	22	1	0	0
July 25, 2036	61	19	0	0	0
July 25, 2037	58	16	0	0	0
July 25, 2038	55	14	0	0	0
July 25, 2039	52	11	0	0	0
July 25, 2040	49	9	0	0	0
July 25, 2041	45	7	0	0	0
July 25, 2042	42	5	0	0	0
July 25, 2043	38	4	0	0	0
July 25, 2044	35	2	0	0	0
July 25, 2045	31	*	0	0	0
July 25, 2046	27	0	0	0	0
July 25, 2047	23	0	0	0	0
July 25, 2048	19	0	0	0	0
July 25, 2049	14	0	0	0	0
July 25, 2050	7	0	0	0	0
July 25, 2051 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution Date	20.98	10.75	6.32	4.33	3.23
Weighted Average Life (years) to Optional Termination**	20.98	10.75	6.32	4.33	3.23

* Indicates a value greater than zero but less than 0.5%.

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Date	Class HA				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	98	90	82	74	66
July 25, 2019	96	80	66	55	44
July 25, 2020	94	72	54	40	28
July 25, 2021	92	63	44	29	13
July 25, 2022	89	57	36	17	*
July 25, 2023	87	51	28	7	0
July 25, 2024	85	46	20	0	0
July 25, 2025	82	41	12	0	0
July 25, 2026	80	36	5	0	0
July 25, 2027	77	31	0	0	0
July 25, 2028	75	27	0	0	0
July 25, 2029	72	22	0	0	0
July 25, 2030	69	17	0	0	0
July 25, 2031	66	12	0	0	0
July 25, 2032	62	8	0	0	0
July 25, 2033	59	3	0	0	0
July 25, 2034	56	0	0	0	0
July 25, 2035	52	0	0	0	0
July 25, 2036	48	0	0	0	0
July 25, 2037	44	0	0	0	0
July 25, 2038	40	0	0	0	0
July 25, 2039	36	0	0	0	0
July 25, 2040	32	0	0	0	0
July 25, 2041	27	0	0	0	0
July 25, 2042	23	0	0	0	0
July 25, 2043	18	0	0	0	0
July 25, 2044	13	0	0	0	0
July 25, 2045	8	0	0	0	0
July 25, 2046	3	0	0	0	0
July 25, 2047 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution					
Date	17.30	7.05	3.96	2.69	2.00
Weighted Average Life (years) to Optional Termination**	17.30	7.05	3.96	2.69	2.00

* Indicates a value greater than zero but less than 0.5%.

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Date	Class HB				
	CPR Prepayment Assumption				
	0%	5%	10%	15%	20%
Closing Date	100	100	100	100	100
July 25, 2018	100	100	100	100	100
July 25, 2019	100	100	100	100	100
July 25, 2020	100	100	100	100	100
July 25, 2021	100	100	100	100	100
July 25, 2022	100	100	100	100	100
July 25, 2023	100	100	100	100	69
July 25, 2024	100	100	100	92	44
July 25, 2025	100	100	100	69	25
July 25, 2026	100	100	100	50	9
July 25, 2027	100	100	97	34	0
July 25, 2028	100	100	80	20	0
July 25, 2029	100	100	64	9	0
July 25, 2030	100	100	51	0	0
July 25, 2031	100	100	39	0	0
July 25, 2032	100	100	28	0	0
July 25, 2033	100	100	19	0	0
July 25, 2034	100	98	10	0	0
July 25, 2035	100	86	3	0	0
July 25, 2036	100	75	0	0	0
July 25, 2037	100	65	0	0	0
July 25, 2038	100	55	0	0	0
July 25, 2039	100	46	0	0	0
July 25, 2040	100	37	0	0	0
July 25, 2041	100	29	0	0	0
July 25, 2042	100	21	0	0	0
July 25, 2043	100	14	0	0	0
July 25, 2044	100	7	0	0	0
July 25, 2045	100	1	0	0	0
July 25, 2046	100	0	0	0	0
July 25, 2047	91	0	0	0	0
July 25, 2048	74	0	0	0	0
July 25, 2049	57	0	0	0	0
July 25, 2050	29	0	0	0	0
July 25, 2051 and after	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution Date	32.03	21.85	13.40	9.26	6.95
Weighted Average Life (years) to Optional Termination**	32.03	21.85	13.40	9.26	6.95

** Based on assumption that the Optional Termination occurs on the first eligible Distribution Date.

Yield Considerations with Respect to the Certificates

The weighted average life of, and the yield to maturity on, the Offered Certificates will be sensitive to the rate and timing of prepayments and Realized Losses on the Mortgage Loans. If the actual rate of Realized Losses on the Mortgage Loans is higher than those assumed by prospective investors, the actual yield to maturity of a Certificate may be lower than the expected yield. The timing of prepayments and Realized Losses on Mortgage Loans may also affect prospective investors' actual yield to maturity, even if the rate of Realized Losses is consistent with prospective investors' expectations.

Cumulative Realized Losses Table

Based upon the Modeling Assumptions, the following Cumulative Realized Losses Table indicates the projected cumulative Realized Losses as a percentage of the aggregate Unpaid Principal Balance as of the Cut-Off Date shown at various CPR percentages, CDR percentages and a 35% Loss Severity.

Cumulative Realized Losses (as % of Aggregate Unpaid Principal Balance as of the Cut-Off Date)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
1.5%	10.35%	7.24%	5.35%	4.15%	3.33%
3.0%	17.27%	12.49%	9.49%	7.51%	6.15%
4.5%	21.93%	16.35%	12.74%	10.29%	8.55%
6.0%	25.12%	19.25%	15.34%	12.61%	10.62%

Yield Tables

Based upon the Modeling Assumptions, the following tables show pre-tax yields to maturity (corporate bond equivalent) of the Certificates at various CPR percentages, CDR percentages, 35% Loss Severity and at the indicated assumed prices, plus accrued interest, as applicable.

Class MT Pre-Tax Yield to Maturity (Assumed Price = 99.65625%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	3.03%	3.03%	3.04%	3.04%	3.05%
1.5%	3.03%	3.03%	3.04%	3.04%	3.05%
3.0%	3.03%	3.04%	3.04%	3.05%	3.05%
4.5%	3.03%	3.04%	3.04%	3.05%	3.05%
6.0%	3.03%	3.04%	3.04%	3.05%	3.06%

Class MA Pre-Tax Yield to Maturity (Assumed Price = 101.64453%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	2.89%	2.80%	2.69%	2.56%	2.44%
1.5%	2.86%	2.75%	2.64%	2.52%	2.39%
3.0%	2.83%	2.71%	2.59%	2.47%	2.34%
4.5%	2.80%	2.68%	2.54%	2.41%	2.27%
6.0%	2.77%	2.64%	2.51%	2.36%	2.21%

Class MB Pre-Tax Yield to Maturity (Assumed Price = 93.78516%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	3.32%	3.36%	3.44%	3.55%	3.67%
1.5%	3.32%	3.37%	3.44%	3.55%	3.67%
3.0%	3.32%	3.40%	3.47%	3.56%	3.67%
4.5%	3.34%	3.40%	3.51%	3.61%	3.71%
6.0%	3.37%	3.42%	3.54%	3.69%	3.81%

Class HT Pre-Tax Yield to Maturity (Assumed Price = 98.46094%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	3.04%	3.05%	3.06%	3.08%	3.10%
1.5%	3.04%	3.05%	3.06%	3.08%	3.10%
3.0%	3.04%	3.05%	3.07%	3.09%	3.11%
4.5%	3.04%	3.06%	3.07%	3.09%	3.12%
6.0%	3.05%	3.06%	3.08%	3.10%	3.13%

Class HA Pre-Tax Yield to Maturity (Assumed Price = 100.39844%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	2.89%	2.81%	2.72%	2.62%	2.52%
1.5%	2.86%	2.77%	2.68%	2.59%	2.49%
3.0%	2.84%	2.74%	2.64%	2.55%	2.45%
4.5%	2.81%	2.71%	2.60%	2.50%	2.40%
6.0%	2.79%	2.68%	2.57%	2.46%	2.35%

Class HB Pre-Tax Yield to Maturity (Assumed Price = 92.87109%)

<u>CDR</u>	<u>0% CPR</u>	<u>3% CPR</u>	<u>6% CPR</u>	<u>9% CPR</u>	<u>12% CPR</u>
0.0%	3.32%	3.35%	3.43%	3.54%	3.65%
1.5%	3.32%	3.37%	3.43%	3.54%	3.66%
3.0%	3.32%	3.39%	3.46%	3.55%	3.66%
4.5%	3.34%	3.40%	3.50%	3.60%	3.70%
6.0%	3.37%	3.41%	3.53%	3.68%	3.80%

Prospective investors should make investment decisions based on determinations of anticipated rates of prepayments and Realized Losses under a variety of scenarios. Prospective investors should fully consider the risk that the occurrence of Realized Losses on the Mortgage Loans could result in the failure to fully recover investments.

USE OF PROCEEDS

The net proceeds from sales of the Certificates will be used as the consideration to Freddie Mac for the transfer of the Mortgage Loans to the Trust.

CERTAIN LEGAL ASPECTS OF THE MORTGAGE LOANS

The following discussion provides general summaries of certain legal aspects of mortgage loans which are general in nature. The summaries do not purport to be complete. They do not reflect the laws of any particular state nor the laws of all states in which the mortgaged properties may be situated. This is because these legal aspects are governed in part by the law of the state that applies to a particular mortgaged property and the laws of the states may vary substantially. You should refer to the applicable federal and state laws governing the Mortgage Loans.

Security Instruments

Mortgages and Deeds of Trust. Mortgage loans are evidenced by promissory notes or other similar evidences of indebtedness secured by first mortgages, deeds of trust or similar security instruments (each, a “mortgage”), depending upon the prevailing practice and law in the state in which the related mortgaged property is located, on residential properties consisting of one- to four-unit dwelling units, townhouses, individual condominium units, individual units in planned unit developments, individual co-operative units or manufactured homes. Each mortgage note and related mortgage loan are obligations of one or more mortgagors and require the related mortgagor to make monthly payments of principal and interest. In some states, a mortgage or deed of trust creates a lien upon the real property encumbered by the mortgage or deed of trust. However, in other states, the mortgage or deed of trust conveys legal title to the property, respectively, to the mortgagee or to a trustee for the benefit of the mortgagee subject to a condition subsequent (*i.e.*, the payment of the indebtedness secured thereby). The lien created by the mortgage or deed of trust is not prior to the lien for real estate taxes and assessments and other charges imposed under governmental police powers. Priority between mortgages depends on their terms or on the terms of separate subordination or inter-creditor agreements, on the knowledge of the parties in some cases and generally on the order of recordation of the mortgages in the appropriate recording office. There are two parties to a mortgage, the mortgagor, who is homeowner, and the mortgagee, who is the lender. In the case of a land trust, there are three parties because title to the property is held by a land trustee under a land Pooling Trust of which the mortgagor is the beneficiary; at origination of a mortgage loan, the mortgagor executes a separate undertaking to make payments on the mortgage note. Although a deed of trust is

similar to a mortgage, a deed of trust has three parties: the trustor, who is the mortgagor-homeowner; the beneficiary, who is the lender; and a third-party grantee called the trustee. Under a deed of trust, the mortgagor grants the property, irrevocably until the debt is paid, in trust, generally with a power of sale, to the trustee to secure payment of the obligation. The trustee's authority under a deed of trust, the grantee's authority under a deed to secure debt and the mortgagee's authority under a mortgage are governed by the law of the state in which the real property is located, the express provisions of the deed of trust or mortgage, and, in deed of trust transactions, the directions of the beneficiary.

Foreclosure

Foreclosing Mortgages and Deeds of Trust. Foreclosure of a deed of trust in most states is generally most efficiently accomplished by a non-judicial trustee's sale under a specific provision in the deed of trust which authorizes the trustee to sell the property upon any default by the mortgagor under the terms of the note or deed of trust. In addition to any notice requirements contained in a deed of trust, in some states the trustee must record a notice of default and send a copy to the trustor and to any person who has recorded a request for a copy of notice of default and notice of sale. In addition, the trustee must provide notice in some states to any other individual having an interest of record in the real property, including any junior lienholders. If the deed of trust is not reinstated within a specified period, a notice of sale must be posted in a public place and, in most states, published for a specific period of time in one or more newspapers in a specified manner prior to the date of trustee's sale. In addition, some state laws require that a copy of the notice of sale be posted on the property and sent to all parties having an interest of record in the real property.

In some states, the trustor has the right to reinstate the loan at any time following default until shortly before the trustee's sale. Generally in these states, the mortgagor, or any other person having a junior encumbrance on the real estate, may, during a reinstatement period, cure the default by paying the entire amount in arrears plus the costs and expenses incurred in enforcing the obligation.

Generally, the action is initiated by the service of legal pleadings upon all parties having an interest of record in the real property. Delays in completion of the foreclosure may occasionally result from difficulties in locating necessary parties. Over the past few years, judicial foreclosure proceedings have become increasingly contested, with challenges often raised to the right of the foreclosing party to maintain the foreclosure action. The resolution of these proceedings can be time-consuming.

In the case of foreclosure under either a mortgage or a deed of trust, the sale by the sheriff or other designated officer or by the trustee is a public sale. The proceeds received by the referee or trustee from the sale are applied first to the costs, fees and expenses of the sale and then in satisfaction of the indebtedness secured by the mortgage or deed of trust under which the sale was conducted. Any remaining proceeds are generally payable to the holders of junior mortgages or deeds of trust and other liens and claims in order of their priority, whether or not the mortgagor is in default under such instruments. Any additional proceeds are generally payable to the mortgagor or trustor. The payment of the proceeds to the holders of junior mortgages may occur in the foreclosure action of the senior mortgagee or may require the institution of separate legal proceedings. It is common for the lender to purchase the property from the trustee, sheriff or other designated officer for a credit bid less than or equal to the unpaid principal amount of the note plus the accrued and unpaid interest and fees due under the note and the expense of foreclosure. If the credit bid is equal to, or more than, the mortgagor's obligations on the loan, the mortgagor's debt will be extinguished. However, if the lender purchases the property for an amount less than the total amount owed to the lender, it preserves its right against a mortgagor to seek a deficiency judgment if such a remedy is available under state law and the related loan documents, in which case the mortgagor's obligation will continue to the extent of the deficiency. Regardless of the purchase price paid by the foreclosing lender, the lender will be responsible to pay the costs, fees and expenses of the sale, which sums are generally added to the mortgagor's indebtedness. In some states, there is a statutory minimum purchase price which the lender must offer for the property and generally, state law controls the maximum amount of foreclosure costs and expenses, including attorneys' fees, which may be recovered by a lender. Thereafter, subject to the right of the mortgagor in some states to remain in possession during any redemption period, the lender will assume the burdens of ownership, including obtaining hazard insurance, paying taxes and making the repairs at its own expense as are necessary to render the property suitable for sale. Generally, the lender will obtain the services of a real estate broker and pay the broker's commission in connection with the subsequent

sale of the property. Depending upon market conditions, the ultimate proceeds of the sale of the property may not equal the lender's investment in the loan and, as described above, in some states, the lender may be entitled to a deficiency judgment. Any such loss in connection with a Mortgage Loan will be treated as a Realized Loss experienced on such Mortgage Loan.

Foreclosure proceedings are governed by general equitable principles. Some of these equitable principles are designed to relieve the mortgagor from the legal effect of its defaults under the loan documents. Examples of judicial remedies that have been fashioned include judicial requirements that the lender undertake affirmative and expensive actions to determine the causes for the mortgagor's default and the likelihood that the mortgagor will be able to reinstate the loan. In some cases, courts have substituted their judgment for the lender's judgment and have required that lenders reinstate loans or recast payment schedules in order to accommodate mortgagors who are suffering from temporary financial disability. In other cases, courts have limited the right of the lender to foreclose if the default under the mortgage instrument is not monetary, such as the mortgagor's failure to adequately maintain the property or the mortgagor's execution of a second mortgage or deed of trust affecting the property. Finally, some courts have been faced with the issue of whether or not federal or state constitutional provisions reflecting due process concerns for adequate notice require that mortgagors under deeds of trust or mortgages receive notices in addition to the statutorily-prescribed minimums. For the most part, these cases have upheld the notice provisions as being reasonable or have found that the sale by a trustee under a deed of trust, or under a mortgage having a power of sale, does not involve sufficient state action to afford constitutional protection to the mortgagor.

Under certain loan modification programs, to the extent a servicer is considering qualifying the related mortgagor for a loan modification after foreclosure proceedings have already been initiated, the foreclosure proceedings must be halted until the servicer has determined whether the mortgagor has qualified for the loan modification. This is a requirement under the Guide and became part of the CFPB's regulatory amendments that became effective for all mortgage servicers on January 10, 2014. In all cases the Servicer will be required to service the Mortgage Loans in accordance with applicable law, including the CFPB servicing regulations.

In response to an unusually large number of foreclosures in recent years, a growing number of states have enacted laws that subject the holder to certain notice and/or waiting periods prior to commencing a foreclosure. For example, in Massachusetts, the Attorney General's Office may review and possibly terminate the foreclosure of any 1-4 family residential mortgage that is secured by the mortgagor's principal dwelling. In some instances, these laws require the servicer of the mortgage to consider modification of the mortgage or an alternative option prior to proceeding with foreclosure. The effect of these laws has been to delay foreclosure in particular jurisdictions.

The Mortgages or the "Assignments of Mortgage" for some of the Mortgage Loans may have been recorded in the name of Mortgage Electronic Registration Systems, Inc. ("MERS"), solely as nominee for the originator and its successors and assigns. Subsequent assignments of those Mortgages are registered electronically through the MERS system. The recording of mortgages in the name of MERS has been challenged in a number of states. Although many decisions have accepted MERS as mortgagee, some courts have held that MERS is not a proper party to conduct a foreclosure and have required that the mortgage be reassigned to the entity that is the economic owner of the mortgage loan before a foreclosure can be conducted. In states where such a rule is in effect, there may be delays and additional costs in commencing, prosecuting and completing foreclosure proceedings and conducting foreclosure sales of mortgaged properties. In addition, mortgagors are raising new challenges to the recording of mortgages in the name of MERS, including challenges questioning the ownership and enforceability of mortgage loans registered in MERS. An adverse decision in any jurisdiction may delay the foreclosure process.

With respect to any mortgage loans registered on the MERS system, the Servicer will comply with all of the requirements of MERS regarding instituting foreclosure proceedings. In addition, Mortgage Loans registered in the MERS system will be required to be removed from the MERS system by the Servicer upon 90 days of delinquency.

With respect to any Mortgage Loan registered on the MERS system, the Servicer will be required to cause such registered Mortgage Loan to be updated to reflect the ownership of such Mortgage Loan by the Trust.

Rights of Redemption

The purpose of a foreclosure action in respect of a mortgaged property is to enable the lender to realize upon its security and to bar the mortgagor, and all persons who have interests in the property that are subordinate to that of the foreclosing lender, from exercise of their “equity of redemption.” The doctrine of equity of redemption provides that, until the property encumbered by a mortgage has been sold in accordance with a properly conducted foreclosure and foreclosure sale, those having interests that are subordinate to that of the foreclosing lender have an equity of redemption and may redeem the property by paying the entire debt with interest. Those having an equity of redemption must generally be made parties and joined in the foreclosure proceeding and provided statutorily prescribed notice, in the case of a non-judicial foreclosure, in order for their equity of redemption to be terminated.

The equity of redemption is a common-law (non-statutory) right which should be distinguished from post-sale statutory rights of redemption. In some states, after sale pursuant to a deed of trust or foreclosure of a mortgage, the mortgagor and foreclosed junior lienors are given a statutory period in which to redeem the property. In some states, statutory redemption may occur only upon payment of the foreclosure sale price. In other states, redemption may be permitted if the former mortgagor pays only a portion of the sums due. The effect of a statutory right of redemption is to diminish the ability of the lender to sell the foreclosed property because the exercise of a right of redemption would defeat the title of any purchase through a foreclosure. Consequently, the practical effect of the redemption right is to force the lender to maintain the property and pay the expenses of ownership until the redemption period has expired. In some states, a post-sale statutory right of redemption may exist following a judicial foreclosure, but not following a trustee’s sale under a deed of trust.

