



Credit Risk  
Transfer

# 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



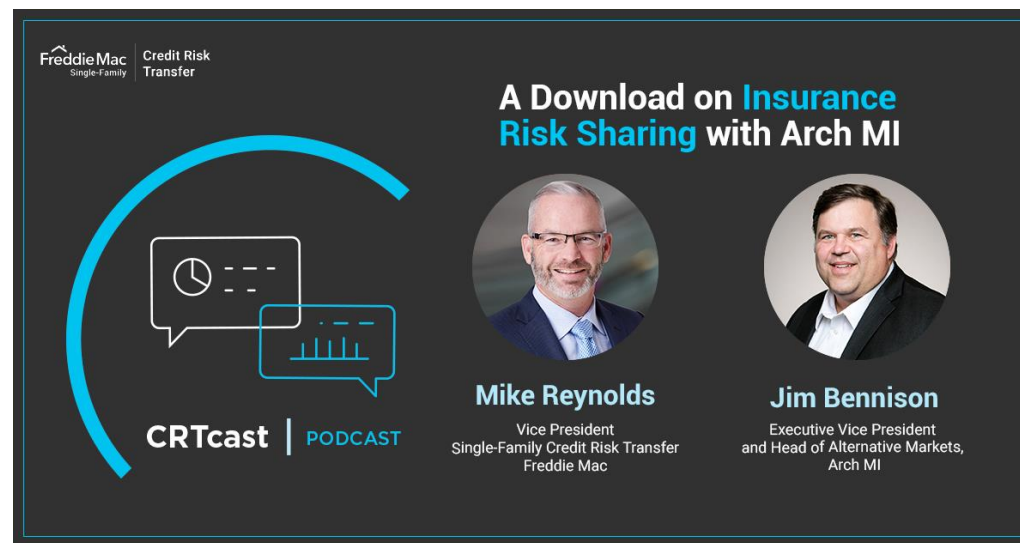
**Michael DeVito**  
Chief Executive Officer  
Freddie Mac

# Q2 2021 Highlights



**2021 GlobalCapital  
US Securitization Awards**

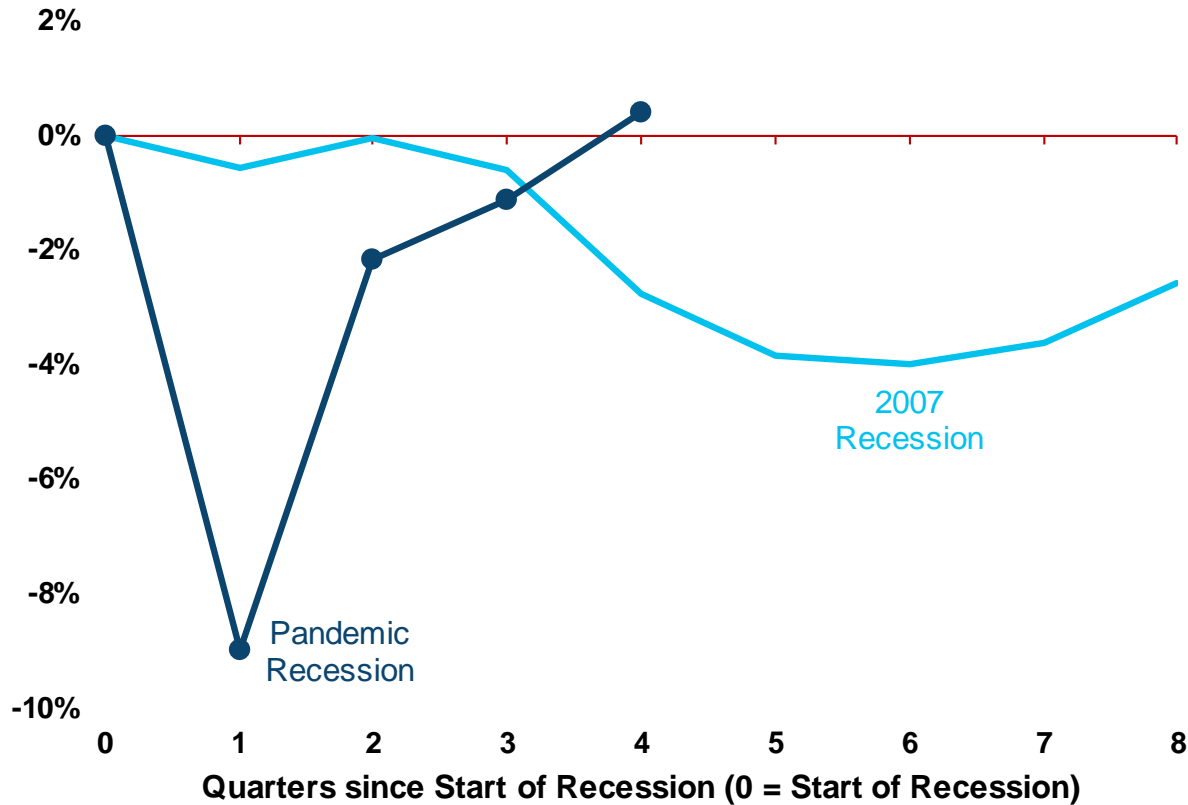
## CRTcast Episode 2 Featuring Arch MI's Jim Bennison



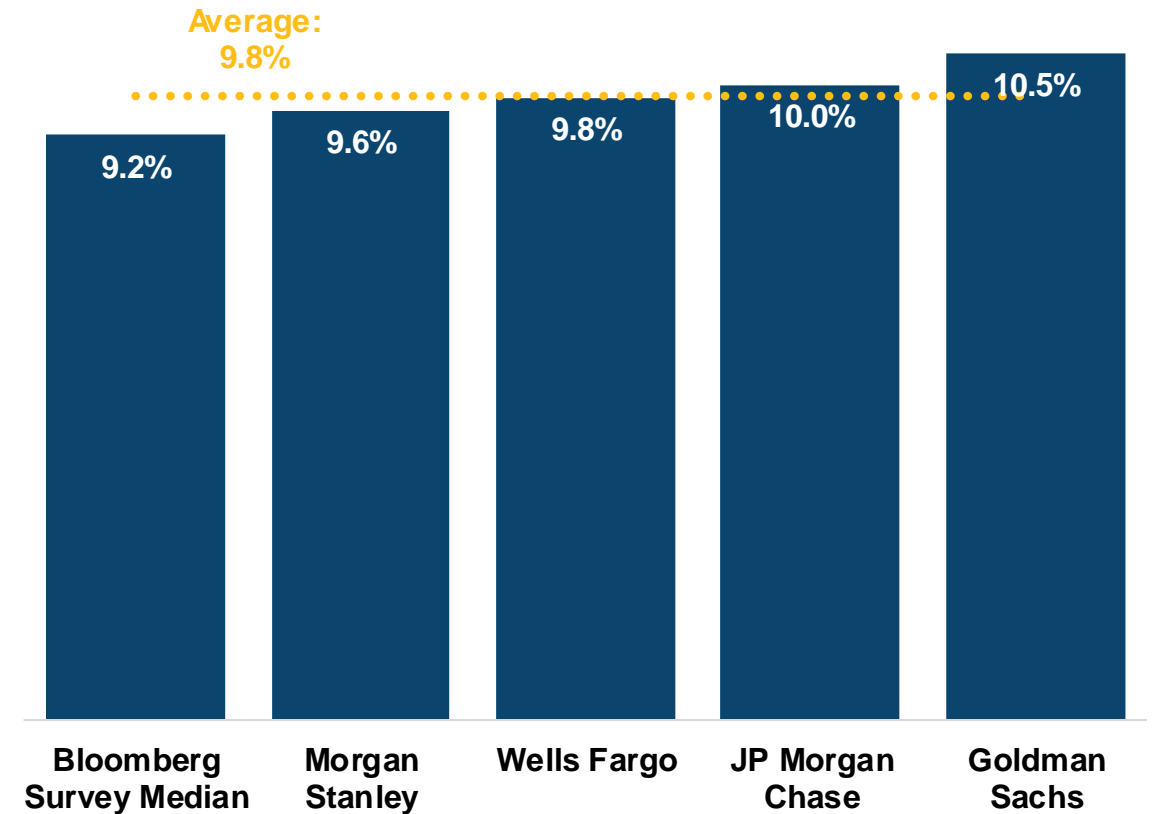
**CRT Research Package  
Insights and Forecast**

