OFFERING CIRCULAR

Freddie Mac

$348,055,685
Freddie Mac
Seasoned Loans Structured Transaction Trust, Series 2018-1

Issuer:	Freddie Mac Seasoned Loans Structured Transaction Trust, Series 2018-1
Guaranteed Certificates:	Classes of Certificates shown in the table below
Trust Assets:	Seasoned, fixed-rate and step-rate, first lien re-performing and non-performing Mortgage Loans
Sponsor, Seller, Trustee and Guarantor of Guaranteed Certificates:	Freddie Mac
Servicer:	Select Portfolio Servicing, Inc.
Securities Administrator:	U.S. Bank National Association
Custodian:	Wells Fargo Bank, N.A.
Asset Manager:	400 Capital Management LLC
Distribution Dates:	Monthly beginning in July 2018
Optional Redemption:	The Trust is subject to optional redemption as described in this Offering Circular
Form of Guaranteed Certificates:	Book-entry on the depository system of DTC
Offering Terms:	The underwriters named below are offering the Guaranteed Certificates in negotiated transactions at varying prices
Closing Date:	June 28, 2018

Class	Initial Class Principal Amount(1)	Class Coupon	CUSIP Number	Mandatory Guarantor Repurchase Date(2)/ Stated Final Distribution Date
Class A-1	$261,041,764	3.50%	35564CAA5	June 25, 2028
Class A-2	$ 87,013,921	3.50%	35564CAB3	June 25, 2028
Class A(3)	$348,055,685	(4)	35564CAC1	April 25, 2058

(1) Approximate. May vary up to 10%.
(2) See *"Mandatory Guarantor Repurchase Obligation"*.
(3) The Class A Certificates will not be offered initially.
(4) The Class Coupon of the Class A Certificates for each Distribution Date on or before the Distribution Date in June 2028 will be a per annum rate equal to 3.50%. If the Class A Certificates have not been redeemed by the Majority Representative in connection with its Optional Redemption Right as further described herein or otherwise paid in full by the Distribution Date in June 2028, then effective on the Distribution Date in July 2028 and thereafter, the Class Coupon of the Class A Certificates will become floating rate at a per annum rate equal to the lesser of (i) One-Month LIBOR plus 2.00% and (ii) 7.00%.

In addition to the Guaranteed Certificates, the Trust will issue the Class M-1, Class M-2, Class M-3, Class B, Class MI, Class XS, Class R, Class RA and Class RS Certificates (the "Non-Guaranteed Certificates"). Only the Class A-1 and Class A-2 Certificates are offered by this Offering Circular. The Class A Certificates will not be offered initially, however the Class A-1 and Class A-2 Certificates represent interests in the Class A Certificates. Information about the Non-Guaranteed Certificates is included in this Offering Circular to help you understand the Guaranteed Certificates.

The Guaranteed Certificates are complex financial instruments and may not be suitable investments for you. You should not purchase Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates are not tax-exempt. Because of applicable securities law exemptions, the Guaranteed 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 133 of this Offering Circular indicates where definitions of certain defined terms appear in this Offering Circular.

Wells Fargo Securities
Co-Lead Manager and Joint Bookrunner

Credit Suisse
Co-Lead Manager and Joint Bookrunner

Loop Capital Markets
Selling Group Member

June 26, 2018

THE GUARANTEED 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 GUARANTEED CERTIFICATES AND THE OBLIGATIONS OF THE ISSUER, THE GUARANTOR, THE SERVICER, THE SELLER, THE TRUSTEE, THE CUSTODIAN, THE ASSET MANAGER AND THE SECURITIES ADMINISTRATOR WITH RESPECT TO THE GUARANTEED 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 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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) CALENDAR 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED 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 GUARANTEED CERTIFICATES SUPERSEDES ALL PRIOR INFORMATION REGARDING SUCH GUARANTEED CERTIFICATES. THE GUARANTEED 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.

On September 6, 2008, FHFA exercised authority granted by Congress to place Freddie Mac into conservatorship and we continue to conduct 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 it has 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. The Conservator, Congress and/or the administration may, at any time and from time-to-time, adopt policies, legislation, or otherwise act in ways that significantly change our business model or capital structure. We are not aware of any current plans to significantly change our business model or capital structure in the near-term; however, we have no ability to predict what regulatory or legislative policies or actions may be made with respect to Freddie Mac in the future. See *"Risk Factors — Risks Relating to Freddie Mac"*.

On May 13, 2014, FHFA issued a document titled, "The 2014 Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac" (the **"2014 Strategic Plan"**). The 2014 Strategic Plan provides three reformulated strategic goals of the conservatorships of Freddie Mac and the Federal National Mortgage Association (**"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.

Since 2014, FHFA has issued an annual conservatorship scorecard (**"Conservatorship Scorecard"**) that establishes 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. For information on the current Conservatorship Scorecard, see our current report on Form 8-K filed December 22, 2017.

Purchase Agreement, Warrant and Senior Preferred Stock

On September 7, 2008, we, through FHFA, in its capacity as Conservator, entered into the Senior Preferred Stock Purchase Agreement with the U.S. Department of the Treasury (**"Treasury"**). The Purchase Agreement has been subsequently amended a number of times (as amended, the **"Purchase Agreement"**).

The Purchase Agreement requires Treasury, upon the request of the Conservator, to provide funds to us in certain circumstances. In exchange for Treasury's funding commitment, we issued to Treasury: (a) one million shares of Variable Liquidation Preference Senior Preferred Stock (with an initial liquidation preference of $1 billion) (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 (the **"Warrant"**). The Senior Preferred Stock and Warrant were issued to Treasury as an initial commitment fee in consideration of Treasury's commitment to provide funding to us under the Purchase Agreement. We did not receive any cash proceeds or other consideration from Treasury for issuing the Senior Preferred Stock or the Warrant.

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 (the **"Deficiency Amount"**), provided that the aggregate amount funded under the Purchase Agreement may not exceed Treasury's commitment. As of March 31, 2018, the amount of available funding remaining under the Purchase Agreement was $140.2 billion. This amount will be reduced by any future draws.

Treasury, as the holder of the Senior Preferred Stock, is entitled to receive quarterly cash dividends, when, as and if declared by our Board of Directors. The dividends we have paid to Treasury on the Senior Preferred Stock have been declared by, and paid at the direction of, the Conservator, acting as successor to the rights, titles, powers and privileges of the Board. Through December 31, 2012, the Senior Preferred Stock accrued quarterly cumulative dividends at a rate of 10% per year.

However, under the August 2012 amendment to the Purchase Agreement, the fixed dividend rate was replaced with a net worth sweep dividend beginning in the first quarter of 2013. For each fiscal quarter commencing January 1, 2013 and thereafter, the dividend is the amount, if any, by which our Net Worth Amount (defined below) at the end of the immediately preceding fiscal quarter, less the applicable capital reserve amount for such fiscal quarter, exceeds zero (the **"Dividend Amount"**). If the calculation of the dividend for any fiscal quarter does not exceed zero, then no dividend will accrue or be payable for that quarter. The term **"Net Worth Amount"** is defined as our total assets (excluding Treasury's commitment and any unfunded amounts thereof), less our total liabilities (excluding any obligation in respect of capital stock), in each case as reflected on our consolidated balance sheets prepared in accordance with GAAP. Pursuant to the December 21, 2017 letter agreement (the **"Letter Agreement"**) amending the Senior Preferred Stock, for each fiscal quarter from January 1, 2018 and thereafter, the applicable capital reserve amount will be $3.0 billion rather than zero as previously provided. However, for each fiscal quarter from January 1, 2018 and thereafter, for any fiscal quarter with respect to which the Board of Directors does not declare and pay a dividend or declares and pays a dividend in an amount less than the Dividend Amount, the applicable capital reserve amount shall thereafter be zero. The Dividend Amounts on the Senior Preferred Stock could be substantial and will have an adverse impact on our financial position and net worth.

The Senior Preferred Stock is senior in liquidation preference to our common stock and all other series of preferred stock. Any amounts that we draw under the Purchase Agreement are added to the liquidation preference of the Senior Preferred Stock. 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 of March 31, 2018, the aggregate liquidation preference of the Senior Preferred Stock was $75.6 billion. 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.

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, as 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 Purchase Agreement).

No additional shares of Senior Preferred Stock are required to be issued under the Purchase Agreement. 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 as of January 1, 2013 and thereafter, by agreement with Treasury no periodic commitment fee under the Purchase Agreement was or will be set, accrued or payable. Treasury waived the fee for all applicable quarters prior to that date.

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 Guaranteed Certificates or Freddie Mac mortgage guarantee obligations, and if Treasury fails to perform its obligations under its funding commitment, then if we and/or the Conservator fail to diligently pursue 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 Guaranteed Certificates and Freddie Mac mortgage guarantee obligations; and (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 such 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 Guaranteed 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, 2017, filed with the SEC on February 15, 2018; (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, Asset Manager 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 the Incorporated Documents available on our internet website at this address: **www.freddiemac.com**.[1]

Loan-level information provided in this Offering Circular and made available on the Securities Administrator's internet website[2] 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. We may not have independently verified the information reported and furnished to us by the prior servicers regarding the Mortgage Loans and we make no representations or warranties concerning the accuracy or completeness of that information. 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.

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(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 https://pivot.usbank.com.

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TRANSACTION SUMMARY

On the Closing Date, Freddie Mac will deposit certain seasoned re-performing and non-performing mortgage loans (the **"Mortgage Loans"**) into the Freddie Mac Seasoned Loans Structured Transaction Trust, Series 2018-1 (the **"Trust"**). The Trust will issue the Class A-1, Class A-2, Class A, Class M-1, Class M-2, Class M-3, Class B, Class XS, Class MI, Class R, Class RA 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; however the Class A-1 and Class A-2 Certificates represent interests in the Class A Certificates. None of the Non-Guaranteed Certificates are offered by this Offering Circular. 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, on the Guaranteed Certificates. Freddie Mac, as sponsor of the securitization in which the Certificates are to be issued, is not required to 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 Guaranteed 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 Guaranteed 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 December 27, 2019) (the **"Warranty Period"**) with respect to the Mortgage Loans, described in Appendix C (each, a **"Representation and Warranty"**, and together, the **"Representations and Warranties"**) and will be the only party from which the Trust may seek a remedy with respect to a Mortgage Loan as a result of any Material Breach. See Appendix C.

Select Portfolio Servicing, Inc. (**"SPS"** or the **"Servicer"**) will be required to 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 June 28, 2018 (the **"Custodial Agreement"**) among the Custodian, the Trustee and the Servicer.

400 Capital Management LLC (**"400 Capital Management"** or the **"Asset Manager"**), will provide certain services to the Trust, as further described in this Offering Circular. If the Asset Manager becomes aware of the existence of a potential Material Breach of a Representation and Warranty during the Warranty Period or a potential Collateral Deficiency Loss or Existing Lien Loss during the Indemnification Period, it must submit a complete Notice of Breach or Indemnification to the Seller. When a Notice of Breach or Indemnification with respect to a Mortgage Loan has been issued, the Seller will review such Mortgage Loan to determine whether (i) a Material Breach exists that can be cured, or if the Material Breach cannot be cured, requiring a payment of a Loss Indemnification Amount or repurchase of such Mortgage Loan, or (ii) a Collateral Deficiency Loss or Existing Lien Loss exists requiring a payment of a Collateral Deficiency Indemnification Amount or an Existing Lien Indemnification Amount, as applicable, by the Seller.

Upon the Seller's receipt of a complete Notice of Breach or Indemnification, the Cure Period will begin to run. If the Notice of Breach or Indemnification is incomplete or the Asset Manager unreasonably delays submitting a Notice of Breach or Indemnification and the delay results in an inability by the Seller to cure the breach, then the related breach will be deemed to have been waived.

If the Seller has confirmed, in its sole and reasonable discretion, that it has received a complete Notice of Breach or Indemnification during the Warranty Period, and such notice accurately documents a Material Breach of a Representation and Warranty, the Seller will: (i) use its commercially reasonable efforts to cure such breach in all material respects within 90 days from confirmation or receipt, as applicable, of such notice unless the Seller and Asset Manager mutually agree to a longer period (the **"Cure Period"**), or (ii) if such breach cannot be cured by the expiration of the Cure Period, the Seller will, at its option: (x) indemnify the Trust for the Loss Indemnification Amount resulting from the Material Breach or (y) repurchase such Mortgage Loan (or related REO Property) at the Repurchase Price.

If the Seller has confirmed, in its sole and reasonable discretion, that it has received a complete Notice of Breach or Indemnification during the Indemnification Period, and such notice is complete and accurately evidences a Collateral Deficiency Loss or Existing Lien Loss, the Seller will determine, in its sole and reasonable discretion and based on the estimate provided by the Asset Manager in the notice, the appropriate Collateral Deficiency Indemnification Amount or Existing Lien Indemnification Amount, as applicable.

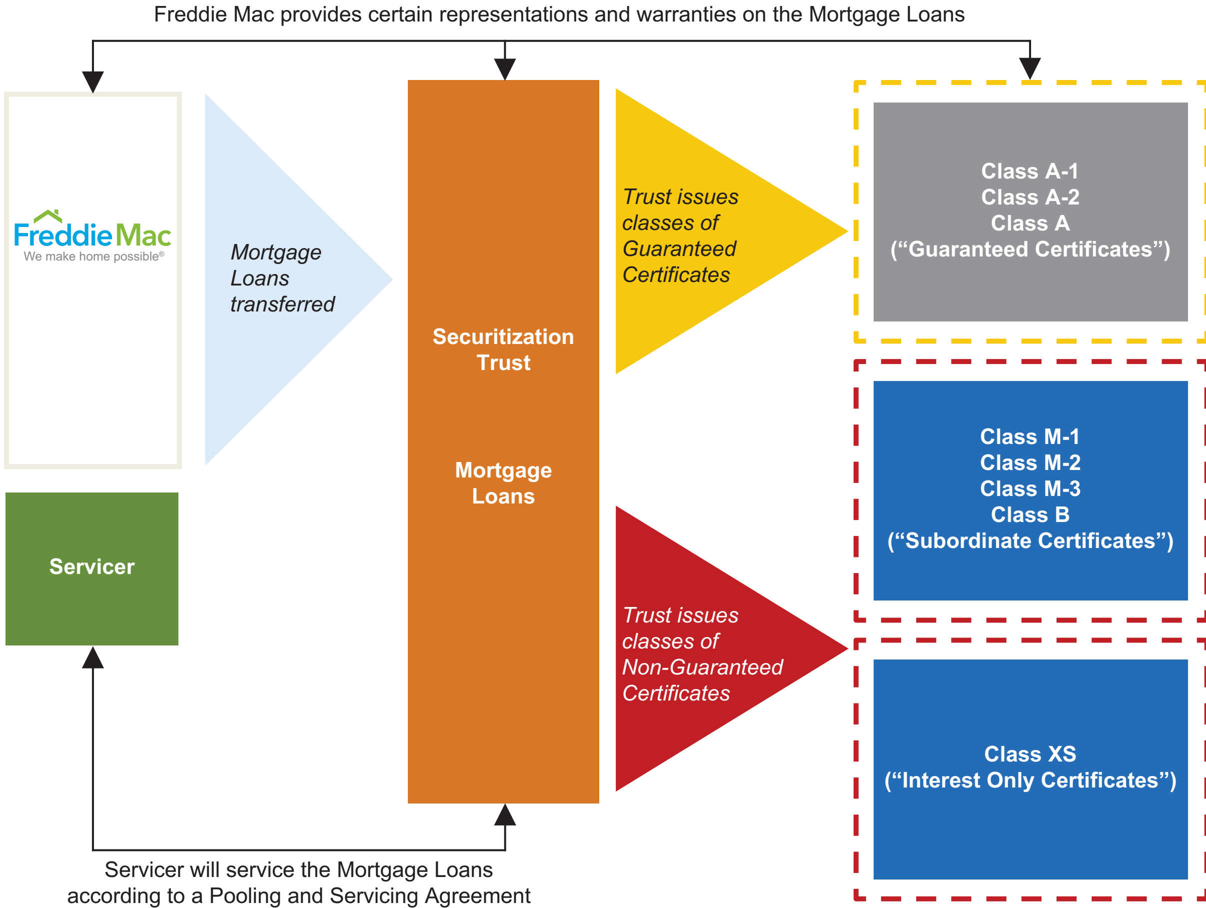
The total amount of the Existing Lien Losses, the Collateral Deficiency Losses, and the Loss Indemnification Amounts related to a Mortgage Loan may not exceed the Repurchase Price for such Mortgage Loan, regardless of the number of breaches associated with such Mortgage Loan.

Investors in the Guaranteed 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 Guaranteed Certificates.

The Class Principal Amounts of the Guaranteed 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 Guaranteed Certificates and will (i) make a Guarantor Principal Payment on any Distribution Date in an amount up to the excess of the Class Principal Amount of the Class A Certificates after taking into account payments made on such Distribution Date pursuant to "*Description of the Certificates — Distribution of Available Funds*" on such Distribution Date over the aggregate Unpaid Principal Balance of the Mortgage Loans as of the end of the related Collection Period, (ii) make a Guarantor Interest Payment in an amount up to the unpaid Current Interest for the Class A Certificates remaining after giving effect to any payments made in accordance with "*Description of the Certificates — Distribution of Available Funds*" on such Distribution Date, and (iii) make Guarantor Maturity Payments if the remaining Class Principal Amount of the Class A Certificates is greater than zero after the application of interest and principal in accordance with "*Description of the Certificates — Distribution of Available Funds*" and allocation of Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts 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"**). An election will be made to treat a portion of the trust consisting of the Class A Certificate in the Upper-Tier REMIC Pool as a REMIC for U.S. federal income tax purposes (the **"Class A Certificate REMIC Pool"** and, together with the Lower-Tier REMIC Pool and the Upper-Tier REMIC Pool, the **"REMIC Pools"**). As described more fully in this Offering Circular, the Class A-1 and Class A-2 Certificates will represent ownership of the "regular interests" in the Class A Certificate REMIC Pool and certain other rights. The Class A, Class M-1, Class M-2, Class M-3, Class B and Class XS Certificates will represent ownership of the "regular interests" in the Upper-Tier REMIC Pool and certain other rights and obligations. Each of the Class R, Class RS and Class RA Certificates will constitute the sole class of "residual interests" in the Upper-Tier REMIC Pool, Lower-Tier REMIC Pool and Class A Certificate REMIC Pool, respectively. The Class MI Certificate represents ownership of Mortgage Insurance Proceeds, if any, and does not represent ownership of an interest in a REMIC. See *"Certain Federal Income Tax Consequences"* herein.

Transaction Diagram



Note: The Trust will also issue a Class R Certificate, a Class RA Certificate and a Class RS Certificate, which represent the non-economic residual interests in the REMICs described herein, and a Mortgage Insurance Certificate (the **"Class MI Certificate"**) that is entitled to Mortgage Insurance Proceeds received from Mortgage Loans, which Certificate will be retained by Freddie Mac. However, such 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 2018-1.

The Trustee . . . . Freddie Mac will act as trustee (the **"Trustee"**) of the Trust under the Pooling and Servicing Agreement.

The Servicer . . . . Select Portfolio Servicing, Inc. (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 Guaranteed Certificates.

The Issuer . . . . Freddie Mac Seasoned Loans Structured Transaction Trust, Series 2018-1 (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 Servicer, the Custodian, the Securities Administrator, the Asset Manager or any other person.

The Custodian . . . . Wells Fargo Bank, N.A. will act as the custodian (the **"Custodian"**) for the Trust.

The Asset Manager . . . . 400 Capital Management LLC (the **"Asset Manager"**) will: (a) review alleged Material Breaches of Representations and Warranties, Collateral Deficiency Losses and Existing Lien Losses, and issue Notices of Breach or Indemnification to the Seller in accordance with the Pooling and Servicing Agreement; (b) use commercially reasonable efforts to cure any Material Breach, Collateral Deficiency Losses and Existing Lien Losses; (c) supervise the sale of any Seriously Delinquent Mortgage Loans by the Servicer pursuant to its exercise of the Loan Sale Right; (d) monitor the Servicer's servicing of the Mortgage Loans; (e) provide consent to the Servicer, with respect to the Servicer's servicing of the Mortgage Loans and any related REO Properties, including the waiver or modification of any term of any Mortgage Loan (including any Eligible Loan) and the administration of defaulted Mortgage Loans; (f) terminate the Servicer without cause in accordance with the Pooling and Servicing Agreement; and (g) to the extent not set forth above, take such actions as the Asset Manager believes are necessary and reasonable or appropriate in furtherance of clauses (a) through (f) above, subject to the approval and consent of the Guarantor, and perform those other duties and obligations and exercise any rights allocated to it as specified in the Pooling and Servicing Agreement or otherwise with the approval and consent of the Guarantor.

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	Wells Fargo Securities, LLC (**"Wells Fargo Securities"**), Credit Suisse Securities (USA) LLC (**"Credit Suisse"**) and Loop Capital Markets LLC (**"Loop Capital Markets"**) will be the Underwriters of the Guaranteed Certificates.
Certificates:	
Subordinate Certificates	The Class M-1, Class M-2, Class M-3 and Class B Certificates (collectively, the **"Subordinate Certificates"**).
Fixed Rate Certificates	The Class M-1, Class M-2, Class M-3 and Class B Certificates (collectively, the **"Fixed-Rate Certificates"**).
Interest Only Certificates	The Class XS Certificates (the **"Class XS Certificates"**).
Mortgage Insurance Certificate	The Class MI Certificate (the **"Class MI Certificate"**).
Residual Certificates	The Class R, Class RA and Class RS Certificates (collectively, the **"Residual Certificates"**).
Guaranteed Certificates	Either, the Class A-1 and Class A-2 Certificates, collectively, or the Class A Certificates, as the context may require (the **"Guaranteed Certificates"**).
Class M Certificates	The Class M-1, Class M-2 and Class M-3 Certificates (collectively, the **"Class M Certificates"**).

Non-Guaranteed Certificates . . . . . The Subordinate Certificates, Interest Only Certificates, Mortgage Insurance Certificate and Residual Certificates (collectively, 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. Below is information related to the Non-Guaranteed Certificates:

Class	Initial Class Principal Amount or Class Notional Amount(1)	Class Coupon
Class M-1	$ 18,219,132	3.00%(2)
Class M-2	$ 28,916,917	3.00%(3)
Class M-3	$ 28,916,917	3.00%(4)
Class B	$ 57,832,866	1.50%(5)
Class XS	$481,941,517(6)	(7)
Class MI	$105,892,790(8)	N/A
Class R	$ 0	N/A
Class RA	$ 0	N/A
Class RS	$ 0	N/A

(1) Approximate. May vary by up to 10%.

(2) The Class Coupon of the Class M-1 Certificates for each Distribution Date will be a per annum rate equal to the lesser of (i) 3.00% 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 Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates.

(3) The Class Coupon of the Class M-2 Certificates for each Distribution Date will be a per annum rate equal to the lesser of (i) 3.00% 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 Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates.

(4) The Class Coupon of the Class M-3 Certificates for each Distribution Date will be a per annum rate equal to the lesser of (i) 3.00% and (ii) the Class M Net WAC for such Distribution Date. To the extent the Class Coupon of the Class M-3 Certificates is limited by the Class M Net WAC, such Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates.

(5) The Class Coupon of the Class B Certificates for each Distribution Date will be a per annum rate equal to the lesser of (i) 1.50% and (ii) the Class B Net WAC for such Distribution Date. To the extent the Class Coupon of the Class B Certificates is limited by the Class B Net WAC, such Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates.

(6) Reflects initial Class Notional Amount. See *"Summary of Terms — Certificates — Interest Only Certificates"* and *"Summary of Terms — Class Notional Amount*".

(7) The Class XS Certificates are entitled to the Excess Servicing Amount, received on the Mortgage Loans. See "*Description of Certificates — Glossary of Terms*". The Class XS Certificates will not be entitled to distributions of principal or interest and will not have a Class Principal Amount or Class Coupon.

(8) Class Notional Amount. The Class MI Certificate will not be entitled to distributions of principal or interest and will not have a Class Principal Amount. The Class MI Certificate is entitled only to 90% of Mortgage Insurance Proceeds, if any, received on the Mortgage Loans. The Class MI Certificate will have a Class Notional Amount equal to the aggregate Unpaid Principal Balance of the Mortgage Loans with a Mortgage Insurance Policy as of the opening of business on the first day of the related Collection Period.

Certificate Principal Amount . . . . The **"Certificate Principal Amount"** for any Certificate (other than the Interest Only 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 (A) the initial principal amount set forth on the face of such Certificate, minus (B) 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 (C) any Certificate Writeup Amounts allocated to that Certificate; with each of the amounts in (B) through (C) as made or allocated on or prior to such Distribution Date.

Class Principal Amount . . . . The **"Class Principal Amount"** for each Class of Certificates (other than the Class XS 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.

Class Notional Amount . . . . For the Class XS 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. For the Class MI Certificates and any Distribution Date, an amount equal to the aggregate Unpaid Principal Balance of the Mortgage Loans with a Mortgage Insurance Policy 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 July 2018 (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 June 28, 2018 (the **"Closing Date"**).

Record Date . . . . For the first Distribution Date, the close of business on the Closing Date, and for each Distribution Date after the first Distribution Date, the close of business on the last business day of the calendar month immediately preceding such Distribution Date.

Stated Final Distribution Date . . . . . . The Distribution Date in April 2058 (the **"Stated Final Distribution Date"**). The actual final Distribution Date for any Class of Certificates other than the Class A Certificates may be substantially different than the Stated Final Distribution Date. The actual final Distribution Date for the Class A Certificates may be on or prior to the Stated Final Distribution Date.

If the remaining Class Principal Amount of the Class A Certificates is greater than zero after the application of interest and principal in accordance with "*Description of the Certificates — Distribution of Available Funds*" and allocation of Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts 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 the Class A Certificates, and such amount (each a **"Guarantor Maturity Payment"**) will be distributed to the Class A Certificates as principal.

Representations and Warranties . . . . With respect to each Mortgage Loan, the representations and warranties set forth in Appendix C.

Material Adverse Effect . . . . With respect to a Mortgage Loan, each of the following breaches of the Representations and Warranties will be deemed to have a Material

Adverse Effect if such breach occurred during the Warranty Period and the breach is:

(a) A breach of the "Regulatory Compliance", "Mortgage Loan Instrument", "Rescission" or "High-Cost Loans" Representation and Warranty that:

  (i) causes the Trust to be subject to assignee liability as owner of the Mortgage Loan; or

  (ii) prevents the Trust from enforcing the Mortgage Loan through foreclosure.

(b) A breach of the "Non-routine Litigation" Representation and Warranty and the litigation at issue causes a Significant Actual Loss or results in substantial risk of a Significant Actual Loss to the Trust.

(c) A breach of the "No Encumbrances or Pledges" Representation and Warranty that resulted in Seller being unable to convey ownership of the Mortgage Loan on the Closing Date.

(d) A breach of the "Title, Lien Priority" or "Taxes Paid" Representation and Warranty that caused the mortgage to not be in first lien position as of the Closing Date and Seller had not provided title insurance insuring that the mortgage was in first lien position.

(e) A breach of the "Hazard Insurance" or "Flood Insurance" Representation and Warranty and (i) the physical condition of the mortgaged property was substantially different on the Closing Date from the information provided in the BPOs and servicing notes provided with the offering materials, and (ii) such difference resulted in a Significant Actual Loss.

(f) A breach of the "1-4 Family; U.S." Representation and Warranty that caused a Significant Actual Loss to the Trust.

(g) A breach of the "Data" Representation and Warranty that caused a Significant Actual Loss to the Trust or a material diminution in value of such Mortgage Loan.

Material Breach . . . . With respect to any Mortgage Loan, a determination by the Seller that a Representation and Warranty made by the Seller on the Closing Date was breached and that such breach resulted in a Material Adverse Effect to such Mortgage Loan.

Mandatory Guarantor Repurchase Date . . . . The date of the Mandatory Guarantor Repurchase Obligation for the Class A Certificates which is the Distribution Date in June 2028 (the **"Mandatory Guarantor Repurchase Date"**).

Retained Certificates . . . . 100% of each of the Class M-2, Class M-3 and Class B Certificates.

Initial Retained Certificateholder . . . . 510 Seasoned Loan LLC I.

Retained Certificateholder(s) . . . . Until June 2021, 510 Seasoned Loan LLC I. Beginning in July 2021 through June 2025, a single subsequent purchaser (if any) purchasing 100% of each of the Retained Certificates. Any such subsequent

Retained Certificateholder will be required to assume all the rights and obligations of 510 Seasoned Loan LLC I.

Retained Certificates Sales Thresholds . . . . Beginning in July 2025, the Retained Certificateholder will have the right to sell some or all the Retained Certificates if the following conditions are met: (i) the Non-Current Mortgage Loan Percentage must be less than 50% of the current Credit Enhancement; and (ii) the Credit Enhancement must be equal to the Target Credit Enhancement for the current Distribution Date and the preceding eleven (11) Distribution Dates.

Subordinate Certificate Retention Requirements . . . . The Initial Retained Certificateholder will be required to retain 100% of the Retained Certificates until at least June 2021. Beginning in July 2021 and through June 2025, (i) the Initial Retained Certificateholder will have the right to sell all (but not less than all) of the Retained Certificates to a single subsequent purchaser, and (ii) any such subsequent purchaser will have the right to sell all (but not less than all) of the Retained Certificates to another single purchaser, and so on. If any Retained Certificateholder (including the Initial Retained Certificateholder) sells the Retained Certificates in violation of Section 5.11 of the Pooling and Servicing Agreement, it will forfeit all of its rights and obligations under the Pooling and Servicing Agreement other than its rights with respect to distributions on the Retained Certificates, the Optional Redemption Rights and the Clean-up Call Rights.