Anti-Deficiency Legislation and Other Limitations on Lenders

Some states have imposed statutory prohibitions which limit the remedies of a beneficiary under a deed of trust or a mortgagee under a mortgage. In some states (including California), statutes limit the right of the beneficiary or mortgagee to obtain a deficiency judgment against the mortgagor following non-judicial foreclosure by power of sale. A deficiency judgment is a personal judgment against the former mortgagor equal in most cases to the difference between the net amount realized upon the public sale of the real property and the amount due to the lender. In the case of a mortgage loan secured by a property owned by a trust where the mortgage note is executed on behalf of the trust, a deficiency judgment against the trust following foreclosure or sale under a deed of trust, even if obtainable under applicable law, may be of little value to the mortgagee or beneficiary if there are no trust assets against which the deficiency judgment may be executed. Some state statutes require the beneficiary or mortgagee to exhaust the security afforded under a deed of trust or mortgage by foreclosure in an attempt to satisfy the full debt before bringing a personal action against the mortgagor. In other states, the lender has the option of bringing a personal action against the mortgagor on the debt without first exhausting the security; however, in some of these states, the lender, following judgment on the personal action, may be deemed to have elected a remedy and may be precluded from exercising other remedies, including with respect to the security. Consequently, the practical effect of the election requirement, in those states permitting the election, is that lenders will usually proceed against the security first rather than bringing a personal action against the mortgagor. This also allows the lender to avoid the delays and costs associated with going to court. Finally, in some states, statutory provisions limit any deficiency judgment against the former mortgagor following a foreclosure to the excess of the outstanding debt over the fair value of the property at the time of the public sale. The purpose of these statutes is generally to prevent a beneficiary or mortgagee from obtaining a large deficiency judgment against the former mortgagor as a result of low or no bids at the foreclosure sale.

In addition to laws limiting or prohibiting deficiency judgments, numerous other federal and state statutory provisions, including the federal bankruptcy laws and state laws affording relief to debtors, may interfere with or affect the ability of the secured mortgage lender to realize upon collateral or enforce a deficiency judgment. For example, under the United States Bankruptcy Code, virtually all actions (including foreclosure actions and deficiency judgment proceedings) to collect a debt are automatically stayed upon the filing of the bankruptcy petition and, often, no interest or principal payments are made during the course of the bankruptcy case. The delay and the consequences thereof caused by the automatic stay can be significant. Also, under the United States Bankruptcy Code, the filing of a petition in a bankruptcy by or on behalf of a junior lienor may stay the senior lender from taking action to foreclose out the junior lien. Moreover, with respect to federal bankruptcy law, a

court with federal bankruptcy jurisdiction may permit a debtor through his or her Chapter 11 or Chapter 13 rehabilitative plan to cure a monetary default in respect of a mortgage loan on a debtor's residence by paying arrearage within a reasonable time period and reinstating the original mortgage loan payment schedule even though the lender accelerated the mortgage loan and final judgment of foreclosure had been entered in state court (provided no sale of the residence had yet occurred) prior to the filing of the debtor's petition. Some courts with federal bankruptcy jurisdiction have approved plans, based on the particular facts of the reorganization case, that effected the curing of a mortgage loan default by paying arrearage over a number of years.

Courts with federal bankruptcy jurisdiction have also indicated that the terms of a mortgage loan secured by property of the debtor may be modified. These courts have allowed modifications that include reducing the amount of each monthly payment, changing the rate of interest, altering the repayment schedule, forgiving all or a portion of the debt and reducing the lender's security interest to the value of the residence, thus leaving the lender a general unsecured creditor for the difference between the value of the residence and the outstanding balance of the loan. Generally, however, the terms of a mortgage loan secured only by a mortgage on real property that is the debtor's principal residence may not be modified pursuant to a plan confirmed pursuant to Chapter 13 except with respect to mortgage payment arrearages, which may be cured within a reasonable time period.

Tax liens arising under the Code may have priority over the lien of a mortgage or deed of trust. In addition, substantive requirements are imposed upon mortgage lenders in connection with the origination and the servicing of mortgage loans by numerous federal and some state consumer protection laws and their implementing regulations. These laws and regulations include the federal Truth-in-Lending Act and Regulation Z, the Real Estate Settlement Procedures Act and Regulation X, the Equal Credit Opportunity Act and Regulation B, the Fair Credit Billing Act and Regulation Z, the Fair Credit Reporting Act and Regulation V and related statutes. These federal laws impose specific statutory liabilities upon lenders who originate mortgage loans and who fail to comply with the provisions of the law. Further, violations of the laws could result in a mortgagor's defense to foreclosure or an unwinding or rescission of the transaction. In some cases, this liability may affect assignees of the mortgage loans.

Environmental Legislation

Under the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("**CERCLA**"), and under state law in some states, a secured party that participates in managing a mortgaged property, takes a deed-in-lieu of foreclosure, purchases a mortgaged property at a foreclosure sale or operates a mortgaged property may become liable for the costs of cleaning up hazardous substances regardless of whether the secured party has contaminated the property. CERCLA imposes strict, as well as joint and several, liability on several classes of potentially responsible parties, including current owners and operators of the property who did not cause or contribute to the contamination. Furthermore, liability under CERCLA is not limited to the original or unamortized principal balance of a loan or to the value of the property securing a loan. Such excess cleanup liabilities could become the responsibility of the Servicer and could reduce the assets available to make distributions to Certificateholders. Lenders may be held liable under CERCLA as owners or operators unless they qualify for the secured creditor exemption to CERCLA. This exemption exempts from the definition of owners and operators those who, without participating in the management of a facility, hold indicia of ownership primarily to protect a security interest in the facility.

The Asset Conservation, Lender Liability and Deposit Insurance Act of 1996 (the "**Conservation Act**") amended, among other things, the provisions of CERCLA with respect to lender liability and the secured creditor exemption. The Conservation Act offers substantial protection to lenders by defining the activities in which a lender can engage and still have the benefit of the secured creditor exemption. In order for a lender to be deemed to have participated in the management of a mortgaged property, the lender must participate in the operational affairs of the property of the mortgagor, whether directly or indirectly. The Conservation Act provides that "merely having the capacity to influence, or unexercised right to control" operations does not constitute participation in management. A lender will lose the protection of the secured creditor exemption only if it exercises decision-making control over the mortgagor's environmental compliance and hazardous substance handling and disposal practices, assumes day-to-day management of all operational functions of the mortgaged property, or imposes limitations on a mortgagor's spending for such purposes. The Conservation Act also

provides that a lender will continue to have the benefit of the secured creditor exemption even if it forecloses on a mortgaged property, purchases it at a foreclosure sale or accepts a deed-in-lieu of foreclosure provided that the lender seeks to sell the mortgaged property at the earliest practicable commercially reasonable time on commercially reasonable terms and complies with other requirements.

Other federal and state laws may impose liability on a secured party that takes a deed-in-lieu of foreclosure, purchases a mortgaged property at a foreclosure sale, or operates a mortgaged property on which contaminants other than CERCLA hazardous substances are present, including petroleum, agricultural chemicals, asbestos, radon, and lead-based paint. The cleanup costs may be substantial. It is possible that the cleanup costs could become a liability of the Trust and reduce the amounts otherwise payable to the Certificateholders. Moreover, federal and state statutes may impose a lien for any cleanup costs incurred by the state on the property that is the subject of the cleanup costs. All subsequent liens on the property generally are subordinated to the lien and, in some states, even prior recorded liens are subordinated to such lien. In the latter states, the security interest of the Trustee in a related parcel of real property that is subject to the lien could be adversely affected.

Traditionally, many residential mortgage lenders have not taken steps to evaluate whether contaminants are present with respect to any mortgaged property prior to the origination of the mortgage loan or prior to foreclosure or accepting a deed-in-lieu of foreclosure. Accordingly, none of the originators nor any other party has made the evaluations prior to the origination of the related Mortgage Loan. The Servicer will not be required by the Pooling and Servicing Agreement to undertake these evaluations prior to foreclosure or accepting a deed-in-lieu of foreclosure. There are no representations with respect to environmental issues related to the Mortgage Loans which have been made by the Seller. No party other than the Seller has made any representations or warranties or assumes any liability with respect to the absence or effect of contaminants on any related real property or any casualty, personal injury or other liability resulting from the presence or effect of contaminants. However, the Servicer will not be obligated to foreclose on related real property or accept a deed-in-lieu of foreclosure if it knows or reasonably believes that there are material contaminated conditions on the property. A failure to foreclose may reduce the amounts otherwise available to Certificateholders.

Consumer Protection Laws

In addition, substantive requirements are imposed upon mortgage lenders in connection with the origination and the servicing of mortgage loans by numerous federal and some state consumer protection laws. These laws include TILA, the Real Estate Settlement Procedures Act, TRID, the Equal Credit Opportunity Act, the Fair Credit Billing Act, the Fair Credit Reporting Act and related statutes and regulations promulgated thereunder. These federal laws impose specific statutory liabilities upon lenders who originate mortgage loans and who fail to comply with the provisions of the law. In some cases, this liability may affect assignees of the mortgage loans. In particular, an originator's failure to comply with certain requirements of TILA and Regulation Z promulgated thereunder, could subject both originators and assignees of such obligations to monetary penalties and could result in obligors' rescinding the mortgage loans either against the originators or assignees or in a defense to foreclosure of the loan. Further, the failure of the mortgagor to use the correct form of notice of right to cancel in connection with non-purchase money transactions could subject the originator and assignees to extended mortgagor rescission rights.

Federal and State Anti-Predatory Lending Laws and Restrictions on Servicing

Under the anti-predatory lending laws of some states, the mortgagor is required to meet a net tangible benefits test in connection with the origination of the mortgage loan. This test may be highly subjective and open to interpretation. As a result, a court may determine that a mortgage loan does not meet the test even if the originator reasonably believed that the test was satisfied. Any determination by a court that the Mortgage Loan does not meet the test will result in a violation of the state anti-predatory lending law, in which case the Seller will be required to purchase that Mortgage Loan from the Trust.

Notably, in rules promulgated under the Dodd-Frank Act by the CFPB, effective with respect to applications for loans taken on or after January 10, 2014, the thresholds for coverage under HOEPA, the primary anti-predatory lending law, have been lowered and that statute has become more stringent. State laws that replicate HOEPA have also become more onerous in their respective requirements.

Local, state and federal legislatures, state and federal banking regulatory agencies, state attorneys general offices, the Federal Trade Commission, the Department of Justice, the Department of Housing and Urban Development and state and local governmental authorities have continued to focus on lending and servicing practices by some companies, primarily in the non-prime lending industry, sometimes referred to as “predatory lending” and “abusive servicing” practices. Sanctions have been imposed by various agencies for practices such as charging excessive fees, imposing higher interest rates than the credit risk of some mortgagors warrant, failing to disclose adequately the material terms of loans to mortgagors and abusive servicing and collections practices.

On July 21, 2010, the Dodd-Frank Act was signed into law. The Dodd-Frank Act, which is designed to improve accountability and transparency in the financial system and to protect consumers from abusive financial services practices, creates various new requirements affecting mortgage servicers, including mandatory escrow accounts for certain mortgage loans; notice requirements for consumers who waive escrow services; certain prohibitions related to mortgage servicing with respect to force-placed hazard insurance, qualified written requests, requests to correct certain servicing errors, and requests concerning the identity and contact information for an owner or assignee of a loan; requirements for prompt crediting of payments, processing of payoff statements, and monthly statements with certain disclosures for adjustable rate mortgage loans; and late fee restrictions on high cost loans. In addition, a new executive agency and consumer financial regulator, the CFPB, was established in the Federal Reserve System under the Dodd-Frank Act. On July 21, 2011, the regulation of the offering and provision of consumer financial products or services, including mortgage servicing, under federal consumer financial laws, was generally transferred and consolidated into the CFPB.

The Dodd-Frank Act sets forth certain objectives for and the functions of the CFPB. The objectives of the CFPB, as identified under the Dodd-Frank Act, are to ensure that: (1) consumers are provided with timely and understandable information to make responsible decisions about financial transactions; (2) consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination; (3) outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens; (4) federal consumer financial law is enforced consistently, without regard to the status of a person as a depository institution, in order to promote fair competition; and (5) markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation. The primary functions of the CFPB under the Dodd-Frank Act are: (1) conducting financial education programs; (2) collecting, investigating, and responding to consumer complaints; (3) collecting, researching, monitoring, and publishing information relevant to the functioning of markets for consumer financial products and services to identify risks to consumers and the proper functioning of such markets; (4) subject to certain sections of the Dodd-Frank Act, supervising covered persons for compliance with federal consumer financial law, and taking appropriate enforcement action to address violations of federal consumer financial law; (5) issuing rules, orders, and guidance implementing federal consumer financial law; and (6) performing such support activities as may be necessary or useful to facilitate the other functions of the CFPB.

Several federal, state and local laws, rules and regulations have been adopted, or are under consideration, that are intended to protect consumers from predatory lending and abusive servicing practices, and in some instances establish or propose a servicing standard and duty of care for mortgage servicers. On January 4, 2011, the CFPB implementation team entered into an information sharing memorandum of understanding with the Conference of State Bank Supervisors to promote state and federal cooperation and consistent examination procedures among regulators of providers of consumer financial products and services, including mortgage servicers.

Further, in a rule that became effective on April 1, 2011, under Regulation Z and future rule-making under the Dodd-Frank Act, sweeping changes with respect to permissible and prohibited loan originator compensation were implemented that prohibit loan originator compensation based on loan terms or conditions (other than the amount of the principal), dual compensation of loan originators and various loan steering activities.

In 2008, Congress enacted The Mortgage Disclosure Improvement Act of 2008 (the “MDIA”), which requires creditors to furnish early TILA disclosures for all closed-end mortgage transactions that are secured by a consumer’s dwelling, including loans secured by primary, secondary or vacation homes, and regardless of whether the loans are for purchase money or non-purchase money transactions. While the early TILA disclosure must still be given within three Business Days of application, the MDIA and MDIA rule now require that the

early TILA disclosure be provided at least seven Business Days prior to consummation of the transaction. Further, if the disclosed annual percentage rate exceeds certain tolerances as set forth in TILA and Regulation Z, the creditor must provide corrected disclosures disclosing an accurate annual percentage rate and all changed terms no later than three (3) Business Days before consummation. Significantly, this means that multiple early TILA disclosures may be required.

In addition, the Federal Reserve Board adopted an amendment to Regulation Z on July 14, 2008 (the “**July Rule**”). Notably, the July Rule, which took effect on October 1, 2009: (i) created a new category of loans called “higher-priced mortgage loans”; (ii) instituted new protections for both this new category of “higher-priced mortgage loans” as well as for the existing category of “high cost mortgages” under HOEPA; (iii) enacted certain prohibited acts and practices for all closed-end credit transactions secured by a consumer’s principal dwelling; (iv) revised the disclosures required in advertisements for credit secured by a consumer’s dwelling and prohibited certain practices in connection with closed-end mortgage advertising; and (v) required disclosures for closed-end mortgages secured by a consumer’s principal dwelling to be provided earlier in the transaction and before consumers pay any fee except for a fee for obtaining a consumer’s credit history. Effective January 10, 2014, the ATR Rules superseded the underwriting requirements applicable to these “higher-priced mortgage loans,” but the requirements applicable to appraisals and homeownership counseling still apply to that class of loans.

Enforceability of Due-On-Sale Clauses

The Mortgage Loans include “due-on-sale clauses” which allow the holder of such Mortgage Loan to demand payment in full of the remaining principal balance upon sale or certain transfers of the property securing such Mortgage Loan. The enforceability of these clauses has been the subject of legislation or litigation in many states, and in some cases the enforceability of these clauses was limited or denied. However, The Garn-St. Germain Depository Institutions Act of 1982 (the “**Garn-St Germain Act**”) preempts state constitutional, statutory and case law that prohibits the enforcement of due-on-sale clauses and permits lenders to enforce these clauses in accordance with their terms, subject to limited exceptions. The Garn-St Germain Act does “encourage” lenders to permit assumption of loans at the original rate of interest or at some other rate less than the average of the original rate and the market rate.

The Garn-St Germain Act also sets forth nine specific instances in which a mortgage lender covered by the Garn-St Germain Act may not exercise a due-on-sale clause, notwithstanding the fact that a transfer of the property may have occurred. These include, amongst others, certain intra-family transfers, some transfers by operation of law, leases of fewer than three (3) years and the creation of a junior encumbrance. Regulations promulgated under the Garn-St Germain Act also prohibit the imposition of a prepayment penalty upon the acceleration of a loan pursuant to a due-on-sale clause.

The inability to enforce a due-on-sale clause may result in Mortgage Loans bearing an interest rate below the current market rate being assumed by the buyers rather than being paid off, which may have an impact upon the average life of such Mortgage Loans and the number of Mortgage Loans which may be outstanding until maturity.

Subordinate Financing

When a mortgagor encumbers mortgaged property with one or more junior liens, the senior lender is subjected to additional risk. First, the mortgagor may have difficulty servicing and repaying multiple loans. In addition, if the junior loan permits recourse to the mortgagor (as junior loans often do) and the senior loan does not, a mortgagor may be more likely to repay sums due on the junior loan than those on the senior loan. Second, acts of the senior lender that prejudice the junior lender or impair the junior lender’s security may create a superior equity in favor of the junior lender. For example, if the mortgagor and the senior lender agree to an increase in the principal amount of or the interest rate payable on the senior loan, the senior lender may lose its priority to the extent an existing junior lender is harmed or the mortgagor is additionally burdened. Third, if the mortgagor defaults on the senior loan and/or any junior loan or loans, the existence of junior loans and actions taken by junior lenders can impair the security available to the senior lender and can interfere with or delay the taking of action by the senior lender. Moreover, the bankruptcy of a junior lender may operate to stay foreclosure or similar proceedings by the senior lender. In addition, the consent of the junior lender is required in connection

with certain loan modifications, short sales and deeds-in-lieu of foreclosure, which may delay or prevent the loss mitigation actions taken by the senior lender.

Applicability of Usury Laws

Title V of the Depository Institutions Deregulation and Monetary Control Act of 1980 (“**Title V**”) provides that state usury limitations shall not apply to some types of residential first mortgage loans originated by some lenders after March 31, 1980. A similar federal statute was in effect with respect to mortgage loans made during the first three months of 1980. The Office of the Comptroller of the Currency is authorized to issue rules and regulations and to publish interpretations governing implementation of Title V. The statute authorized any state to reimpose interest rate limits by adopting, before April 1, 1983, a law or constitutional provision which expressly rejects application of the federal law. In addition, even where Title V is not so rejected, any state is authorized by the law to adopt a provision limiting discount points or other charges on mortgage loans covered by Title V. Some states have taken action to reimpose interest rate limits or to limit discount points or other charges.

As indicated in Appendix C to this Offering Circular, the Seller will represent that each Mortgage Loan, to the Seller’s knowledge meets or is exempt from applicable state, federal or local laws, regulations and other requirements pertaining to usury, such that no material adverse effect could reasonably be expected to have occurred, or such noncompliance was cured, as permitted by applicable law; provided that the Seller makes such representation and warranty solely with respect to the Mortgage Loans in respect of which the statute of limitations period has not yet expired as of the Closing Date for any claim or dispute arising from an alleged violation of such applicable federal, state and local usury laws. However, the mortgage rates on the Mortgage Loans will be subject to applicable usury laws as in effect from time to time.

Forfeitures in Drug and RICO Proceedings

Federal law provides that property owned by persons convicted of drug-related crimes or of criminal violations of the Racketeer Influenced and Corrupt Organizations statute (“**RICO**”) can be seized by the government if the property was used in, or purchased with the proceeds of, these crimes. Under procedures contained in the Comprehensive Crime Control Act of 1984, the government may seize the property even before conviction. The government must publish notice of the forfeiture proceeding and may give notice to all parties “known to have an alleged interest in the property,” including the holders of mortgage loans.

A lender may avoid forfeiture of its interest in the property if it establishes that: (1) its mortgage was executed and recorded before commission of the crime upon which the forfeiture is based, or (2) the lender was, at the time of execution of the mortgage, “reasonably without cause to believe” that the property was used in, or purchased with the proceeds of, illegal drug or RICO activities.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The following generally describes the anticipated material federal income tax consequences of purchasing, owning and disposing of the Offered Certificates. It does not address special rules which may apply to particular types of investors. The authorities on which this discussion is based are subject to change or differing interpretations, and any such change or interpretation could apply retroactively. Investors should consult their own tax advisors regarding the Offered Certificates.

