

Freddie Mac CRT Quarterly Webcast

July 2021

Freddie Mac Presenters



Mike Reynolds

Vice President
Single-Family Credit Risk Transfer
Freddie Mac



Christian Valencia

Vice President
Single-Family Credit Risk Transfer Securitization
Freddie Mac

Introducing Our New CEO



Michael DeVito
Chief Executive Officer
Freddie Mac

Q2 2021 Highlights



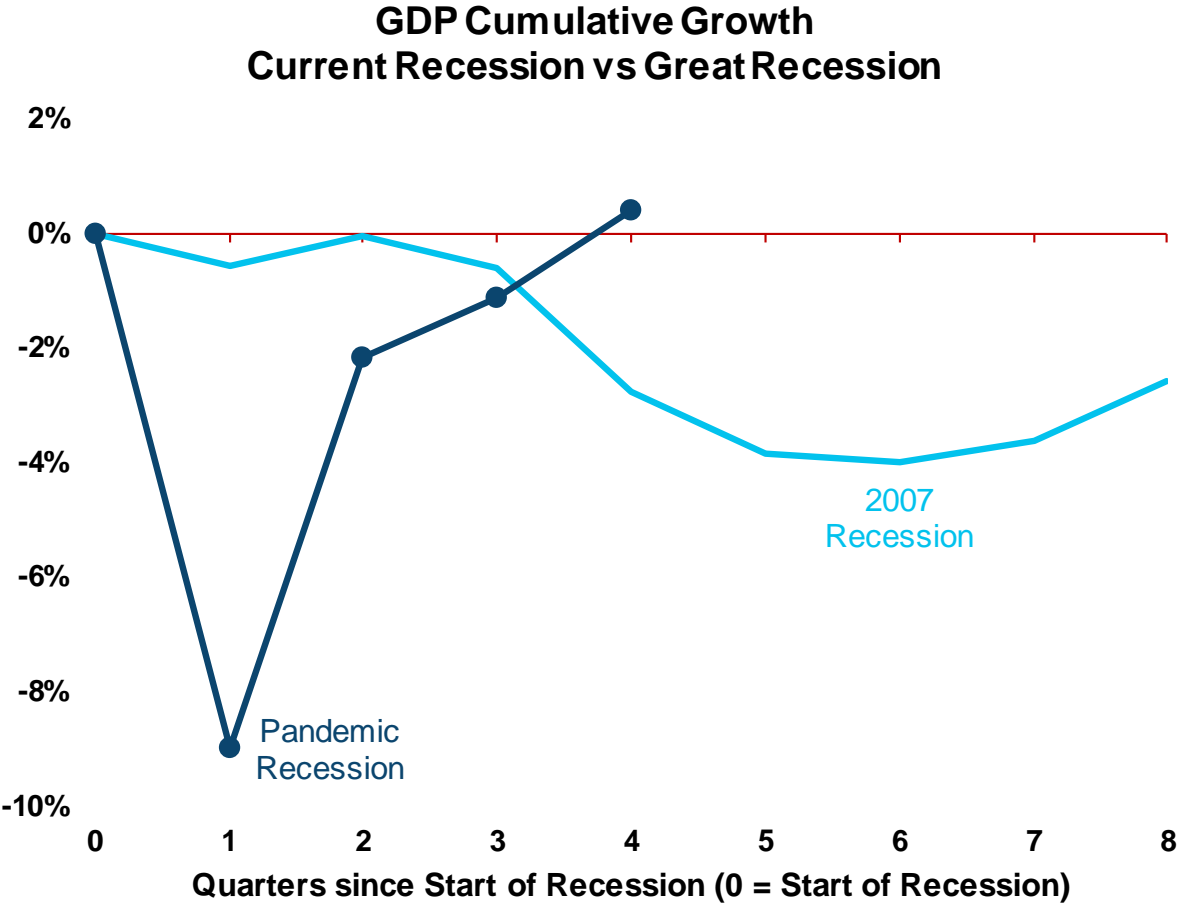
2021 GlobalCapital
US Securitization Awards

CRTcast Episode 2 Featuring Arch MI's Jim Bennison

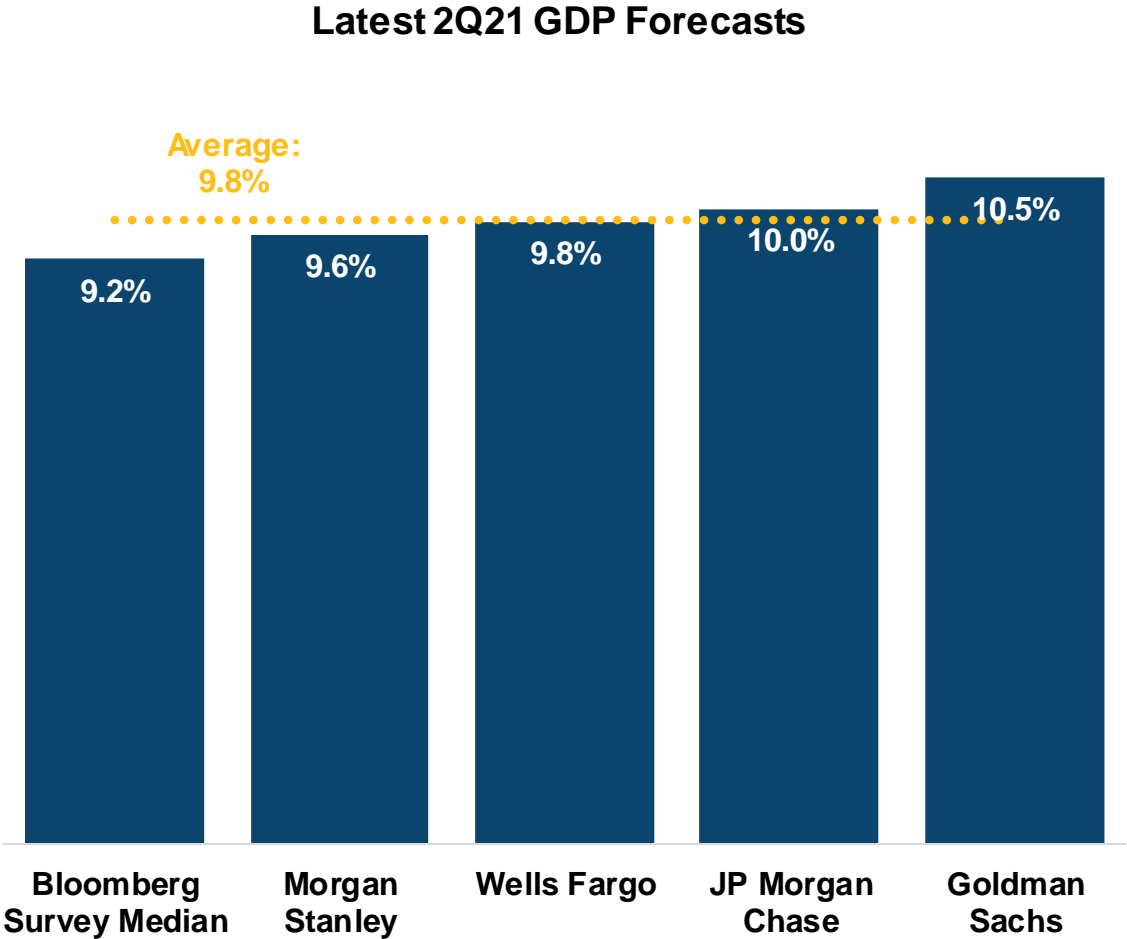


CRT Research Package
Insights and Forecast

Recovering Economy

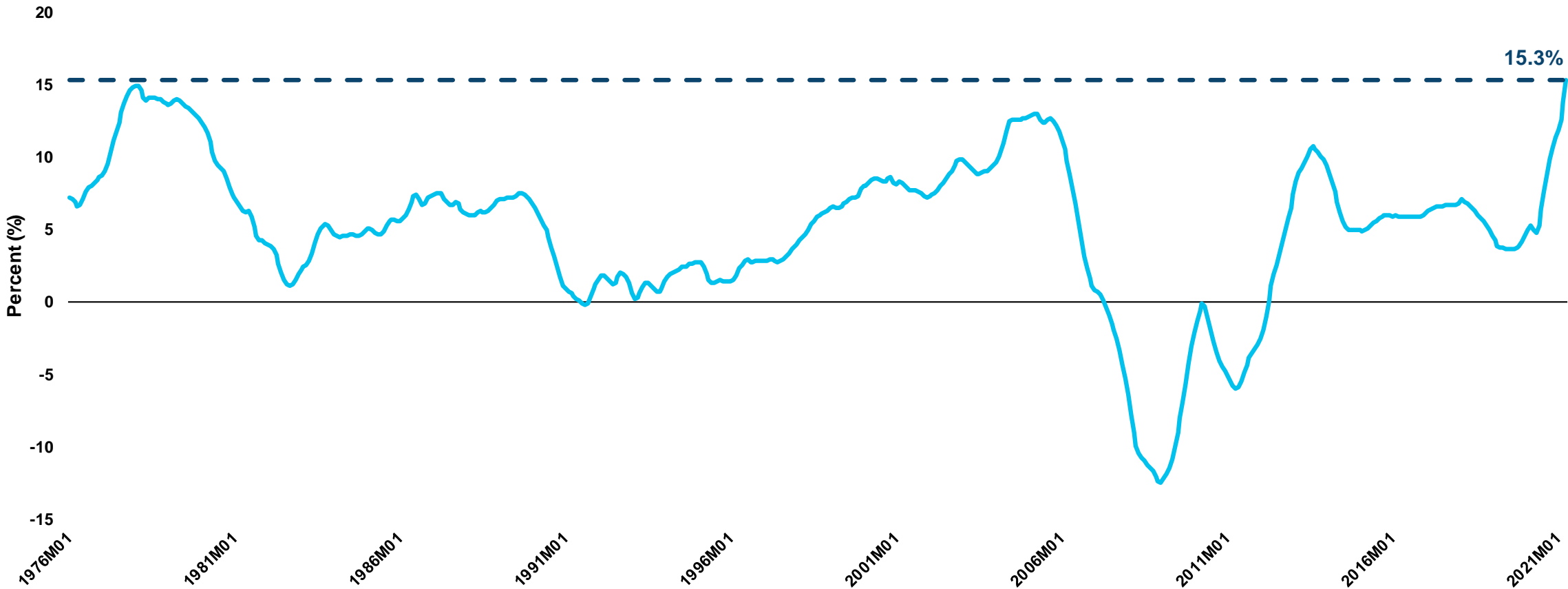


Source: BEA; Bloomberg; Wells Fargo (May Forecast)