Any subsequent Retained Certificateholder that purchases the Retained Certificates between July 2021 and June 2025, will not have the right to terminate the Asset Manager or appoint a new asset manager if the Asset Manager is otherwise terminated.

In connection with the sale of the Retained Certificates to the Initial Retained Certificateholder on the Closing Date, and any sale of the Retained Certificates from July 2021 through June 2025, the transferee and the transferor of the Retained Certificates will be required to execute a Retained Certificates Transferee Letter and Agreement substantially in the form set forth in the Pooling and Servicing Agreement and deliver such letter to the Trustee and the Securities Administrator.

Beginning in July 2025, the Retained Certificateholder will have the right to sell some or all the Retained Certificates if the Retained Certificates Sales Thresholds are met.

Majority Representative . . . . **"Majority Representative"** means:

A. Prior to July 2025,

(i) the Retained Certificateholder, if the aggregate Class Principal Amount of the Retained Certificates is greater than zero; and

(ii) if the aggregate Class Principal Amount of the Retained Certificates has been reduced to zero and (A) the Class Principal Amount of the Class M-1 Certificates is greater

than zero, the party appointed by the holders of the majority of the Class Principal Amount of the Class M-1 Certificates; *provided however,* that if such holders do not appoint a Majority Representative, then the Retained Certificateholder will remain the Majority Representative; or (B) if the Class Principal Amount of the Class M-1 Certificates has been reduced to zero, then the Retained Certificateholder will remain the Majority Representative.

B. On and after July 2025,

(i) the Retained Certificateholder, for so long as the Retained Certificateholder holds the Retained Certificates and if the aggregate Class Principal Amount of the Retained Certificates is greater than zero;

(ii) if (A) the Retained Certificates Sales Thresholds are met, (B) the Retained Certificateholder sells less than 50% of the Class Principal Amount of each Class of Retained Certificates and (C) the aggregate Class Principal Amount of the Retained Certificates is greater than zero, then the Retained Certificateholder;

(iii) if (A) the Retained Certificates Sales Thresholds are met, (B) the Retained Certificateholder sells more than 50% of the Class Principal Amount of any Class of Retained Certificates and (C) the aggregate Class Principal Amount of the Retained Certificates is greater than zero, then the holders of the majority of the Class Principal Amount of the Optional Control Class, if any; and

(iv) if the aggregate Class Principal Amount of the Retained Certificates has been reduced to zero and if none of the clauses (i) - (iii) above are satisfied, then the holders of the majority of the Class Principal Amount of the Optional Control Class, if any.

If after June 2025, the Retained Certificateholder is no longer the Majority Representative, the Asset Manager will be terminated and no successor Asset Manager may be engaged by any party.

Optional Redemption . . . . The Majority Representative upon written notice to the Guarantor at least sixty (60) days prior to those Distribution Dates listed in clauses (i), (ii) and (iii) below, may exercise and redeem at its option (an **"Optional Redemption Right"**) after distributions for that Distribution Date, the Class A Certificates, the Class MI Certificate and the Subordinate Certificates in accordance with the following schedule and prices (each such price, a **"Redemption Price"**):

(i) on the Distribution Date in June 2022, the sum of (A) 102% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (B) the Class MI Fair Market Value Price and (C) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates;

(ii) on the Distribution Date in June 2023, the sum of (A) 101% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (B) the Class MI Fair Market Value Price and (C) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates; or

(iii) on the Distribution Date in June 2025 and in June each year after, the sum of (A) 100% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (B) the Class MI Fair Market Value Price and (C) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates.

In addition, in connection with exercising its Optional Redemption Right, the Majority Representative will be required to pay in addition to the applicable Redemption Price set forth above, any unreimbursed Servicing Advances and Pre-Existing Servicing Advances, unpaid fees and any expenses, indemnification amounts or other reimbursements owed to the parties to the Pooling and Servicing Agreement and the Custodian, without regard to the applicable Expenses Cap (including any unreimbursed Guarantor Interest Payments, Guarantor Principal Payments, Guarantor Maturity Payment and related interest) (collectively, the **"Optional Redemption Payment"**).

For the avoidance of doubt, all calculations related to the Redemption Price will be based on amounts on the Distribution Date (after taking into account distributions made on such Distribution Date in accordance with "— *Distribution of Available Funds*", any allocation of Realized Losses, any allocation of Certificate Writedown Amounts, any allocation of Certificate Writeup Amounts and any allocation of Mortgage Insurance Proceeds) on which the Redemption Price is paid. If the Majority Representative chooses to exercise its Optional Redemption Right on or before the Distribution Date in June 2028, the Mandatory Guarantor Repurchase Obligation will not be effected.

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 Guaranteed 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 Guaranteed 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 of the outstanding Class Principal Amounts of the Guaranteed Certificates has been reduced to zero and there are no unreimbursed Guarantor Principal Payments, Guarantor Interest Payments or Guarantor Maturity Payments and any related interest thereon outstanding.

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

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 . . . . There will be no advancing of delinquent principal or interest on the Mortgage Loans by the Servicer or any other party to the transaction.

However, the Servicer will be required to make all customary, reasonable and necessary "out-of-pocket" costs and expenses associated with preserving and maintaining the property in accordance with its obligations in the Pooling and Servicing Agreement (such advances, "**Servicing Advances**").

The Servicer, provided it does not have outstanding indemnification obligations to the Trust totaling in excess of $1 million, or any indemnification obligation that has not been outstanding for more than three (3) months, will be entitled to withdraw or cause to be withdrawn from the Collection Account upon the earlier of (i) payment by the borrower or (ii) final resolution of the Mortgage Loan, prior to any payments to Certificateholders, amounts representing unreimbursed Servicing Advances made after the Cut-Off Date with respect to a Mortgage Loan.

Pre-Existing Servicing Advances . . . . Pre-Existing Servicing Advances are unreimbursed borrower recoverable advances as of the Cut-Off Date. Collections on the related Mortgage Loans that constitute reimbursements for Pre-Existing Servicing Advances or Capitalization Amounts will be paid to Freddie Mac prior to collections on the Mortgage Loans being applied as Available Funds. The aggregate amount of unreimbursed borrower recoverable advances is approximately $1,213,100 as of the Cut-Off Date.

Initial Principal Forbearance Amount . . . . With respect to any Mortgage Loan, the Unpaid Principal Balance that is deferred as a result of forbearance, 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 $24,936,990 or 5.17% of the aggregate Unpaid Principal Balance of all the Mortgage Loans, as of the Cut-Off Date.

Deferred Unpaid Principal Balances . . . . **"Deferred Unpaid Principal Balances"** are created in connection with modifications to reduce the Interest Bearing Unpaid Principal Balances of certain Mortgage Loans and are part of the Unpaid Principal Balances of such Mortgage Loans. The Deferred Unpaid

Principal Balances may include Initial Principal Forbearance Amounts, any Unpaid Principal Balance that is deferred as a result of forbearance of such Mortgage Loan after the Cut-Off Date, or an aggregate of both amounts for modified Mortgage Loans. Deferred Unpaid Principal Balances do not bear interest, typically do not amortize and are due and payable at the earlier of (i) the modified maturity date, (ii) transfer of ownership of the mortgaged property, or (iii) payoff of the Interest Bearing Unpaid Principal Balance or refinance of the Mortgage Loan.

Post-Closing Principal Forbearance Amount . . . . With respect to any Mortgage Loan and any Distribution Date, the greater of (i) zero and (ii) the Deferred Unpaid Principal Balances of such Mortgage Loan as of the end of the related Collection Period minus the Initial Principal Forbearance Amount of such Mortgage Loan.

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, as applicable, the payment of principal as described herein, including payment in full by the Stated Final Distribution Date on the Guaranteed Certificates and the performance of the Mandatory Guarantor Repurchase Obligation of the Class A Certificates on the Mandatory Guarantor Repurchase Date.

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

Credit Suisse, one of the Underwriters, and SPS, the Servicer, are affiliates.

Interest

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

The "**Accrual Period**" for all Certificates for any Distribution Date is the calendar month immediately preceding the month in which such Distribution Date occurs.

The amount of interest that will accrue on any Class of interest-bearing Certificates on any Distribution Date, is equal to:

(a) the product of (i) 30, (ii) the applicable Class Coupon and (iii) the Class Principal Amount of such Class of Certificates immediately prior to such Distribution Date (or the initial Class Principal Amount thereof as of the Closing Date, in the case of the initial Distribution Date),

divided by (b) 360.

Interest on the Certificates will be distributable monthly on each Distribution Date from all Available Funds, commencing in July 2018.

See "*Description of the Certificates — Interest*".

Interest Remittance Amount

With respect to any Distribution Date, without duplication, an amount, not less than zero, equal to: (i)(a) all interest collected in respect of monthly payments (including Pay-aheads) on the Mortgage Loans and on account of Mortgage Loan prepayments during the related Collection Period, including prepayment penalties, if any, premiums or yield maintenance payments to the extent collected by the Servicer, (b) the portion allocable to

interest of the Loan Sale Proceeds or proceeds resulting from the sale of one or more Seriously Delinquent Mortgage Loans, during the related Collection Period and (c) the Repurchase Price of each Mortgage Loan or REO Property that was repurchased due to a Material Breach or any Collateral Deficiency Indemnification Amounts, Existing Lien Indemnification Amounts or Loss Indemnification Amounts received during the related Collection Period due to a Material Breach, in each case as reduced by, without duplication (ii) the sum of (a) amounts retained by the Servicer to reimburse itself for Servicing Advances, (b) any Expenses or indemnification amounts of the Custodian, the Securities Administrator, the Guarantor, the Asset Manager or the Servicer (subject in the aggregate to the Expenses Cap so long as no Optional Redemption or Clean-up Call has occurred), and (c) the amount of any Servicing Fee, Guarantor Oversight Fee, Custodian Fee, Asset Manager Fee or Securities Administrator Fee.

Principal

On each Distribution Date, the Trust will distribute principal to the applicable Classes of Certificates from all Available Funds.

See "*Description of the Certificates — Distribution of Available Funds*".

Principal Remittance Amount

With respect to any Distribution Date, without duplication, an amount equal to the sum of (a) principal collected in respect of monthly payments (including Pay-aheads) on the Mortgage Loans and on account of Mortgage Loan prepayments during the related Collection Period, (b) the portion allocable to principal of the Loan Sale Proceeds or proceeds resulting from the sale of one or more Seriously Delinquent Mortgage Loans during the related Collection Period, and (c) all Net Liquidation Proceeds, Subsequent Recoveries and any other recoveries collected and principal remittances made during the related Collection Period with respect to the Mortgage Loans.

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. The Class Notional Amount of the Class XS Certificates will be decreased by any amounts applied to reduce the Unpaid Principal Balance of the Mortgage Loans. See *"Description of the Certificates — Reductions in Class Principal Amounts and Class Notional 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 such payment (each, a **"Guarantor Principal Payment"**) to the Trust.

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 Guaranteed Certificates, through the allocation of the Available Funds, and any Guarantor Principal Payment and/or Guarantor Maturity Payment, as applicable.

Principal Distribution on the Mandatory Guarantor Repurchase Date

If the Majority Representative chooses not to exercise its Optional Redemption Right on or before the Mandatory Guarantor Repurchase Date, the Guarantor will be required to perform its Mandatory Guarantor Repurchase Obligation to purchase the Class A Certificates at the Mandatory Guarantor Repurchase Price. The amount paid by the Guarantor will be used to pay down the remaining Class Principal Amounts of, and any unpaid interest on, the Class A-1 and Class A-2 Certificates.

Expenses Cap

The aggregate annual cap on Expenses applicable to the Securities Administrator, the Custodian, the Servicer, the Asset Manager, the Seller, the Trustee, the Issuer and the Guarantor, will be equal to an aggregate maximum reimbursement of $350,000 in any calendar year; provided that, in no event, in any calendar year, will the aggregate amount of such Expenses reimbursed to (i) the Securities Administrator exceed $50,000, (ii) the Servicer exceed $75,000, (iii) the Custodian exceed $25,000, (iv) the Asset Manager exceed $50,000 and (v) Freddie Mac, in its capacities as the Seller, Issuer, Trustee and Guarantor exceed $150,000; provided, however, that Expenses incurred by 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. As of any date of determination, any Expenses due and owing that are in excess of the aggregate Expenses Cap (**"Excess Expenses"**), that 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. Any Excess Expenses will be reimbursable to the Servicer, the Securities Administrator, the Custodian, the Asset Manager, the Seller, the Issuer, the Trustee and the Guarantor to the extent of funds available on each Distribution Date.

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 (the **"Servicing Fee"**); provided that such fee (i) will not be less than $3,000, and (ii) will be subject to a cap for each Distribution Date equal to (0.30% ÷ 12) × the aggregate Unpaid Principal Balance of the Mortgage Loans on the first day of the related Collection Period, and provided further that there will be no cap on such fees with respect to the first Distribution Date. For each Distribution Date, the **"Servicing Fee Rate"** will be an annualized rate equal to (i) the Servicing Fee for that Distribution Date multiplied by 12; divided by (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period. For a description of the successor servicer's Servicing Fee see *"The Pooling and Servicing Agreement — Successor Servicer"*.

On each Distribution Date, the Securities Administrator will be paid an amount (the **"Securities Administrator Fee"**) equal to the greater of (i) 0.026% divided by 12 and multiplied by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) $3,500. For each Distribution Date, the **"Securities Administrator Fee Rate"** will be an annualized rate calculated as the Securities Administrator Fee multiplied by 12 and divided by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

On each Distribution Date until and including the Guarantee Expiration Date, the Guarantor will be paid an amount (the **"Guarantor Oversight Fee"**) equal to one-twelfth of the product of (i) the Guarantor Oversight Fee Rate and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans (including any REO Properties) as of the first day of the related Collection Period. On each Distribution Date until and including the Guarantee Expiration Date, the **"Guarantor Oversight Fee Rate"** will be an annualized rate equal to 0.05%.

On each Distribution Date, the Custodian will be paid an amount (the **"Custodian Fee"**) equal to one-twelfth of the product of (i) the Custodian Fee Rate and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period. The **"Custodian Fee Rate"** will be an annualized rate, equal to the product of (a) 0.0065% and (b) a fraction, the numerator of which is the aggregate Interest Bearing Unpaid Principal Balance (as of the first day of the related Collection Period), and the denominator of which is 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 Asset Manager Expiration Date, the Asset Manager will be paid an amount (the **"Asset Manager Fee"**) equal to the product of (i) one twelfth of the Asset Manager Fee Rate for

such Distribution Date and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans (including any REO Properties) as of the first day of the related Collection Period.

The **"Asset Manager Fee Rate"** will be initially a rate equal to 0.0000% per annum.

The Asset Manager Expiration Date will be the earlier of (a) the Distribution Date on which the aggregate Class Principal Amount of the Subordinate Certificates has been reduced to zero and (b) the date on which the Asset Manager resigns or is terminated and no successor Asset Manager is appointed.

The Mortgage Loans

On the Closing Date, the assets of the Trust will consist of seasoned, re-performing and non-performing Mortgage Loans with an aggregate Unpaid Principal Balance as of May 31, 2018 (the **"Cut-Off Date"**) of approximately $481,941,518. Each of the Mortgage Loans has a Mortgage Interest Rate less than or equal to 9.625% or has forbearance. 25.03% of the Mortgage Loans are step-rate Mortgage Loans that have Mortgage Interest Rates that may still increase in the future. 43.08% of the Mortgage Loans have principal amounts deferred as part of the modification terms. A due diligence review was performed on all of the Mortgage Loans as described under "*Description of the Mortgage Loans — Due Diligence Review*".

Each of the Mortgage Loans:

(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 September 1993 and February 2016;

(c) has a current mortgage rate between 1.875% and 9.625%; and

(d) as of the Cut-Off Date, has not been reported to be ninety (90) days or more delinquent.

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

	Range or Total	Average or Weighted Average
Number of Mortgage Loans	2,544	—
Aggregate Unpaid Principal Balance	$481,941,517.59	$189,442.42
Aggregate Initial Principal Forbearance Amount	$24,936,989.88	$9,802.28
Original Mortgage Rate	3.500% to 9.875%	6.432%(1)
Current Mortgage Rate	1.875% to 9.625%	4.303%(1)
Effective Mortgage Rate(2)	1.183% to 9.467%	4.081%
Loan Age from Origination (months)	27 to 296	134
Remaining Term to Maturity (months)	12 to 478	399
Original Loan-to-Value Ratio	32% to 214%	81.90%
AVM Current Loan-to-Value Ratio	3% to 262%	79.05%
Non-zero Original Credit Score	300 to 814	667
Non-zero Current Credit Score	446 to 801	594

(1) Weighted by Interest Bearing Unpaid Principal Balance.
(2) The effective mortgage rate equates to the product of (a) the current Mortgage Interest 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.

	Percent of Unpaid Principal Balance
Mortgage Loans with 1-5 Months Clean Pay History	31.72%
Mortgage Loans with 6-11 Months Clean Pay History	19.68%
Mortgage Loans with 12+ Months Clean Pay History	10.31%
Mortgage Loans that are 30 - 59 Days Delinquent	31.15%
Mortgage Loans that are 60 - 89 Days Delinquent	7.13%
Mortgage Loans that are 90+ Days Delinquent	0.00%
Mortgage Loans with an Initial Principal Forbearance Amount	43.08%
Aggregate Initial Principal Forbearance Amount	5.17%
Mortgage Loans in Bankruptcy Status	6.43%
Mortgage Loans with Mortgage Insurance	21.97%
Mortgage Loans with Step-Rate	25.03%
Mortgage Loans that have been Modified	100.00%

Top Five Geographic Concentration of Mortgaged Properties — Aggregate

California	14.51%
Florida	7.82%
New York	6.46%
New Jersey	6.35%
Georgia	5.67%
Maximum Three-Digit Zip Code Concentration	1.87%

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 Loans 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.

Mortgage Loan Representations and Warranties

The Seller will make certain limited Representations and Warranties concerning the Mortgage Loans to the Trust. Other than any 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 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 each REMIC-related Representation and Warranty, which will not expire. Following a complete Notice of Breach or Indemnification having been sent by the Asset Manager to the Seller with respect to a Mortgage Loan, the Seller will review such Mortgage Loan to determine whether a Material Breach exists.

When the Seller, in its sole and reasonable discretion, determines that a Material Breach exists, the Seller will have the right to either (A) cure the Material Breach, or (B) either (x) repurchase such Mortgage Loan or (y) pay to the Trust the Loss Indemnification Amount.

Mortgage Loan Servicing

Select Portfolio Servicing, Inc. 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.

Prepayment and Yield Considerations

The yield to maturity on the Guaranteed 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 Guaranteed Certificates may fluctuate significantly:

- In general, if investors purchased Guaranteed 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 Guaranteed Certificates.
- Conversely, if investors purchased Guaranteed 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 Guaranteed Certificates; (ii) the Guarantor Principal Payments for distribution to the Guaranteed 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 Internal Revenue Code of 1986, as amended (the **"Code"**). The Guaranteed Certificates will represent ownership of the "regular interests" in the Class A

Certificate REMIC Pool and certain other rights. Each of the Class R, Class RS and RA Certificates constitutes the "residual interest" in the Upper-Tier REMIC Pool, the Lower-Tier REMIC Pool and Class A Certificate 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 Guaranteed Certificates consists of a Senior Additional Portion, such amount will be treated as received from one or more Subordinate Certificates from amounts otherwise distributable to such Class in respect of a notional principal contract. Each holder of a Guaranteed Certificate that may be entitled to receive such Senior Additional Portion in respect of a notional principal contract must allocate basis between the REMIC 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.

The Class A Certificate REMIC Pool regular interests corresponding to the Class A-1 and Class A-2 Certificates may be treated as issued with original issue discount (**"OID"**) or premium for U.S. federal income tax purposes depending on, among other things, the portion of the purchase price allocable to the right to receive such Senior Additional Portion. 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 Mortgage Insurance Proceeds, if any, and does not represent ownership of an interest in a REMIC.

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 Guaranteed 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 Guaranteed 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 to a material extent similar to 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 a Guaranteed 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 Guaranteed 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"*.

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 Guaranteed 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 Guaranteed Certificates, the Guaranteed 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 Guaranteed Certificates (as applicable) and accordingly may impact the yield on any Class of Guaranteed Certificates. Further, while any Realized Losses and Certificate Writedown Amounts allocated to the Guaranteed Certificates will be covered by the Guarantee, if a Guarantor Nonpayment Event exists, the Guaranteed Certificates could also suffer losses due to the risks described below. In particular, prospective investors in the Guaranteed Certificates should be aware that:

- The risks and uncertainties described below are not the only ones relating to the Guaranteed Certificates. Additional risks and uncertainties not presently known or that are currently deemed immaterial also may impair an investment in the Guaranteed Certificates. If any of the following risks actually occur, an investment in the Guaranteed Certificates could be materially and adversely affected.
- 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 Guaranteed Certificates could be lower than expected if such Guaranteed 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 Guaranteed Certificates could be lower than expected if such Guaranteed Certificates are purchased at a discount to their principal amount and principal payments on the Mortgage Loans occur slower than expected.
- Each prospective investor is responsible for determining whether the Guaranteed 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 Guaranteed Certificates.
- Prospective investors should not purchase any Guaranteed Certificates unless they understand, and are able to bear, the prepayment, credit, liquidity, market and other risks associated with the Guaranteed 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 Guaranteed 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 Guaranteed Certificates, will not experience material and adverse deteriorations in value in the future.

Re-Performing and Non-Performing Nature of the Mortgage Loans and Lack of Information Regarding Underwriting Procedures 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 (and some Mortgage Loans are currently 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.

None of the Issuer, 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). Although no representations are made herein as to such standards or guidelines, it is possible that many 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.

Moreover, during the origination process, appraisals were generally obtained (and may have been obtained as part of a Mortgage Loan modification) on each prospective mortgaged property. The quality of these appraisals may have varied widely in accuracy and consistency. Inaccurate or inflated appraisals may result in an increase in the number and severity of losses on the Mortgage Loans, particularly in a housing market in which property values are in decline. Because many of the Mortgage Loans are considerably seasoned, the appraisals may be dated, may be missing, may be missing pages or may be incomplete and may not accurately reflect changes to the related property value since the date of the applicable appraisal.

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.

Prospective investors in the Certificates should consider the implications of the lack of information regarding underwriting standards or guidelines in connection with the origination or modification of the Mortgage Loans before making a decision to purchase 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. In addition, approximately 38.29% of the Mortgage Loans are 30-89 days delinquent as of the Cut-Off Date. 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 December 27, 2019

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 Seller is notified of on or prior to December 27, 2019 (other than with respect to each 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 December 27, 2019. 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 Representations and Warranties regarding the Mortgage Loans 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.

Further, Freddie Mac, as Seller, is entitled to determine, in its sole discretion, whether a Material Breach has occurred and the amount of the Loss Indemnification Amount, if any. In the event that Freddie Mac does not receive a complete Notice of Breach or Indemnification, the related breach will be deemed to have been waived.

Investors should consider the impact of the limited set of Representations and Warranties described in this Offering Circular on the future performance of the Guaranteed 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 Seller is notified of on or prior to December 27, 2019 (the **"Warranty Period"**) (other than with respect to the REMIC-related Representation and Warranty, which will not expire).

In addition the Seller may also be required to make an indemnification payment to the Trust with respect to a Collateral Deficiency Loss or Existing Lien Loss which occurs during the Indemnification Period, which is the thirty-six (36) month period immediately following the Closing Date.

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 Collateral Deficiency Loss, Existing Lien Loss or Material Breach of the 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 or make an indemnification payment 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 Select Portfolio Servicing, Inc.

Select Portfolio Servicing, Inc. (**"SPS"**) 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 SPS practices, policies or procedures in the future. It is possible that any of these regulators or agencies will require SPS 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 SPS operations.

The occurrence of one or more of the foregoing events or a determination by any court or regulatory agency that SPS policies and procedures do not comply with applicable law could lead to downgrades by one or more rating agencies, a transfer of SPS servicing responsibilities, increased delinquencies on the mortgage loans serviced by SPS, 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 5.17% of the aggregate Unpaid Principal Balance of the Mortgage Loans are deferred principal balances totaling approximately $24,936,990. 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, 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 Mortgage Loans will not be eligible for the Home Affordable Refinance Program (**"HARP"**) once they are sold to the Trust.

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 Guaranteed 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 related Class Principal Amount(s) 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. Similarly, the Supreme Court of Maine held in 2014 that assignments of mortgage conducted by MERS were invalid and would render the assignee unable to foreclose on the mortgage. Many cases involving issues related to MERS and the MERS system are pending, and more may continue to be filed. 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 sued MERS; the issue in that case concerned the alleged failure to pay certain recording fees, and MERS settled the lawsuit.

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 25.03% of the Mortgage Loans (by aggregate Unpaid Principal Balance as of the Cut-Off Date) are step-rate Mortgage Loans that may have mortgage rates 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 79.05% and approximately 7.99% of the Mortgage Loans by aggregate Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date 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

Certain of the Mortgage Loans may be secured by investor properties. 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 25 states, condominium, homeowner and other common interest associations (collectively, **"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 of an HOA super lien on a mortgaged property, the underlying mortgage lien will be extinguished. In those instances, the Certificateholders could suffer a loss of the entire outstanding principal balance of the Mortgage Loan, plus interest and other outstanding Servicing Advances. 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 Realized Losses).

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 Seller determines that any such Mortgage Loan

has suffered an Existing Lien Loss as a direct result of an Existing Lien during the Indemnification Period, the Seller will be required to indemnify the Trust for the Existing Lien Indemnification Amount. However, if such Mortgage Loans experience a loss as a direct result of an Existing Lien after such period, the Seller would not be required to indemnify the Trust for such Existing Lien Loss.

Values of Mortgaged Properties Securing the Mortgage Loans May Have Declined Since Origination and/or Modification

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 134 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 Guaranteed Certificates, result in losses on the Guaranteed Certificates.

Diligence Provider's Review of the Mortgage Loans May Not Reveal Aspects of the Mortgage Loans 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 Mortgage Loans.

These review procedures were intended to discover certain material discrepancies and possible material defects in the Mortgage Loans reviewed, however, these procedures did not constitute a re-underwriting of the Mortgage Loans, and were not designed or intended to discover every possible discrepancy or defect. In addition, Freddie Mac engaged the Diligence Provider to conduct procedures designed to verify a portion of the data regarding characteristics of the Mortgage Loans that were modified, which data was used in certain cases to generate the numerical information about the Mortgage Pool included in this Offering Circular. There can be no assurance that any review process conducted has or will uncover all relevant aspects that could be determinative of how the reviewed Mortgage Loans will perform.

Furthermore, to the extent that the limited review conducted by Freddie Mac did reveal factors that could affect how the Mortgage Loans will perform, Freddie Mac may have incorrectly assessed the potential severity of those factors. Investors should make their own determination regarding the extent to which they place reliance on the limited loan review procedures of Freddie Mac and the Diligence Provider. The inclusion of a Mortgage Loan in the Mortgage Pool is not a representation by Freddie Mac with respect to the adequacy or sufficiency of the pre-offering review process with respect to any Mortgage Loan.

Limitations of the Diligence Provider's Review Process

There can be no assurance that the review conducted by the Diligence Provider has 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.

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.

Actions to Resolve Breaches of Representations and Warranties, Collateral Deficiency Losses and Existing Lien Losses Relating to a Mortgage Loan 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, a Collateral Deficiency Loss or Existing Lien Loss and the obligation to repurchase such Mortgage Loan or make a Loss Indemnification Amount or pay a Collateral Deficiency Indemnification Amount or Existing Lien Indemnification Amount 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 Guaranteed 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 Guaranteed Certificates

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 Guaranteed Certificates. 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. 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 Guaranteed 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, unemployment rates, 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. See *"— Governance and Regulation"* below when considering the impact of regulation on Certificateholders. 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 Counsel 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 Guaranteed Certificates. An investment in the Guaranteed 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, buying mortgage-backed securities and cutting interest rates, 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. This may have a negative impact on the Certificates. The Federal Reserve has increased its benchmark interest rate numerous times since the financial crisis and may continue to do so. 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. In addition, on September 20, 2017, the Federal Reserve announced plans to begin shrinking its balance sheet “beginning in October 2017,” which would have the effect of removing recession era support of the U.S. residential mortgage market. 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 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 Guaranteed Certificates or the price such Certificateholder receives for the Guaranteed 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 Guaranteed 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 Guaranteed Certificates

The rate and timing of distributions of principal and the yield to maturity on the Guaranteed 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 Guaranteed 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 — Distribution of Available Funds"*. Investors should make their own determination as to the effect of these features on the Guaranteed 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 Guaranteed Certificates.

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

Servicing Transfers May Cause the Certificates to Suffer Delays or Shortfalls in Payments

A transfer of servicing may result in increased losses and delinquencies on the Mortgage Loans. SPS will service all of the Mortgage Loans subsequent to a servicing transfer, which will occur on June 28, 2018 (the

"Servicing Transfer Date"). The transfer of the Mortgage Loans to the Servicer could adversely affect the servicing of the related Mortgage Loans for a period of time, including following the Closing Date. 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 (**"Servicing Transfer Risks"**). Because the Servicing Transfer Date is on the Closing Date, Servicing Transfer Risks could exist for one or more collection periods.