We will elect to treat applicable portions of the Trust as a REMIC under the Code. Assuming (1) such election, (2) compliance with the applicable agreements and (3) compliance with changes in the law, each REMIC Pool will qualify as a REMIC for federal income tax purposes. In that case, a REMIC Pool will not be subject to tax. In addition, the following will be treated as regular interests in the Upper-Tier REMIC Pool: (i) uncertificated classes of regular interests corresponding to each of the Class MA, Class MB, Class HA and Class HB Certificates (the “**Senior Upper-Tier Regular Interests**”) and (ii) uncertificated classes of regular interests corresponding to each of the Class A-IO, Class M-1, Class M-2, Class B, Class B-IO and Class XS-IO Certificates. The Class R Certificate will be treated as the residual interest in the Upper-Tier REMIC Pool, and the Class RS Certificate will be treated as the residual interest in the Lower-Tier REMIC Pool. The portion of the Trust consisting of the Senior Upper-Tier Regular Interests, the right of the Class MA, Class MB, Class HA and Class HB Certificates to receive, and the obligation of certain of the Non-Offered Certificates to pay, Senior Additional Portions and/or Cap Carryover (each, an “**Interest Rate Contract**”) and the related amounts held from time to time in the distribution account will be treated as a grantor trust under subpart E, part I of subchapter J of the Code (the “**Grantor Trust**”) and the Senior, Interest Only and Subordinate Certificates will represent undivided beneficial interests in their respective portions of the Grantor Trust.

Status of the Offered Certificates

Except as provided below, the Offered Certificates will constitute assets described in Code Section 7701(a)(19)(C) and “real estate assets” under Code Section 856(c)(4)(A), to the extent the assets of the related REMIC Pool are so treated. Interest on the regular interests will be “interest on obligations secured by mortgages on real property or on interests in real property” within the meaning of Code Section 856(c)(3)(B) in the same proportion that the income of the REMIC Pool is so treated. If at all times 95% or more of the assets or income of the related REMIC Pool qualifies for any of the foregoing treatments, the Offered Certificates (and income on them) will qualify for the corresponding status in their entirety. In determining the tax status of the Upper-Tier REMIC Pool, however, we will apply the 95% test assuming the Lower-Tier regular interests have the same characteristics as the related Lower-Tier REMIC Pool. Where a REMIC Pool is backed by mortgages having a loan-to-value ratio of greater than 100%, a pro rata portion of the interest income on the related REMIC regular interests may not be treated as “interest on obligations secured by mortgages on real property or on interests in real property” within the meaning of Code Section 856(c)(3)(B). Because a portion of the Lower-Tier REMIC Pool is backed by mortgages with such loan-to-value ratios, we may be required to report certain information, pursuant to regulations under Code Section 6049, with respect to the Upper-Tier Regular Interests. The Offered Certificates will be “qualified mortgages” under Code Section 860G(a)(3) for another REMIC.

The foregoing treatments will not apply to the extent of the portion of the basis of the holder of an Offered Certificate that is allocable to an Interest Rate Contract. In addition, because the Offered Certificates also represent the right to receive payments under the Interest Rate Contracts, they may not be suitable for inclusion in another REMIC.

Taxation of the Exchangeable Certificates

General

The Exchangeable Certificates generally will be taxed as newly originated debt instruments for federal income tax purposes. Interest, OID and market discount accrued on a regular interest will constitute ordinary income to the beneficial owner. As a beneficial owner of an Exchangeable Certificate, you must account for interest income on the accrual method.

The beneficial owner of an Exchangeable Certificate must allocate its basis between its Senior Upper-Tier Regular Interest and its right to receive payments under one or more Interest Rate Contracts (to the extent such rights have value). See “*Taxation of the Interest Rate Contracts*” below.

Original Issue Discount

If a Senior Upper-Tier Regular Interest is issued with OID, a beneficial owner would be required to include such OID in income as it accrues, without regard to the timing of distributions. In the absence of guidance which applies specifically to REMIC regular interests, Freddie Mac and the Securities Administrator will report OID, if any, to the IRS and the beneficial owners of the Exchangeable Certificates based on regulations under Code Sections 1271 through 1275 (the “**OID regulations**”).

The total amount of OID on a Senior Upper-Tier Regular Interest is the excess of its “stated redemption price” over its “issue price.” The issue price is the price at which a substantial portion of the Exchangeable Certificate is first sold to the public (to the extent not allocable to the related Interest Rate Contracts). The issue price generally includes any pre-issuance accrued interest unless you exclude such amount from the issue price and treat a portion of the stated interest payable on the first Distribution Date as a return of that accrued interest rather than as an amount payable under the instrument.

In general, the stated redemption price is the sum of all distributions except for stated interest actually payable at least annually based on a single fixed rate, certain variable rates, or certain combinations of fixed and variable rates. For this purpose, the discussion below assumes that the sum of such distributions will be based on the “**Pricing Speed**”, which is the assumed rate of prepayment of the related Mortgages used in pricing the regular interests. The Pricing Speed that will be used in determining the rate of accrual of OID and market discount, if any, for federal income tax purposes is a formula that will combine CPR and CDR rates that will increase over time: (i) with respect to CPR, 3.0% CPR for the first month, increasing thereafter at a constant rate to 9.0% CPR in month 60, after which it will remain constant; and (ii) with respect to CDR, 0.0% CDR for the first month, increasing thereafter at a constant rate until reaching 1.5% CDR in month 36, after which it will remain constant, factoring in loss severity of 35%. Further, it will be assumed that the Optional Termination is exercised on the earliest possible Distribution Date, as described in this Offering Circular. See “*Prepayment and Yield Considerations — Assumptions Relating to Declining Balances Tables, Cumulative Realized Losses Table and Yield Tables.*” A beneficial owner taking a contrary position to these assumptions should consult their tax advisor.

If the interval between the issue date and the first Distribution Date exceeds the interval between subsequent Distribution Dates, a portion of the interest distributions in all periods is included in the stated redemption price, unless a special rule relating to debt instruments with increasing rates of interest, described below, applies. The portion included in the stated redemption price is equal to the difference between (1) the stated interest rate for subsequent periods and (2) the effective rate of interest for the long first accrual period.

Under a *de minimis* rule, OID will be considered zero and all interest distributions will be excluded from the stated redemption price if the amount of the OID is less than 0.25% of the Class’s stated redemption price multiplied by the Class’s weighted average maturity. The weighted average maturity of an Exchangeable Certificate is computed based on the number of full years (*i.e.*, rounding down partial years) each distribution of principal is scheduled to be outstanding. The schedule of such distributions likely should be determined in accordance with the Pricing Speed.

The Upper-Tier Regular Interest corresponding to the Class MB Certificates will be treated as issued with OID. Depending on the value of the Interest Rate Contracts associated with the Class MA Certificates, the Upper-Tier Regular Interest corresponding to the Class MA Certificates may be issued with OID. Because the Class Coupons payable to the Senior Upper-Tier Regular Interests corresponding to Class HA and Class HB are subject to periodic increases, a portion of such Class Coupons will not be treated as qualified stated interest and will be added to the stated redemption price of such interests. Consequently, the Senior Upper-Tier Regular Interests corresponding to Class HA and Class HB will be issued with OID.

The beneficial owner of a regular interest generally must include in income the OID accrued for each day on which the beneficial owner holds such interest, including the date of purchase, but excluding the date of disposition. The OID accruing on a regular interest in any period equals:

$$\text{PV End} + \text{Dist} - \text{PV Beg}$$

Where:

- PV End = present value of all remaining distributions to be made as of the end of the accrual period;
- Dist = distributions made during the accrual period includable in stated redemption price; and
- PV Beg = present value of all remaining distributions as of the beginning of the accrual period.

The present value of the remaining distributions is calculated based on (1) the original yield to maturity of the regular interest, (2) events (including actual prepayments) that have occurred prior to the end of the period and (3) the Pricing Speed. For these purposes, the original yield to maturity of a regular interest will be calculated based on its issue price and assuming that it will be prepaid in all periods in accordance with the Pricing Speed. The OID accruing during any accrual period will then be divided by the number of days in the period to determine the daily portion of OID for each day.

The daily portions of OID generally will increase if prepayments on the Mortgage Loans exceed the Pricing Speed and decrease if prepayments are slower than the Pricing Speed. If the relative principal distribution priorities of a series of the regular interests change, any increase or decrease in the present value of the remaining distributions to be made on any such class will affect the computation of OID for the period in which the change in distribution priority occurs.

If OID accruing during any accrual period, computed as described above, is negative for any such period, you will be entitled to offset such amount only against future positive OID accruing from your regular interest, and Freddie Mac and the Securities Administrator intend to report income to the IRS in all cases in this manner. The treatment of such negative amounts is not entirely clear. For example, you may be entitled to deduct a loss to the extent that your remaining basis would exceed the maximum amount of future distributions to which you are entitled, assuming no further prepayments of the Mortgages (or, perhaps, assuming prepayments at a rate equal to the Pricing Speed). You should consult your tax advisors regarding a regular interest that has a negative amount of OID during any accrual period.

If you are the initial purchaser of interests in two or more series of the regular interests, you should be aware that the OID regulations may treat such interests as a single debt instrument for purposes of such regulations.

If a subsequent beneficial owner of a regular interest acquires such regular interest for a price greater than its "adjusted issue price," but less than its remaining stated redemption price, the daily portion for any day is reduced by an amount equal to the product of (1) such daily portion and (2) a fraction, the numerator of which is the amount by which the price exceeds the adjusted issue price and the denominator of which is the sum of the daily portions for such regular interest for all days on and after the date of purchase. The adjusted issue price of a regular interest on any given day is equal to its issue price, increased by all OID previously includable with respect to that interest and reduced by the amount of all previous distributions with respect to that interest included in its stated redemption price at maturity.

Market Discount

The market discount rules may also apply to the Senior Upper-Tier Regular Interests. Market discount with respect to a debt instrument that is issued with OID equals the excess of the adjusted issue price over your initial basis in the regular interest.

The Conference Committee Report accompanying the Tax Reform Act of 1986 provides that, until the Treasury Department issues regulations, market discount would accrue (a) on the basis of a constant interest rate (similar to the method described above for accruing OID) or (b) alternatively, in the ratio of OID accrued for the relevant period to the total remaining OID at the beginning of such period.

You generally must recognize accrued market discount as ordinary income to the extent of any distributions includable in the stated redemption price. Moreover, you generally must treat a portion of any gain on a sale or exchange as ordinary income to the extent of the accrued, but unrecognized, market discount to the date of disposition. Alternatively, you may elect to include market discount in income currently as it accrues on all market discount instruments that you acquire in that taxable year or after. You may revoke such an election only with the consent of the IRS.

In addition, the deduction for a portion of interest expense on any indebtedness that you incur or maintain in order to purchase or carry a regular interest purchased with market discount may be required to be deferred. The deferred portion would not exceed the portion of market discount that accrues but is not taken into income currently. Any such deferred interest expense is, in general, allowed as a deduction not later than the year in which the related market discount income is recognized.

Under a *de minimis* rule, market discount with respect to a regular interest will be considered to be zero if the amount of the market discount is less than 0.25% of the class's stated redemption price multiplied by the class's weighted average maturity. The weighted average maturity of a regular interest is computed based on the number of full years (*i.e.*, rounding down partial years) that each distribution of principal is scheduled to be outstanding. You should consult your tax advisors regarding the application of the market discount rules as well as the advisability of making any election with respect to market discount.

Premium

An interest in a Senior Upper-Tier Regular Interest, other than Senior Upper-Tier Regular Interests whose stated interest is partially or entirely included in their stated redemption prices, that is purchased at a cost (net of accrued interest) greater than its principal amount generally is considered to be purchased at a premium. You may elect under Code Section 171 to amortize such premium under the constant interest method, using the Pricing Speed. Such premium is an offset to interest income from an interest in an Exchangeable Certificate, rather than a separate interest deduction. In addition, the Committee Report indicates Congress intended that the methods for determining the accrual of market discount described above which are alternatives to accrual on the basis of a constant interest rate also will apply for purposes of amortizing bond premium on obligations such as the Senior Upper-Tier Regular Interests. An election made by you generally would apply to all your debt instruments, unless the election is revoked with the IRS's consent. If your election to amortize bond premium was effective as of October 22, 1986, you may choose to have such election apply to obligations issued after September 27, 1985.

Constant Yield Election

The OID regulations allow you to elect to include in gross income all interest that accrues on a debt instrument by using the constant yield method. For purposes of this election, interest includes OID, *de minimis* market discount and market discount. You should consult your tax advisors regarding the advisability of making this election.

Taxation of the Interest Rate Contracts

The Pooling and Servicing Agreement will provide that each holder of a Class MA, Class MB, Class HA or Class HB Certificate is intended to be treated for federal income tax purposes as having entered into its proportionate share of the rights of such class under one or more Interest Rate Contracts. Each holder of a Class MA, Class MB, Class HA or Class HB Certificate will have agreed to the following characterization and to treat an Interest Rate Contract as a notional principal contract under applicable Treasury Regulations, beneficially owned by the holder of the Class MA, Class MB, Class HA and Class HB Certificates through the Grantor Trust and which is not an asset of any REMIC created under the Pooling and Servicing Agreement.

The beneficial owners of the Class MA, Class MB, Class HA and Class HB Certificates must allocate the price they pay for their certificates between their interests in the related Senior Upper-Tier Regular Interest and the related Interest Rate Contracts based on their relative fair market values. The portion, if any, allocated to an Interest Rate Contract will be treated as a cap premium ("**Cap Premium**") paid by the holders of the Exchangeable Certificates to the holders of the Non-Offered Certificates (other than the Class B, Class XS-IO,

Mortgage Insurance and Residual Certificates). Such Cap Premium will reduce the purchase price allocable to the related Exchangeable Certificate. The initial amount of such Cap Premium will be furnished by the Seller to the Trustee for federal income tax reporting purposes, but such amounts may differ for purchasers after the initial issuance of the Exchangeable Certificates. A beneficial owner of a Class MA, Class MB, Class HA or Class HB Certificate will be required to amortize any Cap Premium under a level payment method as if the Cap Premium represented the present value of a series of equal payments made over the life of the Interest Rate Contract (adjusted to take into account decreases in notional principal amount), discounted at a rate equal to the rate used to determine the amount of the Cap Premium (or some other reasonable rate). Prospective purchasers of Exchangeable Certificates should consult their own tax advisors regarding the appropriate method of amortizing any related Cap Premium. Under current law, Treasury Regulations treat a non-periodic payment made under a notional principal contract as a loan for federal income tax purposes if the payment is “significant”. It is not anticipated that any Cap Premium would be treated in part as a loan under the currently applicable Treasury Regulations. However, under temporary Treasury Regulations and recent IRS guidance, any non-periodic payments under notional principal contracts entered into on or after the date that is six months after the publication of final Treasury Regulations (possibly including transfers of Exchangeable Certificates occurring on or after that date) will be treated as a loan for federal income tax purposes, but it is not clear whether this provision of the temporary Treasury Regulations will apply to the Interest Rate Contract. Investors should consult their own tax advisors regarding the application of these temporary Treasury Regulations.

Under applicable Treasury Regulations, (i) all taxpayers must recognize periodic payments with respect to a notional principal contract under the accrual method of accounting, and (ii) any periodic payments received under an Interest Rate Contract must be netted against payments deemed made to the related counterparty as a result of the related Cap Premium over the recipient’s taxable year, rather than accounted for on a gross basis. Net income or deduction with respect to net payments under a notional principal contract for a taxable year should constitute ordinary income or ordinary deduction. The IRS could contend the amount is capital gain or loss, but such treatment is unlikely, at least in the absence of further regulations. Any regulations requiring capital gain or loss treatment presumably would apply only prospectively. Individuals, trusts and estates may be limited in their ability to deduct any such net deduction and should consult their tax advisors prior to investing in the Exchangeable Certificates.

Sale or Exchange of the Exchangeable Certificates

The Exchangeable Certificates represent (i) a beneficial interest in a Senior Upper-Tier Regular Interest and (ii) a right to receive payments under one or more Interest Rate Contracts (to the extent such rights have value). The sale, exchange or other taxable disposition of an Exchangeable Certificate will represent the sale or exchange of each of these components, as discussed further below.

Senior Upper-Tier Regular Interest

A beneficial owner generally will recognize gain or loss upon sale or exchange of a Senior Upper-Tier Regular Interest equal to the difference, if any, between (i) the amount received attributable to the Senior Upper-Tier Regular Interest and (ii) its adjusted basis in the Senior Upper-Tier Regular Interest (based, in each case, on the relative fair market values of the Senior Upper-Tier Regular Interest and the Interest Rate Contract). A beneficial owner’s adjusted basis in a Senior Upper-Tier Regular Interest generally will equal the cost of the Exchangeable Certificate allocable to the Senior Upper-Tier Regular Interest, increased by income previously included and reduced (but not below zero) by previous distributions.

Interest Rate Contracts

Under certain Treasury Regulations, any amount of proceeds from the sale, redemption or retirement of an Exchangeable Certificate that is attributable to the beneficial owner’s rights under an Interest Rate Contract would be treated as a payment in termination of such Interest Rate Contract. A beneficial owner of a Class MA, Class MB, Class HA or Class HB Certificate will have gain or loss from such a termination equal to (i) the deemed termination payment it receives, if any, minus (ii) the unamortized portion of any Cap Premium deemed paid by the beneficial owner of such Certificate. See “*Taxation of the Interest Rate Contracts*” above.

Character of Gain or Loss

Subject to the discussion below, any gain or loss realized with respect to a Senior Upper-Tier Regular Interest generally will be capital gain or loss and will be long-term or short-term depending on how long the beneficial owner has held such Senior Upper-Tier Regular Interest. Such gain or loss will be ordinary income or loss (1) for a bank or thrift institution; and (2) to the extent of any accrued, but unrecognized, market discount or to the extent income recognized by you is less than the income that you would have recognized if the yield on such interest were 110% of the applicable federal rate under Code Section 1274(d). Gain or loss realized upon the termination of an Interest Rate Contract generally will be treated as capital gain or loss. Moreover, in the case of the bank or thrift institution, Code Section 582(c) likely would not apply to treat such gain or loss as ordinary.

The Exchangeable Certificates, representing a beneficial ownership in the related Senior Upper-Tier Regular Interest and one or more Interest Rate Contracts, may constitute positions in a straddle, in which case the straddle rules of Code Section 1092 would apply. A selling beneficial owner's capital gain or loss with respect to such Senior Upper-Tier Regular Interest would be short term because the holding period would be tolled under the straddle rules. Similarly, capital gain or loss realized in connection with the termination of an Interest Rate Contract would be short term. If the beneficial owner of an Exchangeable Certificate incurred or continued to incur indebtedness to acquire or hold such certificate, the beneficial owner generally would be required to capitalize a portion of the interest paid on such indebtedness until termination of the Interest Rate Contracts.

Taxation of the MACR Certificates

General

The arrangement pursuant to which the MACR Certificates are created and administered (a “**MACR Pool**”) will be classified as a grantor trust under subpart E, part I of subchapter J of the Code. The interests in the Exchangeable Certificates that have been exchanged for MACR Certificates (including any exchanges effective on the date of issuance of the Exchangeable Certificates) will be the assets of the MACR Pool and the MACR Certificates will represent beneficial ownership of these interests in the Exchangeable Certificates.

Tax Accounting for MACR Certificates

A MACR Certificate will represent beneficial ownership of an interest in the related Exchangeable Certificates. You must allocate your basis in the MACR Certificate among the interests in the Exchangeable Certificates in accordance with their relative fair market values as of the time of acquisition. Beneficial owners of the MACR Certificates must tax account for their beneficial ownership interests in each of the underlying Exchangeable Certificates in the manner described above under “— *Taxation of the Offered Certificates — Original Issue Discount*”. Similarly, on the sale of such a MACR Certificate, you must allocate the amount received on the sale among the interests in the Exchangeable Certificates underlying the MACR Certificates in accordance with their relative fair market values as of the time of sale. Gain or loss will be determined in the manner described above. See “— *Sale or Exchange of the Offered Certificates*” above.

Exchanges of MACR Certificates and Exchangeable Certificates

An exchange of an interest in one or more Exchangeable Certificates for an interest in MACR Certificates, or vice versa, will not be a taxable exchange. After the exchange, you will be treated as continuing to own the interests in the Exchangeable Certificates that you owned immediately prior to the exchange.

Taxation of Certain Foreign Investors

Interest, including OID, distributable with respect to the Senior Upper-Tier Regular Interests to an investor that is a non-U.S. person not engaged in a U.S. trade or business will be considered “portfolio interest” and, therefore, will not be subject to the 30% federal withholding tax provided that the non-U.S. person provides the IRS Form W-8BEN or W-8BEN-E (or an acceptable substitute form), signed under penalties of perjury, identifying the investor and stating, among other things, that the investor in the Offered Certificate is a non-U.S. person. In the case of an Offered Certificate held by a foreign partnership or foreign trust, the form described in the preceding sentence must be provided by the partners or beneficiaries, as the case may be, rather than by the foreign partnership or foreign trust. If this form is not provided, the 30% federal withholding tax may apply

unless an income tax treaty reduces or eliminates such tax. If the interest is effectively connected with the conduct of a trade or business within the United States by a non-U.S. person and the non-U.S. person provides an IRS Form W-8ECI (or an acceptable substitute form), the interest distributions will not be subject to the 30% federal withholding tax. The non-U.S. person, however, will be subject to federal income tax at regular rates and non-U.S. persons that are corporations for federal income tax purposes may also be subject to an additional branch profits tax.