High House Price Appreciation

Freddie Mac House Price Index – YoY%



Source: Freddie Mac HPI, As of April 2021



Housing Inventory Shortage

Payment to Income Ratio vs Mortgage Rate

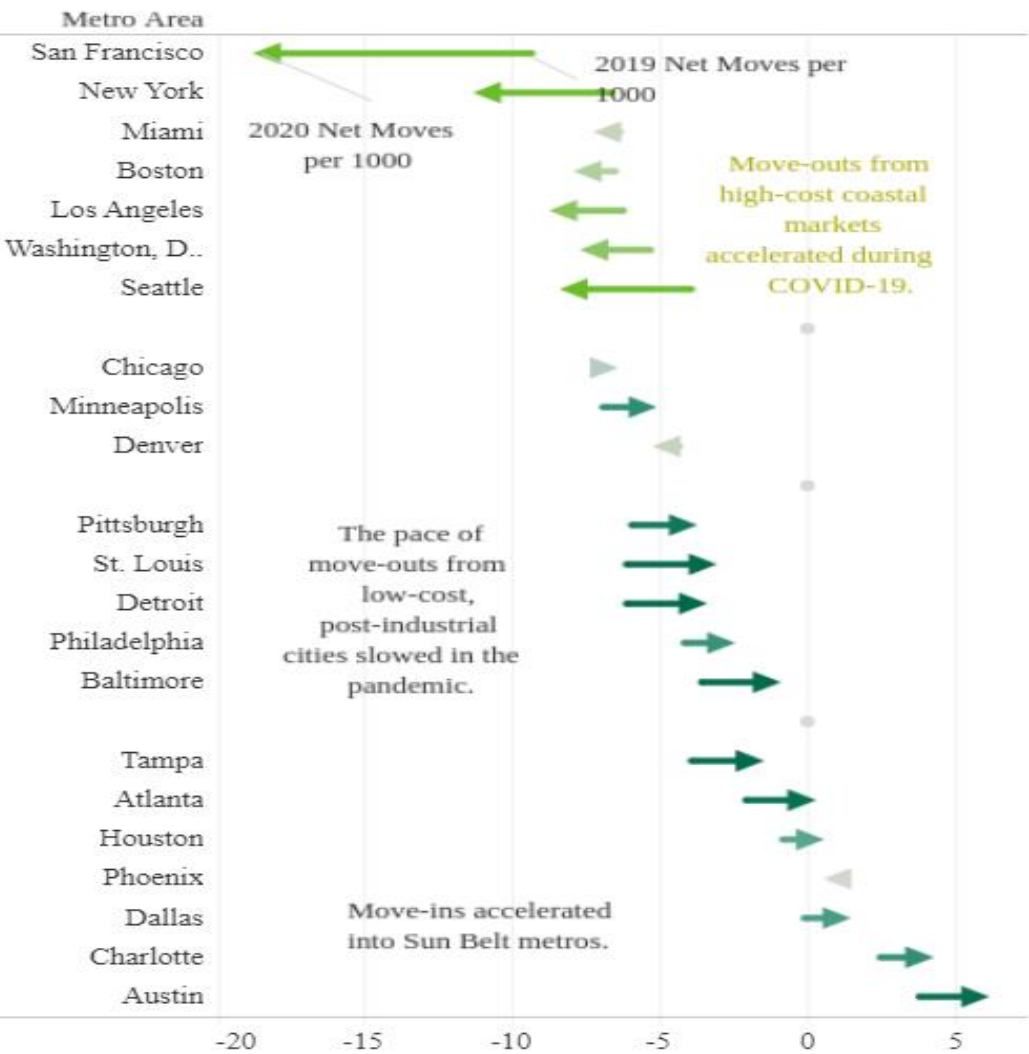
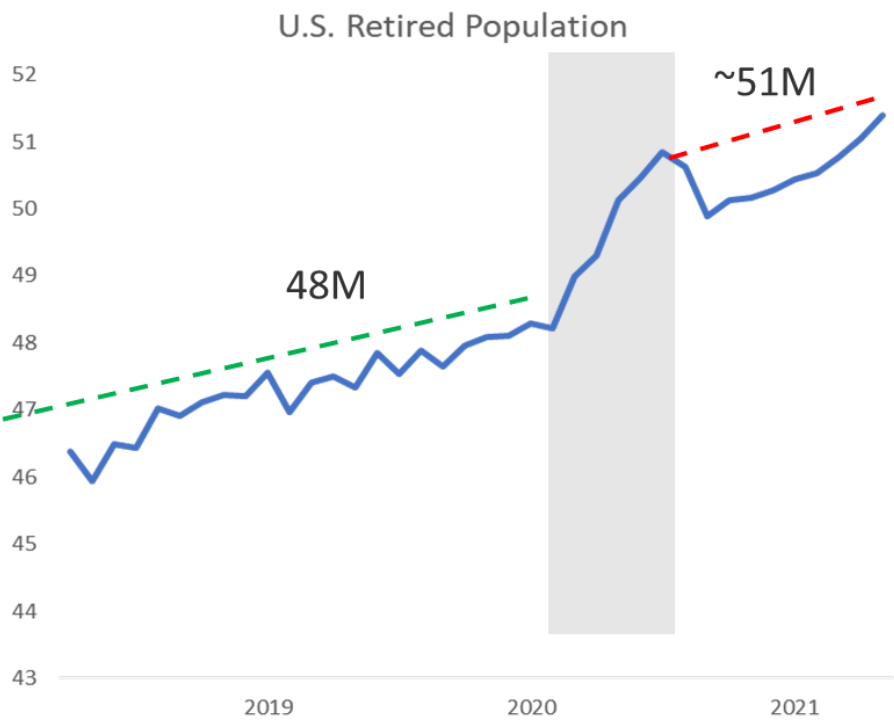