Investors should note that, because of Servicing Transfer Risks, there is generally a rise in delinquencies associated with such transfer. Such increase in delinquencies may result in losses, which, to the extent they are not absorbed by credit enhancement or mitigated by the Freddie Mac Guarantee, will cause losses or shortfalls to be incurred by the holders of the Certificates. There can be no assurance as to the extent or duration of any disruptions associated with any such transfer of servicing or as to the resulting effects on the yield on the Certificates.

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 Guaranteed 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 Select Portfolio Servicing, Inc."* 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 real estate owned (**"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.

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 14.51%, 7.82%, 6.46%, 6.35% and 5.67% of the Mortgage Loans by aggregate Unpaid Principal Balance are secured by mortgaged properties located in California, Florida, New York, New Jersey and Georgia respectively. If the regional economy or housing market weakens in any of those states 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 Guaranteed Certificates. In addition to the states identified above, states in the Gulf coast region and southeastern and northeastern Atlantic coast, the New England area, Oklahoma, Colorado, Texas, North Carolina and other regions have experienced natural disasters, including earthquakes, fires, floods, tornadoes, mudslides, hurricanes and volcanic eruptions which may adversely affect mortgagors and mortgaged properties. Mortgagors whose mortgaged properties are located outside of an area that has experienced a natural disaster may be adversely affected if their place of employment is located in the area impacted by such natural disaster. 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 5.53% of the Mortgage Loans by aggregate Unpaid Principal Balance 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.

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 Guaranteed 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 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 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 SPS 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.

Several bills related to flood insurance have been introduced by Congress. Some of these proposals could limit Freddie Mac's ability to manage private flood insurer counterparty risks and set terms for private flood insurance policies. We have no ability to predict whether any similar legislation will be introduced in the future, or whether any such legislation would ultimately be enacted into law. Further, without knowing the specific content of any such future legislation, we are unable to predict what impact such legislation would have on Freddie Mac and the Certificates. Investors should be aware that any such legislation could negatively impact Freddie Mac and the investments in their Certificates. See *"Risk Factors — Risks Relating to Freddie Mac"*.

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.

Investors should be aware, and in some cases are required to be aware, of the risk retention and due diligence requirements in Europe (the **"EU Risk Retention and Due Diligence Requirements"**) which apply in

respect of EEA-regulated credit institutions, alternative investment fund managers, investment firms and insurance and reinsurance undertakings. Among other things, such requirements restrict an investor who is subject to the EU Risk Retention and Due Diligence Requirements from investing in securitizations unless: (i) the originator, sponsor or original lender in respect of the relevant securitization has explicitly disclosed that it will retain, on an on-going basis, a net economic interest of not less than five percent in respect of certain specified credit risk tranches or securitized exposures; and (ii) such investor is able to demonstrate that they have undertaken certain due diligence in respect of various matters including but not limited to its certificate position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the Certificates acquired by the relevant investor.

None of Freddie Mac, the Underwriters, the Securities Administrator, 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 EU Risk Retention and Due Diligence Requirements or to take any other action which may be required by European Economic Area (**"EEA"**) regulated investors for the purposes of their compliance with the EU Risk Retention and Due Diligence Requirements 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. None of the Issuer, Freddie Mac, the Underwriters, the Securities Administrator, their respective affiliates or any other party to the transaction makes any representation to any prospective investor or purchaser of the Certificates regarding the regulatory treatment of their investment in the Certificates on the Closing Date or at any time in the future.

Effective on January 1, 2019, the current EU Risk Retention and Due Diligence Requirements will be replaced by those contained in the Regulation (EU) 2017/2402 (the **"Securitization Regulation"**). You should be aware that there are material differences between the current EU Risk Retention and Due Diligence Requirements and those in the Securitization Regulation. The Securitization Regulation will, among other things, apply also to (a) undertakings for collective investment in transferable securities regulated pursuant to Directive (EU) 2009/65/EC and the management companies thereof (together, "UCITS"), and (b) institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 (subject to certain exceptions), and certain investment managers and authorized entities appointed by such institutions (together, **"IORPs"**). With regard to a securitization in respect of which the relevant securities are issued prior to January 1, 2019 (a **"Pre-2019 Securitization"**), as is the case with the Certificates, affected investors will continue to be subject to the current investment restrictions and due diligence requirements (and will not be subject to the provisions of the Securitization Regulation in that respect), including on and after that date. However, the Securitization Regulation makes no express provision as to the application of any investment restrictions or due diligence requirements, whether under the current requirements or under the Securitization Regulation, to UCITS or IORPs that hold or acquire any interest in respect of a Pre-2019 Securitization; and, accordingly, it is not known what requirements (if any) may be applicable to them. Certain aspects of the Securitization Regulation will be supplemented by regulatory technical standards that have not been published or that have only been published in draft form and are not yet final. Prospective investors are themselves responsible for monitoring and assessing changes to the EU Risk Retention and Due Diligence Requirements and their regulatory capital requirements.

Investors should also independently assess and determine whether they are directly or indirectly subject to 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"**). 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 legislative or regulatory actions 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 adopted final rules 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.

Changes to the U.S. Federal Income Tax Laws Could Have an Adverse Impact on the Certificates

Numerous changes to the U.S. federal income tax laws were made in the recently enacted Tax Cuts and Jobs Act (the **"Tax Cuts Act"**). The Tax Cuts Act includes a reduction of the home mortgage interest tax deduction and a limitation on the deductions for state and local taxes, which could reduce home affordability and adversely affect home prices nationally or in local markets. In addition, such limitations on deductions could increase taxes payable by certain borrowers, thereby reducing their available cash and adversely impacting their ability to make payments on the Mortgage Loans, which in turn, could cause a loss on the Certificates.

We cannot predict the long term impact of the Tax Cuts Act. Prospective investors are urged to consult their tax advisors regarding the effect of the changes to the U.S. federal tax laws prior to purchasing 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 Truth in Lending Act (**"TILA"**), as amended, and regulations promulgated thereunder;
- 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, 2017, 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 Guaranteed 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 Guaranteed 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 and 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. At this time we have no ability to predict what regulatory and legislative policies or actions the Trump administration, Congress or FHFA 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 Guaranteed Certificates would be reduced to the extent of payments otherwise payable by Freddie Mac as Guarantor on the Guaranteed 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 Guaranteed 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 Guaranteed Certificates, in the absence of the Guarantee. See *"Freddie Mac — Purchase Agreement, Warrant and Senior Preferred Stock."*

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 Guaranteed Certificates May Not Be Repaid in Full

The Guaranteed 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 Guaranteed Certificates. If the Trust or Freddie Mac is unable to make distributions on the Guaranteed 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 Subordinate Certificates is intended to reduce the risk of exposure of the Guaranteed 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 Guaranteed Certificates may suffer losses as a result of the various contingencies described in this *"Risk Factors"* section and elsewhere in this Offering Circular. The Guaranteed 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 Certificates. See "*Description of the Certificates — Distribution of Available Funds*". 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 Guaranteed 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. Final regulations implementing the Volcker Rule 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.

Risks Relating to the Redemption Feature

If the Class A Certificates have not been redeemed by the Majority Representative in connection with its Optional Redemption Right as further described herein or otherwise paid in full by the Distribution Date in June 2028, then effective on the Distribution Date in July 2028 and thereafter, the Class Coupon of the Class A Certificates will become a floating rate at a per annum rate equal to the lesser of (i) One-Month LIBOR plus 2.00% and (ii) 7.00%. You should carefully consider the impact of the redemption feature on your potential investment in the Certificates prior to purchasing any Certificates.

Servicer's Right to Sell Seriously Delinquent Mortgage Loans May Adversely Affect Available Credit Enhancement and Result in Early Payoff of the Certificates

Under the Pooling and Servicing Agreement, beginning on September 1, 2018, the Servicer may sell any Seriously Delinquent Mortgage Loan to an unaffiliated third-party in an arm's length transaction at any time without restriction so long as (i) such sale would result in an economic benefit to the Certificateholders and the Issuer, (ii) the maximum number of Seriously Delinquent Mortgage Loans sold in any calendar year is (and will be after the proposed sale) less than or equal to 5.0% of the total number of Mortgage Loans as of December 31st of the immediately preceding calendar year (or as of the Cut-Off Date for loan sales in 2018), and (iii) the cumulative number of Seriously Delinquent Mortgage Loans sold is (and will be after the proposed sale) less than or equal to 10.0% of the total number of Mortgage Loans as of the Cut-Off Date.

Any sales of Mortgage Loans can only be made on circumstances as they exist at the time of sale and may not prove to be an accurate prediction of the value of the Mortgage Loans. The Servicer, however, has no obligation to sell or direct the sale of any Seriously Delinquent Mortgage Loans. Any sales of Seriously Delinquent Mortgage Loans may likely be at a discount to their respective Unpaid Principal Balances, resulting in realized losses. Sales of Seriously Delinquent Mortgage Loans may adversely affect your yield or result in an earlier payoff than you may expect.

The Guaranteed Certificates May be Retired Early

The Certificates may be retired early if the Optional Redemption Right is exercised as described under "*Summary of Terms — Optional Redemption*". Any such Optional Redemption 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 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 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 Certificates and thus may affect the market value of such 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 Certificates. An unsolicited rating could be assigned to the 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 Certificates.

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 first 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.

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 any 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 Subordinate 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 Class A-1 and Class A-2 Certificates will represent ownership of the "regular interests" in the Class A Certificate REMIC Pool and certain rights and/or obligations 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 Guaranteed 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.

Uncertainty Relating to the Determination of LIBOR and the Potential Phasing Out of LIBOR after 2021 May Adversely Affect the Value of the Certificates

Regulators and law enforcement agencies in the United Kingdom and elsewhere are conducting civil and criminal investigations into whether bank members of the British Bankers' Association (the **"BBA"**) that contribute to the calculation of daily LIBOR may have been misreporting or otherwise manipulating LIBOR. A number of BBA member banks have entered into settlements with regulators and law enforcement agencies with respect to the alleged manipulation of LIBOR. On July 27, 2017, the U.K. Financial Conduct Authority (the **"FCA"**) announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. Accordingly, it is uncertain whether the ICE Benchmark Administration Limited (**"ICE"**), the entity responsible for administering LIBOR, will continue to quote LIBOR after 2021.

Efforts to identify a set of alternative U.S. dollar reference interest rates include proposals by the Alternative Reference Rates Committee of the Federal Reserve Board and the Federal Reserve Bank of New York. At present, we are unable to predict the effect of any alternative reference rates that may be established or any other reforms to LIBOR that may be adopted in the United Kingdom, in the U.S. or elsewhere. Uncertainty as to the nature of such potential changes, alternative reference rates or other reforms may adversely affect the trading market for LIBOR-based securities. Moreover, any future reform, replacement or disappearance of LIBOR may adversely affect the value or liquidity of and return on the Certificates.

The Use of an Alternative Method or Index in Place of LIBOR May Adversely Affect the Value of the Certificates

As described herein, we may in our discretion designate an alternative method or, if appropriate, an alternative index for the determination of One-Month LIBOR if, among other things, we determine that continued reliance on the customary method for determining LIBOR is no longer viable. We can provide no assurance that any such alternative method or index will yield the same or similar economic results over the lives of the related Certificates, if any. In addition, although our designation of any alternative method or index will take into account various factors, including then-prevailing industry practices, there can be no assurance that broadly-adopted industry practices will develop, and it is uncertain what effect any divergent industry practices will have on the value and liquidity of and return on 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 determine whether a Material Breach has occurred and the amount of the Loss Indemnification 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 Representations and Warranties and Breach Review"*.

Our interests in conducting our business and as Guarantor of the Guaranteed 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.

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

Credit Suisse, one of the Underwriters, and SPS, the Servicer, are affiliates.

None of the Underwriters or their respective affiliates will have any obligation to monitor the performance of the Certificates or the actions of Freddie Mac, the Servicer, the Securities Administrator, the Asset Manager 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 Guaranteed 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 $460 billion as of March 31, 2018, is the parent company of U.S. Bank, the fifth largest commercial bank in the United States. As of March 31, 2018, 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 53 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 SLST 2018-1). U.S. Bank has provided corporate trust services since 1924. As of March 31, 2018, U.S. Bank was providing securities administrator services on more than 203 transactions with $18,112,200,000 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 https://pivot.usbank.com. 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 Asset Manager 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, (x) be responsible for transmitting such data for the Trust to Bloomberg and Intex for external disclosure and (xi) provide all required notifications set forth in the Pooling and Servicing Agreement related to the Mandatory Guarantor Repurchase Obligation and, if applicable, sell the Class A Certificates to the Guarantor at the Mandatory Guarantor Repurchase Price and pay the amounts due to pay down to zero the Class A-1 and Class A-2 Certificates. 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 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 $2.0 trillion in assets and approximately 263,000 employees as of December 31, 2017, 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 Seller or an affiliate of the Seller 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. In September 2017, Royal Park Investments SA/NV (**"Royal Park"**), one of the plaintiffs in the District Court cases against Wells Fargo Bank, filed a putative class action complaint relating to two trusts seeking declaratory and injunctive relief and money damages based on Wells Fargo Bank's indemnification from trust funds for legal fees and expenses Wells Fargo Bank incurs or has incurred in defending the District Court case filed by Royal Park. 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

Select Portfolio Servicing, Inc. (**"SPS"** or the **"Servicer"**) will service the Mortgage Loans pursuant to the Pooling and Servicing Agreement.

SPS was incorporated on February 24, 1989 under the laws of the State of Utah. SPS commenced mortgage servicing operations in 1989 for its own accounts and has managed and serviced third-party subprime and nonperforming mortgage loan portfolios since 1994. SPS began servicing third-party Alt-A mortgage loan portfolios in 2002. On June 30, 2004, SPS changed its name from Fairbanks Capital Corp. to Select Portfolio Servicing, Inc. On October 4, 2005, Credit Suisse First Boston (USA), Inc., acquired all of the outstanding stock of SPS's parent from the prior shareholders. SPS's corporate offices are located at 3217 S Decker Lake Drive, Salt Lake City, UT 84119. SPS conducts operations in Salt Lake City, Utah and Jacksonville, Florida. SPS will provide customary servicing functions with respect to the Mortgage Loans in its portfolio.

SPS is approved by HUD as a non-supervised mortgagee with servicing approval, and is a Fannie Mae-approved seller/servicer and a Freddie Mac-approved servicer engaged in the servicing of first and junior lien mortgage loans.

SPS has been a participant in the United States Treasury's MHA program, which includes HAMP and HAFA, and will continue to service loans modified under such programs.

SPS maintains a "Strong" ranking with S&P Global Ratings, a division of the McGraw-Hill Companies, Inc. (**"S&P"**). SPS maintains an "SQ+" rating with Moody's. Fitch has given SPS the following residential primary servicer ratings: "RPS1-" for subprime, home equity and Alt-A products and "RSS1-" for special servicing.

To SPS's knowledge, during the past three years, no prior securitizations of mortgage loans serviced by SPS 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 securitization servicing agreement, because of SPS's servicing.

In the past three years, SPS has not failed to make any required advance with respect to any securitization of mortgage loans. In the past three years, SPS 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 securitization servicing agreement (other than a trigger based solely upon payment made under a monoline insurance policy).

SPS 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 Loans or the performance of the Certificates.

As of March 2018, SPS serviced a portfolio of over 667,000 loans with an unpaid principal balance of over $114 billion. Below is the historical and current composition of SPS' residential mortgage loan portfolio categorized as (i) current, (ii) 30 days delinquent, (iii) 60 days delinquent, (iv) 90+ days delinquent, (v) in bankruptcy, (vi) in foreclosure, or (vii) real estate owned (**"REO"**):

Delinquency as of 12/31/2017	Units	% of Units	UPB (millions)	% of UPB
Current	470,140	74.1%	$ 77,090	70.8%
30 Days	48,880	7.7%	$ 7,764	7.1%
60 Days	20,256	3.2%	$ 3,475	3.2%
90+ Days	47,417	7.5%	$ 9,189	8.4%
Bankruptcy(1)	18,871	3.0%	$ 3,599	3.3%
Foreclosure	23,989	3.8%	$ 6,573	6.0%
REO	4,879	0.8%	$ 1,262	1.2%
Total	634,432	100.0%	$108,951	100.0%

Delinquency as of 3/31/2018	Units	% of Units	UPB (millions)	% of UPB
Current	517,804	77.6%	$ 85,379	74.4%
30 Days	43,561	6.5%	$ 7,003	6.1%
60 Days	17,351	2.6%	$ 3,040	2.7%
90+ Days	41,177	6.2%	$ 7,957	6.9%
Bankruptcy(1)	18,491	2.8%	$ 3,487	3.0%
Foreclosure	23,783	3.6%	$ 6,462	5.6%
REO	5,225	0.8%	$ 1,363	1.2%
Total	667,392	100.0%	$114,690	100.0%

(1) Bankruptcies include both non-performing and performing loans in which the related borrower is in bankruptcy. Amounts included for contractually current bankruptcies for the total servicing portfolio for December 31, 2017 and March 31, 2018 are $1,153 (millions) and $1,068 (millions), respectively.

SPS's Policies and Procedures

The following summary describes certain of SPS's relevant and current servicing operations and procedures and is included for informational purposes. SPS expects that from time to time its servicing operations and procedures will be modified and changed to address applicable legal and regulatory developments, as well as other economic and social factors that impact its servicing operations and procedures. There can be no assurance, and no representation is made, that the general servicing operations and procedures of SPS described below will apply to each Mortgage Loan in the mortgage pool during the term of such Mortgage Loan.

SPS posts mortgage loan payments on a daily basis. Funds are typically posted to a payment clearing account on the Business Day they are received. SPS transfers funds from the payment clearing account to individual custodial accounts within two Business Days of deposit into the payment clearing account.

SPS uses two methods of determining delinquencies, depending on whether the related servicing agreement requires (expressly or by implication) application of the "MBA delinquency method" or the "OTS delinquency method." The MBA delinquency method treats a loan as 30-59 days delinquent when a payment is contractually past due 30 to 59 days. For example, a loan due on the first of the month is considered 30 days delinquent at close of business on the last day of the same month. The OTS delinquency method includes a one month grace period for the purpose of reporting delinquencies. This method treats a loan as 30-59 days delinquent when a payment is contractually past due 60 to 89 days. For example, a loan due on the first of the month is considered 30 days delinquent at close of business on the last day of the following month.

SPS uses equity valuation and management experience to determine the point at which an asset should be charged off, unless different criteria are called for by the related servicing agreement. This evaluation considers the length of the delinquency, time elapsed since the last contact with the customer, any loss of security to the property, and the projected economic valuation of the asset. SPS uses multiple methods for determining the point of chargeoff, depending on the lien position of the related asset.

All SPS employees responsible for collection efforts are fully trained in all the loss mitigation solutions that SPS offers its borrowers (reinstatement, repayment plan, forbearance plan, loan modification, short sale, deed-in-lieu, and deferral) and use the same system, tools, and technology.

Based on loan specific risk scores, customer calling campaigns may start as early as the first day of delinquency and continue until the default has been resolved. SPS has a high degree of flexibility in structuring outbound customer calling campaigns to manage collection efforts and maximize loss mitigation efforts.

The collections staff also utilize letter campaigns to contact customers who may be candidates for workout options.

All collections employees receive specialized training in various loss mitigation strategies and applicable state and federal laws and regulations. These employees are trained to identify potential causes for delinquency. Once contact with the customer is established, the staff will attempt to determine the customer's willingness and ability to pay using a proprietary loss mitigation model developed by SPS. SPS evaluates all loss mitigation options available to its customers consistent with applicable regulations and servicing agreement requirements.

These options may include reinstatement, repayment plan, forbearance agreement, loan modification, deferral, short sale, and deed-in-lieu of foreclosure.

In connection with handling delinquencies, losses, bankruptcies and recoveries, SPS has developed a model, based upon updated property values, for projecting the anticipated net recovery on each asset. Property valuations are generally ordered starting at the 63rd day of the default recovery process of the delinquent loan and then no more frequently than every six (6) months. The projected "net present value" is part of SPS's proprietary loss mitigation automation and assists staff with determining an appropriate and reasonable strategy to resolve each defaulted loan on the basis of the information then available. For junior lien loans, this model also tracks the status and outstanding balances of any senior liens and incorporates this information into the model.

Before SPS refers any loan to foreclosure (or resumes foreclosure activity after a delay), the loan undergoes an extensive audit to ensure compliance with all state and federal laws and regulations, ensure that each loan has exhausted loss mitigation opportunities if the customer has a hardship, and identify any potential servicing errors or disputes. SPS utilizes automation tools to identify new bankruptcy filings.

SPS is responsible for property valuations and property marketing and disposition, as well as property inspections and preservation work. Once a property has been acquired as REO, a minimum of two property valuations are obtained to determine the asset value. All valuations are reviewed and reconciled by valuation specialists prior to listing the property. These specialists set the suggested sales price and make recommendations for property repairs. SPS asset managers have delegated approval to accept offers within pre-defined authority levels.

SPS has created an internal control regimen to ensure that company policies and procedures are followed and that SPS operations are compliant with applicable laws and regulations. These include internal audits and compliance testing conducted independent of loan servicing departments. Under SPS's risk assessment program, all loan servicing departments are responsible for identifying operational and financial risks, testing internal controls, reporting test results, and undertaking corrective action, when appropriate. The entire program is overseen by the senior management team.

SPS is not the document custodian of most of the loans that it services. SPS has an internal department which manages all document requests from staff and vendors. The Document Control department works closely with the foreclosure and bankruptcy units and with third-party custodians to clear assignments and document exceptions.

In connection with the servicing of mortgage loans, SPS outsources certain tasks and business processes related to the following loan servicing functions to companies within the United States:

- Some print and mail services
- Tax payments and processing
- Insurance payments and claims processing
- Flood zone determination and tracking and
- Property preservation and valuation services.

In addition, SPS typically outsources certain non-customer contact tasks and business processes related to certain loan servicing functions to an outsourcing company operating in India. This outsourcing company has no direct contact with SPS's customers.

THE ASSET MANAGER

400 Capital Management LLC (**"400 Capital Management"** or the **"Asset Manager"**) will act as Asset Manager under the Pooling and Servicing Agreement.

400 Capital Management LLC was founded in 2008 and currently manages over $1.9 billion. The Asset Manager offers investors access to securitized and structured credit strategies across its fund and its separately managed account platform, including multi-sector and single-sector investment strategies, enabling investors to

take advantage of the wide range of risk and return profiles available within the credit markets. The Asset Manager is registered with the U.S. Securities and Exchange Commission as an investment adviser.

The Pooling and Servicing Agreement provides for the Asset Manager to perform the following services:

(a) review alleged Material Breaches of Representations and Warranties, Collateral Deficiency Losses and Existing Lien Losses and issue Notices of Breach or Indemnification to the Seller;

(b) use commercially reasonable efforts to cure any Material Breach, Collateral Deficiency Losses and Existing Lien Losses;

(c) supervise the sale of any Seriously Delinquent Mortgage Loans by the Servicer pursuant to its exercise of the Loan Sale Right;

(d) monitor the Servicer's servicing of the Mortgage Loans;

(e) provide consent to the Servicer with respect to the Servicer's servicing of the Mortgage Loans and any related REO Properties, including the waiver or modification of any term of any Mortgage Loan (including any Eligible Loan) and the administration of defaulted Mortgage Loans;

(f) terminate the Servicer without cause in accordance with the Pooling and Servicing Agreement; and

(g) to the extent not set forth above, take such actions as the Asset Manager believes are necessary and reasonable or appropriate in furtherance of clauses (a) through (f) above, subject to the approval and consent of the Guarantor, and perform those other duties and obligations and exercise any rights allocated to it as specified in the Pooling and Servicing Agreement or otherwise with the approval and consent of the Guarantor.

The Majority Representative, at its discretion and upon thirty (30) days written notice to the Trustee and Guarantor, may terminate the Asset Manager. If after the Distribution Date in June 2025, the Retained Certificateholder is no longer the Majority Representative, the Asset Manager will be terminated, and no successor Asset Manager will be appointed. In the case of a resignation or termination of the Asset Manager pursuant to the Pooling and Servicing Agreement, the Majority Representative will appoint a successor asset manager provided that the Majority Representative (i) is the Initial Retained Certificateholder and (ii) has obtained the prior written consent and approval of the Guarantor of such successor asset manager.

In such case, the Majority Representative and any such successor Asset Manager may agree upon such successor's compensation, subject to the Trustee's approval, provided that in no event will the sum of the Asset Manager Fee Rate and the Servicing Fee Rate exceed 0.375%. The Servicer will notify each of the other parties to the Pooling and Servicing Agreement upon the resignation or termination of the Asset Manager or the appointment of a successor asset manager. For the avoidance of doubt, in the event that the Asset Manager has resigned or been terminated and no successor asset manager has been appointed, neither the Trustee nor the Securities Administrator will have any responsibility to undertake any of the obligations or responsibilities that were expressly assumed by, or assigned to, the Asset Manager.

DESCRIPTION OF THE MORTGAGE LOANS

General

On the Closing Date, the assets of the Trust will include a pool of Mortgage Loans (collectively, the **"Mortgage Loans"** or **"Mortgages"**) consisting of 2,544 seasoned, re-performing and non-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 or refinancing 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. Unless otherwise noted, references to the Mortgage Loans will also include any Mortgage Loan that has become an REO property after the Closing Date.

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 Home Affordability Modification Program (**"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 on behalf of the borrower up to a $1,000 incentive payment and after the sixth year of the HAMP modification, the Servicer will receive on behalf of the borrower 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, (iv) its NACA modification program, (v) its underwater program and (vi) its streamlined modification program. Each of these modification initiatives is 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 NACA modification program was the result of a partnership between Freddie Mac and The Neighborhood Assistance Corporation of America (**"NACA"**) in late 2009 and began to provide a modification solution to assist borrowers struggling with their mortgage payments. While small in size, the program continues to date. The NACA modification is a cash flow based modification that is not delegated to the servicers. It achieves a target payment (affordable payment) that is calculated by taking the borrower's monthly net income, subtracts liabilities and expenses, and gives a $200 surplus. To achieve the target payment, the interest rate may be reduced (floor of 2%) and principal forbearance is allowed down to market value. It does not grant term extensions.

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 discontinued streamlined modification program, modifications were offered to certain borrowers who were at least ninety (90) days delinquent. Under the streamlined modification program, these borrowers were not required to apply for assistance or provide income or hardship documentation. However, they were

required to complete a trial period of at least three (3) months making monthly payments that approximated 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.

Under the deferred payment modification program, for certain borrowers the post-modification terms of a modified Mortgage Loan which include (i) monthly principal and interest payment, (ii) interest rate and (iii) term to maturity, equal the corresponding pre-modification terms, while the pre-modification delinquent payments were capitalized into a non-interest bearing deferred principal balance. This deferred principal balance is due upon the earlier of the maturity date of the modified mortgage loan or its earlier payoff through a curtailment payment or refinancing or upon transfer or sale of the mortgaged property. The interest-bearing balance of such mortgage loan has been reduced by the respective scheduled principal portion of the delinquent payments.

The flex modification program replaced our non-HAMP standard and streamlined modification initiatives effective October 1, 2017, with earlier adoption permitted. A flex modification may be made from the time the mortgagor is current and found to be in imminent default to shortly before foreclosure sale. We also offer a streamlined flex modification to mortgagors who are 90 or more days delinquent or who have a modified mortgage loan with step-rate increases and have become 60 or more days delinquent. Under the streamlined flex modification program, the servicer may offer the mortgagor a loan modification without having made an assessment of the borrower's hardship or income. The flex modification requires the borrower to complete a trial period of at least three months prior to being offered a permanent modification. Flex modification terms generally target a 20% payment reduction and are calculated by, (i) capitalization of interest and certain non-interest arrearages, (ii) setting of interest rate (increasing or decreasing the interest rate), (iii) extending the mortgage loan term to 480 months and, (iv) in certain instances, the application of a forbearance program or reduction of interest-bearing principal balance.

Summary of the Mortgage Pool by Type of Freddie Mac Proprietary Modification

(Latest Non-Deferred Payment Modifications)[1]

	HAMP	**Standard**	**Streamlined**	**Classic**	**Other[2]**	**Grand Total**
All[3]	24%	32%	28%	11%	6%	100%

(1) Deferred payment modifications were applied to 32% of the Mortgage Loans in the Mortgage Pool that were previously modified through one of the Freddie Mac proprietary modifications shown in the table above.
(2) Modifications include: HAMP backup; alternative; underwater; flex and NACA. See descriptions of these programs above.
(3) Percentages are based on Mortgage Loan count.

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 https://pivot.usbank.com.

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 a pool of Mortgage Loans (collectively, the **"Mortgage Loans"**) consisting of 2,544 seasoned, re-performing and non-performing mortgage loans that have been modified for maturity terms of up to forty (40) years.

For each Mortgage Loan, the Seller will provide an Automated Valuation Model **("AVM"**) estimated property value. A Home Value Explorer® (**"HVE"**®) value was used when available or, if an HVE value was not available, a Metropolitan Statistical Area (**"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.

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

The **"Mortgage Pool"** comprises 2,544 Mortgage Loans with an aggregate Unpaid Principal Balance as of the Cut-Off Date of approximately $481,941,518.

See Appendix A for a detailed description of the Mortgage Loans. See also the Securities Administrator's website at https://pivot.usbank.com.

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 of all of the Mortgage Loans. Upon the completion of the due diligence reviews, the Mortgage Pool consisted of 2,544 Mortgage Loans.