Any portion of a Class Coupon payment that represents a Senior Additional Portion that is received by an investor that is a non-U.S. person not engaged in a U.S. trade or business will not be subject to federal withholding tax. If you are an investor in an Offered Certificate and are a non-U.S. person, you should consult your tax advisors.

Backup Withholding

Distributions made on the Offered Certificates and proceeds from the sale of the Offered Certificates to or through certain brokers may be subject to a federal “backup” withholding tax on “reportable payments” (including interest accruals (and Senior Additional Portions, if any), OID and, under certain circumstances, distributions in reduction of principal amount) unless, in general, you comply with certain procedures or are an exempt recipient. Any amounts so withheld from distributions on the Offered Certificates would be refunded by the IRS or allowed as a credit against your federal income tax.

Reporting and Administrative Matters

Reports will be made to the IRS and to holders of record of the Offered Certificates that are not excepted from the reporting requirements.

Final regulations have been promulgated to implement the Foreign Account Tax Compliance Act (“**FATCA**”) provisions of the Hiring Incentive to Restore Employment Act. Investors should be aware that under the FATCA provisions and related administrative guidance, certain distributions in respect of the Offered Certificates after June 30, 2014 and payments of the gross proceeds from the sale or other disposition of such Certificates after December 31, 2018 received by a non-U.S. entity may be subject to withholding of federal income tax at a rate of 30% if such non-U.S. entity fails to take the required steps to provide certain information regarding its “United States accounts” or its direct or indirect “substantial U.S. owners.” The required steps and the information to be provided will depend on whether the non-U.S. entity is considered a “foreign financial institution” for this purpose, and if an intergovernmental agreement exists between the United States and an applicable foreign country that may modify the applicable requirements. Investors should consult their tax advisors regarding the potential application and impact of the FATCA withholding rules based on their particular circumstances, including the applicability of any intergovernmental agreement modifying these rules.

Treasury Regulations require the Securities Administrator to file an annual information return with the IRS and to furnish to holders of the Certificates their respective shares of income and expenses with respect to their interests in the Grantor Trust.

The IRS has published final regulations that establish a reporting framework for interests in “widely held fixed investment trusts” and place the responsibility of reporting on the person in the ownership chain who holds an interest for a beneficial owner. A widely-held fixed investment trust is defined as an arrangement classified as an “investment trust” under Treasury Regulations Section 301.7701-4(c), in which any interest is held by a middleman, which includes, but is not limited to (i) a custodian of a person’s account, (ii) a nominee and (iii) a broker holding an interest for a customer in street name.

Under these regulations, the Securities Administrator will be required to file IRS Form 1099 (or any successor form) with the IRS with respect to holders of the Certificates who are not “exempt recipients” (a term that includes corporations, trusts, securities dealers, middlemen and certain other non-individuals) and do not hold such Certificates through a middleman, to report the trust’s gross income and, in certain circumstances, unless the Securities Administrator reports under the safe harbor as described in the last sentence of this paragraph, if any trust assets were disposed of or certificates are sold in secondary market sales, the portion of the gross proceeds relating to the trust assets that are attributable to such holder. The same requirements would

be imposed on middlemen holding such Certificates on behalf of the related holders. Under certain circumstances, the Securities Administrator may report under the safe harbor for widely-held mortgage trusts, as such term is defined under Treasury Regulations Section 1.671-5.

These regulations also require that the Securities Administrator make available information regarding interest income and information necessary to compute any OID to (i) exempt recipients (including middlemen) and non-calendar year taxpayers, upon request, in accordance with the requirements of the regulations and (ii) applicable holders who do not hold their Certificates through a middleman. The information must be provided to parties specified in clause (i) on or before the later of the 44th day after the close of the calendar year to which the request relates and 28 days after the receipt of the request. The information must be provided to parties specified in clause (ii) on or before March 15 of the calendar year following the year for which the statement is being furnished.

STATE AND LOCAL TAX CONSIDERATIONS

In addition to the federal income tax consequences described in “Certain Federal Income Tax Consequences” above, potential investors should consider the state and local income tax consequences of the acquisition, ownership, and disposition of the Offered Certificates. State and local income tax law may differ substantially from the corresponding federal law, and this discussion does not purport to describe any aspect of the income tax laws of any state or local taxing jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to the various tax consequences of investments in the Offered Certificates.

LEGAL INVESTMENT

If prospective investors’ investment activities are subject to investment laws and regulations, regulatory capital requirements or review by regulatory authorities, prospective investors may be subject to restrictions on investment in the Certificates. Prospective investors should consult legal, tax and accounting advisers for assistance in determining the suitability of and consequences of the purchase, ownership and sale of the Certificates.

None of the Seller, the Underwriters, the Trustee, the Servicer, the Custodian, the Guarantor, the Trust Agent or the Securities Administrator or any of their respective affiliates have made or will make any representation as to (i) the proper characterization of the Certificates for legal investment or other purposes, (ii) the ability of particular prospective investors to purchase Certificates for legal investment or other purposes or (iii) the ability of particular prospective investors to purchase Certificates under applicable investment restrictions. Without limiting the generality of the foregoing, none of the Issuer, the Underwriters, the Securities Administrator or any of their respective affiliates have made or will make any representation as to the characterization of the Certificates as a United States or non-United States investment under any state insurance code or related regulations. None of the Issuer, the Underwriters, the Securities Administrator or any of their respective affiliates are aware of any published precedent that addresses such characterization. There can be no assurance as to the nature of any advice or other action that may result from such consideration or the effect, if any, such advice or other action resulting from such consideration may have on the Certificates.

CERTAIN ERISA CONSIDERATIONS

A Department of Labor regulation provides that if an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”) acquires a “guaranteed governmental mortgage pool certificate,” then, for purposes of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code, the plan’s assets include the certificate and all of its rights in the certificate, but do not, solely by reason of the plan’s holding of the certificate, include any of the mortgages underlying the certificate. Under this regulation, the term “guaranteed governmental mortgage pool certificate” includes a certificate “backed by, or evidencing an interest in, specified mortgages or participation interests therein” if Freddie Mac guarantees the interest and principal payable on the certificate.

The regulation makes it clear that Freddie Mac and other persons, in providing services for the assets in the pool, would not be subject to the fiduciary responsibility provisions of Title I of ERISA, or the prohibited transaction provisions of Section 406 of ERISA or Code Section 4975, merely by reason of the plan's investment in a certificate.

The Offered Certificates should qualify as "guaranteed governmental mortgage pool certificates."

Governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their own legal advisors before purchasing Offered Certificates.

All employee benefit plan investors should consult with their legal advisors to determine whether the purchase, holding or resale of an Offered Certificate could give rise to a transaction that is prohibited or is not otherwise permissible under either ERISA or the Code.

In addition, any purchaser, transferee or holder of the Offered Certificates or any interest therein that is a benefit plan investor as defined in 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (a "**Benefit Plan Investor**") or a fiduciary purchasing the Offered Certificates on behalf of a Benefit Plan Investor (a "**Plan Fiduciary**"), should consider the impact of the regulations promulgated by the Department of Labor at 29 C.F.R. Section 2510.3-21 on April 8, 2016 (81 Fed. Reg. 20,997) (the "**Fiduciary Rule**"). In connection with the Fiduciary Rule, each Benefit Plan Investor will be deemed to have represented by its acquisition of the Offered Certificates that:

(1) none of Freddie Mac, the Underwriters, the Servicer or any of their respective affiliates (the "**Transaction Parties**"), has provided or will provide advice with respect to the acquisition of the Offered Certificates by the Benefit Plan Investor, other than to the Plan Fiduciary which is "independent" (within the meaning of the Fiduciary Rule) of the Transaction Parties;

(2) the Plan Fiduciary:

(a) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "**Advisers Act**"), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; or

(b) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a Benefit Plan Investor; or

(c) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; or

(d) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or

(e) has, and at all times that the Benefit Plan Investor is invested in the Offered Certificates will have, total assets of at least U.S. \$50,000,000 under its management or control (provided that this clause (e) shall not be satisfied if the Plan Fiduciary is either (i) the owner or a relative of the owner of an investing individual retirement account or (ii) a participant or beneficiary of the Benefit Plan Investor investing in or holding the Offered Certificates in such capacity);

(3) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of the Offered Certificates;

(4) the Plan Fiduciary is a "fiduciary" within the meaning of Section 3(21) of ERISA and Section 4975 of the Code and is responsible for exercising independent judgment in evaluating the Benefit Plan Investor's acquisition of the Offered Certificates;

(5) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Offered Certificates or to negotiate the terms of the Benefit Plan Investor's investment in the Offered Certificates; and

(6) the Plan Fiduciary acknowledges and agrees that it has been informed by the Transaction Parties:

(a) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the Benefit Plan Investor's acquisition of the Offered Certificates; and

(b) of the existence and nature of the Transaction Parties' financial interests in the Benefit Plan Investor's acquisition of the Offered Certificates.

None of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of any Offered Certificates by any Benefit Plan Investor.

These representations and statements are intended to comply with the Department of Labor regulations at 29 C.F.R. Sections 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these sections of the Fiduciary Rule are revoked, repealed or no longer effective, these representations and statements shall be deemed to be no longer in effect.

DISTRIBUTION ARRANGEMENTS

We will offer the Offered Certificates to or through the Underwriters under the terms and conditions set forth in the underwriting agreement, dated on or before the Closing Date (as amended, supplemented or replaced from time to time, the "**Underwriting Agreement**"), between us and Credit Suisse Securities (USA) LLC ("**Credit Suisse**"), under which Credit Suisse is acting for itself and as representative of Citigroup Global Markets Inc. ("**Citigroup**"), in its capacity as an underwriter, Wells Fargo Securities, LLC ("**Wells Fargo Securities**"), in its capacity as an underwriter, and Loop Capital Markets LLC ("**Loop Capital**") in its capacity as a selling group member. Credit Suisse, Citigroup, Wells Fargo Securities and Loop Capital are collectively referred to as the "**Underwriters**".

The Underwriters will be acting as Freddie Mac's agents in the placing of the Offered Certificates and the Underwriters' responsibility in this regard is limited to a "commercially reasonable best efforts" basis in placing the Offered Certificates with no understanding, express or implied, on the Underwriters' part of a commitment to purchase or place the Offered Certificates. Freddie Mac will sell the Offered Certificates to each purchaser through the Underwriters as agents and the Underwriters will have no ownership interest in or title to the Offered Certificates prior to the purchase thereof by the purchasers and, in the event any such purchase is not consummated for any reason by a purchaser, will have no obligation to purchase any related Offered Certificates from Freddie Mac for their own accounts; *provided, however*, that the Underwriters will have the right, but will not be obligated, to purchase Offered Certificates as principals for their own accounts or to facilitate the sale of any Offered Certificates to a purchaser by acting as initial purchaser. The Underwriting Agreement entitles the Underwriters or us to terminate such sale in certain circumstances before payment for the Offered Certificates is made to us. Except under certain circumstances, any Underwriter may sell the Offered Certificates it has purchased as principal to other dealers at a concession, in the form of a discount that other Underwriters receive. The concession may be all or a portion of the underwriting compensation. For a description of potential conflicts that exist among the parties involved in this transaction, see "*Risk Factors — Investment Factors and Risks Related to the Certificates — There May be Limited Liquidity of the Certificates, Which May Limit Investors' Ability to Sell the Certificates*".

The Underwriting Agreement provides that Freddie Mac will be required to indemnify the Underwriters against certain civil liabilities under the Securities Act or contribute to payments to be made in respect of such liabilities.

The Underwriters may make a secondary market in the Certificates, but are not obligated to do so. There can be no assurance that a secondary market for the Certificates will develop or, if it does develop, that it will continue.

On the Closing Date, Freddie Mac, as sponsor of the securitization in which the Certificates are to be issued, will not retain credit risk pursuant to the provisions of the Risk Retention Rule governing residential single family securitizations because FHFA, as conservator and in furtherance of the goals of the conservatorship, has exercised its authority under Section 1234.12(f)(3) of the Risk Retention Rule to direct Freddie Mac to sell or otherwise hedge the credit risk that Freddie Mac otherwise would be required to retain under the Risk Retention Rule and has instructed Freddie Mac to take such action necessary to effect this outcome.

Price Stabilization

In connection with this offering, the Underwriters, acting directly or through affiliates, may engage in transactions that stabilize, maintain or otherwise affect the market price of the Offered Certificates. Such transactions may include stabilizing transactions pursuant to which the Underwriters, acting directly or through affiliates, may bid for or purchase Offered Certificates in the open market or otherwise for the purpose of stabilizing the market price of the Offered Certificates. An Underwriter, acting directly or through affiliates, may also create a short position for its account by selling more Offered Certificates in connection with the offering than it is committed to purchase from Freddie Mac, and in such case may purchase Offered Certificates in the open market following completion of the offering to cover all or a portion of such short position. Any of the transactions described in this paragraph may result in the maintenance of the price of the Offered Certificates at a level above that which might otherwise prevail in the open market. None of the transactions described in this paragraph is required, and if any are undertaken, they may be discontinued at any time.

The Underwriters and their respective affiliates may engage in transactions with, or perform services for, the Issuer and their respective affiliates in the ordinary course of business.

Delivery and Settlement

It is expected that delivery of the Offered Certificates to investors will be made in book-entry form through the Same-Day Funds Settlement System of DTC, which may include delivery through Clearstream and Euroclear on or about the Closing Date, against payment therefor in immediately available funds. See *“Description of the Certificates — Form, Registration and Transfer of the Certificates”*.

Limited Liquidity

There currently is no secondary market for the Offered Certificates, and there can be no assurance that such a market will develop or, if it does develop, that it will continue or will provide investors with a sufficient level of liquidity of investment. The Underwriters will have no obligation to make a market in the Offered Certificates. Even if an Underwriter engages in market-making activities with respect to the Offered Certificates, it may discontinue or limit such activities at any time. In addition, the liquidity of the Offered Certificates may be affected by present uncertainties and future unfavorable developments concerning legal investment. Consequently, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Offered Certificates for an indefinite period of time. See *“Risk Factors — Investment Factors and Risks Related to the Certificates — There May be Limited Liquidity of the Certificates, Which May Limit Investors’ Ability to Sell the Certificates”*.

Selling Restrictions

The Offered Certificates may be offered and sold outside of the United States, within the United States or simultaneously outside of and within the United States, only where it is legal to make such offers and sales.

Notice to Canadian Investors

The Offered Certificates may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offered Certificates must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

RATINGS

It is a condition to the issuance of the Certificates that the Class M-1 and Class M-2 Certificates receive from the Rating Agencies the ratings identified for such Classes of Certificates on page 6 of this Offering Circular. The Senior Certificates, Mortgage Insurance Certificate, Class B Certificates, Class A-IO Certificates, Class B-IO Certificates, Class XS-IO Certificates and Residual Certificates will not be rated by the Rating Agencies. The ratings assigned to the Rated Certificates will be subject to ongoing monitoring, upgrades, downgrades, withdrawals and surveillance by the Rating Agencies after the date of issuance of such Certificates.

With regard to DBRS, each rating addresses the likelihood of (i) the ultimate payment of principal and (ii) in the case of Rated Certificates rated in the highest or second highest rating category by DBRS, the timely payment of interest and in the case of all other Certificates rated by DBRS, the ultimate payment of interest, in each case on the Class of Rated Certificates to which the related Certificateholders are entitled. With regard to Moody's, the ratings address the expected loss to investors by the legal final maturity. The ratings of the Rated Certificates should be evaluated independently from similar ratings on other types of securities. The ratings are not a recommendation to buy, sell or hold the Rated Certificates and may be subject to revision or withdrawal at any time by the Rating Agencies.

In addition, the ratings do not address: (i) the likelihood, timing, or frequency of prepayments (both voluntary and involuntary) on the Mortgage Loans and their impact on interest payments or the degree to which such prepayments might differ from those originally anticipated, (ii) the possibility that a Certificateholder might suffer a lower than anticipated yield, (iii) the tax treatment of the Rated Certificates or the effect of taxes on the payments received, (iv) the likelihood or willingness of the parties to the respective agreements to meet their contractual obligations or the likelihood or willingness of any party or court to enforce, or hold enforceable, the agreements in whole or in part, (v) an assessment of the yield to maturity that investors may experience, or (vi) other non-credit risks, including, without limitation, market risks or liquidity.

The ratings take into consideration certain credit risks with respect to the Mortgage Loans. However, as noted above, the ratings do not represent an assessment of the likelihood, timing or frequency of principal prepayments (both voluntary and involuntary) on the Mortgage Loans, or the degree to which such prepayments might differ from those originally anticipated. In general, the ratings address credit risk and not prepayment risk. In addition, the ratings do not represent an assessment of the yield to maturity that investors may experience in the event of Realized Losses or rapid prepayments on the Mortgage Loans (including both voluntary and involuntary prepayments).

Other NRSROs that we have not engaged to rate the Rated Certificates may issue unsolicited credit ratings or provide commentary on one or more Classes of the Certificates, relying on information they receive pursuant to Rule 17g-5 or otherwise. If any such unsolicited ratings are issued, we cannot assure you that they will not be different from the ratings assigned by the Rating Agencies, and if lower than a Rating Agency's ratings, whether such unsolicited ratings will have an adverse impact on the liquidity, market value and regulatory characteristics of such Certificates. Further, a determination by the SEC that one or both of the Rating Agencies no longer qualify as NRSROs or are no longer qualified to rate the Rated Certificates, could adversely affect the liquidity, market value and regulatory characteristics of the Rated Certificates. See "*Risk Factors — Investment Factors and Risks Related to the Certificates*".

LEGAL MATTERS

Freddie Mac's General Counsel or one of its Deputy General Counsels will render an opinion on the legality of the Offered Certificates. Certain tax matters with respect to the Offered Certificates will be passed upon for the Issuer by Shearman & Sterling LLP.

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SCHEDULE I

**AVAILABLE COMBINATIONS OF EXCHANGEABLE CERTIFICATES
AND MACR CERTIFICATES**

Combination	Class of Exchangeable Certificates	Initial Class Principal Amount (1)	Exchange Proportions	CUSIP Number	Class of MACR Certificates	Maximum Initial Class Principal Amount (1)	Class Coupon	Exchange Proportions	CUSIP Number
1	{ MA	\$594,346,000	75.0000315473%	35563PBC2	MT	\$ 792,461,000	3.000%	100%	35563PBB4
	{ MB	\$198,115,000	24.9999684527%	35563PBD0					
2	{ HA	\$946,110,000	75.0%	35563PBF5	HT	\$1,261,480,000	(2)	100%	35563PBE8
	{ HB	\$315,370,000	25.0%	35563PBG3					

- (1) Exchangeable Certificates and MACR Certificates in any combination shown above may be exchanged only in the proportion that the maximum *initial* Class Principal Amounts of such Certificates bear to one another as shown above.
- (2) The Class Coupon of the Class HT Certificates will be a per annum rate equal to 2.000% for the Distribution Dates occurring in August 2017 through January 2018, 2.250% for the Distribution Dates occurring in February 2018 through July 2018, 2.500% for the Distribution Dates occurring in August 2018 through January 2019, 2.750% for the Distribution Dates occurring in February 2019 through July 2019 and 3.000% beginning on the Distribution Date occurring in August 2019 and thereafter.