Source: Black Knight; Freddie Mac

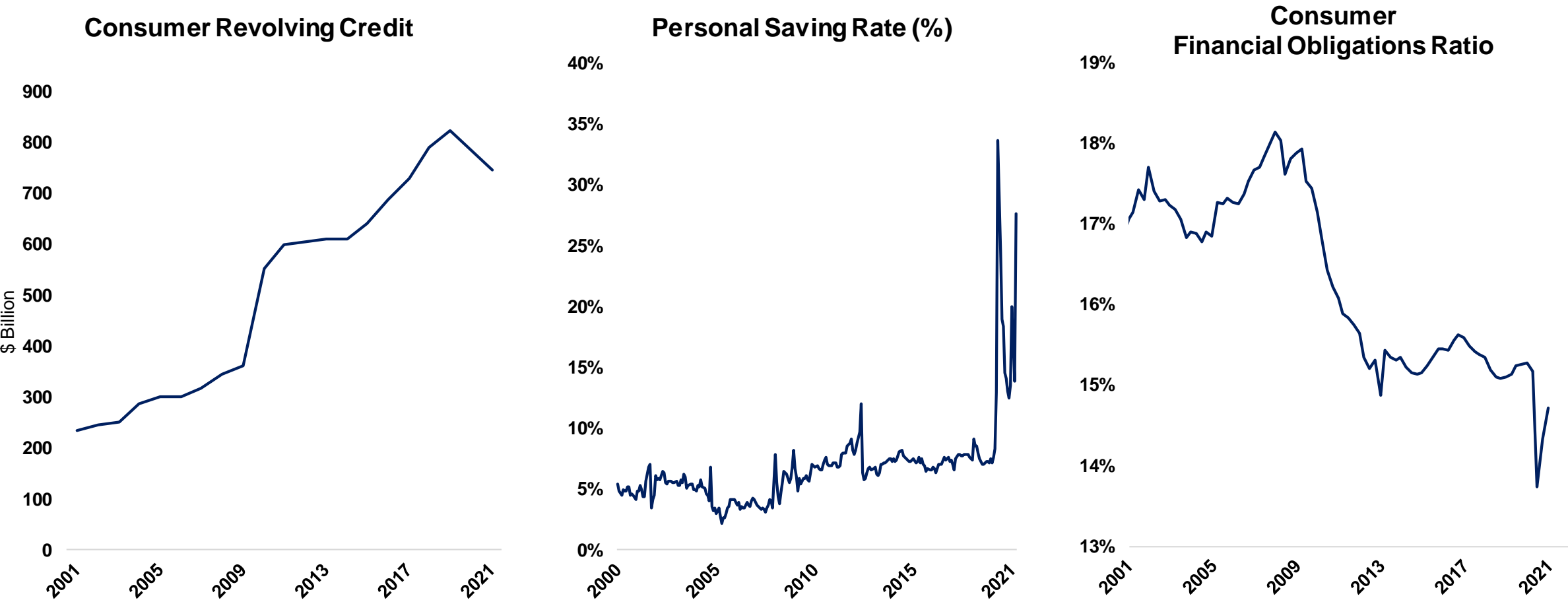


Migration Trends

COVID-19 accelerated long-standing migration trends and early retirement rates



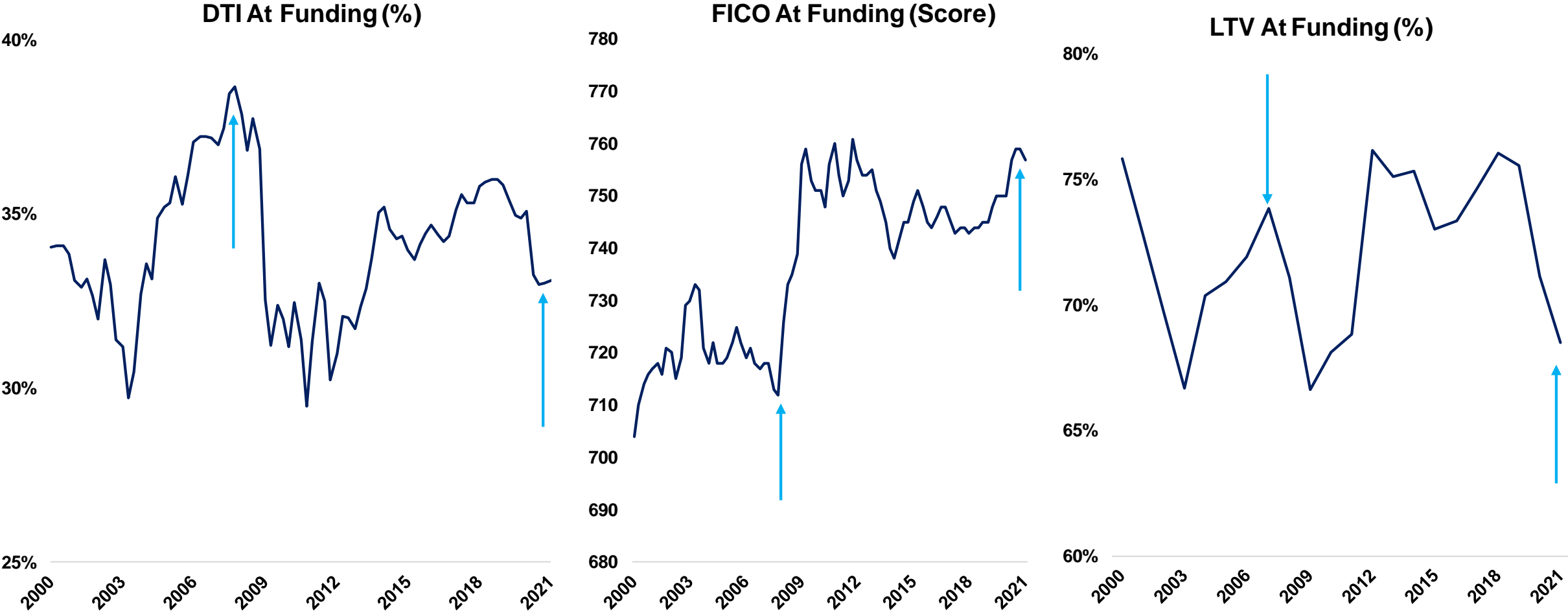
Household Balance Sheets Improving



Source: Federal Reserve Board; BEA



Strong Credit Quality in U.S. Housing

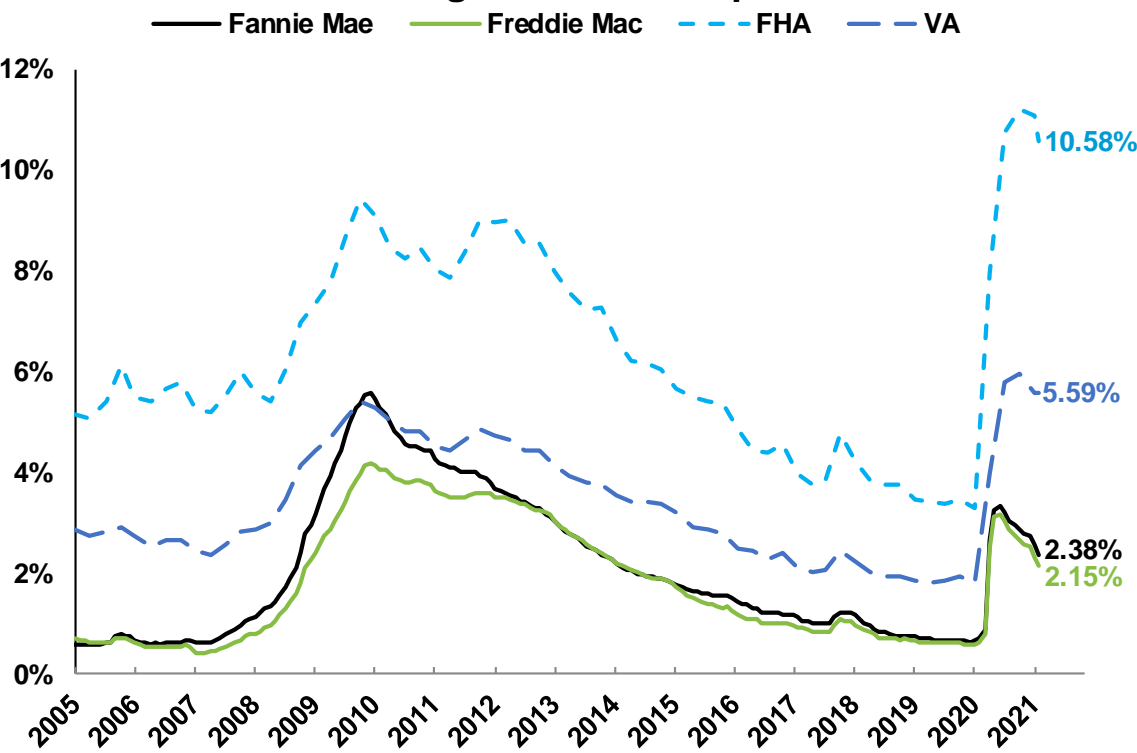


Source: Freddie Mac



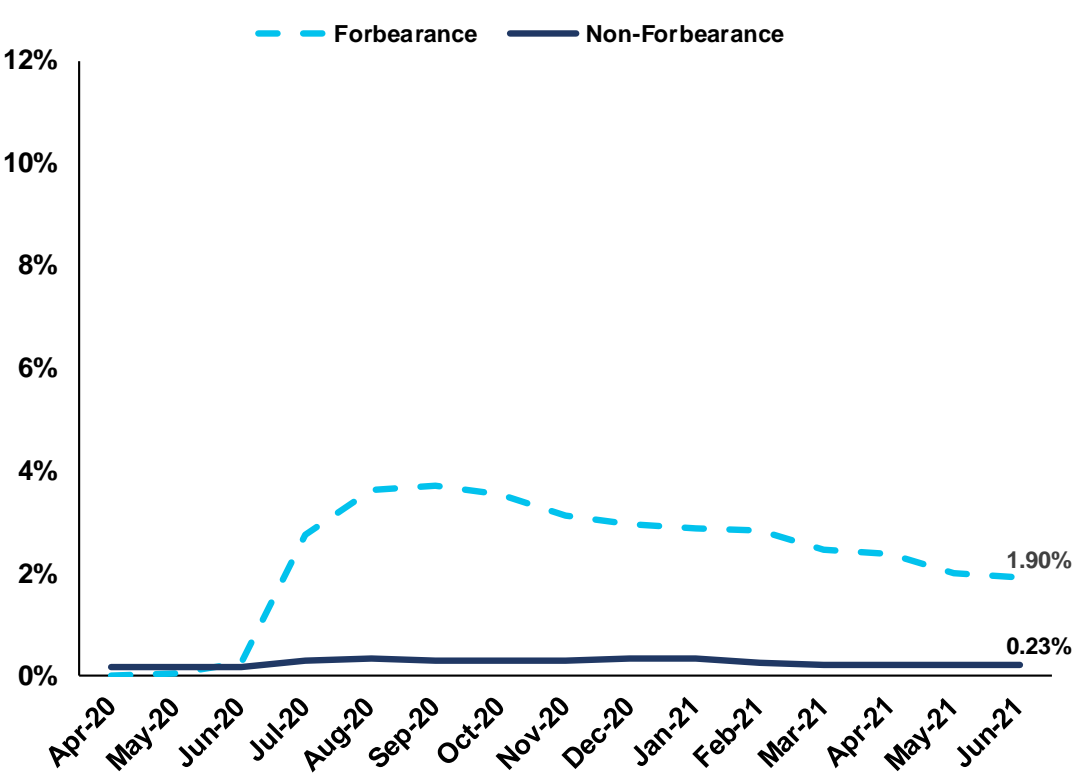
Delinquency Trends

Freddie Mac Maintains Low Serious Delinquency Through COVID-19 Impact



Source: "Housing Finance At a Glance: A Monthly Chartbook," Housing Finance Policy Center, April 2021; Fannie Mae, Freddie Mac, MBA Delinquency Survey and Urban Institute.
Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process.