# Recovering Economy

GDP Cumulative Growth  
Current Recession vs Great Recession



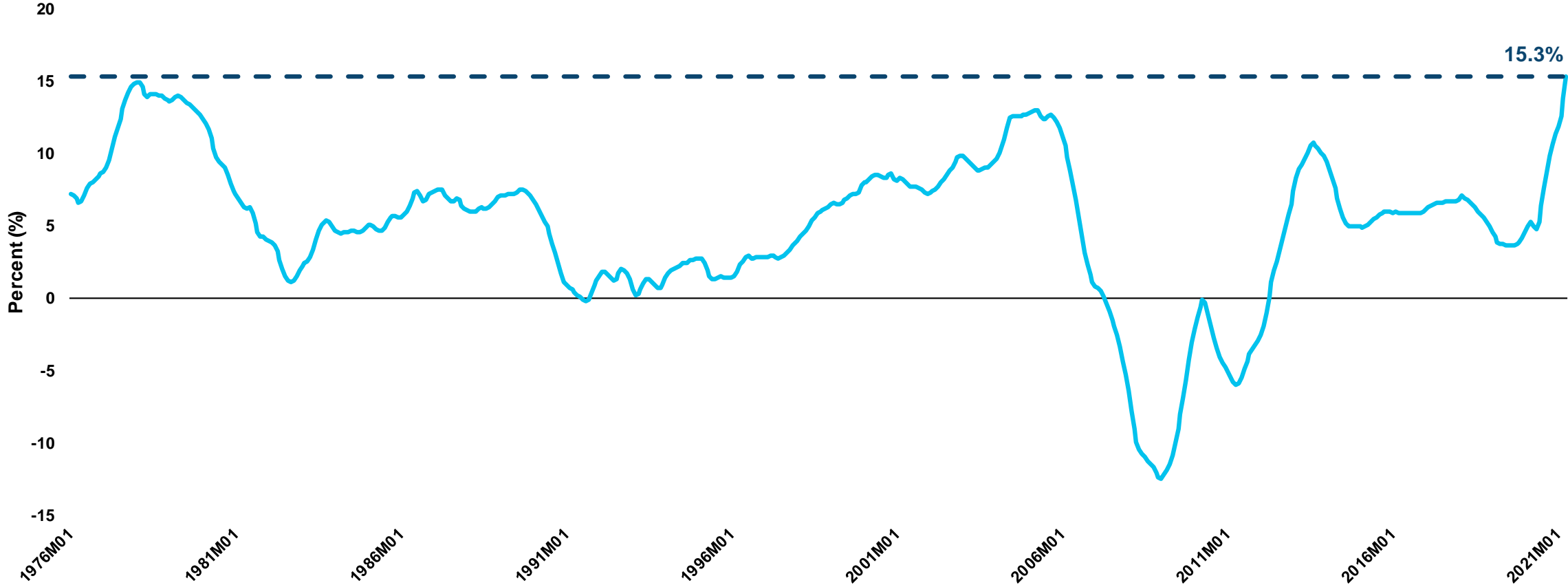
Latest 2Q21 GDP Forecasts



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

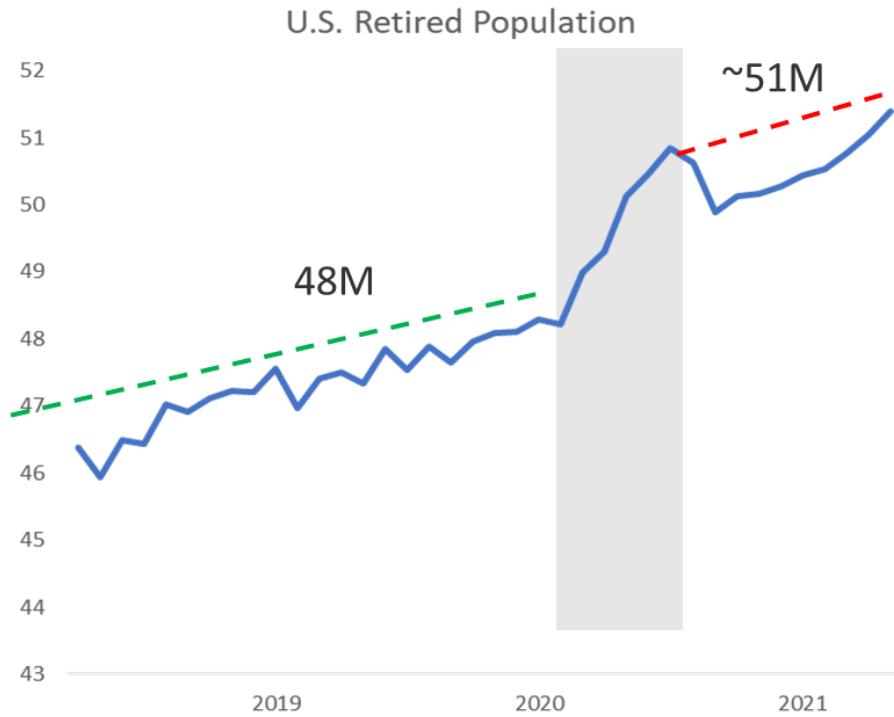
## Payment to Income Ratio vs Mortgage Rate