Appendix A

The Mortgage Pool as of the Cut-Off Date

Loan Type of Mortgage Loans

Loan Type	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Fixed-Rate	2,988	666,784,715	26.94	223,154	138,085,851	4.279	477	439	659	106
Step-Rate	6,951	1,807,844,533	73.06	260,084	349,972,176	3.246	473	407	690	87
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Type of Mortgage Loans — Group M

Loan Type	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Fixed-Rate	2,988	666,784,715	69.84	223,154	138,085,851	4.279	477	439	659	106
Step-Rate	1,172	287,988,225	30.16	245,724	71,683,323	4.918	474	387	705	85
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Type of Mortgage Loans — Group H

Loan Type	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Step-Rate	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Unpaid Principal Balance of Mortgage Loans

Range of Unpaid Principal Balances (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0.01 to 50,000.00	30	1,266,201	0.05	42,207	268,327	3.820	469	421	669	76
50,000.01 to 100,000.00	501	41,197,894	1.66	82,231	7,607,085	3.804	468	416	662	88
100,000.01 to 150,000.00	1,334	169,059,676	6.83	126,731	31,471,399	3.702	466	411	669	92
150,000.01 to 200,000.00	1,711	299,195,695	12.09	174,866	54,558,485	3.680	470	413	676	93
200,000.01 to 250,000.00	1,729	387,906,988	15.68	224,353	72,938,308	3.642	472	413	678	92
250,000.01 to 300,000.00	1,572	431,682,564	17.44	274,607	84,987,998	3.606	475	414	681	92
300,000.01 to 350,000.00	1,278	413,854,138	16.72	323,830	83,187,129	3.582	476	414	688	91
350,000.01 to 400,000.00	993	370,208,555	14.96	372,818	76,426,551	3.492	477	415	687	89
400,000.01 to 450,000.00	480	202,261,424	8.17	421,378	42,278,070	2.996	476	421	683	93
450,000.01 to 500,000.00	182	85,908,853	3.47	472,027	19,296,521	3.000	478	430	688	98
Greater than or equal to 500,000.01	129	72,087,260	2.91	558,816	15,038,154	2.913	477	436	678	103
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Unpaid Principal Balance of Mortgage Loans — Group M

Range of Unpaid Principal Balances (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0.01 to 50,000.00	20	816,957	0.09	40,848	174,213	4.388	462	418	666	87
50,000.01 to 100,000.00	289	23,572,078	2.47	81,564	4,966,987	4.419	472	427	656	97
100,000.01 to 150,000.00	693	87,692,045	9.18	126,540	18,158,583	4.409	470	420	662	98
150,000.01 to 200,000.00	811	141,569,510	14.83	174,562	29,935,495	4.441	476	424	667	99
200,000.01 to 250,000.00	741	166,083,517	17.40	224,134	34,935,602	4.483	475	421	671	99
250,000.01 to 300,000.00	616	169,123,891	17.71	274,552	36,902,046	4.486	476	422	672	99
300,000.01 to 350,000.00	447	144,399,563	15.12	323,042	32,657,096	4.519	476	419	680	99
350,000.01 to 400,000.00	329	122,178,366	12.80	371,363	28,571,023	4.545	479	420	682	96
400,000.01 to 450,000.00	108	45,580,807	4.77	422,045	10,569,443	4.374	478	431	682	104
450,000.01 to 500,000.00	61	28,931,959	3.03	474,294	7,010,097	4.319	480	441	672	117
Greater than or equal to 500,000.01	45	24,824,245	2.60	551,650	5,888,589	4.191	480	450	658	124
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Unpaid Principal Balance of Mortgage Loans — Group H

Range of Unpaid Principal Balances (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0.01 to 50,000.00	10	449,243	0.03	44,924	94,115	2.790	480	427	675	56
50,000.01 to 100,000.00	212	17,625,816	1.16	83,141	2,640,098	3.041	463	402	669	76
100,000.01 to 150,000.00	641	81,367,631	5.35	126,939	13,312,817	2.980	463	401	677	86
150,000.01 to 200,000.00	900	157,626,185	10.37	175,140	24,622,990	3.041	465	403	684	88
200,000.01 to 250,000.00	988	221,823,472	14.60	224,518	38,002,706	3.043	470	406	684	87
250,000.01 to 300,000.00	956	262,558,672	17.28	274,643	48,085,952	3.063	474	410	686	87
300,000.01 to 350,000.00	831	269,454,575	17.73	324,253	50,530,033	3.104	476	412	693	86
350,000.01 to 400,000.00	664	248,030,189	16.32	373,539	47,855,528	2.999	475	413	690	86
400,000.01 to 450,000.00	372	156,680,617	10.31	421,184	31,708,627	2.611	475	418	684	90
450,000.01 to 500,000.00	121	56,976,894	3.75	470,883	12,286,624	2.353	477	425	696	89
Greater than or equal to 500,000.01	84	47,263,014	3.11	562,655	9,149,565	2.278	476	428	689	92
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Initial Principal Forbearance Amount of Mortgage Loans

Range of Initial Principal Forbearance Amounts (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
None	967	215,357,603	8.70	222,707	0	3.385	409	362	668	109
0.01 to 50,000.00	4,795	974,419,203	39.38	203,216	122,225,755	3.474	480	421	679	86
50,000.01 to 100,000.00	3,001	838,003,952	33.86	279,242	212,665,836	3.583	480	421	682	92
100,000.01 to 150,000.00	935	342,824,627	13.85	366,657	110,684,492	3.589	480	420	689	97
150,000.01 to 200,000.00	207	89,306,058	3.61	431,430	34,811,227	3.672	480	417	691	102
200,000.01 to 250,000.00	30	12,937,422	0.52	431,247	6,635,339	4.357	480	402	713	98
250,000.01 to 300,000.00	4	1,780,382	0.07	445,095	1,035,378	5.000	480	393	702	77
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Initial Principal Forbearance Amount of Mortgage Loans — Group M

Range of Initial Principal Forbearance Amounts (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
None	426	93,407,019	9.78	219,265	0	4.342	439	399	651	107
0.01 to 50,000.00	1,934	342,133,371	35.83	176,905	52,637,117	4.491	480	427	670	92
50,000.01 to 100,000.00	1,311	337,328,551	35.33	257,306	92,394,757	4.459	480	427	672	101
100,000.01 to 150,000.00	377	135,168,369	14.16	358,537	44,504,985	4.478	480	424	687	108
150,000.01 to 200,000.00	90	37,845,961	3.96	420,511	15,190,065	4.576	480	418	687	108
200,000.01 to 250,000.00	19	7,612,866	0.80	400,677	4,262,522	4.811	480	400	716	99
250,000.01 to 300,000.00	3	1,276,802	0.13	425,601	779,727	5.000	480	394	727	80
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Initial Principal Forbearance Amount of Mortgage Loans — Group H

Range of Initial Principal Forbearance Amounts (\$)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
None	541	121,950,584	8.02	225,417	0	2.651	386	333	681	110
0.01 to 50,000.00	2,861	632,285,833	41.60	221,002	69,588,638	2.951	480	418	685	82
50,000.01 to 100,000.00	1,690	500,675,401	32.94	296,258	120,271,079	3.018	480	417	688	86
100,000.01 to 150,000.00	558	207,656,258	13.66	372,144	66,179,507	3.020	480	416	691	89
150,000.01 to 200,000.00	117	51,460,097	3.39	439,830	19,621,162	3.029	480	416	695	97
200,000.01 to 250,000.00	11	5,324,556	0.35	484,051	2,372,817	3.842	480	405	709	97
250,000.01 to 300,000.00	1	503,579	0.03	503,579	255,650	5.000	480	392	639	70
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

AVM Current Loan-to-Value of Mortgage Loans

Range of AVM Current Loan-to-Value (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 50	235	44,175,359	1.79	187,980	7,501,778	3.085	480	421	683	43
51 to 60	474	109,945,881	4.44	231,953	19,611,017	3.360	480	415	687	56
61 to 70	1,068	268,898,856	10.87	251,778	51,323,526	3.422	480	414	694	66
71 to 80	1,630	419,163,365	16.94	257,155	83,029,990	3.561	480	414	690	76
81 to 90	1,728	438,203,876	17.71	253,590	91,234,733	3.517	479	416	687	85
91 to 100	1,625	404,812,019	16.36	249,115	77,507,145	3.568	468	411	678	95
101 to 110	1,319	319,474,725	12.91	242,210	55,419,828	3.555	465	412	673	105
111 to 120	787	197,502,884	7.98	250,957	39,348,267	3.554	468	417	671	115
121 to 130	448	114,136,938	4.61	254,770	24,931,990	3.553	471	425	669	125
131 to 140	274	68,253,896	2.76	249,102	14,957,496	3.574	468	424	662	135
141 to 150	140	36,511,979	1.48	260,800	8,925,143	3.464	469	427	672	145
Greater than or equal to 151	211	53,549,469	2.16	253,789	14,267,113	3.678	472	435	655	170
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

AVM Current Loan-to-Value of Mortgage Loans — Group M

Range of AVM Current Loan-to-Value (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 50	52	8,317,512	0.87	159,952	1,908,046	4.811	480	403	696	44
51 to 60	123	25,255,647	2.65	205,330	4,982,212	4.838	479	402	696	57
61 to 70	278	62,077,201	6.50	223,299	13,332,294	4.693	479	410	697	66
71 to 80	522	120,500,105	12.62	230,843	26,415,277	4.652	480	412	690	76
81 to 90	649	144,129,861	15.10	222,080	33,442,815	4.519	479	418	682	85
91 to 100	753	172,918,991	18.11	229,640	34,845,613	4.443	473	421	670	96
101 to 110	683	154,042,443	16.13	225,538	29,119,887	4.375	470	425	662	105
111 to 120	417	99,016,504	10.37	237,450	21,643,051	4.345	476	433	662	115
121 to 130	177	63,923,175	6.70	248,728	15,046,579	4.322	477	437	661	125
131 to 140	257	43,599,726	4.57	246,326	11,051,654	4.304	474	434	656	135
141 to 150	92	22,342,764	2.34	242,856	6,477,054	4.230	475	439	660	145
Greater than or equal to 151	157	38,649,011	4.05	246,172	11,504,693	4.267	479	446	647	170
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

AVM Current Loan-to-Value of Mortgage Loans — Group H

Range of AVM Current Loan-to-Value (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 50	183	35,857,847	2.36	195,945	5,593,732	2.719	480	425	680	43
51 to 60	351	84,690,234	5.57	241,283	14,628,805	2.932	480	419	684	56
61 to 70	790	206,821,655	13.61	261,800	37,991,233	3.055	480	416	693	66
71 to 80	1,108	298,663,260	19.65	269,552	56,614,714	3.136	480	414	690	76
81 to 90	1,079	294,074,015	19.35	272,543	57,791,918	3.047	479	415	690	85
91 to 100	872	231,893,028	15.26	265,932	42,661,532	2.930	465	404	685	95
101 to 110	636	165,432,282	10.88	260,114	26,299,941	2.818	460	400	683	105
111 to 120	370	98,486,379	6.48	266,179	17,705,217	2.797	459	401	680	115
121 to 130	191	50,213,764	3.30	262,899	9,885,411	2.621	464	408	678	125
131 to 140	97	24,654,170	1.62	254,167	3,905,842	2.430	457	406	673	135
141 to 150	48	14,169,215	0.93	295,192	2,448,089	2.427	458	409	689	144
Greater than or equal to 151	54	14,900,458	0.98	275,934	2,762,420	2.361	456	405	678	170
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Mortgage Rate of Mortgage Loans

Range of Current Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 2.500	2,277	615,438,253	24.87	270,285	97,246,863	2.003	470	424	677	90
2.501 to 3.000	1,668	448,086,365	18.11	268,637	85,297,013	2.998	474	409	689	87
3.001 to 3.500	39	7,552,981	0.31	193,666	0	3.319	353	300	668	107
3.501 to 4.000	2,571	613,345,550	24.79	238,563	124,255,552	3.992	477	419	676	94
4.001 to 4.500	601	140,938,253	5.70	234,506	25,406,416	4.283	471	436	659	111
4.501 to 5.000	2,748	643,530,990	26.01	234,182	155,829,363	4.847	478	406	691	91
5.001 to 5.500	17	3,168,139	0.13	186,361	22,821	5.312	364	293	668	103
5.501 to 6.000	10	1,507,755	0.06	150,776	0	5.768	375	319	695	107
6.001 to 6.500	3	356,461	0.01	118,820	0	6.277	424	377	702	116
6.501 to 7.000	2	324,156	0.01	162,078	0	6.830	311	238	606	88
7.001 to 7.500	2	294,119	0.01	147,059	0	7.179	439	385	621	91
7.501 to 8.000	1	86,226	0.00	86,226	0	7.625	324	241	696	146
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Mortgage Rate of Mortgage Loans — Group M

Range of Current Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 2.500	46	7,764,819	0.81	168,800	1,847,921	2.000	477	458	671	100
3.001 to 3.500	4	718,619	0.08	179,655	0	3.475	324	271	664	113
3.501 to 4.000	1,264	289,094,397	30.28	228,714	59,533,944	3.986	478	441	654	106
4.001 to 4.500	596	139,881,023	14.65	234,700	25,406,416	4.283	471	437	659	111
4.501 to 5.000	2,216	511,830,564	53.61	230,970	122,980,892	4.822	477	410	687	93
5.001 to 5.500	16	2,914,801	0.31	182,175	0	5.317	354	286	656	104
5.501 to 6.000	10	1,507,755	0.16	150,776	0	5.768	375	319	695	107
6.001 to 6.500	3	356,461	0.04	118,820	0	6.277	424	377	702	116
6.501 to 7.000	2	324,156	0.03	162,078	0	6.830	311	238	606	88
7.001 to 7.500	2	294,119	0.03	147,059	0	7.179	439	385	621	91
7.501 to 8.000	1	86,226	0.01	86,226	0	7.625	324	241	696	146
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Mortgage Rate of Mortgage Loans — Group H

Range of Current Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 2.500	2,231	607,673,434	39.98	272,377	95,398,941	2.003	470	424	677	90
2.501 to 3.000	1,668	448,086,365	29.48	268,637	85,297,013	2.998	474	409	689	87
3.001 to 3.500	35	6,834,362	0.45	195,267	0	3.303	356	303	668	107
3.501 to 4.000	1,307	324,251,152	21.33	248,088	64,721,607	3.996	476	400	696	84
4.001 to 4.500	5	1,057,230	0.07	211,446	0	4.294	360	293	655	113
4.501 to 5.000	532	131,700,426	8.67	247,557	32,848,471	4.947	478	391	705	84
5.001 to 5.500	1	253,338	0.02	253,338	22,821	5.250	480	384	805	91
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Credit Score of the Mortgagors of Mortgage Loans

Range of Current Credit Scores	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Not Available	93	20,439,517	0.83	219,780	3,976,015	3.445	469	412	N/A	91
401 to 450	2	293,650	0.01	146,825	7,600	2.000	413	362	434	106
451 to 500	52	11,497,529	0.46	221,106	2,070,271	3.477	477	432	484	98
501 to 550	276	64,052,612	2.59	232,075	12,376,325	3.562	475	425	530	98
551 to 600	731	168,364,976	6.80	230,321	31,780,120	3.525	475	423	579	96
601 to 650	1,756	408,140,776	16.49	232,426	77,681,385	3.550	473	422	629	97
651 to 700	3,277	822,383,740	33.23	250,956	157,323,263	3.473	473	417	677	92
701 to 750	2,702	715,048,297	28.90	264,637	143,209,001	3.430	474	412	722	90
751 to 800	909	228,855,980	9.25	251,767	50,628,796	3.805	475	404	770	86
801 to 850	141	35,552,170	1.44	252,143	9,005,250	4.388	478	398	809	83
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Credit Score of the Mortgagors of Mortgage Loans — Group M

Range of Current Credit Scores	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Not Available	32	6,541,381	0.69	204,418	1,342,616	4.596	469	412	N/A	98
451 to 500	30	6,301,051	0.66	210,035	1,141,275	4.212	480	442	483	111
501 to 550	146	32,224,008	3.38	220,712	6,152,177	4.297	478	436	530	106
551 to 600	372	79,832,821	8.36	214,604	16,610,512	4.342	478	434	578	105
601 to 650	912	198,250,187	20.76	217,380	41,066,057	4.364	477	433	629	105
651 to 700	1,384	321,354,089	33.66	232,192	68,568,307	4.449	475	424	676	101
701 to 750	888	214,983,169	22.52	242,098	49,826,745	4.535	475	416	721	95
751 to 800	322	75,893,986	7.95	235,696	19,517,981	4.746	476	401	772	89
801 to 850	74	19,392,248	2.03	262,057	5,543,503	4.834	478	395	809	85
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Credit Score of the Mortgagors of Mortgage Loans — Group H

Range of Current Credit Scores	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Not Available	61	13,898,136	0.91	227,838	2,633,398	2.914	469	412	N/A	88
401 to 450	2	293,650	0.02	146,825	7,600	2.000	413	362	434	106
451 to 500	22	5,196,478	0.34	236,204	928,996	2.587	474	421	484	83
501 to 550	130	31,828,604	2.09	244,835	6,224,149	2.813	472	415	530	90
551 to 600	359	88,532,155	5.83	246,608	15,169,608	2.821	472	413	580	88
601 to 650	844	209,890,589	13.81	248,686	36,615,328	2.812	470	412	629	89
651 to 700	1,893	501,029,652	32.97	264,675	88,754,955	2.874	472	412	678	87
701 to 750	1,814	500,065,128	32.90	275,670	93,382,256	2.981	473	410	723	87
751 to 800	587	152,961,994	10.06	260,583	31,110,815	3.370	475	406	769	85
801 to 850	67	16,159,922	1.06	241,193	3,461,748	3.901	479	402	808	81
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Origination of Mortgage Loans

Range of Loan Ages from Origination (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 60	62	12,162,562	0.49	196,170	1,161,799	4.029	480	458	651	99
61 to 72	17	4,053,020	0.16	238,413	423,818	4.292	480	452	658	97
73 to 84	19	4,608,913	0.19	242,574	381,388	4.393	480	443	689	94
85 to 96	35	9,117,704	0.37	260,506	1,409,233	4.146	480	444	690	96
97 to 108	235	59,673,191	2.41	253,928	10,603,092	3.131	477	428	674	83
109 to 120	3,075	781,689,443	31.59	254,208	147,116,380	3.396	473	416	678	92
121 to 132	4,186	1,066,902,104	43.11	254,874	220,371,825	3.645	473	413	683	94
133 to 144	1,776	435,309,074	17.59	245,106	88,885,307	3.514	475	415	686	90
145 to 156	320	68,231,740	2.76	213,224	12,061,065	3.398	478	423	685	84
157 to 168	136	22,791,554	0.92	167,585	3,876,761	2.909	474	419	684	71
Greater than or equal to 169	78	10,089,944	0.41	129,358	1,767,358	3.104	473	423	664	65
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Origination of Mortgage Loans — Group M

Range of Loan Ages from Origination (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 60	62	12,162,562	1.27	196,170	1,161,799	4.029	480	458	651	99
61 to 72	17	4,053,020	0.42	238,413	423,818	4.292	480	452	658	97
73 to 84	19	4,608,913	0.48	242,574	381,388	4.393	480	443	689	94
85 to 96	35	9,117,704	0.95	260,506	1,409,233	4.146	480	444	690	96
97 to 108	85	18,717,817	1.96	220,210	3,610,284	4.322	477	439	657	100
109 to 120	1,208	278,601,517	29.18	230,630	58,604,704	4.420	474	425	664	101
121 to 132	1,854	433,896,442	45.44	234,033	100,763,445	4.509	476	420	675	101
133 to 144	704	162,108,734	16.98	230,268	37,459,531	4.512	477	419	680	95
145 to 156	114	24,095,811	2.52	211,367	4,359,604	4.405	478	430	678	94
157 to 168	32	4,562,209	0.48	142,569	1,026,928	4.491	477	415	693	81
Greater than or equal to 169	30	2,848,209	0.30	94,940	568,440	4.671	470	422	654	71
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Origination of Mortgage Loans — Group H

Range of Loan Ages from Origination (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
97 to 108	150	40,955,373	2.69	273,036	6,992,809	2.601	477	423	681	76
109 to 120	1,867	503,087,926	33.10	269,463	88,511,676	2.853	472	412	685	88
121 to 132	2,332	633,005,662	41.65	271,443	119,608,380	3.085	472	408	688	90
133 to 144	1,072	273,200,339	17.98	254,851	51,425,776	2.954	474	412	689	86
145 to 156	206	44,135,928	2.90	214,252	7,701,461	2.852	478	419	689	79
157 to 168	104	18,229,344	1.20	175,282	2,849,833	2.545	474	419	681	68
Greater than or equal to 169	48	7,241,735	0.48	150,869	1,198,918	2.513	475	424	668	63
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Modification of Mortgage Loans

Range of Loan Ages from Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
1 to 12	7	1,950,464	0.08	278,638	236,422	3.426	480	468	612	111
13 to 24	713	172,813,267	6.98	242,375	25,779,751	3.531	475	456	645	111
25 to 36	760	190,433,234	7.70	250,570	34,354,985	3.481	475	443	657	105
37 to 48	2,045	486,497,159	19.66	237,896	95,464,664	3.238	473	431	668	98
49 to 60	1,801	455,758,407	18.42	253,059	81,568,277	2.713	472	417	680	90
61 to 72	1,774	465,012,389	18.79	262,126	89,201,268	3.153	472	405	689	87
73 to 84	1,295	320,093,126	12.93	247,176	63,776,506	4.095	475	398	696	84
85 to 96	1,544	382,071,201	15.44	247,455	97,676,154	4.959	477	389	706	85
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Modification of Mortgage Loans — Group M