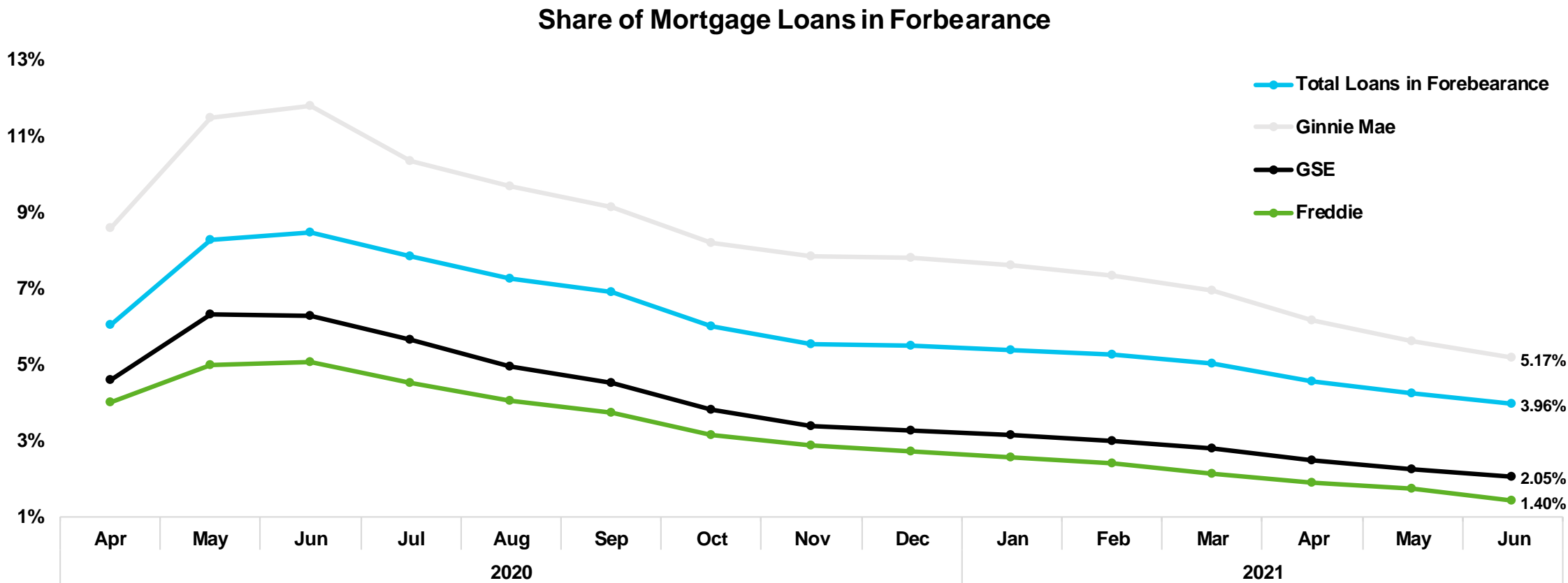
Freddie Mac CRT Portfolio Serious Delinquency Forbearance vs. Non-Forbearance



Source: Freddie Mac Clarity Data Intelligence, as of June 2021
Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process.

Forbearance Rate Trends

Freddie Mac Forbearance Rate Continues to Decline and Further Demonstrate Less Risky Portfolio Profile



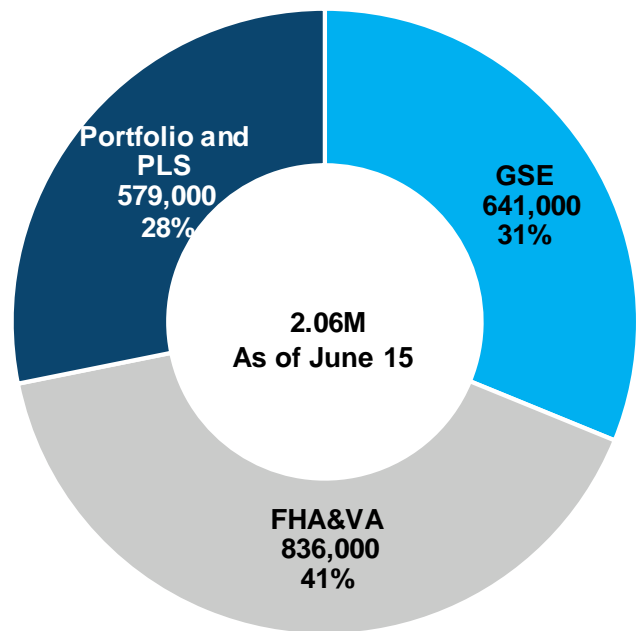
Source: MBA; Freddie Mac
Note: The share is based on the total portfolio loan count



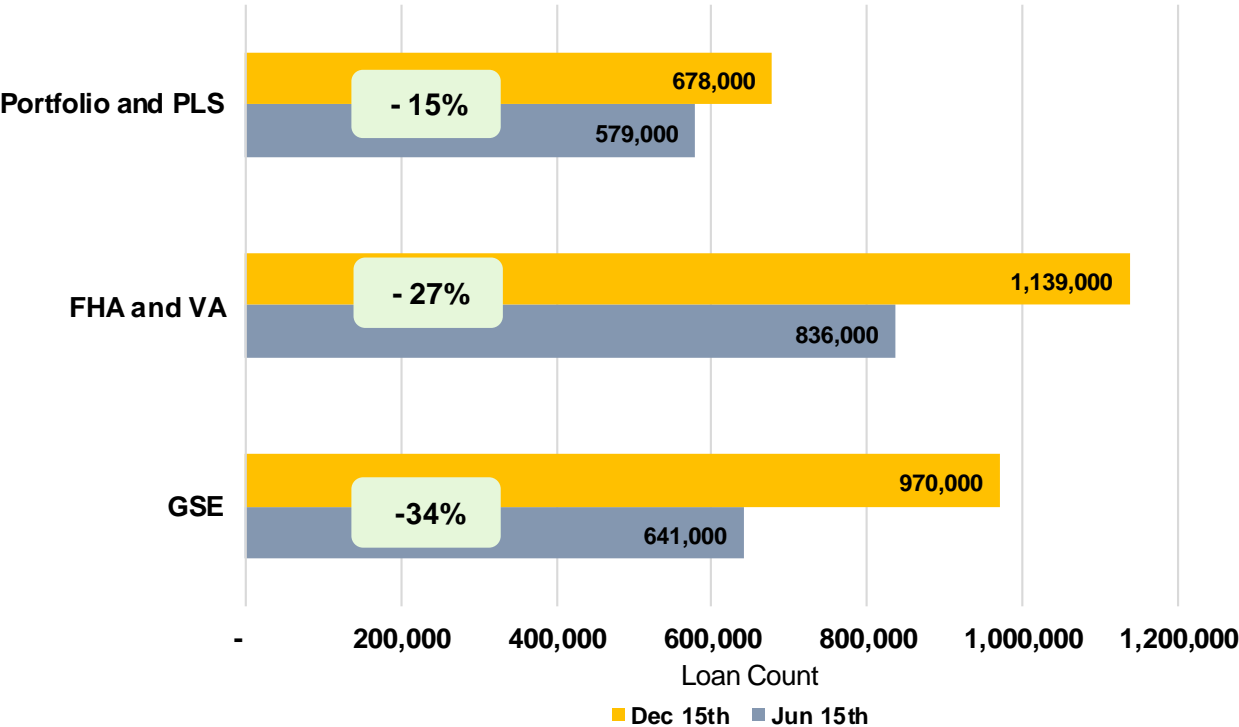
Forbearance Rate Trends

The past six months has shown the GSE Portfolio recovering at a faster pace when compared to Portfolio and PLS or FHA and VA

