

FOR IMMEDIATE RELEASE
October 30, 2013

Freddie Mac Securitizes \$1 Billion of HAMP Performing Mortgage Loans

MCLEAN, VA--[Freddie Mac](#) (OTCQB: FMCC) announced today that it has begun securitizing performing Home Affordable Modification Program ("HAMP") modified mortgage loans held in the company's mortgage-related investments portfolio. These loans were modified to assist borrowers who were at risk of foreclosure, thereby assisting them with keeping their homes. Since the US Treasury launched the program in March 2009, 229,000 borrowers have received permanent HAMP modifications on Freddie Mac-owned loans.

"This program facilitates securitization of HAMP modified loans that are re-performing into Freddie Mac Mortgage Participation Certificates (PCs), creating potential for liquidity and transparency of pricing for HAMP loans," said Adama Kah, Freddie Mac Vice President of Distressed Assets Management. "This initiative clears the path for securitizations of larger portions of the distressed assets portfolio and will lead to new, additional investment options for investors."

Although the program announced today focuses on performing HAMP modified loans currently owned by Freddie Mac, these securitizations may potentially help a wide range of institutions to better assess the value of and manage their holdings of HAMP loans.

HAMP PCs

To be eligible for securitization, modified loans must be current for at least six consecutive months at issuance of the related PC. The vast majority of existing HAMP modified mortgage loans held by Freddie Mac are step-rate mortgages. These performing step-rate HAMP modified loans may be pooled into the new Freddie Mac Modified Step Rate PCs with the new "HA-HD" prefixes. Performing HAMP modified loans that are fixed-rate and do not have the step-rate feature will be securitized into the existing Freddie Mac Modified Fixed Rate PCs with "MA-MD" prefixes (introduced in May 2013). Loans securitized with the "HA-HD" and "MA-MD" prefixes are not TBA deliverable. The PCs are eligible collateral for new Freddie Mac Giant PC securities.

In addition to what is currently disclosed on Freddie Mac TBA PCs, Freddie Mac will provide substantial new pool-level and loan-level disclosures specific to the Modified Fixed Rate PCs and Modified Step Rate PCs. Additional disclosures will include mortgage loan attributes at origination (before modification), at time of modification and at time of securitization as Modified Fixed Rate or Step Rate PCs. Freddie Mac also will provide pool-level disclosures of payment history covering up to 36 months prior to

issuance of such PCs.

"We are disclosing new variables for the Modified Step Rate PCs to provide investors with additional information which will aid in the valuation of these pools," said Neil Hughes, Vice President and Interim Head of Single Family Securitization.

Freddie Mac bought the vast majority of these loans from their related PCs when the loans were at least 120-days delinquent. When loans become 120 days or more delinquent, it is generally Freddie Mac's policy to purchase the delinquent loans out of the PCs and hold them in its mortgage-related investments portfolio while the company pursues resolutions to the delinquencies.

HAMP Program

The program was launched by the US Treasury in March 2009 to help borrowers facing hardship to retain their homes. Servicers, of both GSE and non-GSE loans, are required to evaluate borrowers for a HAMP modification before the borrower is evaluated for a non-HAMP modification. Through August 2013, there have been 1.26 million permanent HAMP modifications on first lien loans, including loans owned by GSEs, bank portfolios and loans in non-Agency MBS trusts.

Descriptions of the new pool-level disclosures are available at http://www.freddiemac.com/mbs/html/cs_terms.html and loan-level variables are available at www.FreddieMac.com/mbs/docs/fs_ild.pdf.

Description of HAMP can be found at http://www.freddiemac.com/singlefamily/service/mha_modification.html.

More details on HAMP modification program:
<http://www.treasury.gov/initiatives/financialstability/reports/Documents/August%202013%20MHA%20Report%20Final.pdf> [pdf]

This announcement is not an offer to sell any Freddie Mac securities. Offers for any given security are made only through applicable offering circulars and related supplements, which incorporate Freddie Mac's Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Securities and Exchange Commission ("SEC") on February 28, 2013; all other reports Freddie Mac filed with the SEC pursuant to Section 13(a) of the Securities Exchange Act of 1934 ("Exchange Act") since December 31, 2012, excluding any information "furnished" to the SEC on Form 8-K; and all documents that Freddie Mac files with the SEC pursuant to Sections 13(a), 13(c) or 14 of the Exchange Act, excluding any information "furnished" to the SEC on Form 8-K.

Freddie Mac's press releases sometimes contain forward-looking statements. A description of factors that could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements can be found in the company's Annual Report on Form 10-K for the year ended December 31, 2012, and its reports on Form 10-Q and Form 8-K, filed with the SEC and available on the

Investor Relations page of the company's Web site at www.FreddieMac.com/investors and the SEC's Web site at www.sec.gov.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is one of the largest sources of financing for multifamily housing. For more information, please visit www.FreddieMac.com and Twitter @FreddieMac.

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