Range of Loan Ages from Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
1 to 12	6	1,486,252	0.16	247,709	100,015	3.763	480	468	597	111
13 to 24	583	136,578,413	14.30	234,268	20,790,576	3.940	479	461	643	117
25 to 36	493	115,870,460	12.14	235,031	23,245,616	4.475	479	449	656	112
37 to 48	1,239	271,418,119	28.43	219,062	62,867,785	4.300	479	437	662	103
49 to 60	585	125,501,558	13.14	214,533	28,904,165	4.352	474	421	669	94
61 to 72	87	17,298,071	1.81	198,828	2,177,694	4.660	405	341	676	101
73 to 84	27	5,411,161	0.57	200,413	0	4.892	358	280	674	105
85 to 96	1,140	281,208,905	29.45	246,674	71,683,323	4.945	477	389	705	85
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Modification of Mortgage Loans — Group H

Range of Loan Ages from Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
1 to 12	1	464,212	0.03	464,212	136,407	2.000	480	468	658	111
13 to 24	130	36,234,854	2.38	278,730	4,989,175	2.019	461	441	655	91
25 to 36	267	74,562,774	4.91	279,261	11,109,369	2.029	467	435	659	95
37 to 48	806	215,079,041	14.15	266,847	32,596,879	2.023	465	422	677	91
49 to 60	1,216	330,256,849	21.73	271,593	52,664,112	2.142	471	416	684	88
61 to 72	1,687	447,714,318	29.46	265,391	87,023,574	3.090	474	407	689	87
73 to 84	1,268	314,681,964	20.70	248,172	63,776,506	4.077	478	400	697	84
85 to 96	404	100,862,296	6.64	249,659	25,992,831	4.997	479	390	708	84
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Original Term since Modification of Mortgage Loans

Range of Original Terms since Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 240	1	63,180	0.00	63,180	0	5.500	213	166	550	55
241 to 270	11	1,902,389	0.08	172,944	0	3.446	262	232	650	103
271 to 300	86	16,631,301	0.67	193,387	32,721	3.040	290	242	666	107
301 to 330	158	30,334,316	1.23	191,989	0	3.678	315	250	687	107
331 to 360	70	14,162,999	0.57	202,329	0	2.668	345	291	680	108
361 to 390	78	17,493,427	0.71	224,275	0	2.724	375	316	691	109
391 to 420	72	17,597,184	0.71	244,405	0	2.808	407	351	679	115
421 to 450	122	30,156,268	1.22	247,183	0	2.808	437	384	676	112
451 to 480	9,341	2,346,288,183	94.81	251,182	488,025,305	3.555	480	421	681	91
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Original Term since Modification of Mortgage Loans — Group M

Range of Original Terms since Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Less than or equal to 240	1	63,180	0.01	63,180	0	5.500	213	166	550	55
241 to 270	6	991,041	0.10	165,174	0	4.424	262	230	682	105
271 to 300	24	4,214,660	0.44	175,611	32,721	4.402	290	234	670	108
301 to 330	75	14,211,950	1.49	189,493	0	4.649	316	243	690	107
331 to 360	7	977,179	0.10	139,597	0	4.891	339	256	698	104
361 to 390	5	1,078,011	0.11	215,602	0	5.000	375	285	706	116
391 to 420	7	1,127,694	0.12	161,099	0	5.244	405	320	697	111
421 to 450	13	2,504,246	0.26	192,634	0	4.529	440	369	638	114
451 to 480	4,022	929,604,979	97.36	231,130	209,736,452	4.458	480	427	672	99
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Original Term since Modification of Mortgage Loans — Group H

Range of Original Terms since Modifications (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
241 to 270	5	911,348	0.06	182,270	0	2.383	261	233	620	101
271 to 300	62	12,416,641	0.82	200,268	0	2.582	289	245	665	107
301 to 330	83	16,122,367	1.06	194,245	0	2.821	314	257	684	108
331 to 360	63	13,185,820	0.87	209,299	0	2.503	345	294	679	108
361 to 390	73	16,415,416	1.08	224,869	0	2.575	375	318	690	108
391 to 420	65	16,469,490	1.08	253,377	0	2.641	408	354	678	115
421 to 450	109	27,652,022	1.82	253,688	0	2.652	437	386	679	112
451 to 480	5,319	1,416,683,204	93.21	266,344	278,288,853	2.984	480	417	687	86
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Remaining Term to Maturity of Mortgage Loans

Range of Remaining Terms (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
121 to 180	1	63,180	0.00	63,180	0	5.500	213	166	550	55
181 to 240	97	17,215,012	0.70	177,474	0	4.050	297	234	673	107
241 to 300	225	44,490,498	1.80	197,736	32,721	3.159	320	263	683	107
301 to 360	151	35,284,324	1.43	233,671	0	2.793	389	331	682	111
361 to 372	35	8,727,651	0.35	249,361	0	3.322	434	366	692	112
373 to 384	51	12,623,407	0.51	247,518	22,821	3.350	442	379	673	110
385 to 396	1,646	410,461,281	16.59	249,369	104,531,793	4.867	479	392	705	84
397 to 408	1,287	321,571,356	12.99	249,861	64,721,607	3.937	479	404	696	84
409 to 420	1,636	439,829,017	17.77	268,844	89,118,967	3.059	480	415	687	86
421 to 432	1,686	427,251,886	17.27	253,412	84,098,160	2.670	480	427	679	89
433 to 444	1,822	438,000,738	17.70	240,396	90,901,289	3.371	480	438	667	98
445 to 456	669	165,089,808	6.67	246,771	30,827,259	3.627	480	450	655	105
457 to 468	632	153,631,536	6.21	243,088	23,781,770	3.591	480	462	645	112
469 to 480	1	389,551	0.02	389,551	21,638	3.875	480	469	548	112
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	688	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Remaining Term to Maturity of Mortgage Loans — Group M

Range of Remaining Terms (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
121 to 180	1	63,180	0.01	63,180	0	5.500	213	166	550	55
181 to 240	53	9,656,707	1.01	182,202	0	4.755	303	233	686	107
241 to 300	64	11,816,134	1.24	184,627	32,721	4.508	320	252	687	107
301 to 360	12	2,085,001	0.22	173,750	0	5.110	423	335	678	108
361 to 372	6	1,344,303	0.14	224,051	0	4.837	448	363	690	104
373 to 384	14	3,153,518	0.33	225,251	0	4.567	455	380	635	118
385 to 396	1,095	272,842,247	28.58	249,171	71,683,323	4.939	480	392	706	84
397 to 408	3	434,888	0.05	144,963	0	4.122	443	403	664	114
409 to 420	78	16,476,638	1.73	211,239	3,821,954	4.967	480	419	676	90
421 to 432	623	134,044,356	14.04	215,159	32,807,595	4.271	480	428	667	95
433 to 444	1,197	263,895,385	27.64	220,464	60,504,777	4.340	480	439	662	104
445 to 456	474	112,079,561	11.74	236,455	21,725,810	4.417	480	450	655	113
457 to 468	539	126,491,270	13.25	234,678	19,171,356	3.925	480	462	643	117
469 to 480	1	389,551	0.04	389,551	21,638	3.875	480	469	548	112
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Remaining Term to Maturity of Mortgage Loans — Group H

Range of Remaining Terms (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
181 to 240	44	7,558,305	0.50	171,780	0	3.151	290	234	657	107
241 to 300	161	32,674,364	2.15	202,946	0	2.672	320	267	682	106
301 to 360	139	33,199,323	2.18	238,844	0	2.648	387	331	682	111
361 to 372	29	7,383,347	0.49	254,598	0	3.047	431	367	693	113
373 to 384	37	9,469,889	0.62	255,943	22,821	2.944	438	378	686	107
385 to 396	551	137,619,035	9.05	249,762	32,848,471	4.727	477	393	705	85
397 to 408	1,284	321,136,468	21.13	250,106	64,721,607	3.936	479	404	696	84
409 to 420	1,558	423,352,379	27.85	271,728	85,297,013	2.988	480	414	688	86
421 to 432	1,063	293,207,531	19.29	275,830	51,290,566	2.000	480	426	684	87
433 to 444	625	174,105,152	11.46	278,568	30,396,512	2.001	480	438	676	89
445 to 456	195	53,010,248	3.49	271,847	9,101,449	2.000	480	450	657	88
457 to 468	93	27,140,267	1.79	291,831	4,610,414	2.000	480	461	654	88
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Modification Flag of the Mortgage Loans

Modification Flag	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Yes	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Modification Flag of the Mortgage Loans — Group M

Modification Flag	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Yes	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Modification Flag of the Mortgage Loans — Group H

Modification Flag	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Yes	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Occupancy Type at Origination of Mortgage Loans

Occupancy Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Principal Residence	9,583	2,398,710,019	96.93	250,309	473,171,913	3.515	474	415	682	92
Investment Property	209	43,230,424	1.75	206,844	8,787,788	3.738	477	432	671	96
Second Home	147	32,688,804	1.32	222,373	6,098,326	3.655	470	421	675	96
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Occupancy Type at Origination of Mortgage Loans — Group M

Occupancy Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Principal Residence	3,918	906,950,582	94.99	231,483	199,241,386	4.472	476	422	673	100
Investment Property	156	28,952,460	3.03	185,593	6,559,559	4.273	480	441	658	102
Second Home	86	18,869,897	1.98	219,417	3,968,229	4.375	473	430	673	103
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Occupancy Type at Origination of Mortgage Loans — Group H

Occupancy Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Principal Residence	5,665	1,491,759,437	98.15	263,329	273,930,527	2.959	473	411	687	87
Investment Property	53	14,277,964	0.94	269,396	2,228,229	2.743	470	412	697	84
Second Home	61	13,818,907	0.91	226,539	2,130,097	2.737	466	409	676	87
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Purpose at Origination of Mortgage Loans

Loan Purpose at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Cash-out Refinance	3,927	984,370,423	39.78	250,667	193,727,429	3.466	475	418	676	90
Purchase	3,614	878,460,358	35.50	243,071	174,813,734	3.607	473	412	685	93
No Cash-out Refinance	2,398	611,798,466	24.72	255,129	119,516,864	3.486	474	417	685	93
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Purpose at Origination of Mortgage Loans — Group M

Loan Purpose at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Cash-out Refinance	1,588	364,259,592	38.15	229,383	79,785,817	4.452	476	425	665	100
Purchase	1,578	357,577,146	37.45	226,601	80,650,433	4.517	475	418	678	99
No Cash-out Refinance	994	232,936,202	24.40	234,342	49,332,923	4.405	476	428	675	101
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Purpose at Origination of Mortgage Loans — Group H

Loan Purpose at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Cash-out Refinance	2,339	620,110,831	40.80	265,118	113,941,612	2.912	474	413	682	85
Purchase	2,036	520,883,212	34.27	255,837	94,163,301	3.016	471	409	690	90
No Cash-out Refinance	1,404	378,862,264	24.93	269,845	70,183,941	2.939	472	410	691	88
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Property Type at Origination of Mortgaged Loans

Property Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Single Family	7,563	1,926,775,737	77.86	254,763	379,392,402	3.474	474	416	681	92
Planned Unit Development	1,375	342,527,238	13.84	249,111	67,881,736	3.719	475	416	681	93
Condominium	946	197,907,782	8.00	209,205	39,397,535	3.618	469	412	687	96
Manufactured Housing	51	6,720,103	0.27	131,767	1,328,735	3.984	467	422	670	79
Leasehold	4	698,387	0.03	174,597	57,618	3.992	423	385	646	126
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Property Type at Origination of Mortgaged Loans — Group M

Property Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Single Family	3,016	700,439,746	73.36	232,241	154,015,571	4.465	476	423	671	99
Planned Unit Development	651	160,908,433	16.85	247,171	34,616,358	4.487	477	421	675	99
Condominium	451	87,975,939	9.21	195,069	19,963,121	4.420	475	424	680	103
Manufactured Housing	39	4,888,977	0.51	125,358	1,126,005	4.471	469	428	664	81
Leasehold	3	559,844	0.06	186,615	48,118	4.494	409	375	627	135
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Property Type at Origination of Mortgaged Loans — Group H

Property Type at Origination	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%) [*]	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Single Family	4,547	1,226,335,992	80.69	269,702	225,376,831	2.933	473	411	686	87
Planned Unit Development	724	181,618,805	11.95	250,855	33,265,378	3.066	474	411	687	87
Condominium	495	109,931,842	7.23	222,085	19,434,414	3.015	465	402	693	91
Manufactured Housing	12	1,831,126	0.12	152,594	202,730	2.859	460	405	686	76
Leasehold	1	138,544	0.01	138,544	9,500	2.000	480	428	722	87
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Judicial Foreclosure State of Mortgage Loans

Judicial Foreclosure State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
No	5,619	1,454,880,061	58.79	258,922	291,469,198	3.610	476	414	686	86
Yes	4,320	1,019,749,186	41.21	236,053	196,588,829	3.394	471	418	674	100
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Judicial Foreclosure State of Mortgage Loans — Group M

Judicial Foreclosure State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
No	2,277	538,553,681	56.41	236,519	120,309,655	4.543	477	419	679	93
Yes	1,883	416,219,258	43.59	221,040	189,459,519	4.364	474	429	664	108
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Judicial Foreclosure State of Mortgage Loans — Group H

Judicial Foreclosure State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
No	3,342	916,326,380	60.29	274,185	171,159,543	3.086	475	411	691	82
Yes	2,437	603,529,928	39.71	247,653	107,129,311	2.757	468	410	681	95
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Geographic Concentration of the Mortgage Properties (State)

State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
California	2,529	770,016,488	31.12	304,475	163,057,473	3.571	478	412	694	83
Florida	1,718	361,304,861	14.60	210,306	77,180,280	3.502	472	416	676	99
Illinois	795	174,560,423	7.05	219,573	33,469,866	3.347	469	413	680	104
New Jersey	553	163,274,247	6.60	295,252	30,077,904	3.534	467	421	669	112
New York	459	159,456,734	6.44	347,400	29,951,525	3.009	475	421	681	90
Maryland	408	110,948,137	4.48	271,932	18,923,349	3.513	469	413	672	102
Nevada	445	105,991,547	4.28	238,183	22,634,433	3.836	473	417	691	102
Arizona	401	80,198,603	3.24	199,997	15,803,227	3.981	474	407	685	92
Washington	252	71,023,224	2.87	281,838	13,402,061	3.335	479	423	688	76
Georgia	336	54,279,713	2.19	161,547	10,014,771	3.690	469	415	656	91
Massachusetts	190	49,080,857	1.98	258,320	8,854,819	3.429	479	427	668	83
Virginia	167	44,001,706	1.78	263,483	8,414,905	3.752	476	415	672	92
Connecticut	164	41,255,826	1.67	251,560	6,614,722	3.305	465	417	668	108
Pennsylvania	169	33,736,071	1.36	199,622	5,086,234	3.438	468	421	657	100
Oregon	91	23,775,074	0.96	261,265	4,861,931	3.556	480	422	689	75
Other	1,262	231,725,735	9.36	183,618	39,710,525	3.609	475	419	668	86
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Geographic Concentration of the Mortgage Properties (State) — Group M

State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
California	818	229,769,779	24.07	280,892	55,850,157	4.641	479	413	691	88
Florida	763	152,993,677	16.02	200,516	38,105,716	4.445	475	426	665	106
New Jersey	296	88,178,652	9.24	297,901	17,725,746	4.319	474	435	662	120
Illinois	320	64,218,366	6.73	200,676	13,895,095	4.209	474	427	670	106
Nevada	259	60,592,577	6.35	233,948	14,844,960	4.458	477	426	685	106
Maryland	173	46,700,421	4.89	269,945	8,921,159	4.402	473	422	654	110
Arizona	194	37,525,271	3.93	193,429	8,240,136	4.595	476	413	677	95
New York	114	36,877,716	3.86	323,489	7,819,075	4.395	474	424	679	103
Georgia	184	29,009,109	3.04	157,658	6,397,379	4.399	470	422	644	95
Washington	85	23,320,110	2.44	274,354	4,826,270	4.480	480	427	683	82
Massachusetts	89	22,659,389	2.37	254,600	4,327,044	4.414	480	431	665	90
Virginia	74	18,996,102	1.99	256,704	3,681,895	4.561	477	417	658	96
Connecticut	70	16,846,088	1.76	240,658	2,902,611	4.355	473	433	663	117
Pennsylvania	84	16,089,609	1.69	191,543	2,379,486	4.297	471	431	641	109
Michigan	98	12,096,776	1.27	123,436	2,912,638	4.541	476	424	675	100
Other	539	98,901,297	10.36	183,490	16,939,806	4.457	477	427	664	92
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Geographic Concentration of the Mortgage Properties (State) — Group H

State	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
California	1,711	540,246,710	35.55	315,749	107,207,316	3.141	477	411	696	81
Florida	955	208,311,184	13.71	218,127	39,074,564	2.862	469	408	683	94
New York	345	122,579,018	8.07	355,302	22,132,451	2.608	475	420	682	86
Illinois	475	110,344,057	7.26	232,303	19,574,771	2.869	466	404	686	102
New Jersey	257	75,095,594	4.94	292,201	12,352,158	2.653	460	405	678	103
Maryland	235	64,247,716	4.23	273,395	10,002,190	2.893	466	406	684	96
Washington	167	47,703,114	3.14	285,647	8,575,792	2.794	478	421	690	72
Nevada	186	45,398,970	2.99	244,080	7,789,472	3.078	469	406	698	96
Arizona	207	42,673,332	2.81	206,151	7,563,091	3.469	472	402	692	90
Massachusetts	101	26,421,468	1.74	261,599	4,527,775	2.604	478	424	671	78
Georgia	152	25,270,603	1.66	166,254	3,617,392	2.948	468	406	670	85
Virginia	93	25,005,605	1.65	268,877	4,733,010	3.141	476	413	682	88
Connecticut	94	24,409,738	1.61	259,678	3,712,111	2.599	460	405	672	101
Pennsylvania	85	17,646,462	1.16	207,605	2,706,748	2.650	465	412	672	92
Oregon	54	14,322,190	0.94	265,226	3,024,847	2.894	480	420	691	71
Other	662	130,180,546	8.57	196,647	21,695,165	2.954	473	413	673	80
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Delinquency Status of Mortgage Loans

Current Delinquency Status	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Current	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Delinquency Status of Mortgage Loans — Group M

Current Delinquency Status	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Current	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Delinquency Status of Mortgage Loans — Group H

Current Delinquency Status	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
Current	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Remaining Steps of Mortgage Loans

Number of Remaining Steps	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0	1,295	317,240,777	17.55	244,974	78,093,086	4.901	474	387	704	85
1	2,774	714,324,542	39.51	257,507	142,766,724	3.724	474	401	693	85
2	2,113	568,459,853	31.44	269,030	97,817,863	2.290	472	418	683	88
3	769	207,819,360	11.50	270,246	31,294,503	2.002	467	426	674	92
Total/Weighted Average:	6,951	1,807,844,533	100.00	260,084	349,972,176	3.246	473	407	690	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Remaining Steps of Mortgage Loans — Group M

Number of Remaining Steps	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0	1,172	287,988,225	100.00	245,724	71,683,323	4.918	474	387	705	85
Total/Weighted Average:	1,172	287,988,225	100.00	245,724	71,683,323	4.918	474	387	705	85

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Remaining Steps of Mortgage Loans — Group H

Number of Remaining Steps	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
0	123	29,252,552	1.92	237,826	6,409,763	4.741	478	394	699	82
1	2,774	714,324,542	47.00	257,507	142,766,724	3.724	474	401	693	85
2	2,113	568,459,853	37.40	269,030	97,817,863	2.290	472	418	683	88
3	769	207,819,360	13.67	270,246	31,294,503	2.002	467	426	674	92
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Last Step Rate of Mortgage Loans

Last Step Rate (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
3.250	16	4,230,536	0.23	264,408	428,497	2.026	469	414	685	100
3.375	458	120,248,403	6.65	262,551	18,194,915	2.013	471	419	684	88
3.500	353	94,785,455	5.24	268,514	15,523,072	2.030	470	416	684	87
3.625	358	100,690,571	5.57	281,259	16,788,767	2.113	470	417	680	90
3.750	207	59,867,581	3.31	289,215	9,200,314	2.395	467	422	674	90
3.875	524	141,477,049	7.83	269,994	24,267,500	2.791	470	413	678	88
4.000	608	166,547,197	9.21	273,926	31,398,162	2.858	474	413	686	87
4.125	444	119,609,851	6.62	269,392	21,679,055	2.707	471	414	684	89
4.250	361	91,107,498	5.04	252,375	14,002,121	2.572	463	410	680	92
4.375	326	88,665,907	4.90	271,981	13,685,050	2.528	468	417	684	93
4.500	632	159,904,334	8.85	253,013	29,137,176	3.123	472	406	692	85
4.625	279	69,958,720	3.87	250,748	14,670,824	3.535	474	403	693	86
4.750	686	168,123,321	9.30	245,078	37,040,821	4.296	477	397	695	83
4.875	428	105,377,592	5.83	246,209	23,886,498	4.342	477	397	699	85
5.000	854	213,279,961	11.80	249,742	53,471,853	4.915	478	391	705	85
5.125	287	72,374,584	4.00	252,176	18,213,740	4.994	478	390	705	84
5.250	103	24,834,158	1.37	241,108	6,543,264	5.005	478	389	715	87
5.375	23	5,642,788	0.31	245,339	1,546,515	5.000	479	392	709	78
5.625	4	1,119,025	0.06	279,756	294,030	5.000	480	393	664	86
Total/Weighted Average:	6,951	1,807,844,533	100.00	260,084	349,972,176	3.246	473	407	690	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Last Step Rate of Mortgage Loans — Group M

Last Step Rate (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
3.875	6	996,512	0.35	166,085	0	3.875	317	254	664	95
4.000	6	1,227,461	0.43	204,577	0	4.000	350	284	671	111
4.125	7	1,360,513	0.47	194,359	0	4.125	314	244	688	107
4.250	4	1,024,518	0.36	256,129	0	4.250	383	306	700	102
4.375	1	279,692	0.10	279,692	0	4.375	314	234	679	102
4.500	7	1,358,274	0.47	194,039	0	4.500	339	266	690	97
4.625	2	304,038	0.11	152,019	0	4.625	318	243	653	105
4.750	185	46,285,501	16.07	250,192	11,287,751	4.750	477	389	702	85
4.875	171	41,109,147	14.27	240,404	10,855,387	4.875	476	389	707	86
5.000	781	193,686,089	67.25	247,998	49,540,184	5.000	477	390	706	84
5.125	1	220,650	0.08	220,650	0	5.125	327	238	678	121
5.250	1	135,830	0.05	135,830	0	5.250	328	235	812	102
Total/Weighted Average:	1,172	287,988,225	100.00	245,724	71,683,323	4.918	474	387	705	85

* Weighted by Interest Bearing Unpaid Principal Balance.