Count of Homeowners in COVID-19 Related Forbearance



COVID-19 Related FB Plans by Period and Category



Source: Black Knight; Freddie Mac Calculations

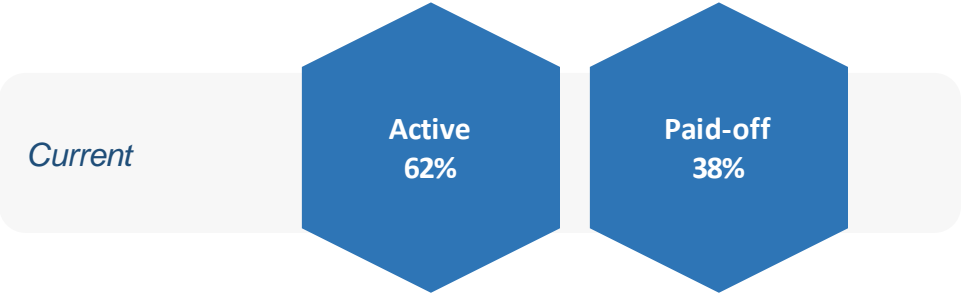


Forbearance Exit Transition *as of June 2021 Reporting Period*

74% of loans have exited COVID-19 related forbearance in CRT Transactions*

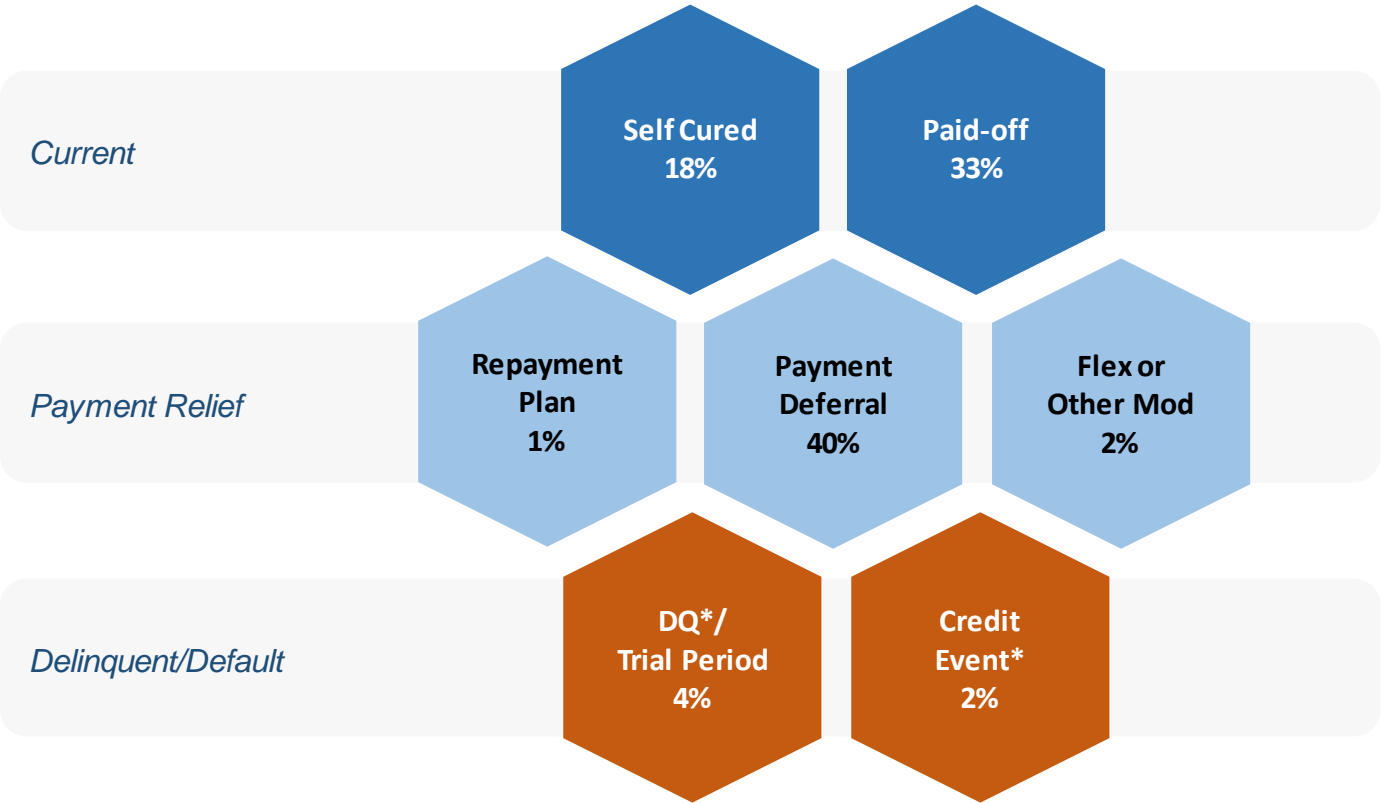
Borrowers were always current | 8%

Borrowers had missed payments* | 92%



To see current statuses for loans in forbearance, please go to [Delinquency Matrix](#) or [Disaster Matrix](#) in Clarity.

- * Population evaluated is any loans in CRT transactions that entered forbearance between the May 2020 and June 2021 Reporting Periods, which correspond to the March 2020 and April 2021 servicer reporting.
- * Delinquency is based on April 2020 to June 2021 Reporting Periods, which correspond to the March 2020 to May 2021 servicer reporting.
- * Credit Events includes liquidations for Actual Loss transactions and D180 Credit Event for Fixed Severity transactions.
- * Forbearance exits are defined as, for the most recent Payment Date, loans for which no active forbearance was reported, or a Payment deferral was granted and was current regardless of the forbearance status.