Compliance Review

Each Mortgage Loan was reviewed for its compliance at origination with certain applicable laws and regulations. To the extent applicable for each Mortgage Loan, the assessment included a review of whether any of the Mortgage Loans met the definition of "high cost" loans under HOEPA or certain similar state or local laws. Seven (7) of the Mortgage Loans were subject to ATR rules and qualified mortgage provisions because they had an application dated on or after January 10, 2014 and therefore the compliance review did confirm that the lender considered and verified the borrower's ability to repay and whether the Mortgage Loan met the definition of a "qualified mortgage," where applicable.

The following table summarizes the compliance exceptions noted by the Diligence Provider:

Compliance Exceptions[1][2][3]

Exception	Number of Mortgage Loans	Approximate Aggregate Total Unpaid Principal Balance as of the Cut-Off Date	Approximate Percentage of Mortgage Loans	Approximate Percentage of Aggregate Total Unpaid Principal Balance as of the Cut-Off Date
APR Tolerance/Finance Charge Underdisclosed and Missing or Incomplete Final HUD-1	12	$ 2,357,158.10	0.47%	0.49%
APR Tolerance/Finance Charge Underdisclosed	263	$ 51,628,853.53	10.34%	10.64%
Missing or Incomplete Final HUD-1	189	$ 40,698,686.04	7.43%	8.39%
TILA Violation	179	$ 35,746,485.98	7.04%	7.37%
State Compliance Disclosure Issue	38	$ 7,545,830.30	1.49%	1.56%
Total of Mortgage Loans with Exceptions[3]	681	$137,977,013.95	26.77%	28.44%

(1) Certain of the Mortgage Loans have more than one of the compliance exceptions identified in the table. In such instances, a Mortgage Loan will be placed in only one exception category based on the following order of priority: (i) APR Tolerance/Finance Charge Underdisclosed; then (ii) Missing or Incomplete Final HUD-1; then (iii) TILA Violation; and then (iv) State Compliance Disclosure Issue.

(2) Mortgage Loan count and percentages only take into account Mortgage Loan compliance exceptions for the categories set forth in the table that were deemed by the Diligence Provider to be material in accordance with the compliance criteria used by the Diligence Provider.

(3) The Diligence Provider cited other categories of exceptions but such exceptions are not identified in the table because there are mitigating factors associated with them, including but not limited to the expiration of the applicable statute of limitations, enforceability and lack of assignee liability, which lessen the materiality of such exceptions.

The Diligence Provider determined that, with respect to 275 Mortgage Loans reviewed, such Mortgage Loans were originated with under-disclosed finance charges or annual percentage rates. With respect to all of the Mortgage Loans included in this transaction, the statute of limitations for rescission has expired, although the existence, or possible existence, of these under-disclosures could delay any foreclosure proceedings with respect to these Mortgage Loans in the event the related borrower requests payment of these under-disclosed amounts. In addition, any such payment with respect to such under-disclosed amounts would be made out of the assets of the Trust, as owner of the Mortgage Loan.

With respect to 21 Mortgage Loans, the Diligence Provider was unable to conduct certain HOEPA "high cost mortgage" related compliance reviews for such Mortgage Loans. For all 21 of these Mortgage Loans, the Diligence Provider determined that such Mortgage Loans were originated in a state with either no state assignee liability or any such liability is capped for the specific loan reviewed. Finally, a portion of the Mortgage Loans may be subject to certain state laws enacted to combat predatory lending practices; however, while such Mortgage Loans were either (a) non-compliant with the law or (b) compliance with the law could not be verified due to missing documentation, in each case, violations of such laws do not expose assignees (such as the Issuer) to liability because either (i) the relevant statute of limitations for affirmative claims has expired, or (ii) the law does not expressly provide for assignee liability.

Modification Data Integrity

The Diligence Provider performed a modification data integrity review of the Seller's data file against the modification source documents on all 2,544 Mortgage Loans. Any discrepancies discovered by the Diligence Provider were reviewed and if necessary, corrected or updated.

Payment History Review

All of the Mortgage Loans were reviewed by the Diligence Provider for a thirty-six (36) month verified payment history, with such review being completed during the diligence period (i.e., within six (6) months of the Cut-Off Date). 2,325 Mortgage Loans had at least a thirty-six (36) month payment history. 218 Mortgage Loans had between 24 and 35 month payment history and one Mortgage Loan had less than a 24 month payment history. Such payment histories have been used to prepare certain statistical information contained in this Offering Circular.

Servicing Comment Review

The Diligence Provider reviewed servicing comments for all of the Mortgage Loans for a twelve (12) month period, with such review being completed during the diligence period within six (6) months prior to the Cut-Off Date. Based upon the results of such review, no Mortgage Loans were removed by the Seller.

Updated Valuations

A Broker Price Opinion (**"BPO"**) with inspection dates in February and March 2018 was obtained by Freddie Mac for 2,533 of the Mortgage Loans. For 11 Mortgage Loans located in West Virginia, Freddie Mac acquired an FHLMC Form 2055 Exterior-Only Inspection Residential Appraisal Report with inspection dates in February 2018.

Title, Tax and HOA Review

The Diligence Provider performed a tax and title review for all of the Mortgage Loans. As a result of the review, the Diligence Provider initially determined that 232 Mortgage Loans had one or more liens prior to the lien of the related mortgage. However, each such Mortgage Loan is included in the transaction because based on a review of the related title policy, such title policy insured the senior lien status of the related mortgage or a review of the related statute of limitations confirmed the senior lien status of the related mortgage. There were 5 Mortgage Loans where a senior lien was reported prior to the subject lien and for which the final title policy was unavailable for review. Such Mortgage Loans are included in the Mortgage Pool as the Asset Manager has deemed these issues to be low risk or immaterial for these Mortgage Loans.

In addition, the title reviews noted 135 Mortgage Loans with potential senior liens recorded after the related mortgage which may have priority[(1)]. With respect to 41 of such Mortgage Loans, the title reviews noted HOA liens totaling approximately $150,806 with the remaining 94 Mortgage Loans subject to a municipal lien for special assessments paid through the local taxing authority totaling approximately $113,009. Additionally, as a result of certain property searches performed as part of the diligence process, 279 Mortgage Loans were determined to have delinquent property taxes or real estate property tax liens totaling approximately $285,491.

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 and the Payment 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 Guaranteed Certificates.

The Guaranteed Certificates have the approximate initial Class Principal Amounts set forth on the cover page of this Offering Circular. The Class Coupon for each Class of Guaranteed Certificates will be the per annum rate set forth on the cover page 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 Guaranteed Certificates are allocated Realized Losses or Certificate Writedown Amounts, the Guarantor will be required to make a corresponding Guarantor Principal Payment.

[(1)] Some loans may have multiple liens with priorities and lien types (i.e. delinquent taxes, municipal liens, and HOA liens).

Structure of Transaction

This transaction is structured with three REMICs. Specifically, the REMIC Pools are structured as follows:

REMIC Pool	Classes Issued from REMIC Pool	REMIC Pool Assets
Class A Certificate	Class A-1, Class A-2 and Class RA	Class A
Upper-Tier	Class A, Class M-1, Class M-2, Class M-3, Class B, Class XS 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 Guaranteed 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.

All of the Guaranteed Certificates will be issued, held and transferable in minimum denominations of $1,000 and additional increments of $1. The Guaranteed 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 Guaranteed Certificates and providing for registration, transfers and exchanges of the Certificates. 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 depositary 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's customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream's United States customers are limited to securities brokers and dealers and banks. Currently, Clearstream 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 services, 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 depositary 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 Guaranteed Certificates will be vested in the Guarantor. If the Mandatory Guarantor Repurchase Obligation is exercised, the Voting Rights of the Class A-1 and Class A-2 Certificates will be deemed not to be outstanding once their Class Principal Amounts have been reduced to zero.

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 July 2018 (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 Asset Manager 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 depositary 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 Securities Administrator located at 111 East Fillmore Avenue, St. Paul, MN 55107 Attention: Bondholder Services — Freddie Mac SLST 2018-1 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 on the Certificates is described under *"Summary of Terms"* and the example provided below.

For example, on the Distribution Date in July 2018 and for purposes of making calculations with respect to the Certificates the Collection Period will be from June 1, 2018 through June 30, 2018.

Glossary of Terms

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

"Aggregate Fee Rate" means for any Distribution Date, a per annum rate equal to the sum of (i) the Servicing Fee Rate, (ii) the Securities Administrator Fee Rate, (iii) the Custodian Fee Rate, (iv) the Guarantor Oversight Fee Rate, (v) the Asset Manager Fee Rate and (vi) the Excess Servicing Fee Rate.

"Asset Manager Expiration Date" means the earlier of (a) the Distribution Date on which the aggregate Class Principal Amount of the Subordinate Certificates has been reduced to zero and (b) the date on which the Asset Manager resigns or is terminated and no successor Asset Manager is appointed.

"Asset Manager Fee" means with respect to each Distribution Date on or prior to the Asset Manager Expiration Date, an amount equal to the product of (1) one-twelfth of the Asset Manager Fee Rate for such Distribution Date and (2) the aggregate Unpaid Principal Balance of the Mortgage Loans (including any REO Properties) as of the first day of the related Collection Period.

"**Asset Manager Fee Rate**" means for any Distribution Date, a rate initially equal to 0.0000% per annum.

"Available Funds" means for any Distribution Date, an amount equal to the sum of (i) the Interest Remittance Amount and (ii) the Principal Remittance Amount less, for the avoidance of doubt and without duplication, any Mortgage Insurance Proceeds and any reimbursement for Pre-Existing Servicing Advances.

"Basic Principal Distribution Amount" means with respect to any Distribution Date, the excess (if any) of (a) the Class Principal Amount of the Class A Certificates immediately preceding such Distribution Date, over (b) the product of (A) (i) 100% minus (ii) the Previous Credit Enhancement Percentage for such Distribution Date and (B) the aggregate Unpaid Principal Balance (for this purpose, as reduced by the aggregate of all Post-Closing Principal Forbearance Amounts for such Distribution Date) of the Mortgage Loans as of the end of the related Collection Period.

"Capitalization Amount" means with respect to each Distribution Date, any positive amount, including, but not limited to, accrued and unpaid interest and certain Servicing Advances, added to the principal balance of a Mortgage Loan resulting from a modification.

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

"Certificate Writeup Amount" means with respect to any Distribution Date, the amount by which the aggregate Unpaid Principal Balance of the Mortgage Loans at the end of the related Collection Period exceeds the aggregate Class Principal Amount of all the Classes of Certificates outstanding (other than the Interest Only Certificates, Mortgage Insurance Certificate and Residual Certificates) on such Distribution Date (after giving effect to distributions of Available Funds and Mortgage Insurance Proceeds and allocations of any related Realized Losses on such Distribution Date).

"Class B Net WAC" means for any Distribution Date, a rate equal to the product of (i) 0.5 and (ii) the Class M Net WAC.

"Class Coupon" means with respect to (a) the Class A Certificates for each Distribution Date on or before the Distribution Date in June 2028 a per annum rate equal to 3.50%. If the Class A Certificates have not been redeemed by the Majority Representative in connection with its Optional Redemption purchase right or otherwise paid in full by the Distribution Date in June 2028, then effective on the Distribution Date in July 2028 and thereafter, the applicable fixed rate of the Class A Certificates will become floating rate at a per annum rate equal to the minimum of (i) One-Month LIBOR plus 2.00% and (ii) 7.00%; (b) the Class A-1 Certificates for each Distribution Date, 3.50%; (c) the Class A-2 Certificates for each Distribution Date, 3.50%; (d) the Class M-1 Certificates for each Distribution Date, a per annum rate equal to the lesser of (i) 3.00% 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 Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates; (e) the Class M-2 Certificates for each Distribution Date, a per annum rate equal to the lesser of (i) 3.00% 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 Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates; (f) the Class M-3 Certificates for each Distribution Date, a per annum rate equal to the lesser of (i) 3.00% and (ii) the Class M Net WAC for such Distribution Date. To the extent the Class Coupon of the Class M-3 Certificates is limited by the Class M Net WAC, such Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates; and (g) the Class Coupon of the Class B Certificates for each Distribution Date, a per annum rate equal to the lesser of (i) 1.50% and (ii) the Class B Net WAC for such Distribution Date to the extent the Class Coupon of the Class B Certificates is limited by the Class B Net WAC, such Certificates will be entitled to Coupon Cap Shortfalls for such Class of Certificates.

"Class M Net WAC" means as of any Distribution Date, a rate not less than zero, equal to the quotient of (i) the excess, if any, of (a) the product of Net WAC and the aggregate Unpaid Principal Balance as of the first day of the related Collection Period, over (b) the product of the Class Coupon applicable for such Distribution Date of the Class A Certificates and the Class Principal Amount of the Class A Certificates immediately prior to such Distribution Date, and (ii) the sum of (a) the aggregate Class Principal Amount of the Class M-1, Class M-2 and Class M-3 Certificates immediately prior to such Distribution Date and (b) the product of 0.5 and the Class Principal Amount of the Class B Certificates immediately prior to such Distribution Date.

"Class MI Fair Market Value Price" means an amount equal to the product of: (a) the sum of the Unpaid Principal Balance of (i) each Mortgage Loan that has mortgage insurance and that is delinquent by ninety (90) days or more (including any Mortgage Loan that is in bankruptcy or foreclosure) and has a loan-to-value ratio of greater than 75% and (ii) each REO Property for which the related Mortgage Loan had mortgage insurance and at the time of foreclosure had a loan-to-value ratio of greater than 75%; (b) Mortgage Insurance Coverage Percentage (weighted by the related Unpaid Principal Balance of such Mortgage Loans); and (c) 70%. For the purposes of calculating the Class MI Fair Market Value Price, the loan-to-value ratio will be determined using BPOs obtained from the Servicer within six (6) months prior to the Distribution Date on which the Optional

Redemption Right or Clean-up Call is exercised; and all applicable Unpaid Principal Balances will be as of the Distribution Date on which the Class MI Fair Market Value Price is paid.

"Clean-up Call" means such time that the Majority Representative and, if applicable, the Servicer may elect to purchase, at the Clean-up Call Purchase Price, all of the Mortgage Loans and other assets in the Trust, thereby causing an early termination of the Trust, as set forth in the Pooling and Servicing Agreement.

"Clean-up Call Date" means the Distribution Date on which the Majority Representative or the Servicer purchases the Mortgage Loans and other assets in the Trust as a result of exercising its Clean-up Call right.

"Clean-up Call Purchase Price" means the price payable by the Majority Representative or the Servicer, as the case may be, upon the Majority Representative's or the Servicer's exercise of its Clean-up Call. Such price will equal the sum of (i) 100% of the aggregate Class Principal Amount of the outstanding Guaranteed Certificates plus any accrued and unpaid interest on the Guaranteed Certificates, (ii) the Class MI Fair Market Value Price, (iii) 100% of the aggregate Class Principal Amount of the outstanding Subordinate Certificates plus any Current Interest due on the Subordinate Certificates, (iv) the aggregate fair market value of the REO Properties, less estimated liquidation expenses, (v) any unreimbursed Servicing Advances and Pre-Existing Servicing Advances, and (vi) any expenses, indemnification amounts or other reimbursements owed to the transaction parties (including any unreimbursed Guarantor Interest Payments, Guarantor Principal Payments, Guarantor Maturity Payment and related interest) without regard to the Expenses Cap. The Clean-up Call Purchase Price will be deposited in the Payment Account. The Securities Administrator will be required to apply the Clean-up Call Purchase Price as Available Funds to prepay the outstanding Certificates and terminate the transaction. The Clean-up Call may not be exercised if the Clean-up Call Purchase Price is not sufficient to redeem the outstanding Certificates in full. For the avoidance of doubt, all calculations related to the Clean-up Call Purchase Price will be based on amounts on the Distribution Date on which the Clean-up Call Purchase Price is paid (after taking into account payments made on such Distribution Date in accordance with *"Distribution of Available Funds"*, any allocation of Realized Losses, any allocation of Certificate Writedown Amounts, any allocation of Certificate Writeup Amounts and any allocation of Mortgage Insurance Proceeds).

"Collateral Deficiency" means with respect to a Mortgage Loan, when Final Certification provided by the Custodian identifies that a document is missing from the Collateral File with respect to that Mortgage Loan.

"Collateral Deficiency Indemnification Amount" means the amount due from the Seller to the Trust for a Collateral Deficiency Loss.

"Collateral Deficiency Loss" means with respect to a Mortgage Loan, an actual and direct loss caused by a Collateral Deficiency.

"Coupon Cap Shortfall" means if the Class Coupon for the Class M-1, Class M-2 or Class M-3 Certificates on any Distribution Date is calculated based on the Class M Net WAC (and not the related fixed rate set forth in clause (i) in the applicable description of the Class Coupon for the Class M-1, Class M-2 and Class M-3 Certificates) or if the Class Coupon for the Class B Certificates on any Distribution Date is calculated based on the Class B Net WAC (and not the related fixed rate set forth in clause (i) in the applicable description of the Class Coupon for the Class B Certificates), an amount equal to the excess, if any, of (a) the amount of interest that would have accrued, at the related Class Coupon for such Class (without regard to the Class M Net WAC or Class B Net WAC, as applicable) over (b) the amount of interest actually accrued on such Distribution Date after giving effect to the limitation of the Class M Net WAC or Class B Net WAC, as applicable, and such amount will be distributable to the Class M-1, Class M-2, Class M-3 or Class B Certificates, as applicable.

"Credit Enhancement" means on the Closing Date, a percentage represented by a fraction, the numerator of which is, (a) the aggregate Unpaid Principal Balance (including, for the avoidance of doubt, the Initial Principal Forbearance Amount) of the Mortgage Loans, less the Class Principal Amount of the Class A Certificates and the denominator of which is (b) the aggregate Unpaid Principal Balance of the Mortgage Loans (including, for the avoidance of doubt, the Initial Principal Forbearance Amount).

For each Distribution Date thereafter, a percentage represented by a fraction, the numerator of which is, (a) the aggregate Unpaid Principal Balance (for this purpose, as reduced by any Post-Closing Principal Forbearance Amounts for such Distribution Date) of the Mortgage Loans at the beginning of the Collection

Period relating to such Distribution Date, less the Class Principal Amount of the Class A Certificates immediately preceding such Distribution Date and the denominator of which is (b) the aggregate Unpaid Principal Balance of the Mortgage Loans at the beginning of the Collection Period related to such Distribution Date (for this purpose, as reduced by any Post-Closing Principal Forbearance Amounts for such Distribution Date).

"Current Interest" means with respect to any Class of Guaranteed Certificates or Subordinate Certificates and any Distribution Date, an amount equal to (a) the product of (i) 30, (ii) the applicable Class Coupon and (iii) the Class Principal Amount of such Class immediately prior to such Distribution Date (or the initial Class Principal Amount thereof as of the Closing Date, in the case of the first Distribution Date), divided by (b) 360.

"Custodian Fee" means with respect to each Distribution Date, an amount equal to one-twelfth of the product of (i) the Custodian Fee Rate and (ii) the aggregate 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, an annualized rate, equal to the product of (a) 0.0065% and (b) a fraction, the numerator of which is the aggregate Interest Bearing Unpaid Principal Balance (as of the first day of the related Collection Period), and the denominator of which is the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

"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 Unpaid Principal Balance of such Mortgage Loan as of the Cut-Off Date.

"Deferred Unpaid Principal Balance" means with respect to any Mortgage Loan, amounts resulting from modifications to reduce the Interest Bearing Unpaid Principal Balance of certain Mortgage Loans and are part of the Unpaid Principal Balance of such Mortgage Loans. The Deferred Unpaid Principal Balances may include Initial Principal Forbearance Amounts, any Unpaid Principal Balance that is deferred as a result of forbearance of such Mortgage Loan after the Cut-Off Date, or an aggregate of both amounts for modified Mortgage Loans. Deferred Unpaid Principal Balances do not bear interest, typically do not amortize and are due and payable at the earlier of (i) the modified maturity date, (ii) transfer of ownership of the mortgaged property, or (iii) payoff of the Interest Bearing Unpaid Principal Balance or refinance of the Mortgage Loan.

"Excess Expense" means as of any date of determination, any Expenses due and owing that are in excess of the aggregate Expenses Cap, which remain unreimbursed after application of the applicable Expenses Cap in any calendar year, which will be reimbursable, subject to the applicable Expenses Cap, to the applicable party in subsequent years. Any Excess Expenses will be reimbursable to the Servicer, the Securities Administrator, the Custodian, the Asset Manager, the Seller, the Issuer, the Trustee and the Guarantor to the extent of funds available on each Distribution Date.

"Excess Principal Distribution Amount" means with respect to any Distribution Date, an amount not less than zero equal to the excess of the Target Principal Distribution Amount over the Basic Principal Distribution Amount for that Distribution Date.

"Excess Servicing 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 for any Distribution Date, an annualized rate equal to (i) 0.375% minus (ii) the aggregate of the Servicing Fee Rate and the Asset Manager Fee Rate.

"Existing Lien" means with respect to any Mortgage Loan certain tax, municipal, homeowners or condominium association liens shown on Schedule I to Appendix C hereto identified during due diligence, that have priority over the lien of such Mortgage Loan.

"Existing Lien Indemnification Amount" means with respect to a Mortgage Loan, the amount described in the Pooling and Servicing Agreement due from the Seller for losses up to the related Existing Lien, which in the case of a homeowner's or condominium association lien will be no more than the statutory maximum.

"Existing Lien Loss" means with respect to a Mortgage Loan, an actual and direct loss caused by an Existing Lien.

"Expenses" means with respect to any Distribution Date and any party to the Pooling and Servicing Agreement or the Custodian, an amount equal to the sum of all related charges, indemnification amounts, litigation liabilities and other costs relating to the Mortgage Loans (excluding, for the avoidance of doubt, amounts constituting Servicing Advances) incurred under 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 Securities Administrator Fee, the Asset Manager Fee (if any) or the Custodian Fee, as applicable, payable to such party.

"Expenses Cap" means the aggregate annual cap on Expenses applicable to the Securities Administrator, the Custodian, the Asset Manager, the Servicer, the Seller, the Trustee, the Issuer and the Guarantor, which will be equal to an aggregate maximum reimbursement of $350,000 in any calendar year; provided that, in no event, in any calendar year, will the aggregate amount of such Expenses reimbursed to (i) the Securities Administrator exceed $50,000, (ii) the Servicer exceed $75,000, (iii) the Custodian exceed $25,000, (iv) the Asset Manager exceed $50,000 and (v) Freddie Mac, in its capacities as the Seller, Issuer, Trustee and Guarantor exceed $150,000; provided, however, that Expenses incurred by 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.

"Gross WAC" means for any Distribution Date, (i) the product of (a) the weighted average interest rate of the Mortgage Loans based on the Interest Bearing Unpaid Principal Balance (as of the first day of the related Collection Period) and (b) a fraction, the numerator of which is the aggregate Interest Bearing Unpaid Principal Balance (as of the first day of the related Collection Period), and the denominator of which is the aggregate Unpaid Principal Balance (as of the first day of the related Collection Period).

"Guarantor Interest Payment" means with respect to the Class A Certificates and any Distribution Date, an amount, not less than zero, equal to the unpaid Current Interest for such Class for such Distribution Date remaining after giving effect to any payments pursuant to priority *First* and *Second* under "*Distribution of Available Funds*." The Guarantor is required to remit such amount to the Trust to be paid as interest to the Class A Certificates for any Distribution Date when such amount is greater than $0. While the Class A-1 or Class A-2 Certificates are outstanding, any Guarantor Interest Payment allocated to the Class A Certificates will be allocated to the Class A-1 and Class A-2 Certificates, pro rata, based on their respective unpaid Current Interest amounts due for such Distribution Date.

"Guarantor Maturity Payment" means the amount distributed to the Class A Certificates as principal if the remaining Class Principal Amount of the Class A Certificates is greater than zero after the distribution of interest and principal in accordance with *"— Distribution of Available Funds"* and allocation of Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts on the Stated Final Distribution Date. The Guarantor is required to remit to the Trust an amount equal to the remaining Class Principal Amount of the Class A Certificates, and such amount will be distributed to the Class A 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 Oversight Fee" means until and including the Guarantee Expiration Date, the Guarantor will be paid a monthly amount equal to one-twelfth of the product of (i) the Guarantor Oversight Fee Rate and (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans (including any REO Properties) as of the first day of the related Collection Period.

"Guarantor Oversight Fee Rate" means for each Distribution Date until and including the Guarantee Expiration Date, an annualized rate equal to 0.05%.

"Guarantor Principal Payment" means for any Distribution Date, an amount (not less than zero) equal to the excess, if any, of (i) the Class Principal Amount of the Class A Certificates (after giving effect to payments of Available Funds allocated in respect of principal pursuant to priority *Sixth* and *Eleventh* of *"— Distribution of*

Available Funds" for such Distribution Date) over (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the end of the related Collection Period.

When the Class A-1 or Class A-2 Certificates are outstanding and no Guarantor Nonpayment Event exists, any Guarantor Principal Payment allocated to the Class A Certificates will be allocated, first, to the Class A-1 Certificates, until the Class Principal Amount of the Class A-1 Certificates has been reduced to zero, and second, to the Class A-2 Certificates, until the Class Principal Amount of the Class A-2 Certificates has been reduced to zero.

When the Class A-1 or Class A-2 Certificates are outstanding and a Guarantor Nonpayment Event exists, any Guarantor Principal Payments allocated to the Class A Certificates will be allocated to the Class A-1 and Class A-2 Certificates, pro rata, based on their respective allocated and unreimbursed Realized Losses and Certificate Writedown Amounts.

The Guarantor is required to remit such amount to the Trust to be paid as principal to the Class A Certificates for any Distribution Date when such amount is greater than $0.

"Indemnification Period" means the thirty-six (36) months immediately following the Closing Date, during which time the Asset Manager is allowed to provide a Notice of Breach or Indemnification for indemnification from the Seller with respect to a Collateral Deficiency Loss or Existing Lien Loss.

"Initial Credit Enhancement" means 27.78%.

"Initial Principal Forbearance Amount" means for any Mortgage Loan, the Unpaid Principal Balance that is deferred as a result of forbearance, 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 $24,936,990 or 5.17% of the aggregate Unpaid Principal Balance as of the Cut-Off Date.

"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 Unpaid Principal Balance that bears interest in accordance with the related mortgage note, any modification agreement or other loan documentation. This amount equals the Unpaid Principal Balance minus the Deferred Unpaid Principal Balance. The aggregate Interest Bearing Unpaid Principal Balance of all the Mortgage Loans, as of the Cut-Off Date, is equal to approximately $457,004,528.

"Interest Remittance Amount" means with respect to any Distribution Date, without duplication, an amount, not less than zero, equal to: (i)(a) all interest collected in respect of monthly payments (including Pay-ahead) on the Mortgage Loans and on account of Mortgage Loan prepayments during the related Collection Period, including prepayment penalties, if any, premiums or yield maintenance payments to the extent collected by the Servicer, (b) the portion allocable to interest of the Loan Sale Proceeds or proceeds resulting from the sale of one or more Seriously Delinquent Mortgage Loans, during the related Collection Period and (c) the Repurchase Price of each Mortgage Loan or REO Property that was repurchased due to a Material Breach or any Collateral Deficiency Indemnification Amounts, Existing Lien Indemnification Amounts or Loss Indemnification Amounts received during the related Collection Period due to a Material Breach, in each case as reduced by, without duplication: (ii) the sum of (a) the amounts retained by the Servicer to reimburse itself for Servicing Advances, (b) any Expenses or indemnification amounts of the Custodian, the Securities Administrator, Guarantor, the Asset Manager or the Servicer (subject in the aggregate to the Expenses Cap so long as no Optional Redemption or Clean-up Call has occurred), and (c) the amount of any Servicing Fee, Guarantor Oversight Fee, Custodian Fee, Asset Manager Fee or Securities Administrator Fee.

"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 Amount, 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.

"**Loan Sale Proceeds**" means all the proceeds received by the Servicer from the sale of a Seriously Delinquent Mortgage Loan pursuant to the Loan Sale Right.

"**Loan Sale Right**" means beginning September 1, 2018, the Servicer's right, upon request of the Asset Manager, if applicable, to sell, or cause to be sold, any Seriously Delinquent Mortgage Loan to a third-party or third parties unaffiliated with the Servicer, Asset Manager or Majority Representative in an arms length transaction at any time without restriction, so long as (i) such sale would result in an economic benefit to the Certificateholders and the Asset Manager had consented to such sale, (ii) the maximum number of Seriously Delinquent Mortgage Loans sold in any calendar year (and will be after the proposed sale) less than or equal to 5.0% of the total number of Mortgage Loans as of December 31st of the immediately preceding calendar year (or as of the Cut-Off Date for loan sales in 2018), and (iii) the cumulative number of Seriously Delinquent Mortgage Loans sold is (and will be after the proposed sale) less than or equal to 10.0% of the total number of Mortgage Loans as of the Cut-Off Date.

"Loss Indemnification Amount" means to the extent a Mortgage Loan is not repurchased or cured in connection with a Material Breach, the actual and direct losses, damages, judgments or related costs resulting from the Material Breach of the Representation and Warranty related to such Mortgage Loan (or related REO Property).

"Mandatory Guarantor Repurchase Date" means June 25, 2028.

"Mandatory Guarantor Repurchase Obligation" means if the Majority Representative chooses not to exercise its Optional Redemption Right on or before the Distribution Date in June 2028, the obligation of the Guarantor to purchase the Class A Certificates.