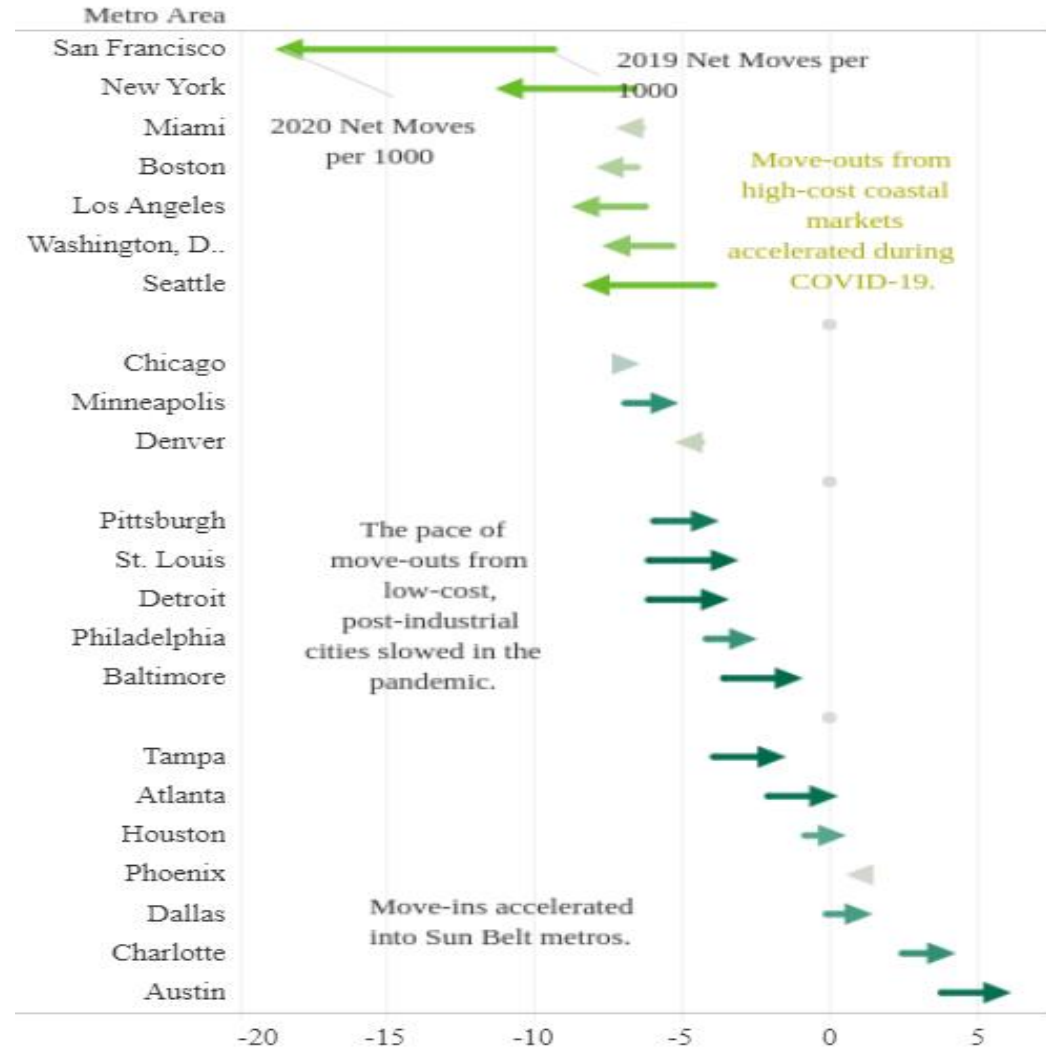
Source: Black Knight; Freddie Mac

# Migration Trends

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



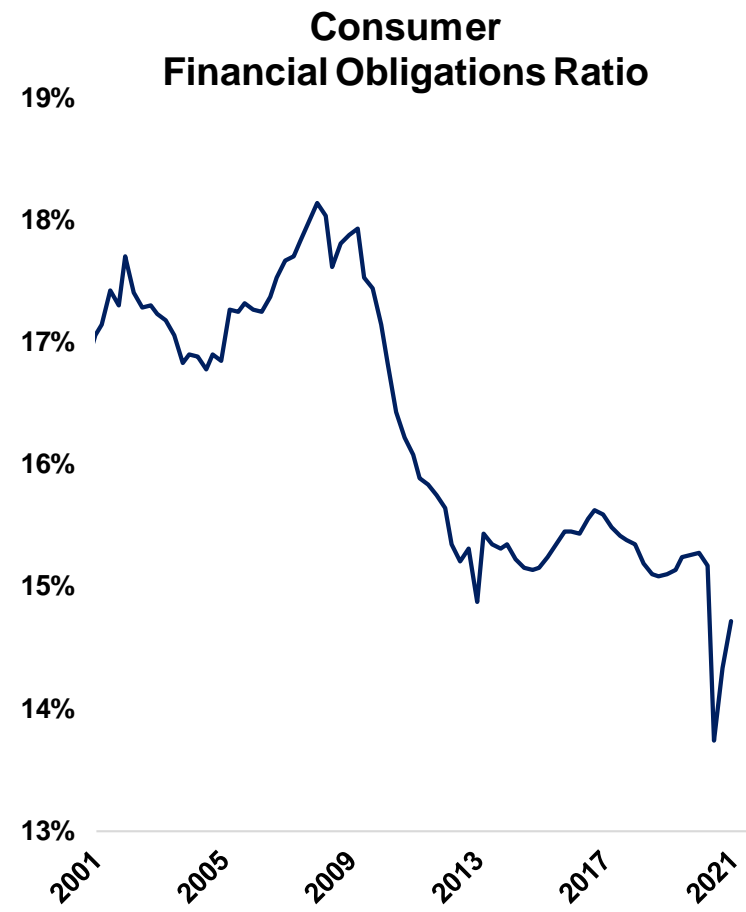
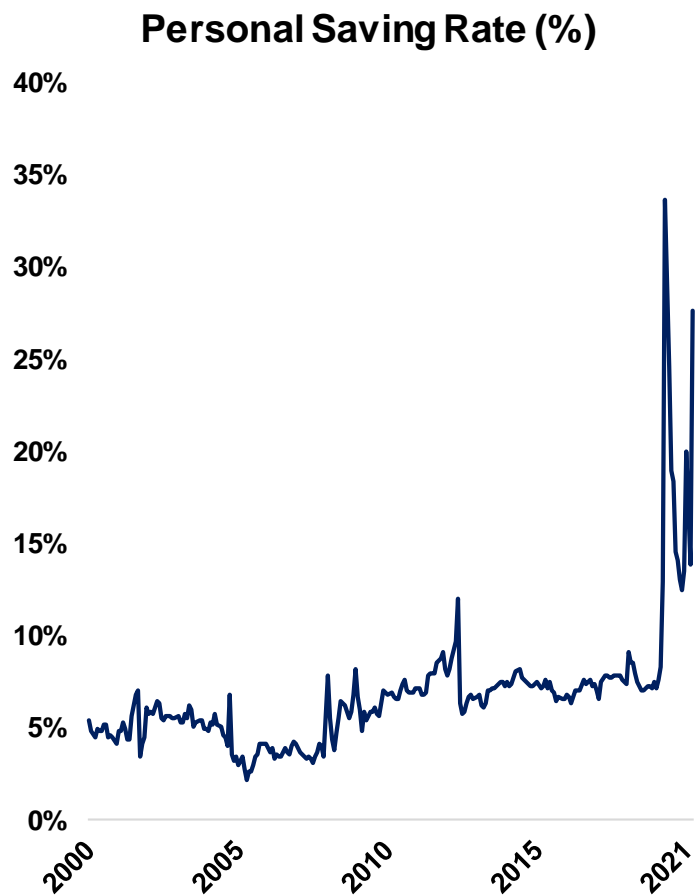
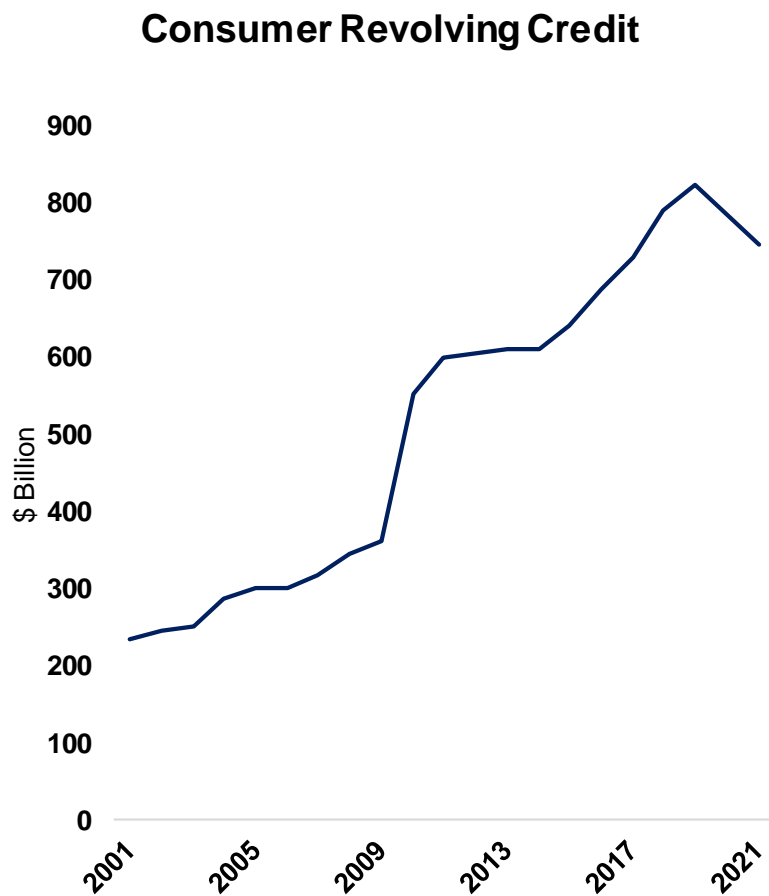
Source: IPUMS CPS  
 Note: Shading represents start date for recession: end date is a FRED estimate