CRT Performance

97

Actual Loss CRT
Transactions Issued

0.4

Average bps of Loss
Per Transaction

13

Transactions with
No Losses

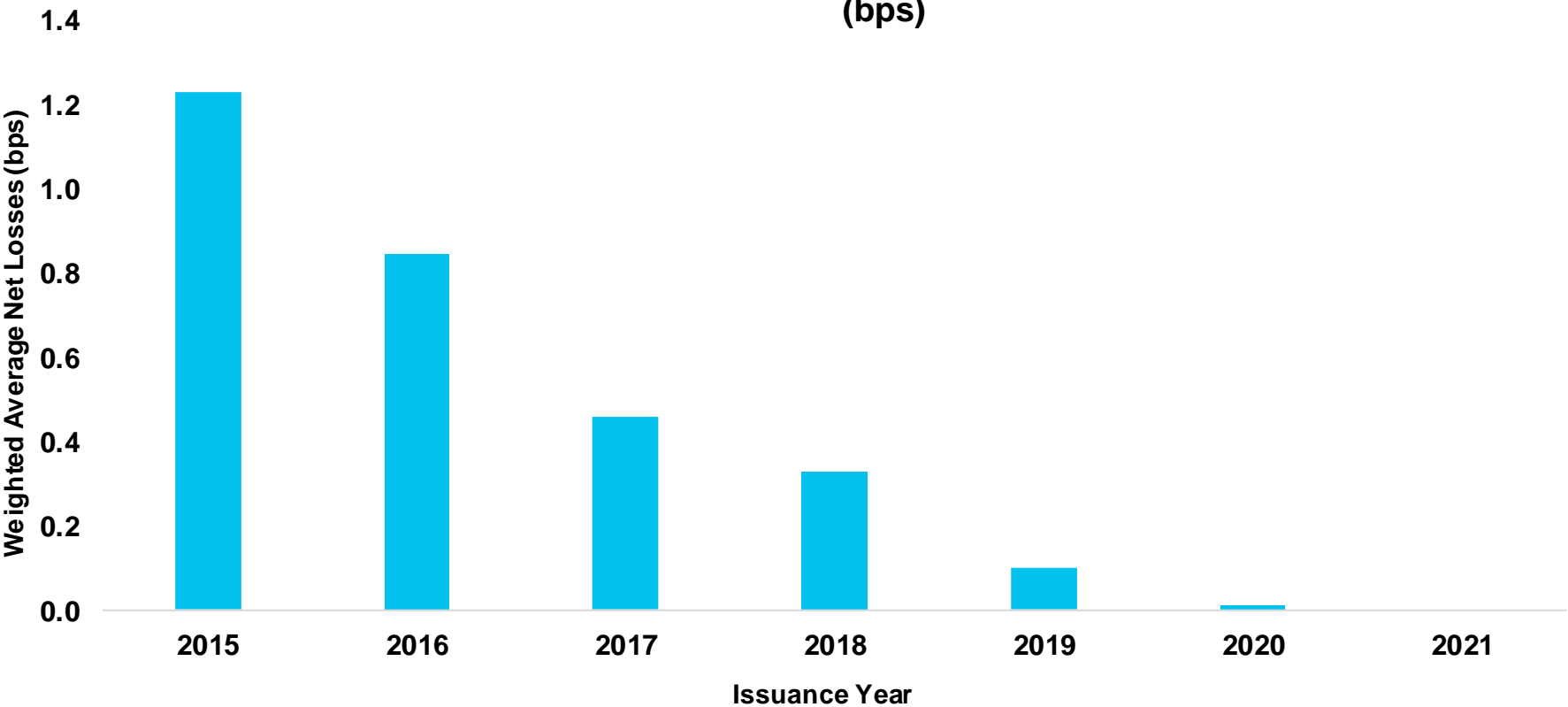
64

Transactions with
<1bp of Loss

0

Transactions with
>1.7bps of Loss

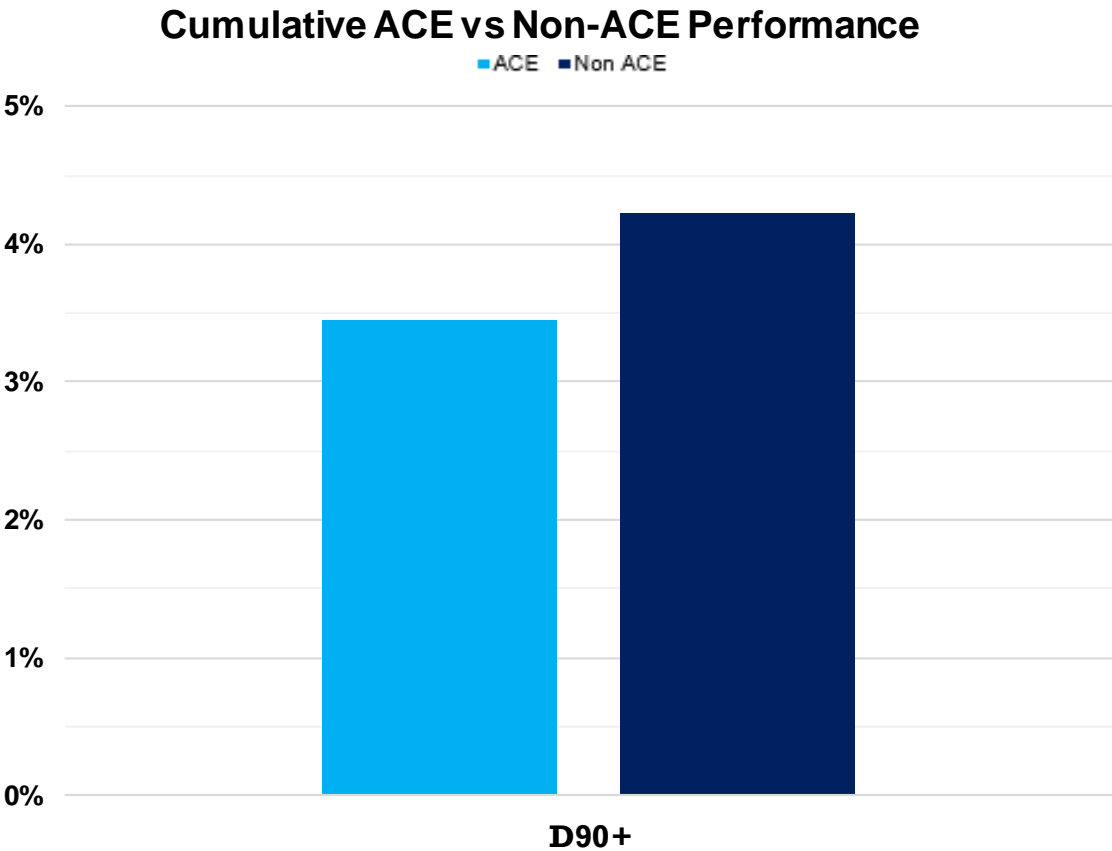
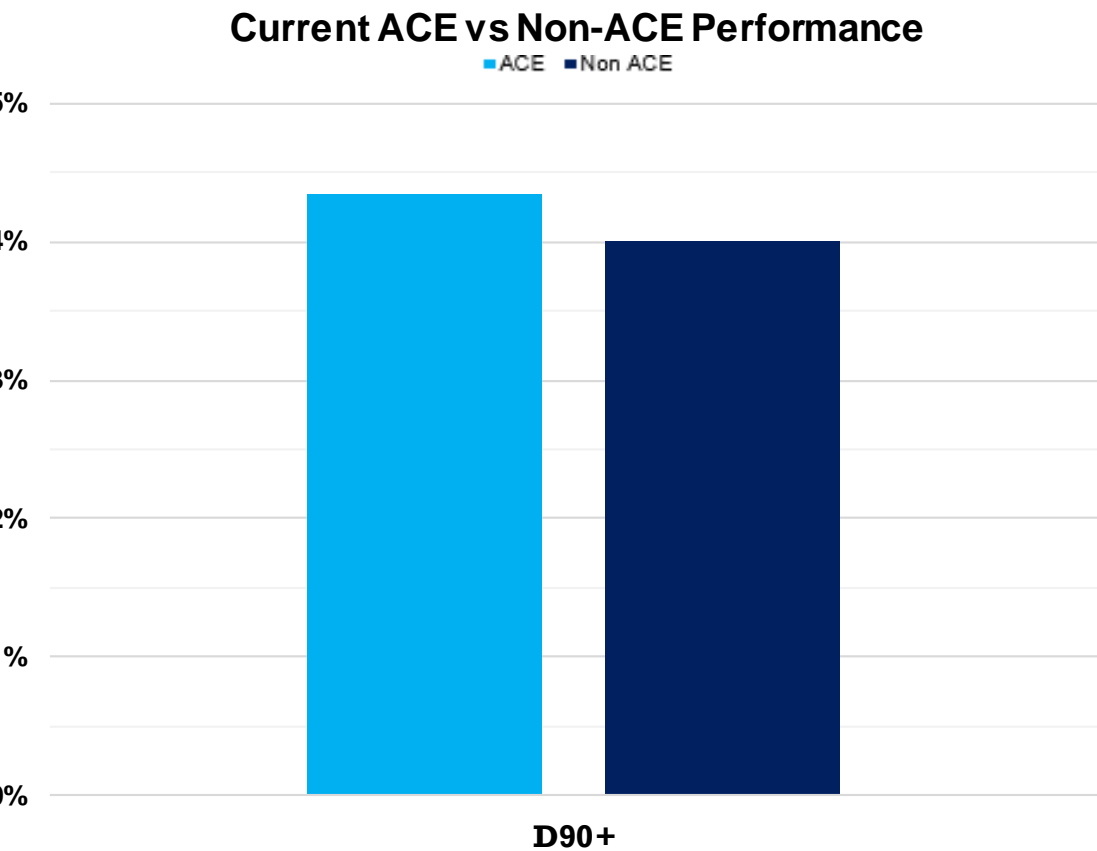
Weighted Average Cumulative Net Losses Per Transaction by Issuance Year (bps)



Source: Freddie Mac monthly remittance data for DNA and HQA Actual Loss transactions, as of June 2021.



ACE Performance in CRT Pools



1) Includes Clarity current performance data on Purchase and No Cash-Out Refinance active loans for all 2018-DNA transactions through and including 2020-DNA2 as of the June 25th, 2021 Payment Date 2) ACE population includes 19,027 loans with an aggregate UPB of \$4,550M 3) Non-ACE population includes 355,247 loans with an aggregate UPB of \$69,022M 4) Each loan Status is the percentage of current unpaid principal balance

1) Includes Clarity cumulative performance data on Purchase and No Cash-Out Refinance loans for all 2018-DNA transactions through and including 2020-DNA2 as of the June 25th, 2021 Payment Date 2) ACE population includes 48,884 loans with an aggregate UPB of \$14,264M 3) Non-ACE population includes 731,866 loans with an aggregate UPB of \$175,121M 4) Each loan Status is the percentage of current unpaid principal balance



Data Transparency

Freddie Mac Single-Family Loan-Level Datasets



- Publicly disclosed loan-level data
- Historical data covers approximately 45.5 million fixed-rate mortgages
- Smaller dataset available to accommodate various user requirements
- Provides investors data to model transaction projections and performance

Clarity 2.0 is Here

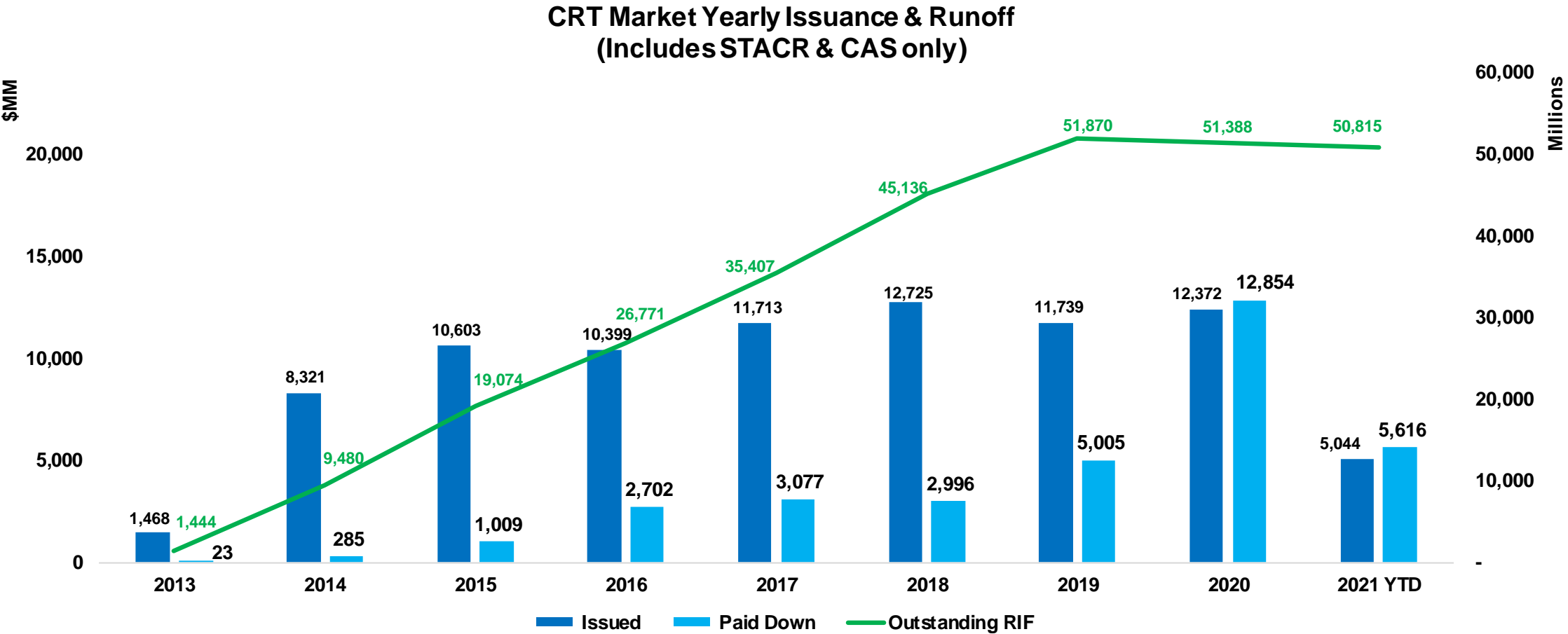


- Compare CRT deals or benchmarks across six categories
- Enhanced Proxy Cohort dashboards
- User Guide and Glossary
- Cumulative performance characteristics
- STACR deal participation by investor type and count
- More enhancements to come