Last Step Rate of Mortgage Loans — Group H

Last Step Rate (%)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
3.250	16	4,230,536	0.28	264,408	428,497	2.026	469	414	685	100
3.375	458	120,248,403	7.91	262,551	18,194,915	2.013	471	419	684	88
3.500	353	94,785,455	6.24	268,514	15,523,072	2.030	470	416	684	87
3.625	358	100,690,571	6.63	281,259	16,788,767	2.113	470	417	680	90
3.750	207	59,867,581	3.94	289,215	9,200,314	2.395	467	422	674	90
3.875	518	140,480,537	9.24	271,198	24,267,500	2.782	471	414	678	88
4.000	602	165,319,737	10.88	274,618	31,398,162	2.848	475	414	686	87
4.125	437	118,249,338	7.78	270,593	21,679,055	2.687	472	416	684	89
4.250	357	90,082,981	5.93	252,333	14,002,121	2.549	464	411	680	92
4.375	325	88,386,216	5.82	271,958	13,685,050	2.521	469	418	684	93
4.500	625	158,546,060	10.43	253,674	29,137,176	3.109	473	407	692	85
4.625	277	69,654,682	4.58	251,461	14,670,824	3.529	475	404	693	86
4.750	501	121,837,820	8.02	243,189	25,753,070	4.130	478	400	693	82
4.875	257	64,268,444	4.23	250,072	13,031,111	4.027	478	403	693	84
5.000	73	19,593,872	1.29	268,409	9,391,669	4.133	479	403	703	87
5.125	286	72,153,934	4.75	252,286	18,213,740	4.994	478	390	705	84
5.250	102	24,698,328	1.63	242,140	6,543,264	5.003	479	390	715	86
5.375	23	5,642,788	0.37	245,339	1,546,515	5.000	479	392	709	78
5.625	4	1,119,025	0.07	279,756	294,030	5.000	480	393	664	86
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Clean Pay History

Clean Pay History (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
12 to 23	1,370	337,109,602	13.62	246,065	57,896,852	3.577	474	434	648	102
24 to 35	1,335	328,921,846	13.29	246,383	60,678,861	3.507	472	423	662	99
36+	7,234	1,808,597,799	73.09	250,014	369,482,314	3.512	474	411	691	89
Total/Weighted Average:	9,939	2,474,629,247	100.00	248,982	488,058,027	3.521	474	415	681	92

* Weighted by Interest Bearing Unpaid Principal Balance.

Clean Pay History — Group M

Clean Pay History (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
12 to 23	880	203,244,051	21.29	230,959	35,501,192	4.172	477	444	643	110
24 to 35	683	154,968,913	16.23	226,894	31,200,696	4.454	476	433	657	107
36+	2,597	596,559,976	62.48	229,711	143,067,286	4.576	475	413	686	94
Total/Weighted Average:	4,160	954,772,939	100.00	229,513	209,769,174	4.465	476	423	672	100

* Weighted by Interest Bearing Unpaid Principal Balance.

Clean Pay History — Group H

Clean Pay History (months)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance (\$)	Aggregate Unpaid Principal Balance (%)	Average Unpaid Principal Balance (\$)	Aggregate Initial Principal Forbearance Amount (\$)	Weighted Average Current Mortgage Rate (%)*	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average AVM Current Loan-to-Value Ratio (%)
12 to 23	490	133,865,552	8.81	273,195	22,395,660	2.681	470	418	655	90
24 to 35	652	173,952,933	11.45	266,799	29,478,165	2.696	468	415	666	91
36+	4,637	1,212,037,823	79.75	261,384	226,415,029	3.023	473	409	693	86
Total/Weighted Average:	5,779	1,519,856,308	100.00	262,996	278,288,853	2.955	472	411	687	87

* Weighted by Interest Bearing Unpaid Principal Balance.

Appendix B

Selling Restrictions

Canada

Each Underwriter has represented, warranted and agreed that:

(a) the sale and delivery of any Offered Certificates to any purchaser who is located or resident in Canada or otherwise subject to the laws of Canada or who is purchasing for a principal who is located or resident in Canada or otherwise subject to the laws of Canada (each such purchaser or principal, a **“Canadian Purchaser”**) by such Underwriter shall be made so as to be exempt from the prospectus filing requirements and exempt from, or in compliance with, the dealer registration requirements of all applicable securities laws, regulations, rules, instruments, rulings and orders, including those applicable in each of the provinces and territories of Canada (as defined in this section, the **“Securities Laws”**);

(b) (i) the Underwriter is an investment dealer as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations (**“NI 31-103”**); or (ii) any sale and delivery of any Offered Certificates to a Canadian Purchaser will be made through (A) an affiliate of the relevant Underwriter that is a registered investment dealer, exempt market dealer or restricted dealer; or (B) in compliance with the international dealer exemption from the dealer registration requirements, and otherwise in compliance with the representations, warranties, and agreements set out herein;

(c) each Canadian Purchaser is entitled under the Securities Laws to acquire the Offered Certificates without a prospectus qualified under the Securities Laws, and such purchaser, (A) is a “permitted client” as defined in section 1.1 of NI 31-103 and an “accredited investor” as defined in section 73.3 of the Securities Act (Ontario) and National Instrument 45-106 Prospectus Exemptions (**“NI 45-106”**) and is a person to which a Underwriter relying on the international dealer exemption from the dealer registration requirements or a Underwriter registered as a restricted dealer may sell the Offered Certificates, or (B) is an “accredited investor” as defined in section 73.3 of the Securities Act (Ontario) and NI 45-106 who is purchasing the Offered Certificates from a registered investment dealer or exempt market dealer;

(d) it will ensure that each Canadian Purchaser purchasing from it (i) has represented to it that such Canadian Purchaser is resident in Canada; (ii) has represented to it which categories set forth in the relevant definition of “accredited investor” in section 73.3 of the Securities Act (Ontario) and NI 45-106 or “permitted client” in section 1.1 of NI 31-103, or both, as applicable, correctly describes such Canadian Purchaser; and (iii) consents to disclosure of all required information about the purchase to the relevant Canadian securities regulators or regulatory authorities;

(e) it has not provided and will not provide to any Canadian Purchaser any document or other material that would constitute an offering memorandum (other than this Offering Circular with respect to the private placement of the Offered Certificates in Canada) within the meaning of the Securities Laws;

(f) it has not provided and will not provide any document or other material that would constitute an offering memorandum within the meaning of the Securities Laws to a Canadian Purchaser outside the provinces of Alberta, British Columbia, Ontario and Quebec;

(g) it has not made and it will not make any written or oral representations to any Canadian Purchaser:

(i) that any person will resell or repurchase the Offered Certificates purchased by such Canadian Purchaser;

(ii) that the Offered Certificates will be freely tradeable by the Canadian Purchaser without any restrictions or hold periods;

(iii) that any person will refund the purchase price of the Offered Certificates; or

(iv) as to the future price or value of the Offered Certificates; and

(h) it will inform each Canadian Purchaser that:

(i) we are not a “reporting issuer” and are not, and may never be, a reporting issuer in any province or territory of Canada and there currently is no public market in Canada for any of the Offered Certificates, and one may never develop;

(ii) the Offered Certificates will be subject to resale restrictions under applicable Securities Law; and

(iii) such Canadian Purchaser's name and other specified information will be disclosed to the relevant Canadian securities regulators or regulatory authorities and may become available to the public in accordance with applicable laws.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (a **"Relevant Member State"**), each Underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **"Relevant Implementation Date"**) it has not made and will not make an offer of Offered Certificates to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Offered Certificates to the public in that Relevant Member State at any time: (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Offered Certificates shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Offered Certificates to the public" in relation to any Offered Certificates in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Offered Certificates, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Japan

The Offered Certificates have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **"FIEA"**) and, accordingly, each Underwriter undertakes that it will not offer or sell any Offered Certificates directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Korea

The Issuer is not making any representation with respect to eligibility of any recipients of this Offering Circular to acquire the Offered Certificates referred to herein under the laws of Korea. The Offered Certificates offered under this Offering Circular have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Service and Capital Markets Act (**"FSCMA"**) and are therefore subject to certain transfer restrictions. The Offered Certificates may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea (as defined in the Foreign Exchange Transaction Law of Korea) except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law and the decrees and regulations thereunder.

People’s Republic of China

The Offered Certificates may not be offered or sold directly or indirectly within the borders of the People’s Republic of China (“**PRC**” which, for such purposes, does not include the Hong Kong or Macau Special Administrative Regions or Taiwan). The offering material or information contained herein relating to the Offered Certificates, which has not been and will not be submitted to or approved/verified by or registered with any relevant governmental authorities in the PRC (including but not limited to the China Securities Regulatory Commission), may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Offered Certificates in the PRC. The offering material or information contained herein relating to the Offered Certificates does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The Offered Certificates may only be offered or sold to PRC investors that are authorized to engage in the purchase of Offered Certificates of the type being offered or sold, including but not limited to those that are authorized to engage in the purchase and sale of foreign exchange for themselves and on behalf of their customers and/or the purchase and sale of government bonds or financial bonds and/or the purchase and sale of debt securities denominated in foreign currency other than stocks. PRC investors are responsible for obtaining all relevant approvals/licences, verification and/or registrations themselves from relevant governmental authorities (including but not limited to the China Securities Regulatory Commission, the State Administration of Foreign Exchange and/or the China Banking Regulatory Commission), and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or foreign investment regulations.

Singapore

The Underwriters have acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). Accordingly, each Underwriter has represented, warranted and agreed that it will neither offer nor sell the Offered Certificates pursuant to an offering nor make the Offered Certificates the subject of an invitation for subscription or purchase whether directly or indirectly, and has not circulated or distributed, nor will it circulate or distribute this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Offered Certificates, whether directly or indirectly, to any person in Singapore other than under exemptions provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person to whom an offer referred to in Section 275(1A) of the SFA is made, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Investors should note that any subsequent sale of the Offered Certificates acquired pursuant to an offer in this Offering Circular made under exemptions (a) or (b) above within a period of six months from the date of initial acquisition is restricted to (i) institutional investors (as defined in Section 4A of the SFA); (ii) relevant persons as defined in Section 275(2) of the SFA; or (iii) persons pursuant to an offer referred to in Section 275(1A) of the SFA, unless expressly specified otherwise in Section 276(7) of the SFA.

Each Underwriter has also represented, warranted and agreed to notify (whether through the distribution of this Offering Circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Offered Certificates or otherwise) each of the following relevant persons specified in Section 276 of the SFA which has subscribed or purchased Offered Certificates from and through Freddie Mac or one of the Underwriters, namely a person who is:

(A) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(B) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that the securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred for six months after that corporation or that trust has acquired the Offered Certificates pursuant to an offer made in reliance on an exemption under Section 275 of the SFA except: (1) to an institutional investor (as defined in Section 4A of the SFA) or to a relevant person (as defined in Section 275(2) of the SFA), or (in the case of such corporation where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; (4) as specified in Section 276(7) of the SFA; or (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Taiwan

The Offered Certificates have not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan, the Republic of China through a public offering or in circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan, the Republic of China that requires a registration or approval of the Financial Supervisory Commission of Taiwan, the Republic of China. No person or entity in Taiwan, the Republic of China has been authorized to offer or sell the Offered Certificates in Taiwan, the Republic of China.

United Kingdom

Each of the Underwriters has represented and agreed that (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity, within the meaning of section 21 of the United Kingdom Financial Services and Markets Act 2000, as amended (the "FSMA"), received by it in connection with the issue or sale of any Offered Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offered Certificates in, from or otherwise involving the United Kingdom.

Appendix C

Representations and Warranties

The Seller will make the following representations and warranties with respect to the Mortgage Loans as of the Closing Date. Each of the representations and warranties numbered 1 through 24 will be made by the Seller to the best of the Seller's knowledge, which means that the Seller will make such representation and warranty without any independent investigation. If it is discovered during the Warranty Period that the substance of any such representation or warranty is inaccurate and such inaccuracy is determined to constitute a Material Breach in accordance with the procedures described herein, then notwithstanding the Seller's lack of knowledge with respect to the substance of such representation or warranty being inaccurate at the time such representation or warranty was made, such inaccuracy will be deemed a Material Breach. These representations and warranties will expire at the end of the Warranty Period, except for the REMIC-related representation, number 25 below, which will not expire. Schedule I hereto identifies the Existing Liens, as of the Closing Date, for certain Mortgage Loans.

1. Loan Data.

To the best of the Seller's knowledge, the information set forth in the mortgage loan schedule attached as an exhibit to the Pooling and Servicing Agreement (the "**Mortgage Loan Schedule**") is true and correct in all material respects as of the Cut-Off Date.

2. Regulatory Compliance.

To the best of the Seller's knowledge, the Mortgage Loan complied in all material respects with all applicable federal, state, county and municipal laws regarding the origination or delivery of residential mortgage loans, including (without limitation) truth-in-lending, real estate settlement procedures, consumer credit protection, equal credit opportunity, predatory and abusive lending laws, licensing, environmental and hazardous conditions, zoning, and disclosure laws such that no material adverse effect could reasonably be expected to have occurred, or such noncompliance was cured, as permitted by applicable law; provided that it makes such representation and warranty solely with respect to the Mortgage Loan in respect of which the statute of limitations period has not yet expired as of the Closing Date for any claim or dispute arising from an alleged violation of such applicable federal, state and local laws. Breach of this representation and warranty is considered only when the noncompliance resulted in foreclosure or ultimate realization on the mortgage note being precluded.

3. Ability to Repay.

To the best of Seller's knowledge, if an application for a Mortgage Loan was taken on or after January 10, 2014, such Mortgage Loan complied with the "ability to repay" standards, if applicable, as set forth in Section 129C(a) of the federal Truth-in-Lending Act, 15 U.S.C. 1639c(a), and Section 1026.43(c) of Regulation Z in effect as of the date of the application such that no material adverse effect could reasonably be expected to have occurred, or such noncompliance was cured, as permitted by applicable law; provided that it makes such representation and warranty solely with respect to the Mortgage Loan in respect of which the statute of limitations period has not yet expired as of the Closing Date for any claim or dispute arising from an alleged violation of such applicable federal, state and local laws. Breach of this representation and warranty is considered only when the noncompliance resulted in foreclosure or ultimate realization on the mortgage note being precluded.

4. No Prior Liens.

To the best of Seller's knowledge, except with respect to the Existing Liens identified in Schedule I hereto, immediately prior to the transfer and assignment contemplated hereunder, it was the sole owner and holder of the Mortgage Loan free and clear of any and all liens, pledges, charges, or security interests of any nature and it has good and marketable title and has full right and authority to sell and assign the same.

5. No Mechanics' Liens.

To the best of Seller's knowledge, except with respect to the Existing Liens identified in Schedule I hereto, or if a valid and enforceable lien is identified as prior to the related Mortgage but as to which a lender's title policy, an attorney's opinion of title or title guaranty insures such Mortgage as a first priority lien, the Mortgaged Property is free and clear of all mechanics' and materialmen's liens that have priority over the Mortgage Loan. For the avoidance of doubt, the Seller makes such representation and warranty solely with respect to a Mortgage Loan for which the statute of limitation period for enforcement of a superior mechanic's or materialman's lien has not expired as of the Closing Date.

6. Title, Lien Priority.

To the best of Seller's knowledge, and except with respect to the Existing Liens identified in Schedule I hereto or if a valid and enforceable lien is identified as prior to the related Mortgage but as to which a lender's title policy, an attorney's opinion of title or title guaranty insures such Mortgage as a first priority lien, (A) the related mortgage constitutes a valid, existing and enforceable (subject to bankruptcy laws and general principles of equity) first lien and first priority security interest with respect to each Mortgage Loan on the mortgaged property subject only to: (i) the lien of real property taxes and assessments not yet due and unpaid; (ii) covenants, conditions and restrictions, rights of way, easements and other matters of public record as of the date of recording which are acceptable to mortgage lending institutions generally that do not interfere with the benefits of the security to be provided by the mortgage; (iii) liens created pursuant to any federal, state or local law, regulation or ordinance affording liens for the costs of cleanup of hazardous substances or hazardous wastes or for other environmental protection purposes; and (iv) other matters to which like properties are commonly subject that do not individually or in aggregate materially interfere with the benefits of the security to be provided by the mortgage, and (B) any security agreement, chattel mortgage, or equivalent document related to and delivered to the Servicer or the Custodian with any mortgage establishes in it a valid and subsisting first lien on the property described therein, and it had full right to sell and assign the same. For the avoidance of doubt, the Seller makes such representation and warranty solely with respect to a Mortgage Loan for which the statute of limitation period for enforcement of a superior lien has not expired as of the Closing Date.

7. Taxes Paid.

To the best of the Seller's knowledge, except with respect to the Existing Liens outstanding identified in Schedule I hereto, as of the Closing Date, all properly assessed property taxes and insurance premiums that previously became due have been paid or an escrow of funds has been established, to the extent permitted by law, in an amount sufficient to pay for any such item that remains unpaid and that has been assessed and is due and payable.

8. Mortgage Loan Legal and Binding.

To the best of the Seller's knowledge, the mortgage note (or lost note affidavit, if applicable), the related mortgage, and other agreements required to be executed by the mortgagor at the closing of the Mortgage Loan in connection therewith are the valid and binding obligation of the maker thereof, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights generally and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

9. Enforceable Right of Foreclosure.

To the best of the Seller's knowledge, each Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security, including, if applicable, realization by judicial foreclosure (subject to any limitation arising from any bankruptcy, insolvency or other law for the relief of debtors).

10. No Rescission.

To the best of the Seller's knowledge, no action has been taken that would give rise to any right of rescission, reformation, set off, counterclaim or defense, including the defense of usury with respect to the mortgage note and/or the Mortgage, provided that the Seller makes such representation and warranty solely with respect to the Mortgage Loan in respect of which the statute of limitations period has not yet expired as of the Closing Date for any claim or dispute arising from an alleged violation of such applicable federal, state and local laws.

11. High Cost Loans.

To the best of the Seller's knowledge, no Mortgage Loan is a "high-cost" loan; provided that the Seller makes such representation and warranty solely with respect to each Mortgage Loan sold by it hereunder as of the Closing Date for any claim or dispute arising from an alleged violation of applicable state, federal, or local laws, regulations, and other requirements pertaining to high cost loans. This representation and warranty shall be considered breached only when the noncompliance resulted in foreclosure or ultimate realization on the mortgage note being precluded. For purposes of this representation, a "high cost" loan is a Mortgage Loan that is secured by Mortgaged Property which at the time of origination was designated as "high-cost", "high-risk" or similar designation under applicable state law or that had an annual percentage rate or total points and fees that exceed the thresholds under the Home Ownership and Equity Protection Act of 1994 and its implementing regulations.