Source: CBRE

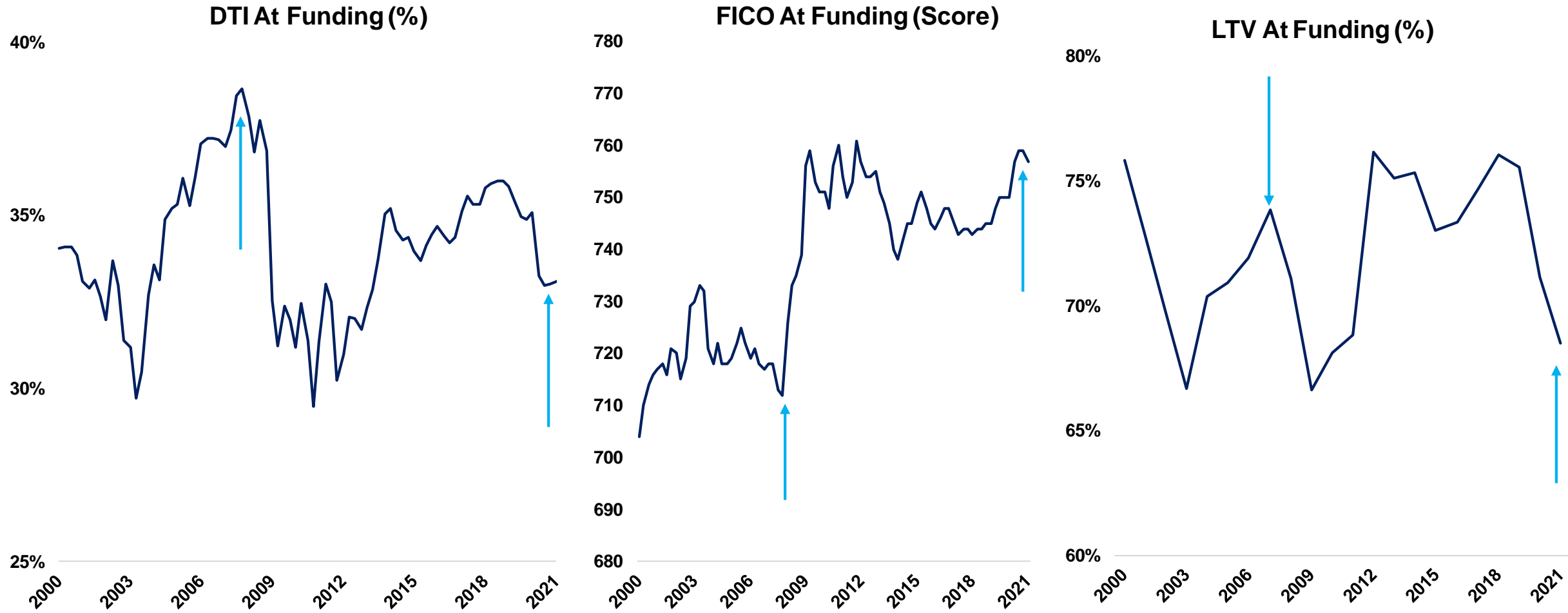


# Household Balance Sheets Improving



Source: Federal Reserve Board; BEA

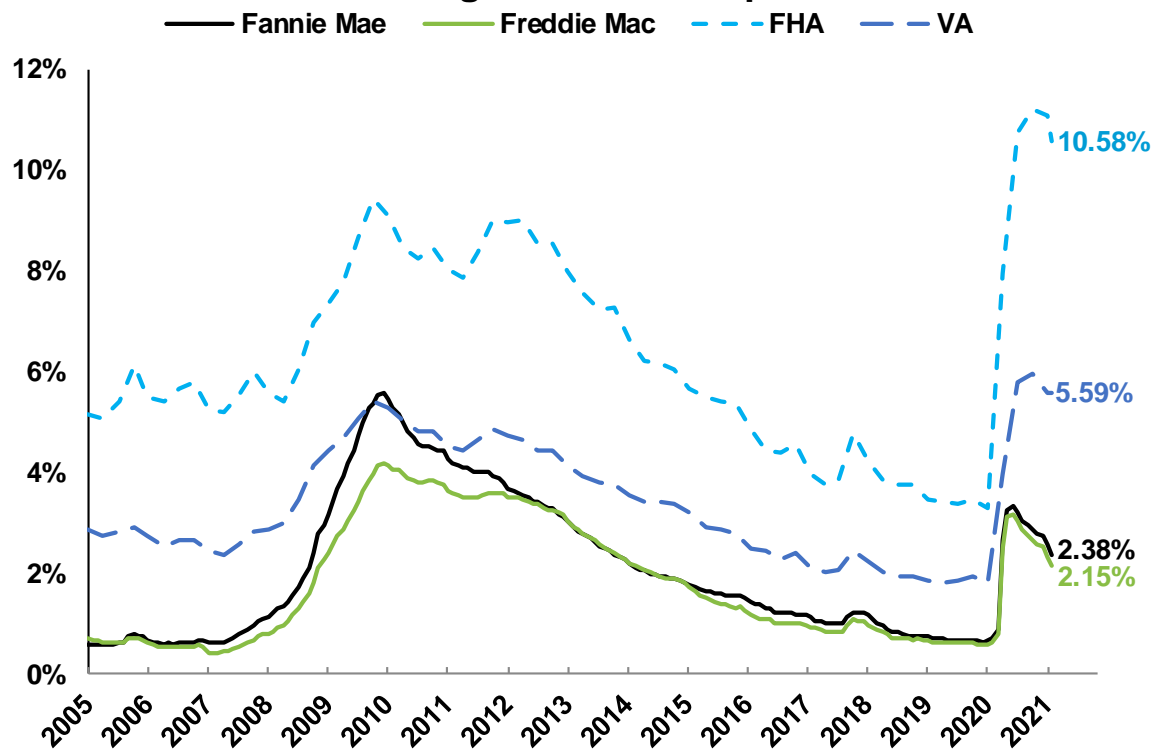
# Strong Credit Quality in U.S. Housing



Source: Freddie Mac

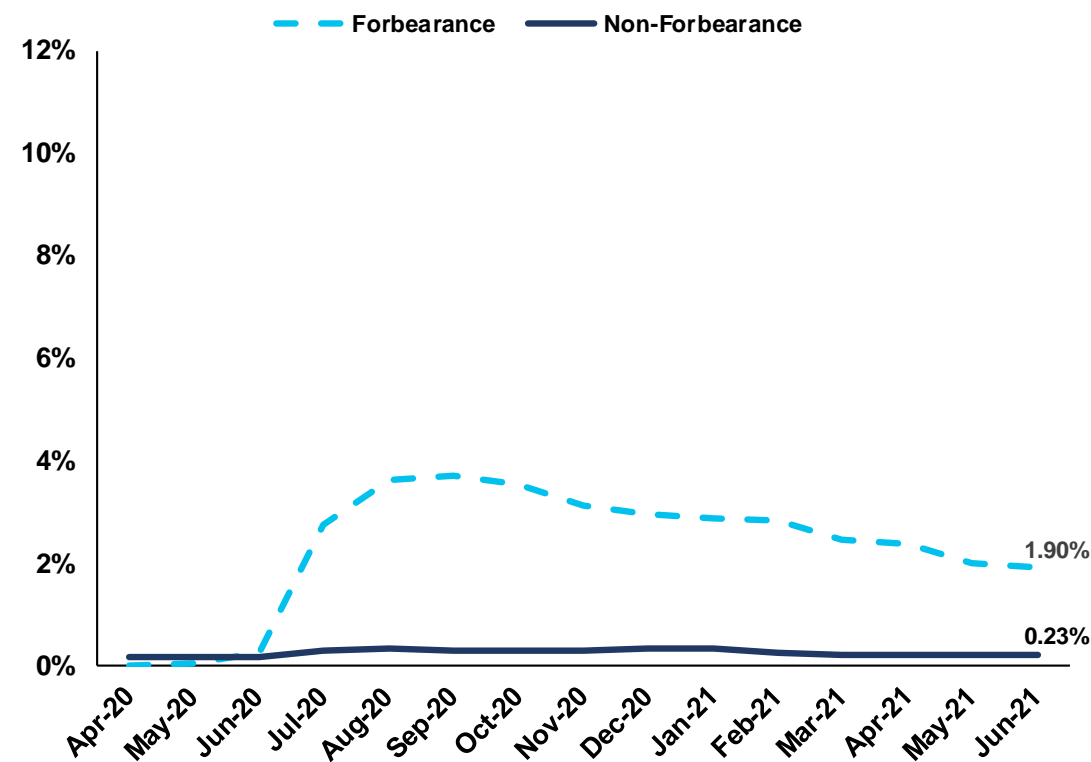
# Delinquency Trends

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

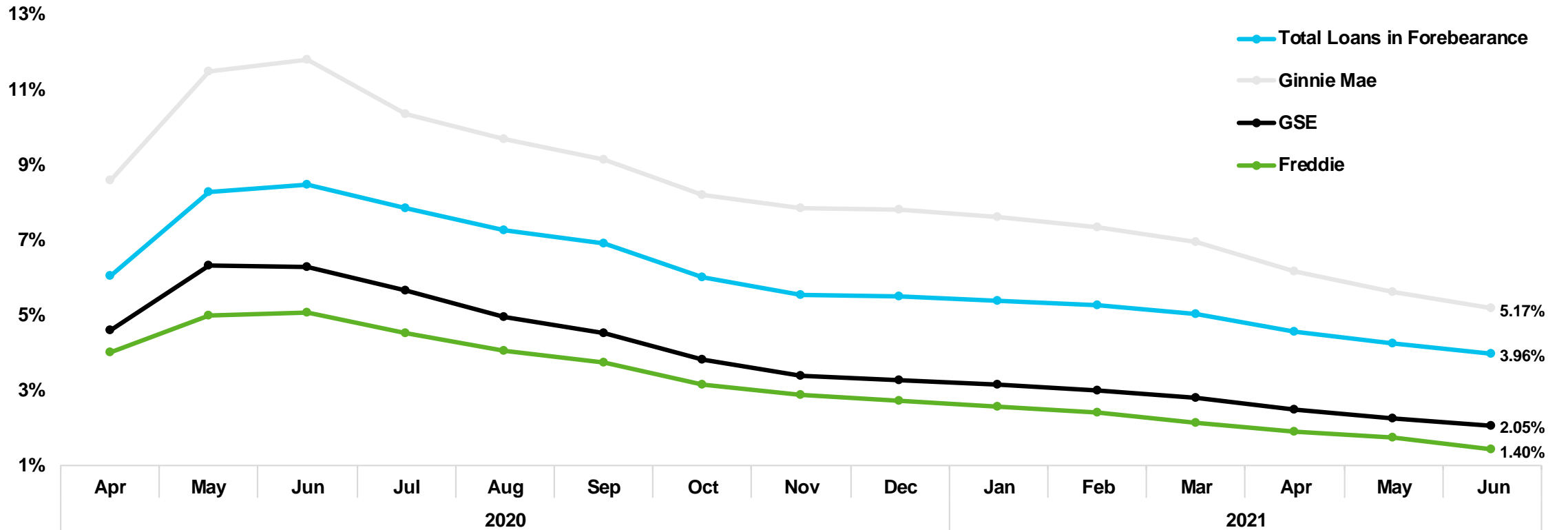


Source: Freddie Mac Clarity Data Intelligence, as of June 2021  
 Note: Serious delinquency is defined as 90 days or more past due or in the foreclosure process.