STACR

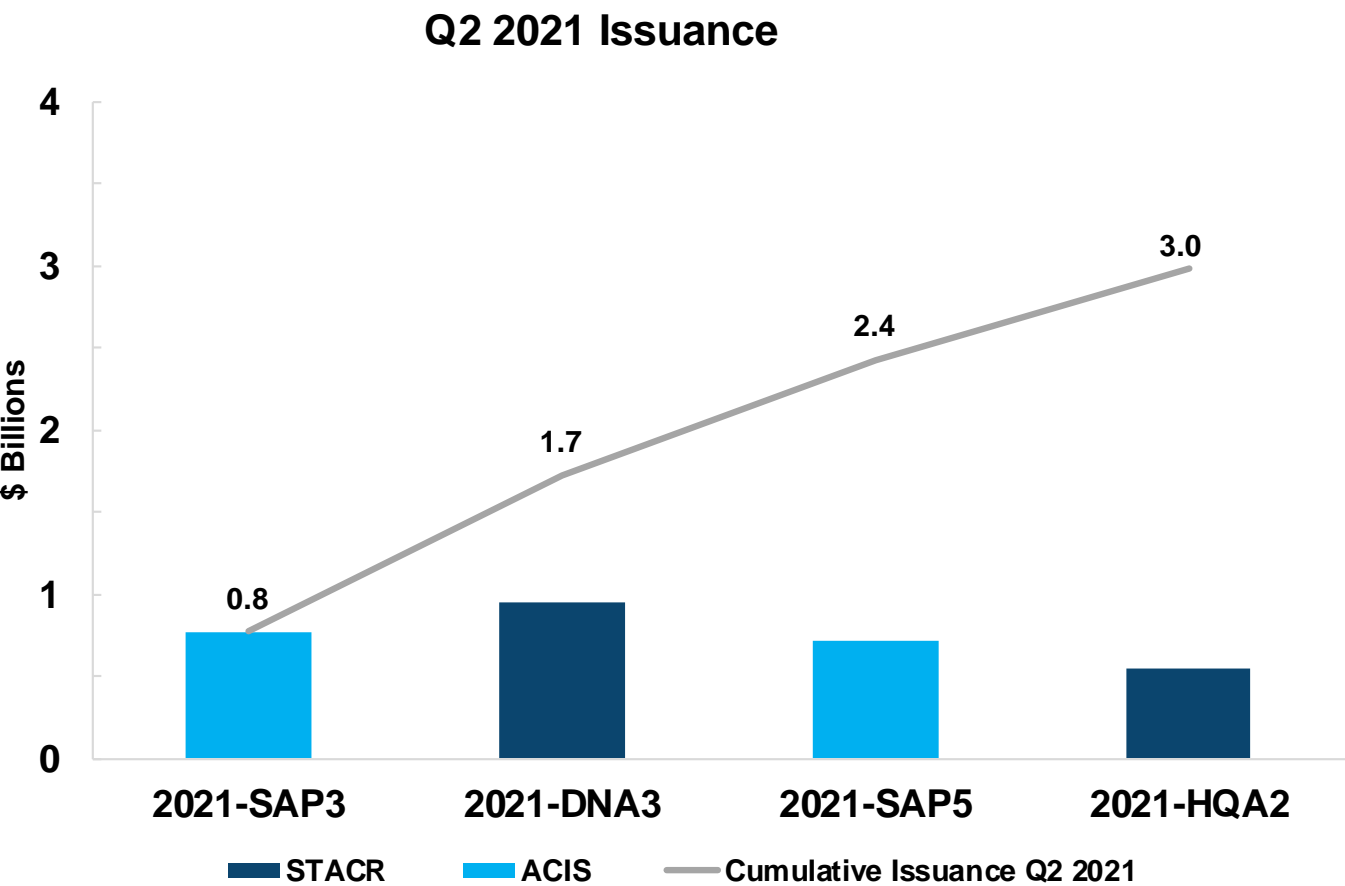
Secondary Market Performance

CRT Market



Source: Bloomberg; Freddie Mac, as of June 2021

Programmatic Issuance



Source: Freddie Mac, as of June 2021. Note: Amounts may not add up due to rounding.

\$8.9 Billion Issuance Volume YTD

Record first half for Freddie Mac Single-Family CRT

2.9x Average Subscription Multiple

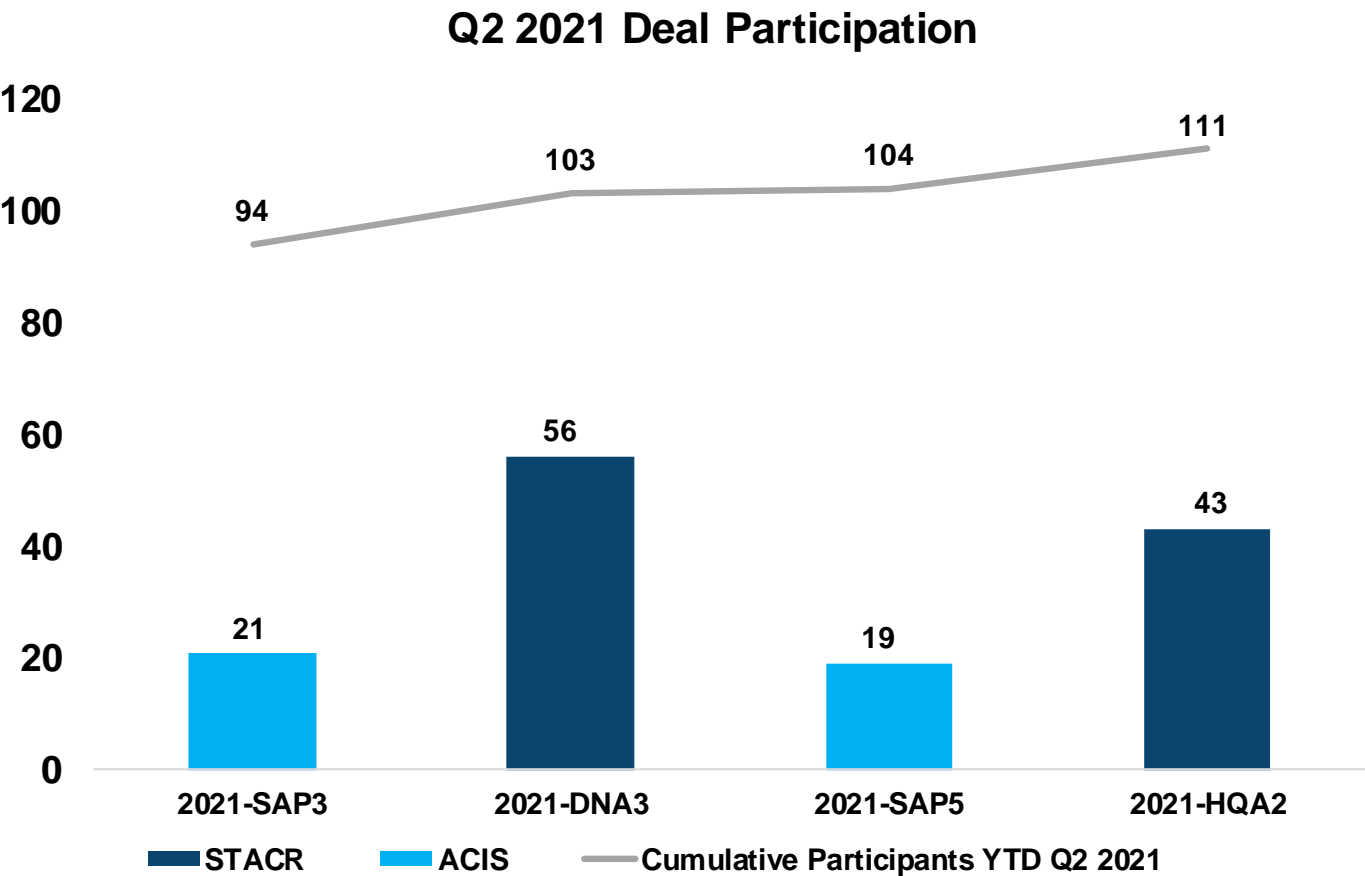
Consistent demand across deals and tranches