"Mandatory Guarantor Repurchase Price" means the price to be paid by the Guarantor to the Securities Administrator in the event the Guarantor must perform the Mandatory Guarantor Repurchase Obligation, equal to (a) 100% of the outstanding Class Principal Amount of the Class A Certificates and (b) any accrued and unpaid interest on the Class A Certificates.

"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 the related 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.

"Mortgage Insurance Proceeds" means with respect to each Mortgage Loan that is covered by mortgage insurance, all insurance proceeds received in respect of such primary mortgage insurance.

Mortgage Insurance Proceeds will not be a part of Available Funds and will be paid on each Distribution Date in accordance with the Mortgage Insurance Proceeds Waterfall.

"Mortgage Insurance Proceeds Waterfall" means in the following order of priority:

First, to the Class MI Certificate, an amount equal to 90% of all available Mortgage Insurance Proceeds collected during the related Collection Period;

Second, to the Guarantor, to repay the aggregate amount of the interest accrued on any unreimbursed Guarantor Maturity Payment with respect to the Guaranteed Certificates, at a monthly rate equal to one-twelfth of the Class Coupon for the Class A Certificates on the Stated Final Distribution Date, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period;

Third, to the Guarantor, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made by the Guarantor on a previous Distribution Date or Distribution Dates, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period;

Fourth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payment, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period; and

Fifth, to the Class B Certificates, all remaining available Mortgage Insurance Proceeds collected during the related Collection Period, to be classified as additional interest to such Class of Certificates.

"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 Principal 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 WAC" means for any Distribution Date, a rate equal to the excess, if any, of (i) Gross WAC over (ii) the Aggregate Fee Rate, in each case for such Distribution Date.

"Non-Current Mortgage Loan Percentage" means with respect to each Distribution Date, a percentage, equal to the aggregate Unpaid Principal Balance (for this purpose, as reduced by the aggregate of any Post-Closing Principal Forbearance Amounts for such Distribution Date) of all Mortgage Loans at the end of the Collection Period relating to such Distribution Date that are ninety (90) days or more delinquent, in foreclosure, REO, or have been modified in the six (6) months preceding the end of the Collection Period relating to such Distribution Date, divided by the aggregate Unpaid Principal Balance (for this purpose, as reduced by the aggregate of any Post-Closing Principal Forbearance Amounts for such Distribution Date) of all Mortgage Loans at the end of the Collection Period relating to such Distribution Date.

"Non-Current Mortgage Loan Percentage Trigger" means a trigger that will be breached if for each Distribution Date, the Non-Current Mortgage Loan Percentage exceeds 75% of the current Credit Enhancement.

"Notice of Breach or Indemnification" means the written notice provided by the Asset Manager to the Seller within the applicable timeframe regarding (i) a potential Material Breach of a Representation or Warranty; or (ii) an Existing Lien Loss or Collateral Deficiency Loss for which the Asset Manager is seeking indemnification from the Seller, which notice is in the form required by, and includes all of the information set forth in, the Pooling and Servicing Agreement. A notice regarding a Material Breach must contain the applicable documents set forth in the Pooling and Servicing Agreement to be considered complete for purposes of the Pooling and Servicing Agreement.

"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 ceases to set or publish an Interest Settlement Rate and/or the Guarantor determines that the customary method for determining the Interest Settlement Rate is no longer viable, the Guarantor may elect to designate an alternative method or alternative index. In making an election to use any alternative method or index, the Guarantor (or its agent) may take into account a variety of factors, including then-prevailing industry practices or other developments. The Guarantor may also, for any period, apply one or more adjustment factors to any alternative method or index as it deems appropriate to better achieve comparability to the current index and other industry practices. If, prior to the time that ICE may cease to set or publish a rate for LIBOR, a new industry standard index or method is adopted, the Guarantor may elect, in its sole discretion, to use such standard index or method in lieu of LIBOR. See *"Risk Factors — Investment Factors and Risks Related to the Certificates — Uncertainty Relating to the Determination of LIBOR and the Potential Phasing Out of LIBOR after 2021 May Adversely Affect the Value of the Certificates"* and *"— The Use of an Alternative Method or Index in Place of LIBOR May Adversely Affect the Value of the Certificates"*.

"Optional Control Class" means with respect to any Distribution Date, after giving effect to distributions set forth under *"— Distribution of Available Funds"* on such Distribution Date, the "Optional Control Class" will be:

(a) if the Class Principal Amount of the Class B Certificates is (i) greater than the Pipeline Losses for the related Distribution Date and (ii) greater than 10% of the Class Principal Amount of the Class B Certificates as of the Cut-Off Date, then the Class B Certificates;

(b) if (i) the Class Principal Amount of the Class B Certificates is less than or equal to the Pipeline Losses for the related Distribution Date, (ii) the aggregate Class Principal Amount of the Class B and Class M-3 Certificates is greater than the Pipeline Losses for such Distribution Date and (iii) the Class Principal Amount of the Class M-3 Certificates is greater than 10% of the Class Principal Amount of the Class M-3 Certificates as of the Cut-Off Date, then the Class M-3 Certificates;

(c) if (i) the aggregate Class Principal Amount of the Class B and Class M-3 Certificates is less than or equal to the Pipeline Losses for such Distribution Date, (ii) the aggregate Class Principal Amount of the Class B, Class M-3 and Class M-2 Certificates is greater than the Pipeline Losses for such Distribution Date and (iii) 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, then the Class M-2 Certificates;

(d) if (i) the aggregate Class Principal Amount of the Class B, Class M-3 and Class M-2 Certificates is less than or equal to the Pipeline Losses for such Distribution Date, (ii) the aggregate Class Principal Amount of the Class B, Class M-3, Class M-2 and Class M-1 Certificates is greater than the Pipeline Losses for such Distribution Date and (iii) the Class Principal Amount of the Class M-1 Certificates is greater than 10% of the Class Principal Amount of the Class M-1 Certificates as of the Cut-Off Date, then the Class M-1 Certificates;

(e) if none of clauses (a) – (d) above are satisfied, then the most senior Class of Subordinate Certificates with a Class Principal Amount greater than zero; or

(f) if none of clauses (a) – (e) above are satisfied, there will be no Optional Control Class.

"Optional Redemption" means the Majority Representative, if any, upon written notice to the Guarantor at least sixty (60) days prior to those Distribution Dates listed in clauses (a), (b) and (c) below, may redeem at its

option (an **"Optional Redemption Right"**) after distributions for that Distribution Date, the Class A Certificates, the Class MI Certificate and the Subordinate Certificates in accordance with the following schedule and prices (each such price, a **"Redemption Price"**):

(a) on the Distribution Date in June 2022, the sum of (i) 102% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (ii) the Class MI Fair Market Value Price and (iii) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates; or

(b) on the Distribution Date in June 2023, the sum of (i) 101% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (ii) the Class MI Fair Market Value Price and (iii) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates; or

(c) on the Distribution Date in June 2025 and in June each year after, the sum of (i) 100% of the Class Principal Amount of the Class A Certificates plus any accrued and unpaid interest on the Class A Certificates, (ii) the Class MI Fair Market Value Price and (iii) 100% of the aggregate Class Principal Amount of the Subordinate Certificates plus accrued and unpaid Current Interest due for such Distribution Date on the Subordinate Certificates.

In addition, in connection with exercising its Optional Redemption Right, the Majority Representative will be required to pay in addition to the applicable Redemption Price set forth above, any unreimbursed Servicing Advances and Pre-Existing Servicing Advances, unpaid fees and any expenses, indemnification amounts or other reimbursements owed to the transaction parties, without regard to the applicable Expenses Cap (including any unreimbursed Guarantor Interest Payments, Guarantor Principal Payments, Guarantor Maturity Payment and related interest) (collectively, the **"Optional Redemption Payment"**).

For the avoidance of doubt, all calculations related to the Redemption Price will be based on amounts on the Distribution Date (after taking into account distributions made on such Distribution Date in accordance with *"Distribution of Available Funds"*, any allocation of Realized Losses, any allocation of Certificate Writedown Amounts, any allocation of Certificate Writeup Amounts and any allocation of Mortgage Insurance Proceeds) on which the Redemption Price is paid and if the Majority Representative chooses to exercise its Optional Redemption Right on or before the Distribution Date in June 2028, the Mandatory Guarantor Repurchase Obligation will not be effected.

"Other Insurance Proceeds" means all proceeds of any insurance policies, except 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" means with respect to any Mortgage Loan, any monthly payment received by the Servicer with respect to such Mortgage Loan during any Collection Period in addition to the monthly payments due on the related due date and intended by the related Mortgagor to be applied to a future due date.

"Pipeline Losses" means with respect to any Distribution Date, the product of (i) the product of the Non-Current Mortgage Loan Percentage and the Unpaid Principal Balance as of the end of the related Collection Period 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 as of the end of the related Collection Period of all Liquidated Mortgage Loans from the last 12 Collection Periods.

"Previous Credit Enhancement Percentage" means with respect to any Distribution Date, a percentage equal to the greater of (i) the Initial Credit Enhancement and (ii) the minimum of (a) the highest Credit Enhancement achieved on any prior or current Distribution Date and (b) the Target Credit Enhancement.

"Principal Remittance Amount" means with respect to any Distribution Date, without duplication, an amount not less than zero, equal to the sum of (a) principal collected in respect of monthly payments (including Pay-aheads) on the Mortgage Loans and on account of Mortgage Loan prepayments during the related Collection

Period, (b) the portion allocable to principal of the Loan Sale Proceeds or proceeds resulting from the sale of one or more Seriously Delinquent Mortgage Loans during the related Collection Period, and (c) all Net Liquidation Proceeds, Subsequent Recoveries and any other recoveries collected and principal remittances made during the related Collection Period with respect to the Mortgage Loans.

"Realized Loss" means with respect to 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 date of liquidation or as of the date such Mortgage Loan was converted to an REO Property, 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) 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"**).

"Repurchase Price" means, with respect to any Mortgage Loan (or related REO Property), the related Unpaid Principal Balance as of the repurchase date plus accrued and unpaid interest thereon.

"Securities Administrator Fee" means for any Distribution Date, the amount payable to the Securities Administrator, which will be equal to the greater of (i) 0.026% divided by 12 and multiplied by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period and (ii) $3,500.

"Securities Administrator Fee Rate" means for any Distribution Date, an annualized rate calculated as the Securities Administrator Fee multiplied by 12 and divided by the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

"Senior Additional Portion" means with respect to any Distribution Date on which the Class Coupon of the Class A-1 or Class A-2 Certificates (or the Class Coupon of the Class A Certificates, if the Class A-1 and Class A-2 Certificates are not outstanding) is greater than the Net WAC for such Distribution Date, the Current Interest for each such Class of Certificates will be deemed to consist of two portions: (a) the portion calculated as if the Class Coupon was based upon the Net WAC (such portion, the **"WAC Portion"**), and (b) the portion equal to the excess, if any, of (i) the Current Interest for such Class of Certificates over (ii) the WAC Portion (the **"Senior Additional Portion"**). Amounts otherwise distributable to certain classes of the Subordinate 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, to reimburse the Guarantor for such Senior Additional Portion).

"Servicing Control Trigger" means with respect to any Distribution Date, a trigger that will occur if the Non-Current Mortgage Loan Percentage exceeds 130% of the current Credit Enhancement.

"Servicing Fee" means for any Distribution Date, the monthly fee retained by the Servicer calculated as described in the Pooling and Servicing Agreement; provided however such fee (i) shall not be less than $3,000, and (ii) shall be subject to a cap for each Distribution Date equal to (0.30% ÷ 12) × the aggregate Unpaid Principal Balance of the Mortgage Loans on the first day of the related Collection Period, and provided further that there shall be no cap on such fees with respect to the first Distribution Date.

"Servicing Fee Rate" means for any Distribution Date, an annualized rate equal to (i) the Servicing Fee for that Distribution Date multiplied by 12; divided by (ii) the aggregate Unpaid Principal Balance of the Mortgage Loans as of the first day of the related Collection Period.

"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.

"Significant Actual Loss" means actual losses, damages, and reasonable costs, charges and expenses (including without limitation reasonable attorneys' fees), but excluding special, indirect, consequential, and punitive damages, that are in the aggregate significant in relation to the Unpaid Principal Balance of the applicable Mortgage Loan.

"Subsequent Recoveries" means with respect to any Mortgage Loan (including any REO Property acquired in respect thereof) as to which a Realized Loss has been incurred, means, without duplication, any collection or other recovery of amounts owed thereunder after such Mortgage Loan (or any REO Property related thereto) has been liquidated, excluding liquidation expenses.

"Target Credit Enhancement" means with respect to any Distribution Date, the sum of (i) the Initial Credit Enhancement and (ii) 5.00%.

"Target Principal Distribution Amount" means with respect to any Distribution Date, the excess (if any) of (a) the Class Principal Amount of the Class A Certificates immediately preceding such Distribution Date over (b) the product of (A) (i) 100% minus (ii) the Target Credit Enhancement and (B) the aggregate Unpaid Principal Balance (for this purpose, as reduced by the aggregate of all Post-Closing Principal Forbearance Amounts for such Distribution Date) of the Mortgage Loans as of the end of the related Collection Period.

"Unpaid Coupon Cap Shortfall" means for the Class M-1, Class M-2, Class M-3 or Class B Certificates on any Distribution Date, the total of all Coupon Cap Shortfalls for such Class remaining unpaid from all previous Distribution Dates.

"Unpaid Principal Balance" means:

(a) with respect to each Mortgage Loan and any date of determination, the principal balance of such Mortgage Loan to which the Issuer is then entitled, the amount (not less than zero) being equal to (without duplication):

  (i) the unpaid principal balance (including any deferred principal balances) as of the Cut-Off Date of such Mortgage Loan; *plus*

  (ii) the total Capitalization Amount for such Mortgage Loan; *minus*

  (iii) all amounts required by the mortgage note, legal requirements or the Pooling and Servicing Agreement to be treated as a credit to reduce the principal balance owed by the mortgagor on such Mortgage Loan, including, but not limited to:

    x. all principal payments for such Mortgage Loan (including the principal portion of monthly payments received by the Servicer, partial or full prepayments, and Liquidation Proceeds net of the reimbursement of any related Servicing Advances), *and*

    y. any related Realized Losses;

(b) with respect to each REO Property and any date of determination, the principal balance of the related Mortgage Loan determined in accordance with the preceding paragraph (a) as of the day immediately prior to the date such REO Property was acquired by the Trust, less the sum of all collections and other amounts credited against such principal balance from such date of REO Property acquisition to such date of determination.

For the Cut-Off Date, the Unpaid Principal Balance for any Mortgage Loan will be the Cut-Off Date Balance.

"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 applicable Guaranteed 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 any Guaranteed Certificates will be vested in the Guarantor.

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"*.

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"*.

Distribution of Available Funds

On each Distribution Date, all Available Funds for that Distribution Date will be distributed as follows:

First, to the Class XS Certificates, the aggregate Excess Servicing Amount relating to the Mortgage Loans;

Second, to the Class A Certificates, the Current Interest for such Class;

Third, to the Guarantor, the aggregate of the interest accrued on any unreimbursed Guarantor Maturity Payment with respect to the Class A Certificates, at a monthly rate equal to one-twelfth of the Class Coupon of the Class A Certificates on the Stated Final Distribution Date;

Fourth, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made by the Guarantor on a previous Distribution Date or Distribution Dates;

Fifth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payment;

Sixth, to the Class A Certificates, with respect to principal, up to the Basic Principal Distribution Amount;

Seventh, on or before the Distribution Date in June 2033 and if the Non-Current Mortgage Loan Percentage Trigger is not breached and no Guarantor Nonpayment Event exists, to the Class M-1 Certificates, the Current Interest for such Class for such Distribution Date and any unpaid Current Interest for such Class from prior Distribution Dates;

Eighth, on or before the Distribution Date in June 2033 and if the Non-Current Mortgage Loan Percentage Trigger is not breached and no Guarantor Nonpayment Event exists, to the Class M-2 Certificates, the Current Interest for such Class for such Distribution Date and any unpaid Current Interest for such Class from prior Distribution Dates;

Ninth, on or before the Distribution Date in June 2033 and if the Non-Current Mortgage Loan Percentage Trigger is not breached and no Guarantor Nonpayment Event exists, to the Class M-3 Certificates, the Current Interest for such Class for such Distribution Date and any unpaid Current Interest for such Class from prior Distribution Dates;

Tenth, on or before the Distribution Date in June 2033 and if the Non-Current Mortgage Loan Percentage Trigger is not breached and no Guarantor Nonpayment Event exists, to the Class B Certificates, the Current Interest for such Class for such Distribution Date and any unpaid Current Interest for such Class from prior Distribution Dates;

Eleventh, to the Class A Certificates, with respect to principal, as follows:

(A) After the Distribution Date in June 2028 or if either the Non-Current Mortgage Loan Percentage Trigger is breached or a Guarantor Nonpayment Event exists, 100% of all remaining Available Funds, until the Class Principal Amount of such Class has been reduced to zero;

(B) On or before the Distribution Date in June 2028 and if the Non-Current Mortgage Loan Percentage Trigger is not breached and no Guarantor Nonpayment Event exists, then the lesser of (i) the Excess

Principal Distribution Amount and (ii) remaining Available Funds, until the Class Principal Amount of such Class has been reduced to zero;

Twelfth, to the Custodian, the Securities Administrator, the Asset Manager, the Seller, the Trustee, the Issuer, the Guarantor and the Servicer, the aggregate amount of unreimbursed Expenses and/or indemnification amounts remaining as unpaid or unreimbursed Excess Expenses;

Thirteenth, to the Class M-1 Certificates, any unpaid Current Interest for such Class for such Distribution Date and any prior Distribution Dates;

Fourteenth, to the Class M-2 Certificates, any unpaid Current Interest for such Class for such Distribution Date and any prior Distribution Dates;

Fifteenth, to the Class M-3 Certificates, any unpaid Current Interest for such Class and such Distribution Date and any prior Distribution Dates;

Sixteenth, to the Class B Certificates, any unpaid Current Interest for such Class and such Distribution Date and any prior Distribution Dates;

Seventeenth, to the Class M-1 Certificates, any Coupon Cap Shortfall and Unpaid Coupon Cap Shortfall for such Class for such Distribution Date;

Eighteenth, to the Class M-2 Certificates, any Coupon Cap Shortfall and Unpaid Coupon Cap Shortfall for such Class for such Distribution Date;

Nineteenth, to the Class M-3 Certificates, any Coupon Cap Shortfall and Unpaid Coupon Cap Shortfall for such Class for such Distribution Date;

Twentieth, to the Class B Certificates, any Coupon Cap Shortfall and Unpaid Coupon Cap Shortfall for such Class for such Distribution Date;

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

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

Twenty Third, to the Class M-3 Certificates, until the Class Principal Amount of such Class has been reduced to zero;

Twenty Fourth, to the Class M-1 Certificates up to the amount of Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed;

Twenty Fifth, to the Class M-2 Certificates up to the amount of Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed;

Twenty Sixth, to the Class M-3 Certificates up to the amount of Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed;

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

Twenty Eighth, to the Class B Certificates up to the amount of Realized Losses and Certificate Writedown Amounts previously allocated and not reimbursed; and

Twenty Nineth, to the Class B Certificates, any remaining amount, to be classified as additional interest to such Class of Certificates.

When Class A-1 or Class A-2 Certificates are outstanding, interest distributed to the Class A Certificates will be allocated to the Class A-1 and Class A-2 Certificates, pro rata, based on their respective Current Interest due for such Distribution Date. When Class A-1 or Class A-2 Certificates are outstanding, principal payments paid to the Class A Certificates will be allocated as follows: (i) if a Guarantor Nonpayment Event exists, to reduce the Class Principal Amounts of the Class A-1 Certificates and the Class A-2 Certificates, pro rata, based on their respective outstanding Class Principal Amounts, until the Class Principal Amounts thereof have been reduced to zero and (ii) if no Guarantor Nonpayment Event exists, first, to the Class A-1 Certificates, until the

Class Principal Amount of the Class A-1 Certificates has been reduced to zero, and second, to the Class A-2 Certificates, until the Class Principal Amount of the Class A-2 Certificates has been reduced to zero.

With respect to any Distribution Date on which the Class Coupon of the Class A-1 or Class A-2 Certificates (or the Class Coupon of the Class A Certificates if the Class A-1 and Class A-2 Certificates are not outstanding) is greater than the Net WAC for such Distribution Date, the Current Interest for each such Class of Certificates will be deemed to consist of two portions: (a) the portion calculated as if the Class Coupon was based upon the Net WAC (such portion, the **"WAC Portion"**), and (b) the portion equal to the excess, if any, of (i) the Current Interest for such Class of Certificates over (ii) the WAC Portion (the **"Senior Additional Portion"**). Amounts otherwise distributable to certain classes of the Subordinate 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, to reimburse the Guarantor for such Senior Additional Portion).

Any Excess Expenses reimbursable to the parties pursuant to priority "*Twelfth*" above shall 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.

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 the aggregate Class Principal Amount of all the other Classes of Certificates is greater than zero), such Class of Certificates will remain outstanding for purposes of receiving distributions of any unpaid interest amount from the Available Funds 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).

Reductions in Class Principal Amounts and Class Notional Amounts Due to Allocation of Realized Losses

Subsequent to the distribution of the Available Funds pursuant to the order of priority set forth above under "— *Distribution of Available Funds*" and the Mortgage Insurance Proceeds Waterfall on each Distribution Date, Realized Losses will be allocated as follows:

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-3 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-2 Certificates until the Class Principal Amount of such Class has been reduced to zero;

Fourth, 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

Fifth, to reduce the Class Principal Amount of the Class A Certificates until the Class Principal Amount of such Class has been reduced to zero.

Realized Losses allocated to the Class A Certificates will require Guarantor Principal Payments to be made.

When the Class A-1 or Class A-2 Certificates are outstanding, Realized Losses allocated to the Class A Certificates will be allocated to the Class A-1 or Class A-2 Certificates while such Classes are outstanding as follows: (i) to the extent there is a Guarantor Nonpayment Event, to reduce the Class Principal Amount of the Class A-1 Certificates and the Class A-2 Certificates, pro rata, based on their respective outstanding Class Principal Amounts, until the Class Principal Amounts thereof have been reduced to zero and (ii) if no Guarantor Nonpayment Event exists, first, to the Class A-1 Certificates, until the Class Principal Amount of the Class A-1

Certificates has been reduced to zero, and second, to the Class A-2 Certificates, until the Class Principal Amount of the Class A-2 Certificates has been reduced to zero. The Class Notional Amount of the Class XS Certificate will be decreased by any amount of Realized Losses applied to reduce the Unpaid Principal Balance of the Mortgage Loans.

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

Subsequent to the distribution of Available Funds pursuant to the order of priority set forth above under *"— Distribution of Available Funds,"* and the Mortgage Insurance Proceeds Waterfall on each Distribution Date and the allocation of Realized Losses on any Distribution Date, Certificate Writedown Amounts will be allocated as follows:

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-3 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-2 Certificates until the Class Principal Amount of such Class has been reduced to zero;

Fourth, 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

Fifth, to reduce the Class Principal Amount of the Class A Certificates until the Class Principal Amount of such Class has been reduced to zero.

Certificate Writedown Amounts allocated to the Class A Certificates will require Guarantor Principal Payments to be made.

While the Class A-1 or Class A-2 Certificates are outstanding, Certificate Writedown Amounts allocated to the Class A Certificates will be allocated to the Class A-1 and Class A-2 Certificates as follows: (i) to the extent there is a Guarantor Nonpayment Event, to reduce the Class Principal Amount of the Class A-1 Certificates and the Class A-2 Certificates, pro rata, based on their respective outstanding Class Principal Amounts, until the Class Principal Amounts thereof have been reduced to zero and (ii) if no Guarantor Nonpayment Event exists, first, to the Class A-1 Certificates, until the Class Principal Amount of the Class A-1 Certificates has been reduced to zero, and second, to the Class A-2 Certificates, until the Class Principal Amount of the Class A-2 Certificates has been reduced to zero.

Mortgage Insurance Proceeds Waterfall

Mortgage Insurance Proceeds will not be a part of Available Funds and will be paid on each applicable Distribution Date, after giving effect to any distributions under "— *Distribution of Available Funds*," in the following order of priority:

First, to the Class MI Certificate, an amount equal to 90% of all available Mortgage Insurance Proceeds collected during the related Collection Period;

Second, to the Guarantor, to repay the aggregate amount of the interest accrued on any unreimbursed Guarantor Maturity Payment with respect to the Guaranteed Certificates, at a monthly rate equal to one-twelfth of the Class Coupon for the Class A Certificates on the Stated Final Distribution Date, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period;

Third, to the Guarantor, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made by the Guarantor on a previous Distribution Date or Distribution Dates, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period;

Fourth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payment, any remaining available Mortgage Insurance Proceeds collected during the related Collection Period; and

Fifth, to the Class B Certificates, all remaining available Mortgage Insurance Proceeds collected during the related Collection Period, to be classified as additional interest to such Class of Certificates.

Clean-Up Call

The Majority Representative and/or the Servicer, if applicable, may elect to purchase, at the Clean-up Call Purchase Price, all remaining Mortgage Loans and other assets in the Trust on any Distribution Date on or after the first Distribution Date on which the Unpaid Principal Balance of the Mortgage Loans is 10% or less of the Unpaid Principal Balance of the Mortgage Loans as of the Cut-Off Date. The exercise of the Clean-up Call will result in an early termination of the Trust on the Clean-up Call Date, as set forth in the Pooling and Servicing Agreement. The Clean-up Call may not be exercised if the Clean-up Call Purchase Price is not sufficient to redeem the outstanding Certificates in full.

Distributions upon Optional Redemption or Clean-up Call

In connection with the occurrence of an Optional Redemption or Clean-up Call, (i) the sum of the Redemption Price and Optional Redemption Payment, in the case of Optional Redemption; or (ii) the Clean-up Call Purchase Price, in the case of a Clean-up Call, will be paid in the following order of priority (after taking into account distributions made on such Distribution Date in the *"Description of the Certificates — Distribution of Available Funds"*, Mortgage Insurance Proceeds Waterfall, and allocation of Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts):

First, to the Custodian, the Securities Administrator, the Asset Manager, the Servicer, the Seller, the Issuer, the Trustee and the Guarantor (including any unreimbursed Servicing Advances and Pre-existing Servicing Advances), for the reimbursement of any fees, expenses or indemnification amounts owed to any such party without regard to the Expenses Cap;

Second, for payment in respect of the Class A-1 and Class A-2 Certificates (or in respect of the Class A Certificates, if the Class A-1 and Class A-2 Certificates are not outstanding), the related Redemption Price or Clean-up Call Purchase Price therefor and for payment in respect of the Class MI Certificate, to the Class MI Certificateholder, the Class MI Fair Market Value Price;

Third, to the Guarantor, the aggregate of the interest accrued on any unreimbursed Guarantor Maturity Payment with respect to the Class A Certificates, at a monthly rate equal to one-twelfth of the applicable Class Coupon of the Certificates on the Stated Final Distribution Date;

Fourth, to repay any unreimbursed Guarantor Interest Payments and Guarantor Principal Payments made by the Guarantor on the current or previous Distribution Date or Distribution Dates;

Fifth, to the Guarantor, to repay any unreimbursed Guarantor Maturity Payment;

Sixth, to the Class M-1, Class M-2, Class M-3 and Class B Certificates, in that order, as interest, to pay the amount of accrued and unpaid Current Interest due for each Class for such Distribution Date; and

Seventh, to the Class M-1, Class M-2, Class M-3 and Class B Certificates, in that order, as principal, until the Class Principal Amount for each Class thereof has been reduced to zero.

Principal Distributions 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, through allocation of the Available Funds, Guarantor Principal Payment and/or Guarantor Maturity Payment, as applicable.

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"*.

Allocation of Certificate Writeup Amounts

Subsequent to the distribution of Available Funds pursuant to the order of priority set forth above under *"— Distribution of Available Funds"*, the allocation of Mortgage Insurance Proceeds pursuant to the Mortgage Insurance Proceeds Waterfall and the allocation of Realized Losses, any Certificate Writeup Amounts will be allocated as follows:

First, to the extent a Guarantor Nonpayment Event exists, to increase the Class Principal Amount of the Class A Certificates until the cumulative Certificate Writeup Amounts allocated to the Class A Certificates is

equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated and unreimbursed by the Guarantor to such Class of Certificates on or prior to such Distribution Date;

Second, to increase the Class Principal Amount of the Class M-1 Certificates until the cumulative Certificate Writeup Amounts allocated to the Class M-1 Certificates is equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date;

Third, to increase the Class Principal Amount of the Class M-2 Certificates until the cumulative Certificate Writeup Amounts allocated to the Class M-2 Certificates is equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date;

Fourth, to increase the Class Principal Amount of the Class M-3 Certificates until the cumulative Certificate Writeup Amounts allocated to the Class M-3 Certificates is equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date; and

Fifth, to increase the Class Principal Amount of the Class B Certificates until the cumulative Certificate Writeup Amounts allocated to the Class B Certificates is equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to such Class of Certificates on or prior to such Distribution Date.

To the extent a Guarantor Nonpayment Event exists, any Certificate Writeup Amount allocated to the Class A Certificates will be allocated to the Class A-1 and Class A-2 Certificates, to increase the Class Principal Amounts of the Class A-1 Certificates and the Class A-2 Certificates, pro rata, based on their respective Realized Losses and Certificate Writedown Amounts allocated and unreimbursed, until the cumulative Certificate Writeup Amounts allocated to the Class A-1 Certificates or Class A-2 Certificates are equal to the cumulative Certificate Writedown Amounts and Realized Losses allocated to each such Class of Certificates on or prior to such Distribution Date not already reimbursed from prior Guarantor Principal Payments.