# Forbearance Rate Trends

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

### Share of Mortgage Loans in Forbearance



Source: MBA; Freddie Mac

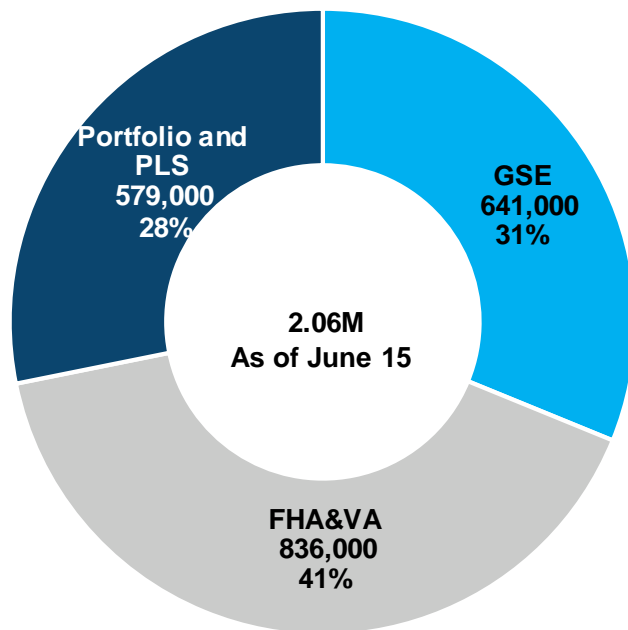
Note: The share is based on the total portfolio loan count



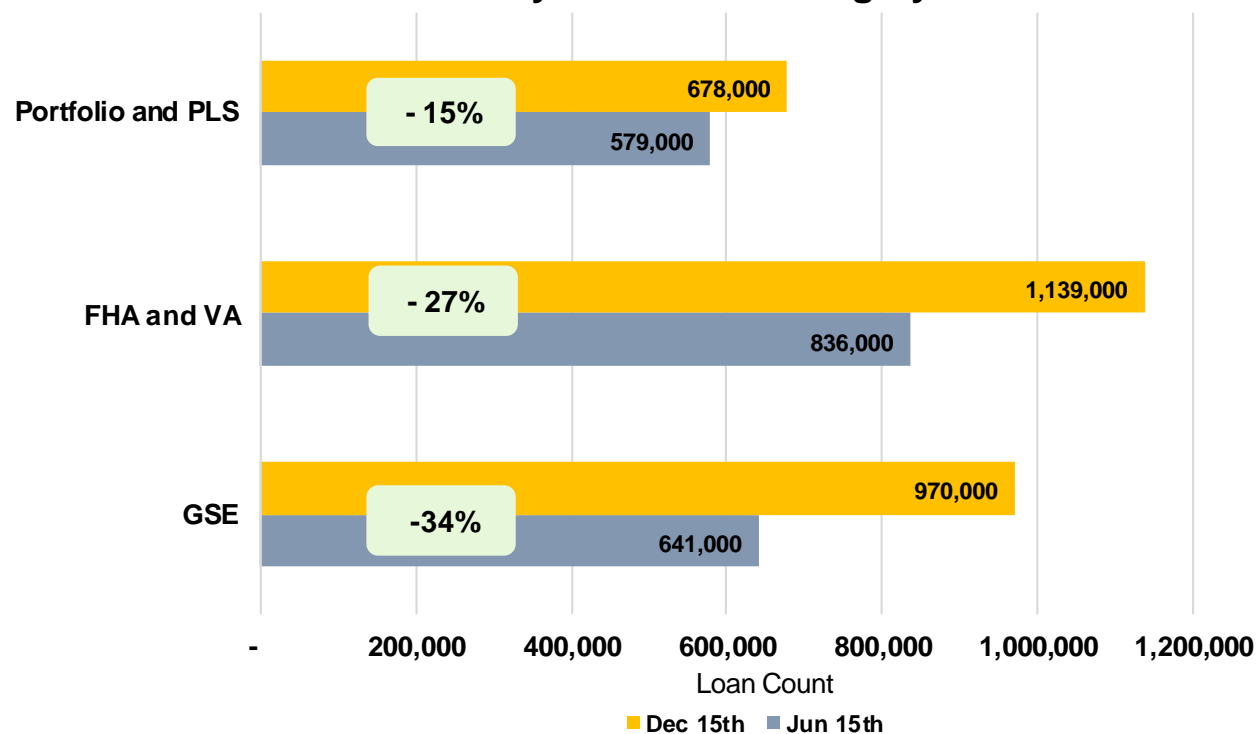
# Forbearance Rate Trends

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



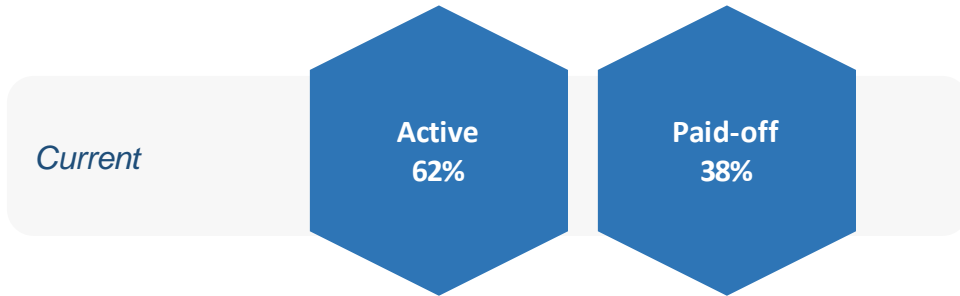
Source: Black Knight; Freddie Mac Calculations

# Forbearance Exit Transition *as of June 2021 Reporting Period*

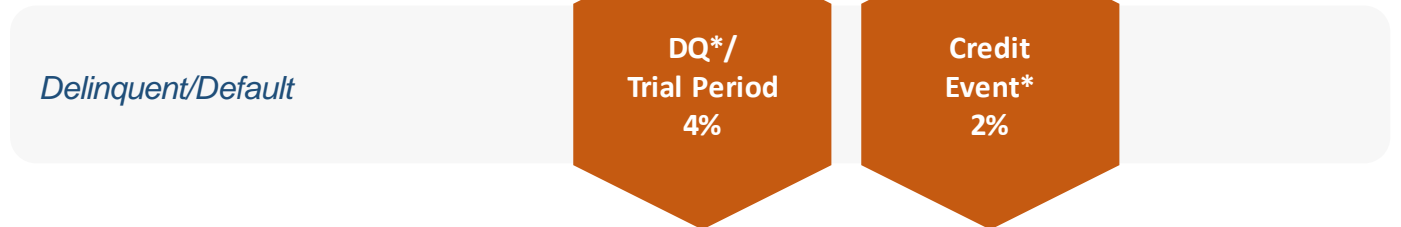
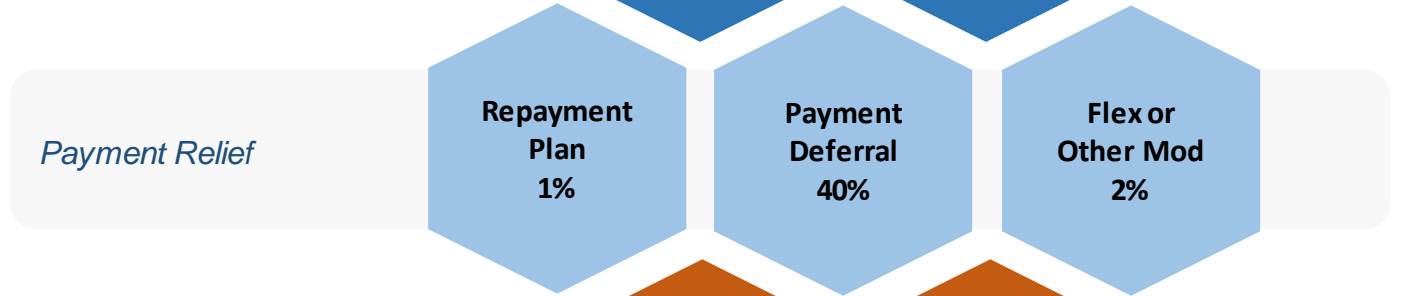
74% of loans have exited COVID-19 related forbearance in CRT Transactions\*