4 Series Issued Through 2 Programs

Commitment to providing unique offerings

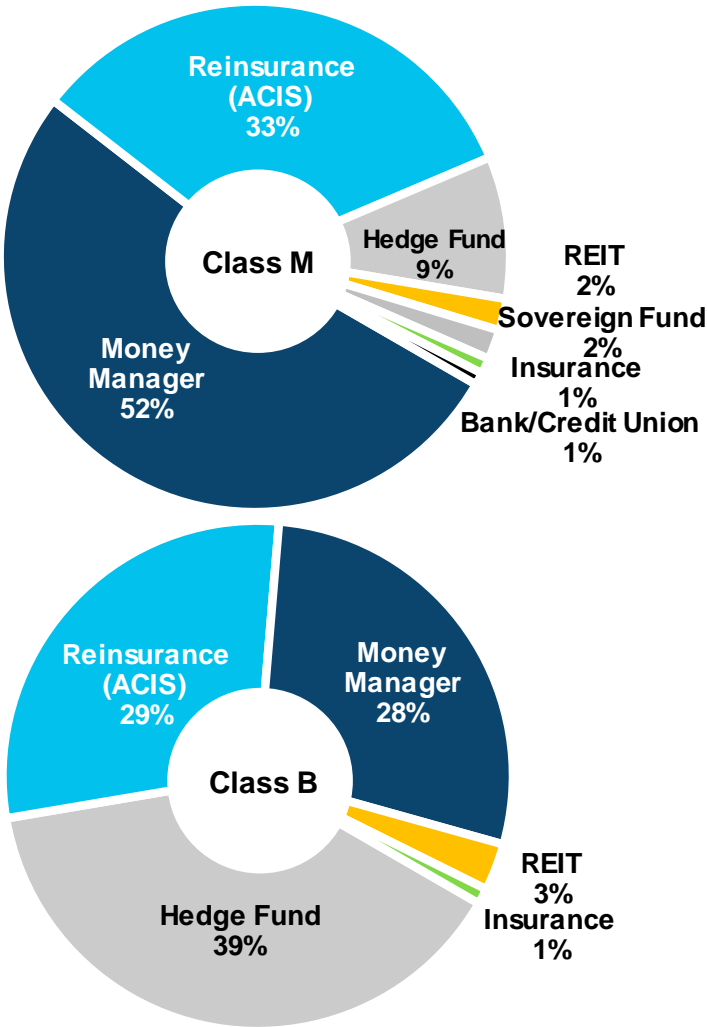
Transaction	Collateral Type
ACIS 2021-SAP3	15-Year
STACR 2021-DNA3	Low-LTV
ACIS 2021-SAP5	30-Year High-LTV
STACR 2021-HQA2	High-LTV

Diverse Participation

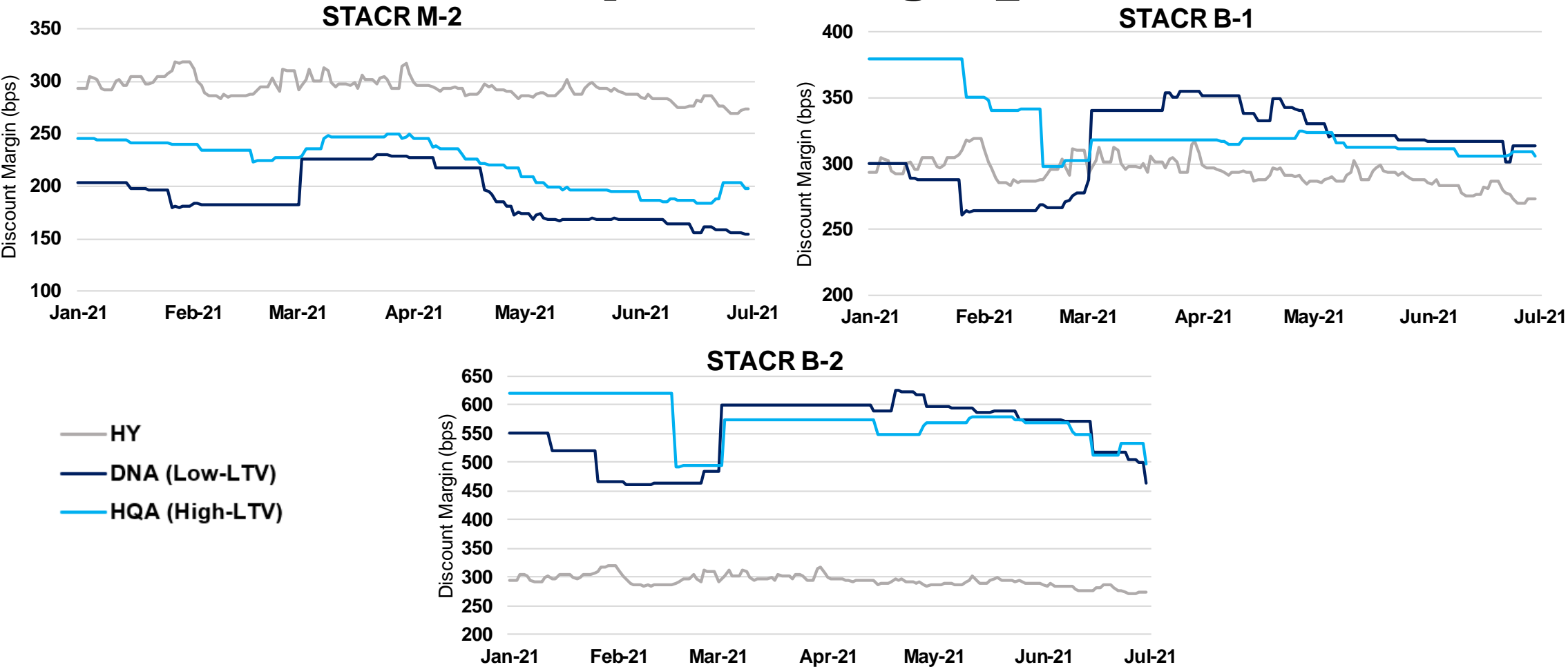


Source: Freddie Mac, all data as of June 2021. Note: Amounts may not add up due to rounding.

Participant Profile Since 2019



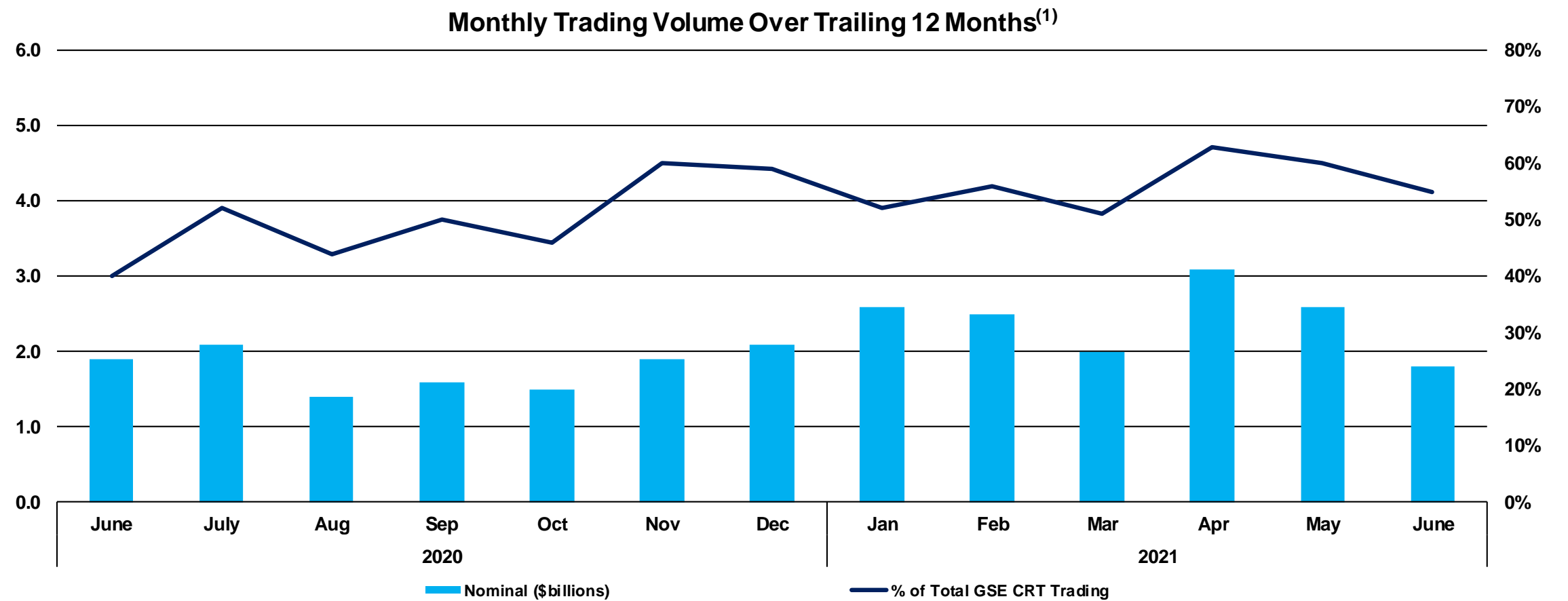
STACR Secondary Trading Spreads



Source: FINRA, Bloomberg, all data as of June 2021. Note: HY refers to the Markit CDX North American High Yield Index.



STACR Secondary Trading Volumes



(1) Trading volumes reflect the sum of all buy and sell trades
(2) As of June 2021

What Do You Want To Hear About In The Next Quarterly Webcast?

CRT.FreddieMac.com | Clarity.FreddieMac.com

Freddie Mac CRT Quarterly Webcast | Q2 2021

Questions

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