12. Usury.

To the best of the Seller's knowledge, the Mortgage Loan meets or is exempt from applicable state, federal or local laws, regulations and other requirements pertaining to usury, such that no material adverse effect could reasonably be expected to have occurred, or such noncompliance was cured, as permitted by applicable law; provided that the Seller makes such representation and warranty solely with respect to the Mortgage Loan in respect of which the statute of limitations period has not yet expired as of the Closing Date for any claim or dispute arising from an alleged violation of such applicable federal, state and local usury laws. Breach of this representation and warranty is considered only when the noncompliance resulted in foreclosure or ultimate realization on the mortgage note being precluded.

13. 1-4 Family; U.S.

To the best of the Seller's knowledge, the Mortgage Loan was secured, at the time of origination, by one-to-four family residential real property located within one of the fifty (50) United States, the District of Columbia, Guam, Puerto Rico, or the U.S. Virgin Islands.

14. Hazard Insurance.

To the best of the Seller's knowledge, with respect to the Mortgage Loan, the improvements upon the related mortgaged property are covered by a valid and existing fire and hazard insurance policy that is consistent with the Guide Chapter 8202.

15. Flood Insurance.

To the best of the Seller's knowledge, for each Mortgage Loan with respect to which the Mortgaged Property is located in an area identified on a Flood Hazard Boundary Map or Flood Insurance Rate Map issued by the Federal Emergency Management Agency as having special flood hazards and flood insurance has been made available, a valid and existing flood insurance policy that is consistent with Guide Chapter 8202 is in effect.

16. Damage / Condemnation.

To the best of the Seller's knowledge, the (A) the related mortgaged property is not damaged by water, fire, earthquake, earth movement other than earthquake, windstorm, flood, tornado or similar casualty (excluding casualty from the presence of hazardous wastes or hazardous substances) in a manner which (i) materially affects in an adverse manner the value of the mortgaged property as security for the

Mortgage Loan or (ii) the use for which the premises was intended or (iii) would render the entire mortgaged property uninhabitable, or (B) there is no proceeding commenced declaring the mortgaged property is subject to (i) total condemnation or (ii) partial condemnation wherein such partial condemnation involves a material portion of the Mortgaged Property so that it would render the mortgaged property uninhabitable.

17. Fraud.

To the best of the Seller's knowledge, no fraud with respect to a Mortgage Loan has taken place on the part of the Seller in connection with the Seller's conveyance of such Mortgage Loan to the Trust on the Closing Date.

18. Natural Person.

To the best of the Seller's knowledge, with respect to each Mortgage Loan, at the time of origination, unless otherwise indicated on the Mortgage Loan Schedule, each borrower is a natural person or other acceptable form.

19. Existence of Title Insurance.

To the best of the Seller's knowledge, except with respect to the Mortgage Loans identified in the initial certification of the Custodian, the Mortgage Loan is covered by a mortgage title insurance policy, an attorney's opinion of title or title guaranty in favor of the lender and its successors (collectively "title insurance"). The title insurance meets the requirements of the Guide (or was otherwise satisfactory to Freddie Mac at the time Freddie Mac purchased the Mortgage Loan).

20. Complete Collateral File.

To the best of the Seller's knowledge, except with respect to the Mortgage Loans identified in the initial certification, the Custodian is in possession (or such document has been released under an applicable Bailee letter) of the mortgage note (or lost note affidavit, if applicable), the related Mortgage or applicable security instrument with respect to each Mortgage Loan.

21. Deeds of Trust.

To the best of the Seller's knowledge, the deed of trust required to be executed by the mortgagor at the closing of the Mortgage Loan in connection therewith is the valid and binding obligation of the maker thereof, enforceable in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights generally and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

22. Mortgage Recorded.

To the best of the Seller's knowledge, except with respect to each Mortgage Loan secured by co-op shares, each original mortgage (i) has been recorded in the appropriate jurisdictions in which such recordation is necessary to perfect the lien, (ii) is in the process of being recorded or (iii) will be sent for recordation within twelve (12) months following the Closing Date.

23. No Default.

To the best of the Seller's knowledge, as of the Cut-Off Date, there is no monetary default, monetary breach, monetary violation or event of acceleration existing under the terms, then existing, of the mortgage or the related mortgage note (e.g., modified terms if applicable).

24. Fee Simple Estate.

To the best of the Seller's knowledge, except with respect to each Mortgage Loan secured by co-op shares, the mortgaged property is either a fee-simple estate or a residential leasehold estate. If the

Mortgage Loan is secured by a residential leasehold estate, the terms of the lease must meet the following requirements:

- The terms of such lease permit the mortgaging of the leasehold estate; permit the assignment of the lease without the lessor's consent or permit the lessor to review and consent to or deny the proposed lessee based on the requirements of the Guide at the time of purchase of the Mortgage Loan; and permit the acquisition by the holder of the mortgage or a nominee of the rights of the lessee upon foreclosure or assignment in lieu of foreclosure.
- The terms of such lease do not allow the termination thereof upon the lessee's default without the holder of the mortgage being entitled to receive written notice of, and opportunity to cure, such default.

25. REMIC.

The Mortgage Loan is a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Code.

Schedule of Existing Liens

This Schedule I identifies certain Mortgage Loans that, as of the Closing Date, have existing liens (“**Existing Liens**”) in the amounts shown in the following table. To the extent that any such Mortgage Loan experiences a loss within the Warranty Period, and the Independent Reviewer determines during its review that a portion of such loss is a direct result of an Existing Lien on that Mortgage Loan, the Seller will indemnify the Trust in an amount equal to the lesser of (i) the actual loss amount determined by the Independent Reviewer to be associated with the identified lien and (ii) the amount shown in Column C below (if such Existing Lien is an HOA lien) or Column D below (if such Existing Lien is a tax/municipal lien).

A	B	C	D
Loan Identifier	Total \$ of HOA Liens	HOA Statutory Maximum Amount Superior to Mortgage	Total \$ of Tax/Municipal Lien
1702SCRT00048	\$1,319.37	\$1,319.37	
1702SCRT00050			\$ 1,655.00
1702SCRT00067	\$ 149.59	\$ 149.59	
1702SCRT00169			\$ 500.00
1702SCRT00264	\$6,578.85	\$ -	
1702SCRT00331	\$ 404.00	\$ 404.00	
1702SCRT00410			\$ 330.13
1702SCRT00432			\$ 1,132.82
1702SCRT00448	\$2,894.95	\$1,125.00	
1702SCRT00455	\$ 845.60	\$ 845.60	
1702SCRT00511			\$ 2,439.10
1702SCRT00551	\$1,615.83	\$1,615.83	
1702SCRT00599			\$ 1,962.58
1702SCRT00606	\$1,847.00	\$1,599.00	
1702SCRT00616	\$5,484.58	\$ -	
1702SCRT00651	\$1,226.64	\$1,226.64	
1702SCRT00745	\$ 515.88	\$ 515.88	
1702SCRT00780	\$5,317.40	\$ -	
1702SCRT00929			\$ 295.50
1702SCRT00971			\$ 131.41
1702SCRT00999	\$2,044.29	\$1,680.00	
1702SCRT01000	\$4,511.70	\$1,750.00	\$ 3,684.19
1702SCRT01002			\$12,207.81
1702SCRT01014			\$ 2,499.55
1702SCRT01022			\$ 500.00
1702SCRT01036	\$ 744.91	\$ 744.91	
1702SCRT01201			\$ 625.00
1702SCRT01310			\$11,134.38
1702SCRT01326			\$ 108.07
1702SCRT01392	\$4,822.65	\$4,822.65	
1702SCRT01423	\$ 393.12	\$ 393.12	
1702SCRT01464	\$1,278.26	\$1,278.26	
1702SCRT01524			\$ 100.81
1702SCRT01535	\$1,575.27	\$1,367.92	
1702SCRT01537	\$ 424.00	\$ -	
1702SCRT01611			\$ 741.42
1702SCRT01695	\$1,316.00	\$ -	
1702SCRT01701	\$1,627.80	\$1,627.80	
1702SCRT01705	\$2,117.72	\$2,117.72	
1702SCRT01760			\$ 9,050.00
1702SCRT01841	\$ 247.50	\$ 247.50	
1702SCRT01876			\$ 1,250.00
1702SCRT01913	\$2,020.00	\$2,020.00	
1702SCRT01946	\$ 971.59	\$ 130.02	
1702SCRT02046	\$ 600.38	\$ 600.38	
1702SCRT02094	\$4,585.54	\$1,072.50	

A Loan Identifier	B Total \$ of HOA Liens	C HOA Statutory Maximum Amount Superior to Mortgage	D Total \$ of Tax/Municipal Lien
1702SCRT02105			\$ 2,668.62
1702SCRT02174			\$ 5,945.86
1702SCRT02199			\$ 4,500.00
1702SCRT02297	\$ 2,666.18	\$1,400.00	
1702SCRT02341	\$ 358.18	\$ 358.18	
1702SCRT02361			\$ 1,848.08
1702SCRT02397	\$ 2,507.15	\$ -	
1702SCRT02425	\$ 9,400.00	\$2,360.00	
1702SCRT02454	\$ 909.24	\$ 909.24	
1702SCRT02519			\$ -
1702SCRT02541	\$32,324.56	\$2,016.63	
1702SCRT02570	\$ 1,128.70	\$ -	
1702SCRT02642			\$ 10,467.58
1702SCRT02700			\$ 50.00
1702SCRT02763	\$29,173.44	\$1,645.00	
1702SCRT02764	\$ 875.00	\$ 875.00	
1702SCRT02791			\$141,659.64
1702SCRT02883	\$ 1,623.90	\$1,623.90	
1702SCRT02899	\$ 482.68	\$ 482.68	
1702SCRT02903			\$ 426.72
1702SCRT02905			\$ 1,335.91
1702SCRT02958	\$ 320.00	\$ 320.00	
1702SCRT02979	\$ 2,415.94	\$1,500.00	\$ 2,091.94
1702SCRT03014	\$ 756.00	\$ 756.00	
1702SCRT03095			\$ -
1702SCRT03122	\$ 4,048.24	\$2,980.00	
1702SCRT03197			\$ 1,512.02
1702SCRT03244			\$ 890.54
1702SCRT03317	\$ 320.00	\$ 320.00	
1702SCRT03359			\$ 1,032.36
1702SCRT03390	\$ 1,073.15	\$1,073.15	
1702SCRT03415	\$ 2,788.28	\$2,466.00	
1702SCRT03439			\$ 33.06
1702SCRT03481			\$ 3,740.94
1702SCRT03551			\$ 276.14
1702SCRT03598			\$ 1,553.43
1702SCRT03688	\$ 1,742.68	\$1,742.68	
1702SCRT03824	\$ 1,491.00	\$1,240.00	
1702SCRT03898			\$ 460.95
1702SCRT03927	\$ 1,575.71	\$ -	
1702SCRT03931	\$ 2,492.55	\$ -	
1702SCRT03980	\$ 5,580.92	\$1,550.00	
1702SCRT04032	\$ 1,604.16	\$ 408.00	\$ 117.66
1702SCRT04051	\$54,071.47	\$1,360.00	
1702SCRT04146			\$ 1,200.00
1702SCRT04195	\$ 7,225.75	\$1,200.00	
1702SCRT04298			\$ 2,877.67
1702SCRT04352			\$ -
1702SCRT04364			\$ 359.15
1702SCRT04421			\$ -
1702SCRT04509			\$ 2,364.00
1702SCRT04514	\$ 2,671.64	\$1,111.00	
1702SCRT04582	\$14,027.55	\$1,896.00	
1702SCRT04623	\$27,545.04	\$ 765.15	
1702SCRT04643			\$ 874.68
1702SCRT04664			\$ 3,389.00
1702SCRT04675	\$21,684.65	\$ -	
1702SCRT04721	\$ 595.99	\$ 595.99	
1702SCRT04741			\$ 2,876.98
1702SCRT04770			\$ 203.77

A Loan Identifier	B Total \$ of HOA Liens	C HOA Statutory Maximum Amount Superior to Mortgage	D Total \$ of Tax/Municipal Lien
1702SCRT04800	\$11,772.81	\$2,840.00	
1702SCRT04932			\$ 2,903.25
1702SCRT04969			\$ 138.16
1702SCRT04986	\$ 880.61	\$ 880.61	
1702SCRT05018			\$ 92.16
1702SCRT05038	\$ 2,945.00	\$ 686.00	
1702SCRT05065	\$ 220.00	\$ -	\$ 547.86
1702SCRT05179	\$ 5,702.92	\$2,115.00	
1702SCRT05251			\$ 127.02
1702SCRT05253			\$63,308.86
1702SCRT05330	\$ 1,610.00	\$ -	
1702SCRT05340			\$ 171.98
1702SCRT05347			\$ 132.76
1702SCRT05370	\$ 660.12	\$ 99.96	
1702SCRT05373			\$ 201.74
1702SCRT05431			\$ 7,653.25
1702SCRT05449			\$ 1,818.37
1702SCRT05494			\$ 186.99
1702SCRT05519			\$ 4,028.22
1702SCRT05573			\$ -
1702SCRT05615			\$ 138.00
1702SCRT05621			\$ 216.24
1702SCRT05661	\$ 807.56	\$ 807.56	
1702SCRT05709			\$ 430.12
1702SCRT05800			\$ 2,185.40
1702SCRT05813	\$ 1,011.19	\$ 950.00	
1702SCRT05908			\$ 1,192.00
1702SCRT05924	\$ 2,163.93	\$1,890.00	
1702SCRT05925			\$ 279.48
1702SCRT06007	\$ 2,985.41	\$1,430.50	
1702SCRT06092	\$ 7,088.99	\$3,112.00	
1702SCRT06126	\$ 1,396.45	\$1,396.45	
1702SCRT06139	\$ 5,589.05	\$1,750.50	
1702SCRT06166			\$ 1,110.31
1702SCRT06170	\$ 200.00	\$ -	
1702SCRT06175			\$ 276.96
1702SCRT06218	\$ 2,305.00	\$1,440.00	
1702SCRT06263			\$ 2,638.37
1702SCRT06271			\$ 275.00
1702SCRT06310			\$ 1,437.19
1702SCRT06340	\$ 2,356.71	\$ -	
1702SCRT06344	\$ 3,028.62	\$1,994.87	
1702SCRT06367	\$ 8,041.14	\$3,300.00	
1702SCRT06375	\$ 496.16	\$ -	
1702SCRT06438			\$ 130.00
1702SCRT06468	\$ 9,017.60	\$1,092.00	
1702SCRT06531			\$ 2,115.00
1702SCRT06532			\$ -
1702SCRT06546	\$ 2,459.32	\$1,412.00	
1702SCRT06576			\$ 1,606.37
1702SCRT06584	\$ 551.00	\$ -	
1702SCRT06699	\$ 624.72	\$ -	
1702SCRT06704			\$ 4,145.00
1702SCRT06723	\$ 7,422.04	\$1,959.76	
1702SCRT06728			\$ 89.65
1702SCRT06806	\$ 857.17	\$ -	
1702SCRT06872	\$ 1,040.55	\$ -	
1702SCRT06894			\$ 215.14
1702SCRT06995			\$ 451.89
1702SCRT07032	\$ 2,828.52	\$2,828.52	

A	B	C	D
Loan Identifier	Total \$ of HOA Liens	HOA Statutory Maximum Amount Superior to Mortgage	Total \$ of Tax/Municipal Lien
1702SCRT07041			\$ 7,673.17
1702SCRT07061	\$ 942.56	\$ 942.56	
1702SCRT07161	\$ 2,850.09	\$2,641.00	
1702SCRT07196	\$ 2,372.08	\$2,372.08	
1702SCRT07288			\$ 429.03
1702SCRT07540			\$ 209.01
1702SCRT07570	\$ 1,423.00	\$1,423.00	
1702SCRT07616	\$ 817.38	\$ 817.38	
1702SCRT07631			\$ 257.45
1702SCRT07645	\$ 1,529.00	\$1,020.00	
1702SCRT07662			\$ 3,410.78
1702SCRT07732	\$ 932.00	\$ -	
1702SCRT07738			\$ 362.46
1702SCRT07756	\$ 338.24	\$ -	
1702SCRT07814	\$ 8,181.19	\$1,640.00	
1702SCRT07825	\$15,733.59	\$2,790.00	
1702SCRT07906	\$ -	\$ -	
1702SCRT07915			\$ 1,284.00
1702SCRT07986			\$ 436.27
1702SCRT07992	\$23,068.00	\$1,958.35	
1702SCRT08034	\$ 434.42	\$ -	
1702SCRT08121			\$ 2,244.84
1702SCRT08169			\$ 5,329.30
1702SCRT08175	\$ 1,525.00	\$1,525.00	
1702SCRT08220			\$ 1,752.88
1702SCRT08232			\$ 109.60
1702SCRT08259			\$ 1,191.11
1702SCRT08315			\$ 1,336.84
1702SCRT08362			\$49,609.16
1702SCRT08382			\$ 204.00
1702SCRT08406			\$ 808.38
1702SCRT08479			\$ 1,430.25
1702SCRT08492			\$ 2,276.00
1702SCRT08557	\$ 4,143.00	\$1,280.00	
1702SCRT08595			\$ 1,577.21
1702SCRT08606	\$ 4,502.54	\$1,290.00	
1702SCRT08657			\$ 750.00
1702SCRT08667			\$ 1,088.74
1702SCRT08732	\$ 8,617.28	\$1,200.00	
1702SCRT08761	\$ 2,875.46	\$ -	
1702SCRT08813	\$10,862.21	\$ -	
1702SCRT08858	\$ 3,080.85	\$1,445.40	
1702SCRT08879			\$ -
1702SCRT08955	\$ 8,316.00	\$ -	
1702SCRT08987			\$ 96.78
1702SCRT09002			\$ 1,511.02
1702SCRT09022	\$ 3,619.14	\$ 960.00	
1702SCRT09151			\$ 1,647.98
1702SCRT09240	\$ 1,186.84	\$1,186.84	
1702SCRT09273			\$ 325.00
1702SCRT09290			\$ 85.00
1702SCRT09291			\$ 740.25
1702SCRT09298	\$ 120.00	\$ 120.00	
1702SCRT09358			\$ 126.01
1702SCRT09389			\$ 569.20
1702SCRT09402			\$ -
1702SCRT09438			\$57,533.10
1702SCRT09494			\$ 77.78
1702SCRT09516			\$ 9,500.00
1702SCRT09530	\$ 794.10	\$ 794.10	

A	B	C	D
Loan Identifier	Total \$ of HOA Liens	HOA Statutory Maximum Amount Superior to Mortgage	Total \$ of Tax/Municipal Lien
1702SCRT09598			\$ 4,371.78
1702SCRT09624			\$ 191.39
1702SCRT09646			\$ 1,250.00
1702SCRT09653	\$ 32,364.92	\$ 7,849.00	
1702SCRT09817			\$ 11,382.73
1702SCRT09826			\$ 975.49
1702SCRT09855			\$ 741.29
1702SCRT09875			\$ 227.30
1702SCRT09880	\$ 1,495.19	\$ -	
1702SCRT09891			\$ 846.00
1702SCRT09971			\$ 544.83
1702SCRT09993			\$ 145.00
1702SCRT10041	\$ 509.40	\$ 509.40	
1702SCRT10109			\$ 1,188.01
1702SCRT10125			\$ 2,789.53
1702SCRT10126			\$ 452.26
1702SCRT10133			\$ 641.31
1702SCRT10152			\$ 1,713.42
1702SCRT10269	\$ 644.20	\$ 644.20	
1702SCRT10280			\$ 10,200.00
1702SCRT10363			\$ 559.65
1702SCRT10369			\$ 2,135.00
1702SCRT10391	\$ 437.85	\$ 437.85	
1702SCRT10399			\$ 2,158.53
1702SCRT10415			\$ 3,050.20
1702SCRT10492			\$ 575.00
1702SCRT10562			\$ 233.70
1702SCRT10586			\$ 89.62
1702SCRT10600			\$ 4,529.45
1702SCRT10604	\$ 2,436.33	\$ 1,170.00	
1702SCRT10743	\$ 3,671.48	\$ -	
1702SCRT10785			\$ 589.00
1702SCRT10855	\$ 3,041.64	\$ 1,757.00	
1702SCRT10898			\$ 967.85
1702SCRT10986			\$106,644.12
1702SCRT11015	\$ 398.00	\$ 398.00	
1702SCRT11063			\$ 3,238.35
1702SCRT11082	\$ 6,409.13	\$ 1,639.00	
1702SCRT11106	\$ 5,143.56	\$ 1,363.00	
Total:	\$543,838.43	\$134,767.18	\$663,760.62