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

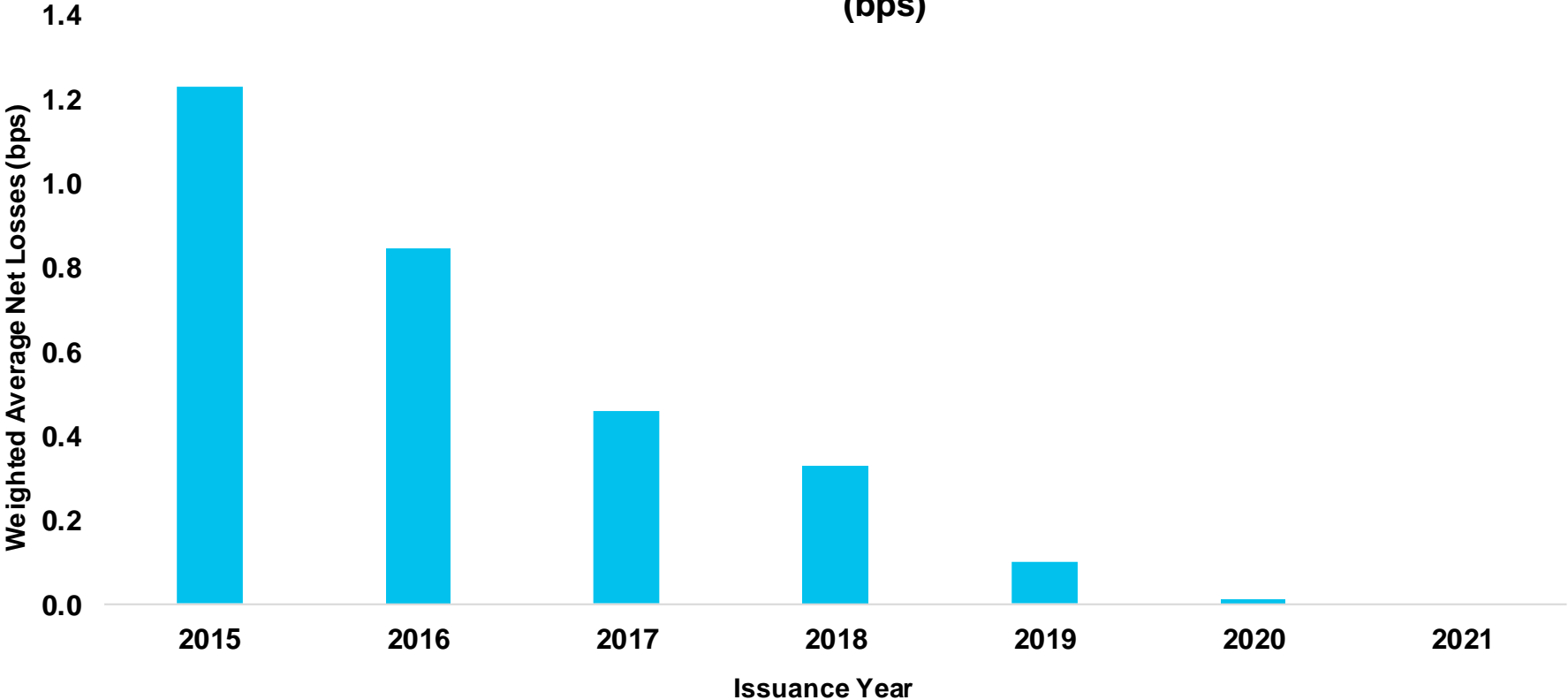
64

Transactions with <1bp of Loss

0

Transactions with >1.7bps of Loss

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

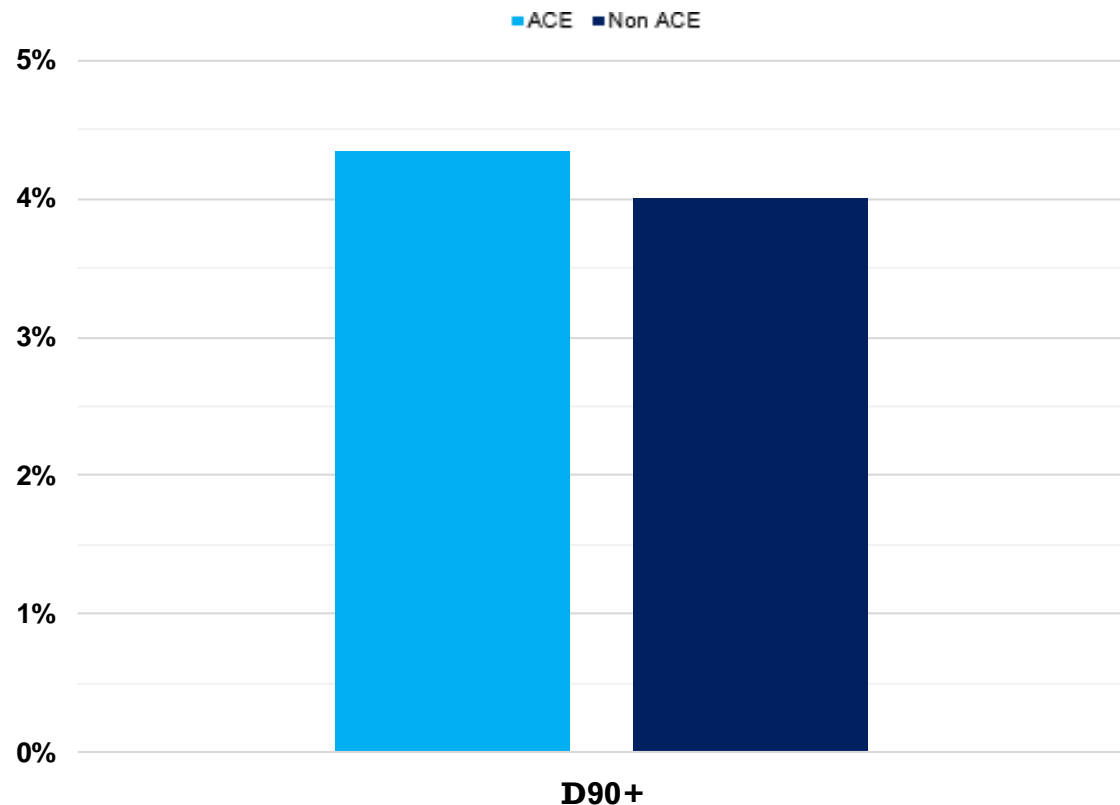


Source: Freddie Mac monthly remittance data for DNA and HQA Actual Loss transactions, as of June 2021.