Freddie Mac Guarantee of Guaranteed Certificates

Freddie Mac, as Guarantor, guarantees the following:

- To each Class of Guaranteed Certificates the timely payment of interest at its applicable Class Coupon.
- To each Class of Guaranteed 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 Guaranteed Certificates:

(i) the Guarantor Interest Payments,

(ii) the Guarantor Principal Payments, and

(iii) the Guarantor Maturity Payment on the Stated Final Distribution Date, the remaining Class Principal Amount of such Guaranteed Certificates (after giving effect to all amounts distributable and allocable to principal on such Distribution Date).

Mandatory Guarantor Repurchase Obligation of Class A Certificates

If the Class A Certificates are still outstanding on the Distribution Date in June 2027, the Securities Administrator shall notify the Guarantor and the Trustee of the Guarantor's possible upcoming obligation to exercise the Mandatory Guarantor Repurchase Obligation in June 2028.

If after the Distribution Date in June 2027 the Class A Certificates are paid in full, or the Majority Representative provides notice of its intent to exercise its Optional Redemption Right in June 2028, the Securities Administrator will notify the Guarantor that it will not be obligated to purchase the Class A Certificates.

If, 60 days prior to the Distribution Date in June 2028, (i) any of the Class A Certificates are outstanding, and (ii) the Majority Representative has not exercised its Optional Redemption Right, then the Securities

Administrator will notify the Guarantor of the Guarantor's obligation to perform the Mandatory Guarantor Repurchase Obligation in June 2028.

If the Guarantor is obligated to perform its Mandatory Guarantor Repurchase Obligation, then on the Remittance Date in June 2028, the Guarantor will deliver the Mandatory Guarantor Repurchase Price to the Securities Administrator. On the Distribution Date in June 2028, the Securities Administrator will:

- allocate the amount of the Mandatory Guarantor Repurchase Price to the Class Principal Amounts of the Class A-1 and Class A-2 Certificates, pro rata, based on their respective outstanding Class Principal Amounts, to reduce such Class Principal Amounts to zero, to pay any accrued and unpaid interest on those Classes, and
- deliver the Class A Certificates to the Guarantor.

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 Guaranteed 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, Carrolton, 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 remedies with respect to the Mortgage Loans.

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, Asset Manager, Trustee 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

If at any time during the Warranty Period the Asset Manager becomes aware of a breach of a Representation and Warranty that results in a Material Adverse Effect, the Asset Manager will collect information regarding such Material Breach and promptly submit a complete Notice of Breach or Indemnification to the Seller.

If the Seller receives less than five (5) Notices of Breach or Indemnification in any given seven (7) calendar day period, then the Seller will confirm receipt of the Notice(s) of Breach or Indemnification within fourteen (14) calendar days of the date of receipt. If the Asset Manager submits five (5) or more Notices of Breach or Indemnification in any given seven (7) calendar day period, then Seller will confirm receipt of the Notice(s) of Breach or Indemnification within thirty (30) calendar days of the date of receipt. An incomplete Notice of Breach or Indemnification that does not contain the information required under the Pooling and Servicing Agreement may be denied, in Seller's sole and reasonable discretion.

Upon Seller's receipt of a complete Notice of Breach or Indemnification, the Cure Period will begin to run. If the Asset Manager unreasonably delays submitting a complete Notice of Breach or Indemnification and the delay results in an inability by Seller to cure the breach, then the related Material Breach will be deemed to have been waived.

If the Seller receives a complete Notice of Breach or Indemnification during the Warranty Period and has determined, in its sole and reasonable discretion, that such breach caused a Material Adverse Effect, the Seller will: (a) use its commercially reasonable efforts to cure such breach in all material respects within the Cure Period, unless otherwise agreed by the parties on a loan by loan basis where circumstances may require a longer

Cure Period, or (b) if such breach cannot be cured by the expiration of the Cure Period, the Seller will, at its option: (i) indemnify the Trust for the Loss Indemnification Amount, resulting from the Material Breach of the Representation and Warranty related to such Mortgage Loan (or related REO Property), or (ii) repurchase such Mortgage Loan (or related REO Property) at the Repurchase Price. The aggregate of the Loss Indemnification Amount, Collateral Deficiency Indemnification Amount and Existing Lien Indemnification Amount related to such Mortgage Loan may not exceed the Repurchase Price for such Mortgage Loan, regardless of the number of breaches associated with such Mortgage Loan.

The decision of the Seller in regard to whether a Material Breach exists is final, non-appealable and is in the Seller's sole and reasonable discretion.

Payment 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.

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 such Distribution Date, including interest bearing prepayments, non-interest bearing prepayments, interest bearing curtailments and non-interest bearing curtailments;
- the Interest Remittance Amount for such Distribution Date, including any Pre-Existing Servicing Advances received from the mortgagor and any Servicing Remedy Amounts;
- the amount of any Servicing Fee, Custodian Fee, Securities Administrator Fee, Asset Manager Fee, Excess Servicing Amount and Guarantor Oversight Fee to be paid to, or retained by the Servicer, the Custodian, the Securities Administrator, the Guarantor and the Asset Manager, as applicable, 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 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 amount of any Pipeline Losses;
- the amount of Subsequent Recoveries;
- the Class Principal Amount and Class Notional Amount of each Class of Certificates (other than the Mortgage Insurance and 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;
- the amount of Available Funds;
- the Current Interest distributed to each Class of Certificates, along with the related Class Coupon, Coupon Cap Shortfalls, Unpaid Coupon Cap Shortfalls and, if any, unpaid interest shortfall;
- the cumulative aggregate amount of Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts from the Cut-Off Date through and including such Distribution Date for each Class;
- the Realized Losses, Certificate Writedown Amounts and Certificate Writeup Amounts for each Class of Certificates for such Distribution Date;
- the aggregate Repurchase Price, Collateral Deficiency Indemnification Amount, Existing Lien Indemnification Amount and/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 Basic Principal Distribution Amount, the Target Principal Distribution Amount and the Excess Principal Distribution Amount of the Class A Certificates;
- the amount of any Post-Closing Principal Forbearance Amounts;
- 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 Optional Control Class for such Distribution Date;
- the aggregate Capitalization Amount for such Distribution Date;
- as of the close of business on the last day of the related Collection Period, the aggregate Deferred Unpaid Principal Balance;
- the amounts distributed to the Class MI Certificates, the Class XS Certificates and the Subordinate Certificates;
- the status and outcome of any loan review conducted pursuant to the Pooling and Servicing Agreement, as reported to the Securities Administrator by the Asset Manager;
- the applicable Record Date and Accrual Period for each Class of Certificates and such Distribution Date;
- the Asset Manager report, if any, of a potential Material Breach, Collateral Deficiency Loss or Existing Lien Loss;
- 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 Asset Manager, (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;
- the Guarantee Expiration 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 of the Mortgage Loans as of the last day of the Collection Period for 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, (vii) 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;
- 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 Class Coupon for each Class for such Distribution Date, and the Class B and Class M Net WAC Rates for such Distribution Date;
- the amount of Seriously Delinquent Mortgage Loans;
- the number of Seriously Delinquent Mortgage Loans sold and the Loan Sale Proceeds resulting from the sale of one or more Seriously Delinquent Mortgage Loans deposited into the Collection Account;
- the percentage (by aggregate Unpaid Principal Balance) of Seriously Delinquent Mortgage Loans sold through such Distribution Date as a percentage of the initial aggregate Unpaid Principal Balance of the Mortgage Loans as of the Closing Date;
- the percentage (by amount of loans) of Seriously Delinquent Mortgage Loans sold through such Distribution Date as a percentage of the initial aggregate number of Mortgage Loans as of the Closing Date;

- the amount of Mortgage Insurance Proceeds collected by the Servicer during the related Collection Period;
- the Class MI Fair Market Value Price;
- the Non-Current Mortgage Loan Percentage;
- the amount of Credit Enhancement;
- whether a Non-Current Mortgage Loan Percentage Trigger is in effect;
- whether a Servicing Control Trigger is in effect;
- detailed information with respect to Material Breaches (to the extent provided to the Asset Manager);
- whether the Asset Manager Expiration Date has passed; and
- any other information specified herein not set forth above as agreed to by the Securities Administrator.

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 "https://pivot.usbank.com". 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 calculated as described in the Pooling and Servicing Agreement; provided that, such fee (i) will not be less than $3,000, and (ii) will be subject to a cap for each Distribution Date equal to (0.30% ÷ 12) × the aggregate Unpaid Principal Balance of the Mortgage Loans on the first day of the related Collection Period, and provided further that there will be no cap on such fees with respect to the first Distribution Date. 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.

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, unless permitted by and in accordance with the Pooling and Servicing Agreement, 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), or accept payment from (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 60 or more days delinquent or, in the judgment of the Servicer is in imminent risk of default, as determined in accordance with the Pooling and Servicing Agreement, the Servicer, may 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.

Sale of Seriously Delinquent Mortgage Loans

Under the Pooling and Servicing Agreement, beginning on September 1, 2018, the Servicer, upon the request of the Asset Manager, may sell (or cause to be sold) any Seriously Delinquent Mortgage Loan pursuant to the Loan Sale Right. For each Seriously Delinquent Mortgage Loan sold, all proceeds for such Mortgage Loan will be deposited into the Collection Account, transferred into the Payment Account and paid by the Securities Administrator as part of the "— *Distribution of Available Funds*" on each applicable Distribution Date. In the event that the Asset Manager resigns or is terminated, the Servicer will have the right to exercise the Loan Sale Right.

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.

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 $1,213,100. 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 (and one or more designees of the Guarantor, if any), 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.

The Guarantor, Trustee and Asset Manager also have the right to monitor the Servicer's servicing of the Mortgage Loans, and the Servicer is required to take all steps required to facilitate such monitoring as provided in the Pooling and Servicing Agreement.

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 (which may be the Securities Administrator) that has a combined capital and surplus of at least $1,000,000,000 and the long-term unsecured debt obligations of which are rated at least "BBB+" by S&P (or "A-" or higher by S&P if such institution's short-term debt obligations are rated not less than "A-2" by S&P) and "A" by Fitch, if the deposits are to be held in such account for 30 days or more, or the short-term debt obligations of which have a short-term rating of not less than "A-2" by S&P and "F1" by Fitch, if the deposits are to be held in such account for less than 30 days or such other ratings acceptable to the Issuer and the Guarantor; 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 (which may be the Securities Administrator) that, in either case, has a combined capital and surplus of at least $50,000,000 and has corporate trust powers, acting in its fiduciary capacity, and the long term deposit or unsecured debt obligations of which are rated at least "BBB+" by S&P (or "A-" or higher by S&P if such institution's short-term debt obligations are rated not less than "A-2" by S&P) and "A" by Fitch, if the deposits are to be held in such account for 30 days or more, or the short-term debt obligations of which have a short-term rating of not less than "A-2" by S&P and "F1" by Fitch, if the deposits are to be held in such account for less than 30 days or such other rating acceptable to the Issuer and the Guarantor, **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 lesser of (i) the Mortgagor Total Unpaid Principal Balance or (ii) the full insurable value of the related mortgaged property. 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 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 Trust 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" or other data materials or information required to be provided pursuant to the Pooling and Servicing Agreement 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 on or prior to the Loan Data Remittance Date for any two (2) consecutive months 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;

(x) the Servicer otherwise ceases to meet the qualifications of a Freddie Mac and if applicable, Fannie Mae, Ginnie Mae or FHA seller/servicer;

(xi) the Servicer attempts to assign the servicing of the Mortgage Loans or its right to servicing compensation under the Pooling and Servicing Agreement or the Servicer attempts to sell or otherwise dispose of all or substantially all of its property or assets or to assign the Pooling and Servicing Agreement or the servicing responsibilities under the Pooling and Servicing Agreement or to delegate its duties under the Pooling and Servicing Agreement or any portion thereof (to other than a third-party in the case of outsourcing routine tasks including, but not limited to, taxes, insurance, property inspection, reconveyance, collection or brokering REO Property), in each case without complying fully with the provisions regarding limitation on resignation and assignment by the Servicer; or

(xii) failure by the Servicer to service the Mortgage Loans in accordance with accepted servicing practices and the Pooling and Servicing Agreement, following notice by the Trustee or Guarantor, which failure continues unremedied for 30 days.

Servicing Control Trigger

"Servicing Control Trigger" under the Pooling and Servicing Agreement means with respect to any Distribution Date, a trigger that will occur if the Non-Current Mortgage Loan Percentage exceeds 130% of the current Credit Enhancement.

Rights Upon Servicer Events of Default

So long as a Servicer Event of Default under the Pooling and Servicing Agreement remains unremedied, the Trustee may 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. 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 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 Freddie Mac servicer financial eligibility requirements set forth in the Guide, and (iii) must agree, and have 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 Trustee and the Guarantor may jointly waive by written notice 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 and the Guarantor as set forth above.

Rights Upon the Occurrence of a Servicing Control Trigger

In the case that a Servicing Control Trigger occurs, the Guarantor may direct the Trustee to pursue either of the following remedies: (i) impose on the Servicer new or different servicing requirements which may be substantially comparable 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 servicing requirements, substantially comparable to the Guide's servicing requirements.

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; provided that in no event will the Servicing Fee Rate exceed 0.375%.

For the avoidance of doubt, in no event will the Securities Administrator, Guarantor, Asset Manager or the Trustee be required to act as successor servicer under the Pooling and Servicing Agreement. Any reasonable costs incurred by the Trustee 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, as applicable, for such costs within a sixty days, the Trustee, as applicable, will be entitled to reimbursement from amounts on deposit in the Payment Account. In no event may the Servicing Fee Rate exceed 37.5 basis points.

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 Trust. The successor servicer will assume the servicing obligations as soon as practicable.

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 written consent of the Trustee, the Guarantor and the Securities Administrator, which consent, in the case of an assignment of rights or delegation of duties, will be granted or withheld in the discretion of the Trustee, the Guarantor and the Securities Administrator and which consent, in the case of a sale or disposition of all or substantially all of the property or assets of the Servicer, 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 to, and have 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 some or all of the Non-Guaranteed Certificates may be offered;
- (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 Asset Manager, 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 Asset Manager, 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 66⅔% 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 or Mandatory Guarantor Repurchase Obligation;

(v) change the Stated Final Distribution Date or any monthly Distribution Date of the Certificates;

(vi) reduce the Class Principal 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 any 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. The Trustee is required to provide to the Securities Administrator, (i) notice of the related record date and (ii) a notice describing the matter to be voted on by the Certificateholders, and the Securities Administrator is required to then promptly (x) forward such notice to the Certificateholders and (y) forward any responses it receives to the Trustee.

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 Realized Losses, as described under "*Description of the Certificates — Distribution of Available Funds — Reductions in Class Principal Amounts and Class Notional 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 (other than the Class XS Certificates) purchased at a discount 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 the Class XS Certificates or a Certificate purchased at a premium, 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. 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 Loan 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. 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) characteristics of the Mortgage Loans are as set forth in the data tape related to the Mortgage Loans (as of the Cut-Off Date);

(b) 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;

(c) no Mortgage Loans are purchased, substituted, or removed;

(d) there are no modifications in connection with the Mortgage Loans after the Cut-Off Date;

(e) the Initial Principal Forbearance Amounts are not amortized and do not accrue interest but can be prepaid or defaulted; any such amounts that are not prepaid or defaulted are paid in full at maturity;

(f) each Mortgage Loan with a step-rate will increase its mortgage rate on the date(s) identified on the data tape, with such date(s) adjusted to account for any monthly mortgage payments made by the borrower in advance or any monthly payments that are delinquent as of the Cut-Off Date;

(g) there are no Servicing Advances or Pre-Existing Servicing Advances;

(h) there are no indemnifications amounts or any servicing remedies owed;

(i) there are no Subsequent Recoveries related to the Mortgage Loans;

(j) the Servicing Fee Rate is 0.30% per annum; the Guarantor Oversight Fee Rate is 0.05% per annum until and including the Guarantee Expiration Date; the Securities Administrator Fee Rate is 0.026% per annum, subject to a monthly minimum Securities Administrator Fee of $3,500; 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; the Excess Servicing Fee Rate is 0.075% per annum; and all other fees and expenses are assumed to be zero;

(k) the Certificates are issued on June 28, 2018;

(l) distributions on the Certificates are received on the twenty-fifth (25th) day of each month beginning in July 2018;

(m) there are no Loan Sale Proceeds or Mortgage Insurance Proceeds;

(n) the Non-Current Mortgage Loan Percentage Trigger is not breached;

(o) One-Month LIBOR is assumed to remain constant at 1.877% per annum;

(p) no Guarantor Nonpayment Event exists;

(q) prepayments representing payments in full of each Mortgage Loan are received on the last day of each month commencing in June 2018 and are computed with no shortfalls in interest collections;

(r) there are no advances of principal or interest on any Mortgage Loan;

(s) the initial Class Principal Amount and Class Notional Amount of each Class of Certificates is as set forth in this Offering Circular;

(t) the Class Coupon for each Class of Certificates is as set forth in this Offering Circular;

(u) the Mortgage Loans will be subject to the CPR percentages indicated in the tables below;

(v) for the applicable Optional Redemption or Clean-up Call, the sum of the Redemption Price and the Optional Redemption Payment or the Clean-up Call Purchase Price is equal to the aggregate Unpaid Principal Balance of the Mortgage Loans at the end of the related Collection Period. Any remaining cash flow after the distributions set forth in "— *Distributions upon Optional Redemption or Clean-up Call*" is assumed to pay the Class B Certificates as interest;

(w) there are no expenses or indemnification amounts and the fees are not subject to the annual Expense Cap;

(x) the Servicing Control Trigger is not in effect on any Distribution Date; and

(y) there are no HAMP incentive payments.

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 with respect to the Mortgage Loans, 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 Certificate Writeup Amounts 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 (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 Guaranteed 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

	Class A					
	CPR Prepayment Assumption					
Date	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**
Closing Date	100	100	100	100	100	100
June 25, 2019	97	90	84	78	73	69
June 25, 2020	94	81	73	65	58	51
June 25, 2021	91	76	65	55	45	37
June 25, 2022	88	71	57	46	36	28
June 25, 2023	86	66	51	38	28	20
June 25, 2024	84	62	45	32	22	15
June 25, 2025	82	57	39	26	17	11
June 25, 2026	80	53	35	22	13	8
June 25, 2027	79	49	30	18	11	6
June 25, 2028	77	46	27	15	8	4
June 25, 2029	73	40	21	11	5	3
June 25, 2030	69	35	17	8	3	1
June 25, 2031	65	30	12	5	1	*
June 25, 2032	61	25	9	2	0	0
June 25, 2033	56	20	5	0	0	0
June 25, 2034	51	15	2	0	0	0
June 25, 2035	46	10	0	0	0	0
June 25, 2036	40	6	0	0	0	0
June 25, 2037	35	2	0	0	0	0
June 25, 2038	30	0	0	0	0	0
June 25, 2039	24	0	0	0	0	0
June 25, 2040	19	0	0	0	0	0
June 25, 2041	13	0	0	0	0	0
June 25, 2042	8	0	0	0	0	0
June 25, 2043	2	0	0	0	0	0
June 25, 2044	0	0	0	0	0	0
Weighted Average Life (years) to Stated Final Distribution Date	15.04	8.87	6.23	4.71	3.72	3.02

* Indicates a value greater than zero but less than 0.5%.

Date	Class A-1					
	CPR Prepayment Assumption					
	0%	5%	10%	15%	20%	25%
Closing Date	100	100	100	100	100	100
June 25, 2019	96	87	78	71	64	58
June 25, 2020	93	75	64	54	44	34
June 25, 2021	89	68	53	39	27	17
June 25, 2022	85	61	43	27	14	3
June 25, 2023	81	55	34	17	4	0
June 25, 2024	79	49	26	9	0	0
June 25, 2025	76	43	19	2	0	0
June 25, 2026	74	38	13	0	0	0
June 25, 2027	71	33	7	0	0	0
June 25, 2028	0	0	0	0	0	0
Weighted Average Life (years) to Mandatory Guarantor Repurchase Date	8.28	5.76	3.91	2.70	2.03	1.61

Date	Class A-2					
	CPR Prepayment Assumption					
	0%	5%	10%	15%	20%	25%
Closing Date	100	100	100	100	100	100
June 25, 2019	100	100	100	100	100	100
June 25, 2020	100	100	100	100	100	100
June 25, 2021	100	100	100	100	100	100
June 25, 2022	100	100	100	100	100	100
June 25, 2023	100	100	100	100	100	81
June 25, 2024	100	100	100	100	88	60
June 25, 2025	100	100	100	100	69	44
June 25, 2026	100	100	100	88	54	32
June 25, 2027	100	100	100	73	42	24
June 25, 2028	0	0	0	0	0	0
Weighted Average Life (years) to Mandatory Guarantor Repurchase Date	9.99	9.99	9.99	9.43	8.23	7.03

Weighted Average Life Tables

Based upon the Modeling Assumptions, the following Weighted Average Life Tables indicate the projected weighted average lives in years of each Class of Guaranteed Certificates shown at various CPR percentages, CDR percentages and a 35% Loss Severity.

Class A Weighted Average Life to Maturity (years)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	15.04	10.63	8.20	6.64	5.53
3.0%	11.62	8.65	6.88	5.70	4.84
6.0%	9.23	7.16	5.85	4.94	4.26
9.0%	7.62	6.00	5.03	4.33	3.78
12.0%	6.56	5.11	4.37	3.81	3.37

Class A-1 Weighted Average Life to Mandatory Guarantor Repurchase Date (years)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	8.28	6.66	5.34	4.24	3.33
3.0%	6.81	5.42	4.32	3.40	2.76
6.0%	5.58	4.37	3.45	2.81	2.36
9.0%	4.61	3.50	2.84	2.39	2.05
12.0%	3.75	2.89	2.41	2.07	1.81

Class A-2 Weighted Average Life to Mandatory Guarantor Repurchase Date (years)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	9.99	9.99	9.99	9.99	9.92
3.0%	9.99	9.99	9.99	9.94	9.49
6.0%	9.99	9.99	9.95	9.53	8.89
9.0%	9.99	9.94	9.53	8.91	8.23
12.0%	9.97	9.49	8.89	8.23	7.58

Weighted Average Life to Redemption Tables

Based upon the Modeling Assumptions, the following Weighted Average Life to Redemption Tables indicate the projected weighted average lives in years of each Class of Guaranteed Certificates shown at various CPR percentages, and Redemption Dates.

Weighted Average Life to 4 Year Redemption

	CPR Prepayment Assumptions					
Class	0%	5%	10%	15%	20%	25%
A	3.77	3.34	3.00	2.71	2.44	2.20
A-1	3.70	3.12	2.67	2.28	1.92	1.60
A-2	3.99	3.99	3.99	3.99	3.99	3.99

Weighted Average Life to 5 Year Redemption

	CPR Prepayment Assumptions					
Class	0%	5%	10%	15%	20%	25%
A	4.64	4.03	3.54	3.13	2.76	2.44
A-1	4.52	3.71	3.06	2.50	2.02	1.61
A-2	4.99	4.99	4.99	4.99	4.99	4.93

Weighted Average Life to 7 Year Redemption

	CPR Prepayment Assumptions					
Class	0%	5%	10%	15%	20%	25%
A	6.32	5.27	4.44	3.77	3.21	2.75
A-1	6.10	4.69	3.59	2.69	2.03	1.61
A-2	6.99	6.99	6.99	6.99	6.75	6.16

Weighted Average Life to 10 Year Redemption

	CPR Prepayment Assumptions					
Class	0%	5%	10%	15%	20%	25%
A	8.71	6.81	5.43	4.38	3.58	2.96
A-1	8.28	5.76	3.91	2.70	2.03	1.61
A-2	9.99	9.99	9.99	9.43	8.23	7.03

Yield Considerations with Respect to the Certificates

The weighted average life of, and the yield to maturity on, the Guaranteed 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 of the Mortgage Loans as of the Cut-Off Date shown at various CPR percentages, CDR percentages and a 35% Loss Severity.

Cumulative Realized Losses (as a % of Aggregate Unpaid Principal Balance as of the Cut-Off Date)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
3.0%	15.75%	11.65%	9.01%	7.23%	5.96%
6.0%	23.46%	18.28%	14.75%	12.23%	10.36%
9.0%	27.46%	22.31%	18.61%	15.84%	13.72%
12.0%	29.68%	24.93%	21.35%	18.56%	16.35%

Yield Tables

Based upon the Modeling Assumptions, the following tables show pre-tax yields to maturity (corporate bond equivalent) of each Class of Guaranteed Certificates at the indicated assumed prices plus accrued interest, and at various CPR percentages, CDR percentages, and a 35% Loss Severity.

Class A Pre-Tax Yield to Maturity (Assumed Price = 100.0000%)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	3.63%	3.59%	3.55%	3.53%	3.51%
3.0%	3.60%	3.56%	3.53%	3.51%	3.49%
6.0%	3.57%	3.54%	3.52%	3.50%	3.48%
9.0%	3.55%	3.52%	3.50%	3.48%	3.47%
12.0%	3.54%	3.50%	3.49%	3.47%	3.46%

Class A-1 Pre-Tax Yield to Mandatory Guarantor Repurchase Date (Assumed Price = 100.0000%)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	3.49%	3.48%	3.48%	3.46%	3.45%
3.0%	3.49%	3.48%	3.46%	3.45%	3.43%
6.0%	3.48%	3.47%	3.45%	3.43%	3.42%
9.0%	3.47%	3.45%	3.44%	3.42%	3.40%
12.0%	3.46%	3.44%	3.42%	3.40%	3.39%

Class A-2 Pre-Tax Yield to Mandatory Guarantor Repurchase Date (Assumed Price = 100.0000%)

CDR	0% CPR	3% CPR	6% CPR	9% CPR	12% CPR
0.0%	3.50%	3.50%	3.50%	3.50%	3.50%
3.0%	3.50%	3.50%	3.50%	3.50%	3.50%
6.0%	3.50%	3.50%	3.50%	3.50%	3.49%
9.0%	3.50%	3.50%	3.50%	3.49%	3.49%
12.0%	3.50%	3.50%	3.49%	3.49%	3.49%

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 ninety (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 the Truth in Lending Act, the Real Estate Settlement Procedures Act, 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 abrasive 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.

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 Guaranteed 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 Guaranteed 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 Class A Certificate REMIC Pool: (i) uncertificated classes of regular interests corresponding to each of the Class A-1 and Class A-2 Certificates (the **"Senior Class A Regular Interests"** or the **"Class A-1 and Class A-2 Regular Interests"**). The Class RA Certificate will be treated as the residual interest in the Class A Certificate REMIC Pool, 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 Class A Regular Interests, the right of the Class A-1 and Class A-2 Certificates to receive, and the obligation of certain of the Subordinate Certificates to pay, Senior Additional Portions (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 Guaranteed and Subordinate Certificates will represent undivided beneficial interests in their respective portions of the Grantor Trust.

Status of the Class A-1 and Class A-2 Certificates

Except as provided below, the Class A-1 and Class A-2 Regular Interests 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 related 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 Class A-1 and Class A-2 Regular Interests (and income on them) will qualify for the corresponding status in their entirety. In determining the tax status of the Class A Certificate REMIC Pool, however, we will apply the 95% test assuming the Upper-Tier regular interests have the same characteristics as the related Class A Certificate REMIC Pool and 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 Class A-1 and Class A-2 Regular Interests. The Class A-1 and Class A-2 Regular Interests 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 a Class A-1 or Class A-2 Certificate that is allocable to an Interest Rate Contract. Because the Class A-1 and Class A-2 Certificates represent, in part, the right to receive payments under the Interest Rate Contracts, they may not be suitable for inclusion in another REMIC.

As described above under "— *Optional Redemption*", on certain dates Class A-1 and Class A-2 Certificates may be redeemed at the specified Redemption Prices. As a result of such redemption rights, the IRS might assert that the Class A-1 and Class A-2 Certificates do not represent the Class A-1 and Class A-2 Regular Interests and related Interest Rate Contracts, but rather, represent an obligation of the Majority Representative or of Freddie Mac for federal income tax purposes. While Shearman & Sterling LLP is of the opinion that the IRS would not prevail if it took this position, if the IRS were successful in asserting such treatment, the foregoing

treatments of the Class A-1 and Class A-2 Certificates would not apply. Investors should consult their tax advisors regarding the status of the Class A-1 and Class A-2 Certificates as ownership of REMIC regular interests for federal income tax purposes.

Taxation of the Guaranteed Certificates

General

The Guaranteed 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 a Guaranteed Certificate, you must account for interest income on the accrual method.

The beneficial owner of a Guaranteed Certificate must allocate its basis between its Senior Class A 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 Class A 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 Guaranteed Certificates based on regulations under Code Sections 1271 through 1275 (the **"OID regulations"**).

Notwithstanding the foregoing, with respect to taxable years beginning after December 31, 2018, a beneficial owner that uses an accrual method of accounting for U.S. federal income tax purposes and that prepares an "applicable financial statement" (as defined in Code Section 451) may be required to include OID no later than at the time such amounts are reflected on such a financial statement. Beneficial owners should consult their tax advisors regarding the effect, if any, of this provision on their individual circumstances.