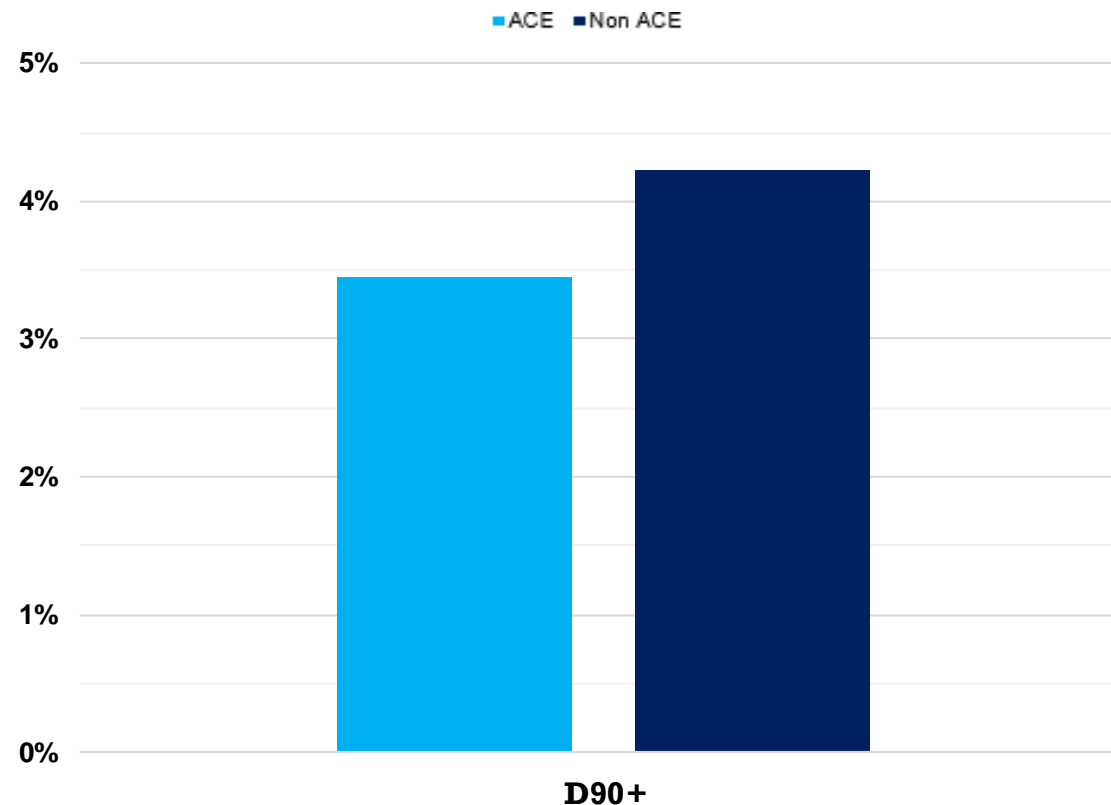


# ACE Performance in CRT Pools

Current ACE vs Non-ACE Performance



Cumulative ACE vs Non-ACE Performance



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



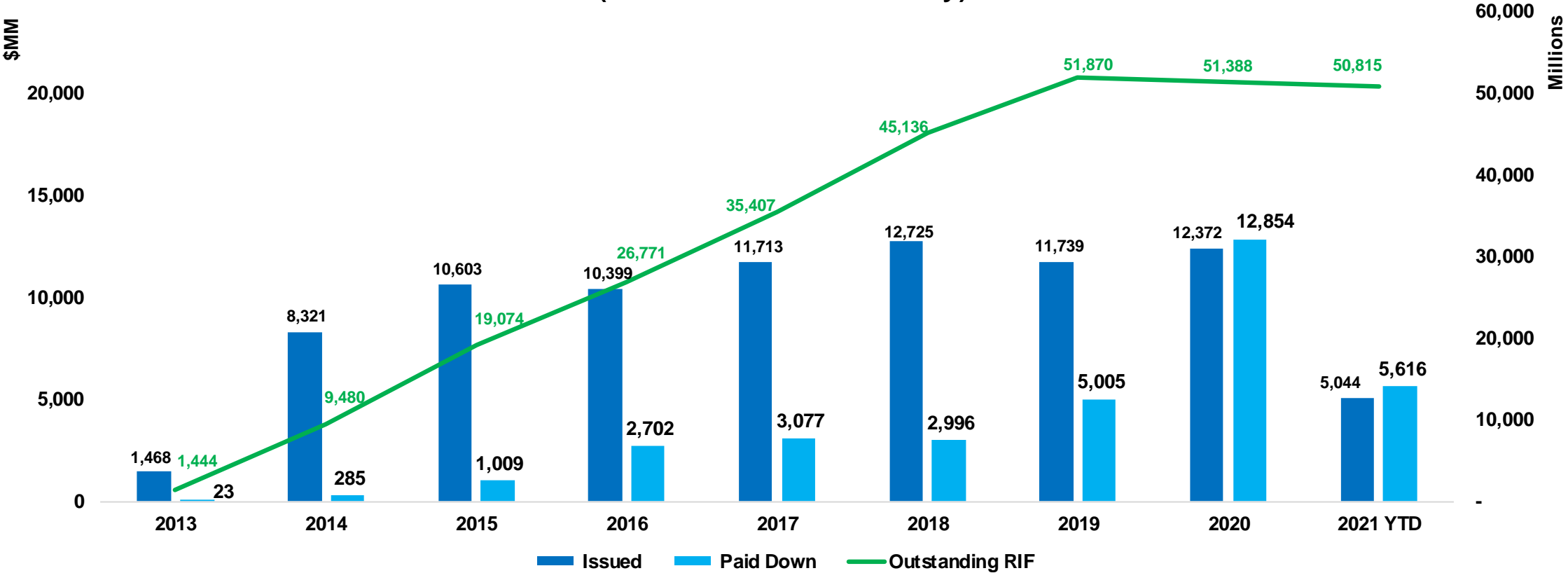
- Compare CRT deals or benchmarks across six categories
- Enhanced Proxy Cohort dashboards
- User Guide and Glossary
- Cumulative performance characteristics
- STACR deal participation by investor type and count
- More enhancements to come

# **STACR**

## **Secondary Market Performance**

# CRT Market

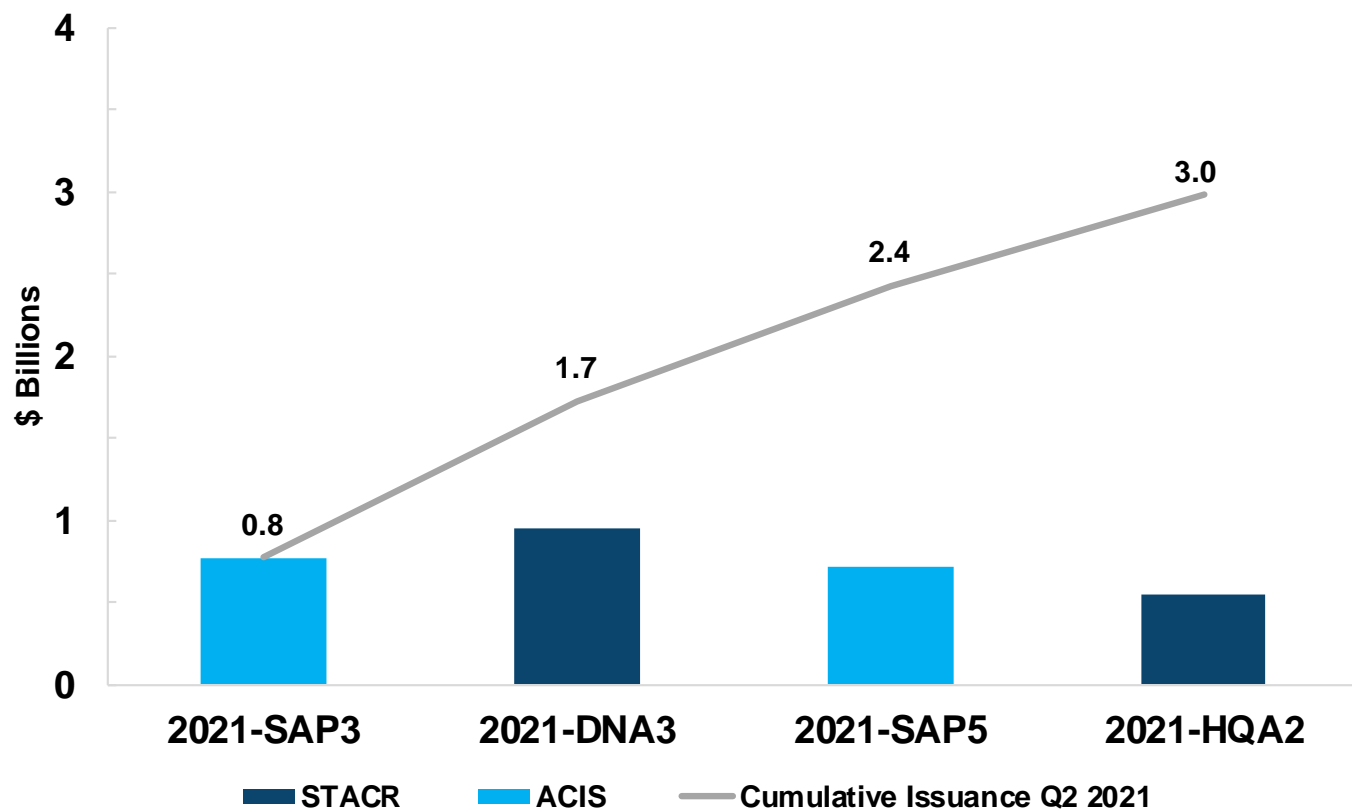
### CRT Market Yearly Issuance & Runoff (Includes STACR & CAS only)