The total amount of OID on a Senior Class A 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 Guaranteed 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 Distribution Date (that relates to the first Collection Period), increasing thereafter at a constant rate to 6.0% CPR for the 36th Distribution Date (that relates to the 36th Collection Period), after which it will remain constant; and (ii) with respect to CDR, 0.0% CDR for the first Distribution Date (that relates to the first Collection Period), increasing thereafter at a constant rate until reaching 2.5% CDR for the 36th Distribution Date (that relates to the 36th Collection Period), after which it will remain constant, factoring in loss severity of 35%. Further, it will be assumed that the Optional Redemption 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 a Guaranteed 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.

Depending on the value of the Interest Rate Contracts associated with the Class A-1 and Class A-2 Certificates, the Senior Class A Regular Interests corresponding to the Class A-1 and Class A-2 Certificates may 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:

PV End + Dist − 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 Class A 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.

Notwithstanding the foregoing, with respect to taxable years beginning after December 31, 2017, a beneficial owner that uses an accrual method of accounting for U.S. federal income tax purposes and that prepares an "applicable financial statement" (as defined in Code Section 451) may be required to include market discount and other amounts no later than at the time such amounts are reflected on such a financial statement. Beneficial owners should consult their tax advisors regarding the effect, if any, of this provision on their individual circumstances.

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 Class A Regular Interest, 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 a Guaranteed 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 Class A 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 A-1 or Class A-2 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 A-1 or Class A-2 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 A-1 and Class A-2 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 A-1 and Class A-2 Certificates must allocate the price they pay for their certificates between their interests in the related Senior Class A 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 Guaranteed Certificates to the holders of the Subordinate Certificates (other than Mortgage Insurance and Residual Certificates). Such Cap Premium will reduce the purchase price allocable to the related Guaranteed Certificate. The initial amount of such Cap Premium will be furnished by the Seller to the Trustee and the Securities Administrator for federal income tax reporting purposes, but such amounts may differ for purchasers after the initial issuance of the Guaranteed Certificates. A beneficial owner of a Class A-1 or Class A-2 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates.

Sale or Exchange of the Guaranteed Certificates

The Guaranteed Certificates represent (i) a beneficial interest in a Senior Class A 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 a Guaranteed Certificate will represent the sale or exchange of each of these components, as discussed further below.

Senior Class A Regular Interest

A beneficial owner generally will recognize gain or loss upon sale or exchange of a Senior Class A Regular Interest equal to the difference, if any, between (i) the amount received attributable to the Senior Class A Regular Interest and (ii) its adjusted basis in the Senior Class A Regular Interest (based, in each case, on the relative fair market values of the Senior Class A Regular Interest and the Interest Rate Contract). A beneficial owner's adjusted basis in a Senior Class A Regular Interest generally will equal the cost of the Guaranteed Certificate allocable to the Senior Class A 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 a Guaranteed 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 A-1 or Class A-2 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 Class A 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 Class A 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 Guaranteed Certificates, representing a beneficial ownership in the related Senior Class A 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 Class A 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 a Guaranteed 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 Certain Foreign Investors

Interest, including OID, distributable with respect to the Senior Class A 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 Guaranteed Certificate is a non-U.S. person. In the case of an Guaranteed 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 Guaranteed Certificate and are a non-U.S. person, you should consult your tax advisors.

Backup Withholding

Distributions made on the Guaranteed Certificates and proceeds from the sale of the Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Asset Manager 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, as amended (**"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 Guaranteed 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 Guaranteed Certificates.

All employee benefit plan investors should consult with their legal advisors to determine whether the purchase, holding or resale of a Guaranteed Certificate could give rise to a transaction that is prohibited or is not otherwise permissible under either ERISA or the Code.

In addition, if the purchaser or transferee of any Guaranteed Certificate or beneficial interest therein 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"**), it will be required or deemed to represent, warrant and agree that (i) none of Freddie Mac, the Underwriters, the Servicer or any of their respective affiliates (the **"Transaction Parties"**), nor any of their affiliates, has provided any investment recommendation or investment advice on which it, or any fiduciary or other person investing the assets of the Benefit Plan Investor (a **"Plan Fiduciary"**), has relied in connection with its decision to invest in Guaranteed Certificates, and they are not otherwise acting as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of Guaranteed Certificates; and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction.

DISTRIBUTION ARRANGEMENTS

We will offer the Guaranteed 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"**), among us, Wells Fargo Securities and Credit Suisse under which Wells Fargo Securities is acting for itself and as representative of Loop Capital Markets, in its capacity as an underwriter. Wells Fargo Securities, Credit Suisse and Loop Capital Markets are collectively referred to as the **"Underwriters"**.

The Underwriters will be acting as Freddie Mac's agents in the placing of the Guaranteed Certificates and the Underwriters' responsibility in this regard is limited to a "commercially reasonable best efforts" basis in placing the Guaranteed Certificates with no understanding, express or implied, on the Underwriters' part of a commitment to purchase or place the Guaranteed Certificates. Freddie Mac will sell the Guaranteed Certificates to each purchaser through the Underwriters as agents and the Underwriters will have no ownership interest in or title to the Guaranteed 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 Guaranteed Certificates from Freddie Mac for their own accounts; *provided, however*, that the Underwriters will have the right, but will not be obligated, to purchase Guaranteed Certificates as principals for their own accounts or to facilitate the sale of any Guaranteed 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 Guaranteed Certificates is made to us. Except under certain circumstances, any Underwriter may sell the Guaranteed 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 Guaranteed Certificates. Such transactions may include stabilizing transactions pursuant to which the Underwriters, acting directly or through affiliates, may bid for or purchase Guaranteed Certificates in the open market or otherwise for the purpose of stabilizing the market price of the Guaranteed Certificates. An Underwriter, acting directly or through affiliates, may also create a short position for its account by selling more Guaranteed Certificates in connection with the offering than it is committed to purchase from Freddie Mac, and in such case may purchase Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates. Even if an Underwriter engages in market-making activities with respect to the Guaranteed Certificates, it may discontinue or limit such activities at any time. In addition, the liquidity of the Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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.

LEGAL MATTERS

Freddie Mac's General Counsel or one of its Deputy General Counsels will render an opinion on the legality of the Guaranteed Certificates. Certain tax matters with respect to the Guaranteed Certificates will be passed upon for the Issuer by Shearman & Sterling LLP.

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Appendix A

The Mortgage Pool Stratifications as of the Cut-Off Date

Product Type

Product 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 BPO Loan-to-Value Ratio (%)
Fixed-Rate	1,959	361,329,829	74.97	184,446	18,064,146	4.403	475	425	591	92
Step-Rate	585	120,611,689	25.03	206,174	6,872,844	4.000	397	318	604	81
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Unpaid Principal Balance ($)

Unpaid Principal Balance ($)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance ($)	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 BPO Loan-to-Value Ratio (%)
0.01 to 50,000.00	45	1,683,264	0.35	37,406	66,289	5.232	454	407	577	88
50,000.01 to 100,000.00	388	30,798,216	6.39	79,377	1,082,898	4.682	449	394	578	91
100,000.01 to 150,000.00	601	75,375,921	15.64	125,418	2,411,121	4.460	448	390	587	89
150,000.01 to 200,000.00	530	92,655,891	19.23	174,822	3,380,823	4.306	453	396	590	86
200,000.01 to 250,000.00	366	81,885,563	16.99	223,731	4,012,139	4.279	452	395	597	88
250,000.01 to 300,000.00	256	69,938,133	14.51	273,196	4,315,558	4.238	455	396	594	89
300,000.01 to 350,000.00	187	60,632,898	12.58	324,240	3,464,575	4.201	458	401	606	89
350,000.01 to 400,000.00	106	39,546,455	8.21	373,080	3,360,299	4.153	466	410	597	94
400,000.01 to 450,000.00	44	18,436,229	3.83	419,005	1,534,578	4.079	476	425	608	90
450,000.01 to 500,000.00	13	6,239,625	1.29	479,971	468,978	3.671	470	424	604	121
Greater than or equal to 500,000.01	8	4,749,324	0.99	593,666	839,732	4.400	480	439	640	113
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Initial Principal Forbearance Amount ($)

Initial Principal Forbearance Amount ($)	Number of Mortgage Loans	Aggregate Unpaid Principal Balance ($)	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 BPO Loan-to-Value Ratio (%)
None	1,493	274,334,563	56.92	183,747	0	4.252	438	382	600	85
0.01 to 50,000.00	867	152,730,793	31.69	176,160	8,498,557	4.392	476	421	582	91
50,000.01 to 100,000.00	130	34,840,041	7.23	268,000	9,045,098	4.339	480	418	593	102
100,000.01 to 150,000.00	41	14,816,826	3.07	361,386	4,891,898	4.308	480	421	608	120
150,000.01 to 200,000.00	9	3,181,745	0.66	353,527	1,503,501	4.351	480	400	588	104
200,000.01 to 250,000.00	3	1,343,766	0.28	447,922	639,389	4.610	480	415	630	87
350,000.01 to 400,000.00	1	693,783	0.14	693,783	358,548	4.000	480	397	619	57
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

BPO Current Loan-to-Value Ratio (%)

BPO Current Loan-to-Value Ratio (%)	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 BPO Loan-to-Value Ratio (%)
Less than or equal to 50.00	96	11,304,341	2.35	117,754	543,692	4.682	431	369	592	39
50.01 to 60.00	86	14,350,542	2.98	166,867	1,009,404	4.465	447	387	597	56
60.01 to 70.00	263	46,777,121	9.71	177,860	1,508,180	4.383	443	380	600	66
70.01 to 80.00	525	101,424,627	21.05	193,190	2,749,072	4.288	443	385	598	76
80.01 to 90.00	587	119,504,416	24.8	203,585	3,628,851	4.244	454	398	590	85
90,01 to 100.00	392	76,222,028	15.82	194,444	3,852,418	4.310	463	407	595	95
100.01 to 110.00	240	46,345,225	9.62	193,105	3,904,340	4.264	471	418	593	105
110.01 to 120.00	118	23,057,500	4.78	195,403	1,760,460	4.291	466	413	599	114
120.01 to 130.00	80	14,736,264	3.06	184,203	1,532,639	4.251	465	413	594	124
130.01 to 140.00	38	7,010,012	1.45	184,474	1,072,425	4.338	471	420	590	134
140.01 to 150.00	38	7,145,135	1.48	188,030	1,104,253	4.383	470	419	578	145
Greater than or equal to 150.01	81	14,064,307	2.92	173,633	2,271,255	4.300	475	427	582	179
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

AVM Current Loan-to-Value Ratio (%)

AVM Current Loan-to-Value Ratio (%)	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 BPO Loan-to-Value Ratio (%)
Less than or equal to 50	120	15,855,667	3.29	132,131	724,737	4.682	438	377	597	49
51 to 60	159	24,768,194	5.14	155,775	1,261,542	4.532	443	382	592	68
61 to 70	436	83,033,756	17.23	190,444	2,930,159	4.254	445	386	596	77
71 to 80	863	164,709,830	34.18	190,857	4,287,827	4.296	448	390	595	85
81 to 90	595	114,672,811	23.79	192,727	4,787,843	4.241	465	411	594	95
91 to 100	202	40,391,615	8.38	199,958	3,628,015	4.320	472	419	594	106
101 to 110	85	17,189,329	3.57	202,227	2,687,048	4.394	474	418	588	114
111 to 120	39	10,068,688	2.09	258,171	2,087,896	4.207	475	427	597	129
121 to 130	16	4,905,254	1.02	306,578	969,283	4.142	480	436	588	151
131 to 140	15	3,127,811	0.65	208,521	741,896	4.482	478	435	564	159
141 to 150	4	889,547	0.18	222,387	250,567	4.049	480	435	567	164
Greater than or equal to 151	10	2,329,015	0.48	232,901	580,176	4.279	480	438	575	181
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Mortgage Rate (%)

Current Mortgage 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 BPO Loan-to-Value Ratio (%)
Less than or equal to 2.500	92	20,360,849	4.22	221,314	518,810	2.063	400	350	594	83
2.501 to 3.000	63	13,288,790	2.76	210,933	920,420	2.981	421	355	608	84
3.001 to 3.500	62	12,307,878	2.55	198,514	17,622	3.353	419	358	604	82
3.501 to 4.000	812	160,610,560	33.33	197,796	8,806,824	3.910	472	429	594	92
4.001 to 4.500	527	102,938,746	21.36	195,330	4,980,951	4.299	465	414	594	91
4.501 to 5.000	676	123,671,930	25.66	182,947	8,479,228	4.780	449	377	594	90
5.001 to 5.500	108	20,121,661	4.18	186,312	907,813	5.261	413	327	597	81
5.501 to 6.000	69	11,885,670	2.47	172,256	237,123	5.814	454	382	586	82
6.001 to 6.500	51	7,594,163	1.58	148,905	25,738	6.324	457	396	597	82
6.501 to 7.000	43	5,014,934	1.04	116,626	23,173	6.815	446	377	569	82
7.001 to 7.500	22	2,243,410	0.47	101,973	8,519	7.278	463	398	579	87
7.501 to 8.000	11	1,182,842	0.25	107,531	6,426	7.814	459	404	567	63
8.001 to 8.500	4	350,088	0.07	87,522	3,450	8.329	452	345	554	48
8.501 to 9.000	3	315,474	0.07	105,158	0	8.661	388	257	544	105
9.501 to 10.000	1	54,523	0.01	54,523	892	9.625	480	450	619	74
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Credit Score

Current Credit Score	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 BPO Loan-to-Value Ratio (%)
Not Available	35	6,199,354	1.29	177,124	206,369	4.291	463	412	**N/A**	96
401 to 450	1	94,989	0.02	94,989	11,961	4.000	480	421	446	93
451 to 500	112	19,529,514	4.05	174,371	1,676,681	4.424	461	404	486	94
501 to 550	602	108,488,617	22.51	180,214	5,569,682	4.318	455	401	530	91
551 to 600	754	136,917,488	28.41	181,588	6,278,682	4.318	458	403	575	90
601 to 650	600	116,530,415	24.18	194,217	5,708,122	4.306	451	391	625	87
651 to 700	364	76,956,964	15.97	211,420	4,056,923	4.259	454	397	672	89
701 to 750	70	16,025,971	3.33	228,942	1,428,569	4.112	460	400	716	86
751 to 800	5	991,220	0.21	198,244	0	4.290	394	335	768	87
801 to 850	1	206,986	0.04	206,986	0	5.000	444	347	801	81
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Ages from Origination (months)

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 BPO Loan-to-Value Ratio (%)
Less than or equal to 36	2	536,553	0.11	268,276	0	3.949	480	468	533	83
37 to 48	3	417,573	0.09	139,191	766	4.229	480	458	554	89
49 to 60	30	5,480,638	1.14	182,688	42,227	3.960	480	455	599	88
61 to 72	22	3,939,830	0.82	179,083	145,339	3.960	480	449	593	92
73 to 84	15	3,294,524	0.68	219,635	96,369	4.392	480	442	604	84
85 to 96	19	4,102,609	0.85	215,927	74,972	4.132	480	439	611	91
97 to 108	35	7,207,261	1.50	205,922	268,839	4.392	480	434	601	85
109 to 120	148	27,296,969	5.66	184,439	1,300,329	4.291	461	407	599	89
121 to 132	934	176,118,387	36.54	188,564	9,610,207	4.322	454	397	590	93
133 to 144	776	156,707,651	32.52	201,943	8,357,021	4.300	453	395	598	89
145 to 156	344	66,378,410	13.77	192,960	3,779,425	4.247	452	393	595	86
157 to 168	89	14,679,744	3.05	164,941	701,839	4.254	457	397	594	83
169 to 180	53	7,654,563	1.59	144,426	70,677	4.407	445	386	607	76
181 to 192	25	2,843,034	0.59	113,721	215,399	4.280	452	402	599	87
193 to 204	29	3,521,671	0.73	121,437	222,112	4.838	471	417	565	88
205 to 216	8	739,757	0.15	92,470	32,514	5.704	436	359	552	105
217 to 228	2	147,589	0.03	73,795	0	4.909	341	223	607	58
229 to 240	2	210,463	0.04	105,232	552	3.903	269	177	537	37
241 to 252	3	216,243	0.04	72,081	1,950	8.015	480	400	592	34
253 to 264	2	141,809	0.03	70,905	1,500	8.444	480	444	539	65
265 to 288	2	224,813	0.05	112,407	14,952	4.247	480	429	0	32
Greater than or equal to 289	1	81,424	0.02	81,424	0	8.250	360	131	579	29
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Age from Modification (months)(1)

Loan Age from Modification (months)(1)	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 (%)(2)	Weighted Average Original Term since Modification (months)	Weighted Average Remaining Term (months)	Non-zero Weighted Average Current Credit Score	Weighted Average BPO Loan-to-Value Ratio (%)
0	7	1,159,013	0.24	165,573	232,624	4.604	480	415	559	73
1 to 12	345	64,995,673	13.49	188,393	3,836,042	4.302	477	440	586	93
13 to 24	753	144,268,758	29.93	191,592	10,517,075	4.284	477	429	581	96
25 to 36	248	45,301,511	9.40	182,667	194,469	4.196	475	444	594	86
37 to 48	217	37,383,754	7.76	172,275	582,283	4.319	462	420	598	85
49 to 60	236	45,417,482	9.42	192,447	2,021,438	3.649	445	391	602	90
61 to 72	159	29,805,035	6.18	187,453	2,150,629	3.963	432	366	601	87
73 to 84	161	33,142,883	6.88	205,856	2,068,861	4.364	410	330	613	83
85 to 96	226	44,542,173	9.24	197,089	1,491,444	4.745	412	321	609	82
97 to 108	146	28,879,076	5.99	197,802	1,842,126	4.978	409	309	607	83
109 to 120	39	6,422,302	1.33	164,674	0	4.785	474	362	603	83
121 to 132	1	104,466	0.02	104,466	0	6.875	337	214	543	83
133 to 144	1	123,763	0.03	123,763	0	7.875	360	221	566	101
145 to 168	2	171,992	0.04	85,996	0	7.936	416	265	506	102
169 to 180	1	74,373	0.02	74,373	0	8.625	480	301	557	173
181 to 228	1	67,841	0.01	67,841	0	6.125	480	296	686	28
Greater than or equal to 229	1	81,424	0.02	81,424	0	8.250	360	131	579	29
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

(1) Modification data is based on the later of the deferred payment modification and the non-deferred payment modification.
(2) Weighted by Interest Bearing Unpaid Principal Balance.

Original Term since Modification (months)

Original Term since Modification (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 BPO Loan-to-Value Ratio (%)
Less than or equal to 240	13	865,411	0.18	66,570	0	4.004	187	115	599	58
241 to 270	16	2,415,901	0.50	150,994	2,350	3.443	260	205	588	66
271 to 300	75	12,225,993	2.54	163,013	43,148	3.812	289	222	592	79
301 to 330	155	27,544,281	5.72	177,705	12,464	4.546	317	232	599	82
331 to 360	84	14,320,972	2.97	170,488	17,772	4.675	343	254	604	81
361 to 390	37	7,326,970	1.52	198,026	1,894	4.030	374	293	600	79
391 to 420	54	10,459,617	2.17	193,697	0	3.985	407	331	604	85
421 to 450	70	15,593,097	3.24	222,759	3,550	3.850	439	365	596	87
451 to 480	2,039	390,958,887	81.12	191,741	24,783,523	4.327	479	428	593	91
Greater than or equal to 481	1	230,388	0.05	230,388	72,290	4.000	481	419	537	92
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Remaining Term to Maturity (months)

Remaining Term to Maturity (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 BPO Loan-to-Value Ratio (%)
Less than or equal to 120	10	630,375	0.13	63,037	0	3.920	170	90	597	54
121 to 180	6	644,668	0.13	107,445	2,161	5.512	262	154	562	67
181 to 240	247	41,777,255	8.67	169,139	60,805	4.538	308	225	599	80
241 to 300	110	19,424,999	4.03	176,591	10,134	4.172	348	266	598	80
301 to 360	100	19,927,628	4.13	199,276	9,287	4.212	415	333	597	86
361 to 420	677	141,504,522	29.36	209,017	13,962,821	4.391	476	397	600	89
421 to 480	1,394	258,032,071	53.54	185,102	10,891,782	4.234	480	444	590	92
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Modification Flag Status

Modification Flag 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 BPO Loan-to-Value Ratio (%)
Yes	2,544	481,941,518	100.00	189,442	24,936,990	4.303	455	399	594	90
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Occupancy Type at Origination

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 BPO Loan-to-Value Ratio (%)
Principal Residence	2,453	466,692,473	96.84	190,254	23,995,021	4.298	455	398	594	89
Investment Property	51	7,626,265	1.58	149,535	515,463	4.469	478	433	591	91
Second Home	40	7,622,779	1.58	190,569	426,506	4.471	467	412	613	98
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Loan Purpose at Origination

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 BPO Loan-to-Value Ratio (%)
Purchase	852	150,823,865	31.30	177,023	8,186,529	4.320	455	398	593	91
Cash-out Refinance	1,036	206,084,933	42.76	198,924	11,068,484	4.305	455	398	592	88
No Cash-out Refinance	656	125,032,720	25.94	190,599	5,681,977	4.280	455	400	600	90
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Property Type at Origination

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 BPO Loan-to-Value Ratio (%)
Single Family	2,082	388,367,224	80.58	186,536	20,744,742	4.311	455	399	594	90
Planned Unit Development	322	71,574,110	14.85	222,280	3,246,107	4.299	456	399	598	87
Condominium	112	19,529,929	4.05	174,374	835,712	4.096	446	389	595	85
Manufactured Housing	28	2,470,254	0.51	88,223	110,428	4.924	444	383	580	90
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Judicial Foreclosure State

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 BPO Loan-to-Value Ratio (%)
No	1,424	278,455,440	57.78	195,545	13,157,336	4.313	453	395	596	85
Yes	1,120	203,486,077	42.22	181,684	11,779,654	4.289	458	403	592	95
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Geographic Concentration of the Mortgaged Properties (State)

Geographic Concentration of the Mortgaged Properties (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 BPO Loan-to-Value Ratio (%)
California	248	69,935,739	14.51	281,999	5,655,590	4.152	456	395	614	80
Florida	204	37,701,100	7.82	184,809	3,828,220	4.272	452	393	603	89
New York	126	31,152,807	6.46	247,245	2,088,185	4.092	459	405	604	92
New Jersey	126	30,603,630	6.35	242,886	1,359,738	4.349	463	413	589	102
Georgia	188	27,311,171	5.67	145,272	1,339,549	4.388	454	398	584	93
Illinois	143	26,855,968	5.57	187,804	1,997,846	4.284	446	388	594	97
Maryland	118	26,653,495	5.53	225,877	964,856	4.335	451	391	589	93
Massachusetts	105	23,545,339	4.89	224,241	527,441	4.218	447	389	592	81
Arizona	97	18,777,434	3.90	193,582	1,254,355	4.371	446	379	600	84
Pennsylvania	126	17,220,016	3.57	136,667	671,702	4.428	465	415	577	99
Virginia	83	16,857,297	3.50	203,100	146,213	4.239	449	395	579	87
Connecticut	54	11,612,900	2.41	215,054	334,534	4.219	460	407	588	102
North Carolina	79	11,568,135	2.40	146,432	254,095	4.498	453	394	585	88
South Carolina	62	8,990,011	1.87	145,000	372,685	4.188	463	415	573	97
Michigan	64	8,802,603	1.83	137,541	589,726	4.295	456	397	599	94
Other	721	114,353,871	23.73	158,605	3,552,255	4.417	457	403	589	88
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Current Delinquency Status

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 BPO Loan-to-Value Ratio (%)
Current	1,433	272,029,898	56.44	189,832	15,149,956	4.305	455	397	603	89
30 - 59 Days	784	145,629,632	30.22	185,752	7,810,844	4.303	456	400	576	91
60-89 Days	177	33,289,790	6.91	188,078	1,404,675	4.400	452	400	566	92
Bankruptcy Current	124	25,389,014	5.27	204,750	540,645	4.231	458	406	635	89
Bankruptcy 30 - 59 Days	22	4,511,336	0.94	205,061	30,869	4.047	436	382	611	85
Bankruptcy 60-89 Days	4	1,091,847	0.23	272,962	0	3.911	480	461	584	91
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Clean Pay History (months)

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 BPO Loan-to-Value Ratio (%)
0	987	184,522,605	38.29	186,953	9,246,388	4.311	455	400	575	91
1 to 5	817	152,883,690	31.72	187,128	9,322,698	4.301	458	401	590	90
6 to 11	487	94,864,488	19.68	194,794	4,449,009	4.317	455	398	620	87
Greater than or equal to 12	253	49,670,735	10.31	196,327	1,918,894	4.255	447	387	628	88
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 30+ Days Delinquent in the Past 12 Months

Number of Times 30+ Days Delinquent in the Past 12 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 BPO Loan-to-Value Ratio (%)
0	253	49,670,735	10.31	196,327	1,918,894	4.255	447	387	628	88
1	324	65,322,617	13.55	201,613	4,076,387	4.264	451	392	623	89
2	234	44,232,477	9.18	189,028	2,316,584	4.293	455	397	613	88
3	200	37,056,026	7.69	185,280	2,061,076	4.298	453	395	599	91
4	202	35,849,627	7.44	177,473	1,464,718	4.309	457	405	599	89
5	203	37,128,008	7.70	182,897	1,708,006	4.327	460	405	585	88
6	188	36,369,194	7.55	193,453	1,872,105	4.321	462	410	586	88
7	154	30,003,302	6.23	194,827	2,236,971	4.296	460	404	581	90
8	161	28,504,386	5.91	177,046	1,274,194	4.204	466	414	570	90
9	158	29,164,470	6.05	184,585	1,902,705	4.380	462	411	575	94
10	125	24,024,488	4.98	192,196	940,455	4.353	457	401	557	88
11	121	21,102,343	4.38	174,400	1,044,773	4.458	458	401	556	92
12	221	43,513,842	9.03	196,895	2,120,122	4.308	442	380	577	92
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 60+ Days Delinquent in the Past 12 Months

Number of Times 60+ Days Delinquent in the Past 12 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 BPO Loan-to-Value Ratio (%)
0	1,706	325,421,777	67.52	190,751	16,823,955	4.305	452	392	604	89
1	285	53,656,008	11.13	188,267	3,388,691	4.228	461	407	577	91
2	195	37,382,990	7.76	191,708	1,504,636	4.279	463	412	573	89
3	137	24,731,407	5.13	180,521	1,308,709	4.417	461	412	575	91
4	93	16,478,313	3.42	177,186	919,896	4.475	466	423	575	94
5	50	9,015,317	1.87	180,306	334,806	4.070	466	430	576	87
6	41	8,060,374	1.67	196,594	381,154	4.441	467	417	565	93
7	21	4,104,547	0.85	195,455	112,281	4.409	462	425	554	88
8	11	1,941,686	0.40	176,517	57,793	3.964	438	391	582	95
9	2	445,244	0.09	222,622	0	4.000	451	418	546	80
10	2	409,408	0.08	204,704	40,869	4.490	480	422	547	88
11	1	294,448	0.06	294,448	64,200	4.000	480	404	556	49
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 90+ Days Delinquent in the Past 12 Months

Number of Times 90+ Days Delinquent in the Past 12 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 BPO Loan-to-Value Ratio (%)
0	2,359	447,409,788	92.83	189,661	23,141,225	4.305	454	396	595	90
1	99	18,066,635	3.75	182,491	888,753	4.347	464	416	577	89
2	27	4,662,321	0.97	172,679	214,150	4.243	467	436	581	89
3	19	3,688,099	0.77	194,110	128,062	4.169	471	440	566	84
4	26	5,603,154	1.16	215,506	338,502	4.282	467	453	579	92
5	14	2,511,520	0.52	179,394	226,296	4.090	480	472	585	91
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 30+ Days Delinquent in the Past 24 Months

Number of Times 30+ Days Delinquent in the Past 24 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 BPO Loan-to-Value Ratio (%)
0	33	6,350,184	1.32	192,430	93,703	4.026	443	392	644	88
1	43	9,806,206	2.03	228,051	1,027,969	4.348	453	392	649	93
2	99	20,400,792	4.23	206,069	1,038,192	4.249	446	388	633	84
3	140	26,658,872	5.53	190,421	1,755,198	4.266	458	400	619	91
4	151	28,702,970	5.96	190,086	2,169,131	4.345	458	396	611	86
5	154	28,983,959	6.01	188,208	1,125,080	4.270	456	396	611	88
6	151	29,025,021	6.02	192,219	1,560,175	4.300	454	400	597	88
7	150	28,076,543	5.83	187,177	1,046,950	4.104	452	397	598	86
8	112	19,793,952	4.11	176,732	794,510	4.227	450	397	597	90
9	133	27,164,562	5.64	204,245	1,436,249	4.353	461	404	599	93
10	138	26,956,293	5.59	195,335	1,440,099	4.305	449	393	604	93
11	154	27,248,095	5.65	176,936	1,115,636	4.319	451	395	590	86
12	126	23,389,722	4.85	185,633	1,008,740	4.390	463	409	591	89
13	108	19,818,483	4.11	183,504	952,950	4.435	461	409	580	90
14	108	19,323,384	4.01	178,920	991,113	4.398	462	402	572	87
15	104	18,872,373	3.92	181,465	1,258,383	4.250	471	418	579	93
16	113	20,974,292	4.35	185,613	1,290,049	4.305	453	402	567	94
17	91	16,566,203	3.44	182,046	543,363	4.380	460	408	572	87
18	90	17,050,384	3.54	189,449	1,412,747	4.282	460	403	570	87
19	77	14,870,794	3.09	193,127	630,574	4.353	458	404	575	92
20	77	14,297,501	2.97	185,682	682,160	4.328	456	397	568	94
21	50	10,297,030	2.14	205,941	424,429	4.537	462	405	562	93
22	48	8,367,692	1.74	174,327	377,375	4.392	456	397	576	96
23	37	7,217,323	1.50	195,063	511,083	4.193	449	392	562	101
24	57	11,728,888	2.43	205,770	251,132	4.198	409	340	594	84
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 60+ Days Delinquent in the Past 24 Months

Number of Times 60+ Days Delinquent in the Past 24 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 BPO Loan-to-Value Ratio (%)
0	1,180	228,248,147	47.36	193,431	12,336,671	4.345	447	384	607	88
1	307	56,315,803	11.69	183,439	2,865,686	4.260	453	396	589	89
2	263	49,285,193	10.23	187,396	2,906,719	4.302	470	419	584	92
3	193	36,264,627	7.52	187,900	2,037,588	4.314	455	400	577	92
4	175	32,158,116	6.67	183,761	1,282,761	4.257	466	418	577	92
5	111	21,612,710	4.48	194,709	749,807	3.993	465	424	597	92
6	94	16,564,050	3.44	176,213	802,579	4.385	471	424	579	88
7	54	10,200,567	2.12	188,899	756,527	4.570	466	412	574	93
8	49	9,015,289	1.87	183,985	186,329	4.227	456	416	573	90
9	35	5,689,905	1.18	162,569	353,816	4.213	465	428	565	90
10	21	4,240,263	0.88	201,917	194,993	4.198	463	430	587	91
11	21	4,124,587	0.86	196,409	175,907	4.137	464	423	572	78
12	11	2,028,531	0.42	184,412	12,814	4.181	480	439	552	89
13	10	1,693,970	0.35	169,397	29,274	4.383	442	395	610	91
14	4	733,782	0.15	183,446	37,500	3.299	480	427	628	81
15	4	850,950	0.18	212,737	23,739	4.726	403	364	573	81
16	5	1,332,170	0.28	266,434	58,512	4.009	480	456	587	122
17	4	657,921	0.14	164,480	53,159	4.194	480	464	571	90
18	2	594,664	0.12	297,332	32,147	4.636	407	364	573	99
19	1	330,274	0.07	330,274	40,460	4.250	480	417	548	92
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Times 90+ Days Delinquent in the Past 24 Months

Number of Times 90+ Days Delinquent in the Past 24 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 BPO Loan-to-Value Ratio (%)
0	2,075	394,633,695	81.88	190,185	21,095,768	4.354	452	391	596	89
1	187	33,661,775	6.98	180,009	1,851,384	4.282	465	418	581	90
2	87	15,151,320	3.14	174,153	742,052	3.955	472	437	593	96
3	62	11,045,464	2.29	178,153	279,639	4.114	467	432	584	86
4	61	12,024,020	2.49	197,115	223,645	3.817	473	450	605	92
5	46	10,025,332	2.08	217,942	382,304	3.848	478	456	583	91
6	18	3,798,245	0.79	211,014	218,020	4.058	472	459	589	86
7	6	1,235,657	0.26	205,943	103,279	4.056	480	469	575	94
8	1	93,145	0.02	93,145	2,900	4.000	480	476	624	80
9	1	272,866	0.06	272,866	38,000	4.125	480	473	568	91
Total/Weighted Average:	**2,544**	**481,941,518**	**100.00**	**189,442**	**24,936,990**	**4.303**	**455**	**399**	**594**	**90**

* Weighted by Interest Bearing Unpaid Principal Balance.

Number of Remaining Steps of Step-Rate Mortgage Loans

Number of Remaining Steps of Step-Rate Mortgage Loans	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 BPO Loan-to-Value Ratio (%)
0	368	74,277,241	61.58	201,840	4,201,446	4.671	393	303	606	82
1	127	26,303,402	21.81	207,113	2,354,395	3.567	409	338	609	81
2	49	10,822,955	8.97	220,877	191,686	2.257	402	356	582	80
3	41	9,208,090	7.63	224,588	125,317	2.010	387	336	607	84
Total/Weighted Average:	**585**	**120,611,689**	**100.00**	**206,174**	**6,872,844**	**4.000**	**397**	**318**	**604**	**81**

* Weighted by Interest Bearing Unpaid Principal Balance.

Last Step Rate of Step-Rate Mortgage Loans (%)

Last Step Rate of Step-Rate Mortgage Loans (%)	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 BPO Loan-to-Value Ratio (%)
3.250	3	837,286	0.69	279,095	69,100	3.096	433	368	608	85
3.375	33	6,686,642	5.54	202,626	356,259	2.912	393	330	581	85
3.500	31	6,468,662	5.36	208,667	238,053	2.876	387	326	603	81
3.625	16	3,500,049	2.90	218,753	167,500	2.756	404	347	641	80
3.750	11	1,899,169	1.57	172,652	150,400	2.660	381	329	554	79
3.875	27	4,777,440	3.96	176,942	96,351	2.874	389	333	596	76
4.000	28	6,516,769	5.40	232,742	566,056	3.572	424	357	598	78
4.125	30	6,754,198	5.60	225,140	388,371	3.415	394	328	617	80
4.250	36	8,644,510	7.17	240,125	409,712	3.117	407	341	599	84
4.375	33	6,637,720	5.50	201,143	49,217	3.232	380	314	594	79
4.500	58	12,021,292	9.97	207,264	871,361	4.036	392	311	607	83
4.625	39	7,725,612	6.41	198,093	647,204	4.381	387	301	618	78
4.750	60	12,186,378	10.10	203,106	486,926	4.712	410	318	607	83
4.875	50	9,917,630	8.22	198,353	449,094	4.831	388	297	616	84
5.000	80	15,708,183	13.02	196,352	849,226	5.000	401	304	602	81
5.080	1	175,017	0.15	175,017	0	5.080	440	344	578	85
5.125	35	7,027,225	5.83	200,778	743,723	5.112	400	302	608	79
5.250	7	1,466,781	1.22	209,540	0	5.213	341	243	618	88
5.375	6	1,363,094	1.13	227,182	131,455	5.375	392	295	593	78
6.000	1	298,033	0.25	298,033	202,836	6.000	480	377	524	91
Total/Weighted Average:	**585**	**120,611,689**	**100.00**	**206,174**	**6,872,844**	**4.000**	**397**	**318**	**604**	**81**

* 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates purchased by such Canadian Purchaser;

(ii) that the Guaranteed 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 Guaranteed Certificates; or

(iv) as to the future price or value of the Guaranteed 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 Guaranteed Certificates, and one may never develop;

(ii) the Guaranteed 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

Each Underwriter has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Guaranteed Certificates to any retail investor in the European Economic Area. For the purposes of this provision: (a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **"MiFID II"**); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC; and (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Guaranteed Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Guaranteed Certificates.

Japan

The Guaranteed 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 Guaranteed 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 Guaranteed Certificates referred to herein under the laws of Korea. The Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates in the PRC. The offering material or information contained herein relating to the Guaranteed Certificates does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The Guaranteed Certificates may only be offered or sold to PRC investors that are authorized to engage in the purchase of Guaranteed 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 Guaranteed Certificates pursuant to an offering nor make the Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed Certificates or otherwise) each of the following relevant persons specified in Section 276 of the SFA which has subscribed or purchased Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 Guaranteed 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 (the **"Representations and Warranties"**). Each of the Representations and Warranties (a) through (l) 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 or due inquiry. 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, letter (m) below, which will not expire. Schedule I hereto identifies the Existing Liens, as of the Closing Date, for certain Mortgage Loans.

Solely with respect to each Mortgage Loan sold by it hereunder, the Seller represents, warrants and covenants to the Purchaser that to the best of its knowledge without any independent investigation or due inquiry having occurred, as of the Closing Date or such other date set forth herein:

(a) **Data.** The information set forth in the mortgage loan schedule is true and correct in all material respects as of the Cut-Off Date;

(b) **Regulatory Compliance**. At the time of origination, 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, usury, 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;

(c) **No Encumbrances or Pledges.** Immediately prior to the transfer and assignment contemplated hereunder, Seller was the sole owner and holder of the Mortgage Loans free and clear of pledges, financing statements, repurchase agreements, hypothecations, security agreements and similar encumbrances and it has full right and authority to sell and assign the same;

(d) **Title, Lien Priority**. Except with respect to the liens reflected in the "Schedule of Existing Liens" attached hereto as Schedule I to Appendix C 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, including all improvements on the mortgaged property subject only to (i) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording which are acceptable to mortgage lending institutions generally that do not individually or in the aggregate materially interfere with the benefits of the security to be provided by the Mortgage, and (ii) other matters to which like properties are commonly subject that do not individually or in the 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 Purchaser or the Securitization 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, Seller makes such representation and warranty solely with respect to a Mortgage Loan in respect of which the statute of limitations period for enforcement of a superior lien has not expired as of the Closing Date;

(e) **Mortgage Loan Instrument**. 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). Further, the related Mortgage contains customary and enforceable provisions allowing the holder of the Mortgage Note to enforce it, including by foreclosure of the Mortgage against the mortgaged property, subject to any limitation arising from any bankruptcy, insolvency, or other applicable law;

(f) **Rescission**. 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 applicable federal, state and local laws;

(g) **Taxes Paid**. Except with respect to the existing liens outstanding and identified in Schedule I to Appendix C, 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;

(h) **High-Cost Loans.** 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;

(i) **1-4 Family; U.S.** 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;

(j) **Hazard Insurance**. With respect to the Mortgage Loan, the improvements upon a mortgaged property are covered by a valid and existing fire and hazard insurance policy that is consistent with Guide Chapter 8202;

(k) **Flood Insurance.** 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;

(l) **Non-routine Litigation.** There is no litigation (i.e., court action, suit, or legal proceeding) filed and pending as of the Cut-Off Date that the Seller knew or should have known of with respect to any Mortgage Loan, other than with respect to any foreclosure, bankruptcy or eviction proceeding (including counterclaims or contested foreclosures or evictions), litigation related to title or lien priority if a title policy insures title and superior lien priority without exceptions for the subject title issue or lien, or as otherwise disclosed in the Mortgage Loan Schedule; and

(m) **Mortgage Loan Qualifies for REMIC**. The Mortgage Loan is a "qualified mortgage" within the meaning of Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended.

Schedule I to Appendix C

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.

A	B	C	D
Loan Identifier	**Total $ of HOA Liens**	**HOA Statutory Maximum Amount Superior to Mortgage**	**Total $ of Tax/Municipal/Property Tax Lien**
1801SLST01316	41,295.73	1,568.00	—
1801SLST01785	39,307.20	—	—
1801SLST02122	33,338.56	—	—
1801SLST02216	22,216.10	—	—
1801SLST01738	19,889.15	—	—
1801SLST00682	19,029.69	1,746.00	—
1801SLST00597	18,261.57	—	—
1801SLST01911	17,292.00	—	3,705.78
1801SLST02095	16,881.78	—	—
1801SLST00443	12,178.44	—	225.85
1801SLST01278	11,963.47	—	—
1801SLST02255	11,667.14	—	—
1801SLST01727	11,496.00	—	—
1801SLST01122	10,292.71	—	—
1801SLST00559	8,801.34	—	—
1801SLST01818	8,769.72	2,226.00	—
1801SLST00070	8,396.20	—	—
1801SLST00784	8,078.20	—	—
1801SLST02508	7,354.22	2,136.00	—
1801SLST01544	6,977.38	—	—
1801SLST00513	6,385.44	2,184.00	—
1801SLST01142	6,379.18	—	—
1801SLST00060	5,731.60	1,500.00	221.89
1801SLST00968	5,561.94	—	—
1801SLST01796	5,458.30	1,440.00	—
1801SLST01951	5,295.72	—	—
1801SLST00669	5,259.52	262.50	—
1801SLST01407	5,104.96	—	—
1801SLST00651	4,976.08	—	—
1801SLST00905	4,669.00	—	—
1801SLST00275	4,654.40	—	—
1801SLST00880	4,390.24	—	505.00
1801SLST00177	4,283.23	—	—
1801SLST01514	4,188.00	660.00	—
1801SLST01986	4,166.04	—	9,547.58
1801SLST01541	4,107.84	—	—
1801SLST00935	4,060.84	2,640.00	—
1801SLST00941	3,986.14	—	—
1801SLST02164	3,641.64	1,469.93	—
1801SLST00216	3,626.55	—	—
1801SLST00591	3,467.47	—	—
1801SLST01462	3,337.08	1,296.00	—
1801SLST00516	3,198.36	—	—
1801SLST02256	3,066.60	330.00	—
1801SLST00661	2,879.04	216.00	—
1801SLST02464	2,854.76	45.00	—
1801SLST00063	2,588.67	—	—
1801SLST02385	2,551.13	1,116.00	—
1801SLST01305	2,486.06	—	—
1801SLST01115	2,444.02	120.00	—
1801SLST01019	2,360.69	420.00	—
1801SLST01074	2,271.40	—	—
1801SLST00766	2,258.60	—	—

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST00749	2,232.00	—	—
1801SLST00995	2,152.00	1,050.00	—
1801SLST00614	2,115.82	—	—
1801SLST00258	2,093.26	2,093.26	—
1801SLST01689	1,901.11	—	—
1801SLST00135	1,802.17	—	—
1801SLST00814	1,800.00	—	—
1801SLST00217	1,745.45	—	—
1801SLST01300	1,719.70	—	—
1801SLST01343	1,650.29	228.90	—
1801SLST01677	1,548.01	—	1,012.22
1801SLST01591	1,379.50	—	—
1801SLST00943	1,367.96	1,367.96	—
1801SLST01948	1,364.58	—	—
1801SLST00477	1,345.61	—	51.44
1801SLST01939	1,330.60	—	—
1801SLST00242	1,221.50	—	—
1801SLST01715	1,215.00	—	—
1801SLST01576	1,165.00	—	—
1801SLST01864	1,164.00	—	—
1801SLST00432	1,128.02	1,058.40	—
1801SLST02607	1,120.00	—	—
1801SLST00050	1,096.35	1,096.35	—
1801SLST01184	1,088.45	330.00	—
1801SLST01399	1,086.86	—	—
1801SLST01090	1,058.00	—	—
1801SLST01078	1,040.65	1,040.65	—
1801SLST02387	950.00	950.00	615.88
1801SLST01569	949.63	—	112.88
1801SLST00082	924.80	—	—
1801SLST02510	886.82	540.00	—
1801SLST01381	868.96	868.96	—
1801SLST00276	844.91	844.91	—
1801SLST00323	840.75	840.75	—
1801SLST00508	837.00	837.00	—
1801SLST01358	767.22	265.00	—
1801SLST02463	687.91	—	—
1801SLST00068	686.00	—	—
1801SLST01315	683.80	—	—
1801SLST01870	672.60	—	—
1801SLST01930	659.00	210.00	—
1801SLST01725	648.94	—	412.86
1801SLST02075	623.00	—	—
1801SLST01445	619.63	—	—
1801SLST01737	610.75	—	—
1801SLST01736	597.00	—	—
1801SLST01416	585.02	—	—
1801SLST00030	575.00	—	617.79
1801SLST01124	542.46	—	—
1801SLST02572	538.42	—	—
1801SLST00875	510.68	—	—
1801SLST01993	507.25	300.00	—
1801SLST01460	465.50	—	—
1801SLST00045	465.13	—	—
1801SLST02105	440.00	—	—
1801SLST00841	433.75	—	—
1801SLST00392	427.39	—	—
1801SLST02588	423.00	423.00	—
1801SLST02259	408.00	—	—
1801SLST02546	320.00	—	—
1801SLST00406	317.74	317.74	—

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST00518	289.00	—	—
1801SLST00099	270.06	270.06	—
1801SLST00190	267.20	—	581.42
1801SLST02436	235.00	235.00	—
1801SLST01204	213.00	—	—
1801SLST02185	196.00	—	—
1801SLST00346	164.39	—	—
1801SLST00468	113.00	113.00	—
1801SLST02599	—	—	3,263.24
1801SLST00599	—	—	4,044.19
1801SLST00959	—	—	1,251.89
1801SLST01899	—	—	3,121.38
1801SLST00081	—	—	1,826.33
1801SLST02483	—	—	4,171.62
1801SLST00241	—	—	1,218.70
1801SLST00194	—	—	585.28
1801SLST00491	—	—	1,630.33
1801SLST02145	—	—	269.00
1801SLST01244	—	—	269.00
1801SLST02389	—	—	2,350.10
1801SLST01940	—	—	2,003.06
1801SLST01459	—	—	1,618.80
1801SLST00919	—	—	1,420.13
1801SLST00953	—	—	1,305.05
1801SLST02282	—	—	1,070.35
1801SLST00453	—	—	559.08
1801SLST01404	—	—	543.22
1801SLST01001	—	—	419.66
1801SLST01670	—	—	301.16
1801SLST01247	—	—	254.59
1801SLST00043	—	—	156.92
1801SLST01284	—	—	130.17
1801SLST02082	—	—	119.13
1801SLST02350	—	—	4,726.72
1801SLST02518	—	—	1,913.63
1801SLST00622	—	—	873.36
1801SLST01470	—	—	2,939.10
1801SLST01347	—	—	2,504.87
1801SLST00772	—	—	1,581.01
1801SLST02568	—	—	1,135.88
1801SLST02519	—	—	840.49
1801SLST01291	—	—	561.82
1801SLST02538	—	—	585.63
1801SLST00836	—	—	277.93
1801SLST01938	—	—	150.00
1801SLST01828	—	—	133.27
1801SLST02608	—	—	1,146.97
1801SLST00349	—	—	1,532.81
1801SLST00704	—	—	299.95
1801SLST00350	—	—	3,232.68
1801SLST02547	—	—	8,583.87
1801SLST01360	—	—	182.27
1801SLST00881	—	—	185.48
1801SLST00131	—	—	796.39
1801SLST00386	—	—	109.78
1801SLST00408	—	—	183.44
1801SLST01321	—	—	139.31
1801SLST01492	—	—	1,996.49
1801SLST00840	—	—	716.57
1801SLST01267	—	—	1,934.80
1801SLST01651	—	—	352.63

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST00265	—	—	337.47
1801SLST00207	—	—	59.48
1801SLST00940	—	—	676.86
1801SLST01145	—	—	135.74
1801SLST02567	—	—	3,516.57
1801SLST00659	—	—	1,172.37
1801SLST00804	—	—	105.04
1801SLST02362	—	—	545.93
1801SLST01521	—	—	51.23
1801SLST00636	—	—	478.80
1801SLST00810	—	—	107.06
1801SLST02152	—	—	476.50
1801SLST01792	—	—	149.60
1801SLST01946	—	—	691.18
1801SLST00182	—	—	50.24
1801SLST00998	—	—	1,056.51
1801SLST01224	—	—	3.98
1801SLST01229	—	—	10.29
1801SLST00856	—	—	15.41
1801SLST01906	—	—	25.58
1801SLST00727	—	—	37.12
1801SLST02205	—	—	40.00
1801SLST01394	—	—	45.26
1801SLST01218	—	—	54.60
1801SLST00960	—	—	80.83
1801SLST00329	—	—	105.67
1801SLST02213	—	—	114.48
1801SLST01822	—	—	114.50
1801SLST01557	—	—	117.68
1801SLST02112	—	—	124.25
1801SLST00801	—	—	128.24
1801SLST01484	—	—	137.04
1801SLST01199	—	—	149.04
1801SLST01479	—	—	155.77
1801SLST00958	—	—	157.27
1801SLST00032	—	—	168.33
1801SLST01619	—	—	174.46
1801SLST02476	—	—	194.74
1801SLST02604	—	—	204.62
1801SLST01423	—	—	206.54
1801SLST01709	—	—	212.39
1801SLST00086	—	—	228.56
1801SLST00862	—	—	241.56
1801SLST01386	—	—	244.76
1801SLST00654	—	—	247.76
1801SLST01668	—	—	255.06
1801SLST01882	—	—	257.64
1801SLST02160	—	—	294.44
1801SLST02598	—	—	297.73
1801SLST01667	—	—	317.04
1801SLST00564	—	—	331.69
1801SLST01699	—	—	335.87
1801SLST00966	—	—	357.08
1801SLST00573	—	—	371.66
1801SLST00870	—	—	382.65
1801SLST01143	—	—	398.21
1801SLST02138	—	—	409.07
1801SLST00380	—	—	434.24
1801SLST00059	—	—	436.36
1801SLST01614	—	—	475.41
1801SLST01653	—	—	483.31

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST01793	—	—	509.55
1801SLST01330	—	—	514.74
1801SLST00011	—	—	603.57
1801SLST01761	—	—	626.58
1801SLST00779	—	—	648.39
1801SLST00865	—	—	658.18
1801SLST00776	—	—	670.09
1801SLST01189	—	—	701.85
1801SLST01821	—	—	744.68
1801SLST02065	—	—	811.28
1801SLST00268	—	—	899.94
1801SLST02226	—	—	913.86
1801SLST00540	—	—	934.56
1801SLST00606	—	—	999.27
1801SLST01797	—	—	1,189.06
1801SLST02509	—	—	1,211.68
1801SLST01595	—	—	1,221.83
1801SLST00845	—	—	1,678.11
1801SLST01950	—	—	1,935.43
1801SLST00874	—	—	1,975.06
1801SLST00179	—	—	3,128.45
1801SLST00377	—	—	17,322.11
1801SLST01356	—	—	10,471.71
1801SLST01008	—	—	2,981.24
1801SLST01722	—	—	3,102.84
1801SLST00409	—	—	2,692.07
1801SLST01768	—	—	1,399.82
1801SLST00436	—	—	7,519.77
1801SLST01275	—	—	1,031.71
1801SLST01545	—	—	2,207.57
1801SLST01955	—	—	3,442.59
1801SLST00945	—	—	480.38
1801SLST02166	—	—	910.82
1801SLST01984	—	—	546.53
1801SLST01071	—	—	474.58
1801SLST01425	—	—	1,017.00
1801SLST00512	—	—	910.82
1801SLST00769	—	—	1,518.95
1801SLST00942	—	—	227.19
1801SLST01083	—	—	209.56
1801SLST01430	—	—	6,803.76
1801SLST02125	—	—	1,097.20
1801SLST00035	—	—	360.70
1801SLST00094	—	—	41.35
1801SLST00456	—	—	1,735.77
1801SLST00732	—	—	306.70
1801SLST01151	—	—	1,046.84
1801SLST01574	—	—	1,022.32
1801SLST01076	—	—	804.86
1801SLST01134	—	—	2,070.28
1801SLST02048	—	—	3,742.00
1801SLST00024	—	—	130.00
1801SLST00492	—	—	776.83
1801SLST02338	—	—	173.70
1801SLST01516	—	—	5,982.76
1801SLST02043	—	—	1,602.13
1801SLST02305	—	—	534.07
1801SLST00970	—	—	97.80
1801SLST00193	—	—	93.41
1801SLST02437	—	—	528.32
1801SLST01476	—	—	170.00

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST00544	—	—	7,562.93
1801SLST02327	—	—	1.22
1801SLST02400	—	—	30.37
1801SLST02026	—	—	31.81
1801SLST02177	—	—	49.29
1801SLST02404	—	—	50.83
1801SLST02231	—	—	53.42
1801SLST02239	—	—	63.41
1801SLST00647	—	—	64.06
1801SLST01424	—	—	108.86
1801SLST02280	—	—	112.00
1801SLST01861	—	—	112.12
1801SLST02391	—	—	112.61
1801SLST01114	—	—	124.00
1801SLST00370	—	—	129.09
1801SLST00925	—	—	129.94
1801SLST00222	—	—	137.34
1801SLST00132	—	—	137.42
1801SLST02330	—	—	139.39
1801SLST02248	—	—	139.56
1801SLST00557	—	—	143.38
1801SLST00271	—	—	147.54
1801SLST00439	—	—	149.91
1801SLST01539	—	—	152.55
1801SLST00163	—	—	157.50
1801SLST00860	—	—	158.13
1801SLST00469	—	—	162.21
1801SLST01303	—	—	163.84
1801SLST01678	—	—	168.96
1801SLST00625	—	—	169.44
1801SLST02514	—	—	179.29
1801SLST00159	—	—	181.05
1801SLST01883	—	—	183.92
1801SLST00013	—	—	184.68
1801SLST02548	—	—	189.01
1801SLST00229	—	—	192.21
1801SLST01469	—	—	200.41
1801SLST01105	—	—	200.97
1801SLST00140	—	—	203.55
1801SLST00053	—	—	208.04
1801SLST01513	—	—	208.23
1801SLST00203	—	—	210.32
1801SLST01161	—	—	214.73
1801SLST00743	—	—	216.06
1801SLST00653	—	—	216.84
1801SLST02566	—	—	221.61
1801SLST00455	—	—	223.53
1801SLST00236	—	—	225.77
1801SLST00857	—	—	228.86
1801SLST02344	—	—	246.52
1801SLST00815	—	—	253.32
1801SLST00846	—	—	261.17
1801SLST00603	—	—	267.66
1801SLST00112	—	—	271.55
1801SLST00269	—	—	275.34
1801SLST01799	—	—	276.67
1801SLST00429	—	—	285.34
1801SLST00280	—	—	286.27
1801SLST00488	—	—	286.80
1801SLST00627	—	—	290.41
1801SLST01999	—	—	291.86

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST00745	—	—	295.09
1801SLST00473	—	—	296.99
1801SLST02085	—	—	299.74
1801SLST00724	—	—	305.22
1801SLST00660	—	—	306.00
1801SLST02297	—	—	309.46
1801SLST00312	—	—	318.39
1801SLST02347	—	—	342.93
1801SLST02560	—	—	343.36
1801SLST00734	—	—	359.40
1801SLST01159	—	—	359.52
1801SLST02174	—	—	371.75
1801SLST00693	—	—	372.73
1801SLST02162	—	—	374.45
1801SLST00561	—	—	378.22
1801SLST00937	—	—	379.44
1801SLST02466	—	—	380.35
1801SLST02170	—	—	381.46
1801SLST01156	—	—	384.88
1801SLST02485	—	—	386.47
1801SLST00982	—	—	400.43
1801SLST00154	—	—	405.38
1801SLST00878	—	—	414.05
1801SLST00319	—	—	440.76
1801SLST01884	—	—	449.33
1801SLST00748	—	—	470.60
1801SLST00893	—	—	476.69
1801SLST00304	—	—	488.00
1801SLST00721	—	—	495.66
1801SLST01309	—	—	499.11
1801SLST01121	—	—	500.70
1801SLST01344	—	—	510.53
1801SLST00527	—	—	511.01
1801SLST02465	—	—	521.76
1801SLST02132	—	—	560.04
1801SLST00005	—	—	614.44
1801SLST02384	—	—	618.30
1801SLST02527	—	—	632.22
1801SLST01979	—	—	634.13
1801SLST01025	—	—	639.40
1801SLST01703	—	—	641.63
1801SLST00288	—	—	649.95
1801SLST00129	—	—	652.37
1801SLST01626	—	—	663.92
1801SLST01847	—	—	675.45
1801SLST02142	—	—	733.34
1801SLST01770	—	—	788.12
1801SLST00752	—	—	790.90
1801SLST00114	—	—	815.39
1801SLST01428	—	—	829.25
1801SLST00121	—	—	852.75
1801SLST01252	—	—	858.18
1801SLST01625	—	—	885.58
1801SLST01112	—	—	915.65
1801SLST00706	—	—	929.35
1801SLST01774	—	—	992.25
1801SLST01918	—	—	1,089.50
1801SLST01221	—	—	1,105.30
1801SLST00820	—	—	1,197.34
1801SLST00497	—	—	1,421.80
1801SLST01361	—	—	1,462.43

A	B	C	D
Loan Identifier	Total $ of HOA/COA Liens	HOA/COA Statutory Maximum Amount Superior to Mortgage	Total $ of Tax/Municipal/Property Tax
1801SLST01329	—	—	1,467.34
1801SLST00985	—	—	1,551.33
1801SLST02148	—	—	1,594.31
1801SLST00047	—	—	1,594.77
1801SLST00027	—	—	1,609.87
1801SLST00522	—	—	1,630.17
1801SLST00808	—	—	1,641.08
1801SLST02602	—	—	1,695.74
1801SLST00336	—	—	1,721.19
1801SLST01302	—	—	1,753.63
1801SLST00927	—	—	1,782.28
1801SLST00839	—	—	1,866.61
1801SLST00111	—	—	2,047.67
1801SLST02336	—	—	2,115.68
1801SLST02506	—	—	2,285.37
1801SLST01943	—	—	2,559.15
1801SLST01035	—	—	3,925.96
1801SLST02031	—	—	4,105.93
1801SLST00019	—	—	5,046.95
1801SLST02168	—	—	5,053.42
1801SLST00256	—	—	5,541.94
1801SLST00178	—	—	6,239.20
1801SLST00250	—	—	8,237.33
1801SLST00215	—	—	9,904.56
1801SLST02066	—	—	11,152.69
1801SLST01605	—	—	12,810.97
1801SLST00818	—	—	21,039.37
1801SLST02401	—	—	85.75
1801SLST02135	—	—	101.82
1801SLST00694	—	—	118.75
1801SLST02421	—	—	137.40
1801SLST00152	—	—	152.90
1801SLST02101	—	—	174.21
1801SLST01030	—	—	224.59
1801SLST02589	—	—	230.72
1801SLST01135	—	—	273.00
1801SLST00223	—	—	319.41
1801SLST00907	378.50	378.50	—
1801SLST00214	1,143.64	—	—
1801SLST01051	17,566.56	—	—
Total	547,263.44	37,034.87	398,500.13

Freddie Mac