Source: Bloomberg; Freddie Mac, as of June 2021

# Programmatic Issuance

Q2 2021 Issuance



## \$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

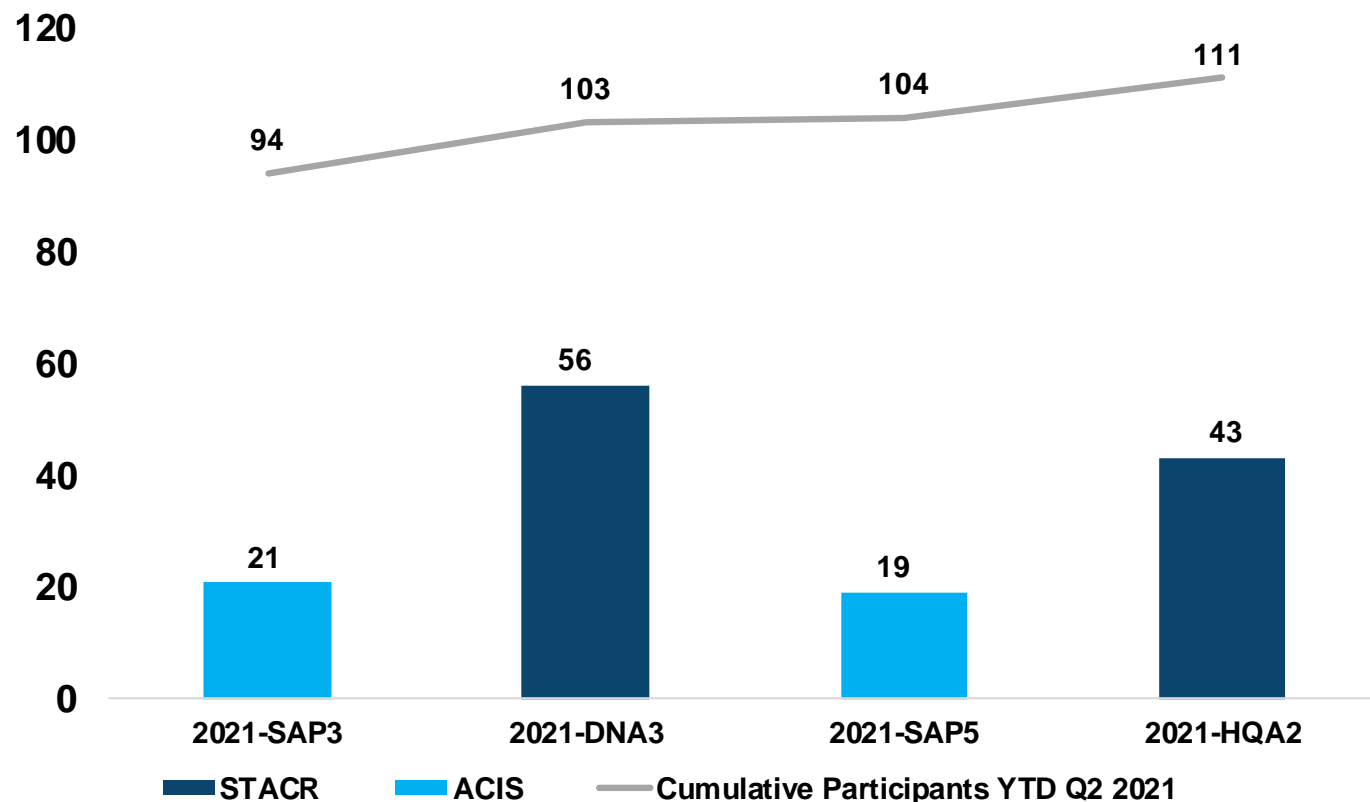
Commitment to providing unique offerings

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

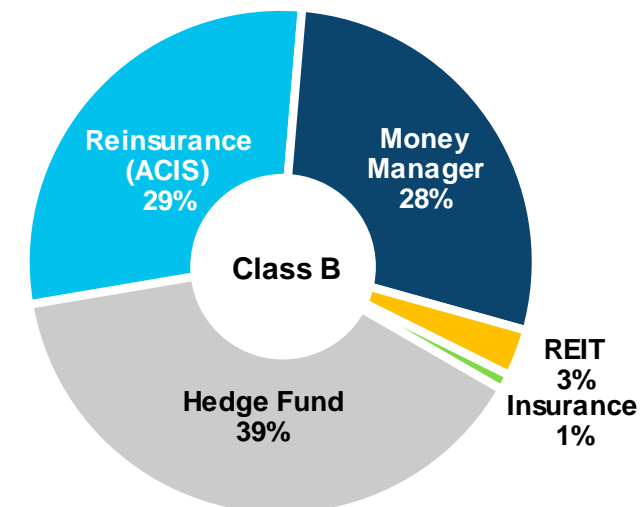
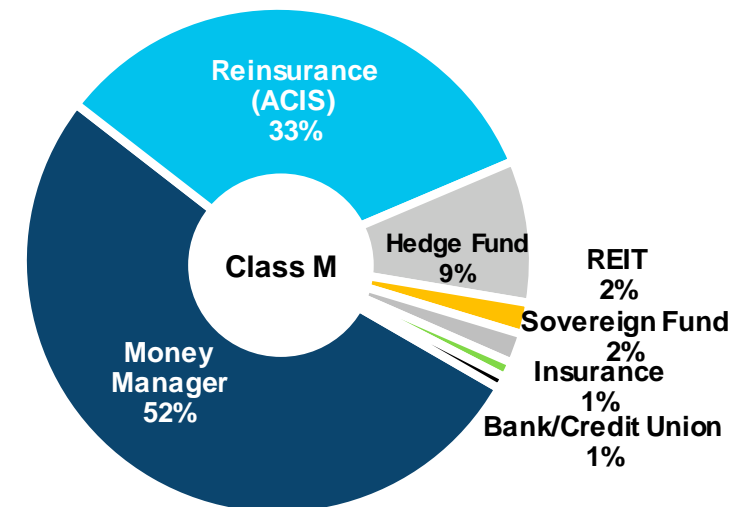
Source: Freddie Mac, as of June 2021. Note: Amounts may not add up due to rounding.

# Diverse Participation

Q2 2021 Deal Participation

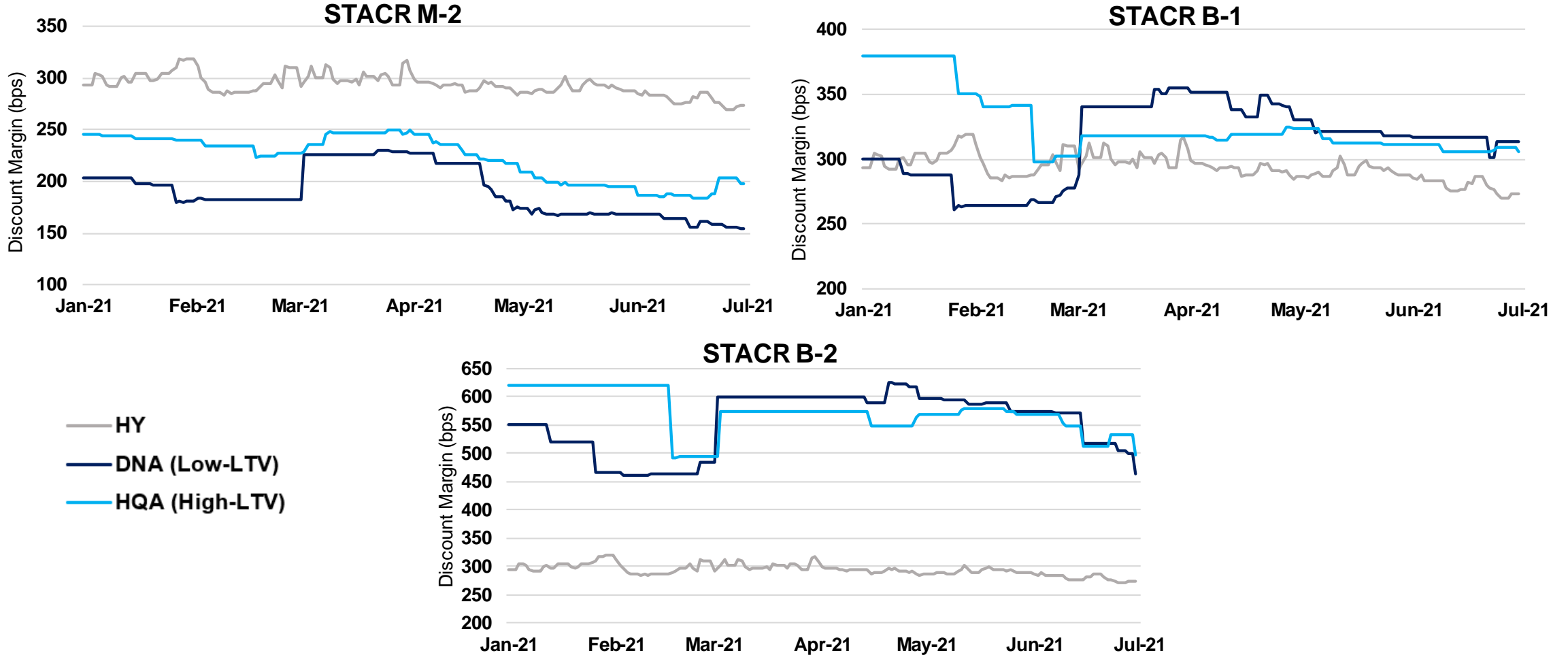


Participant Profile Since 2019



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

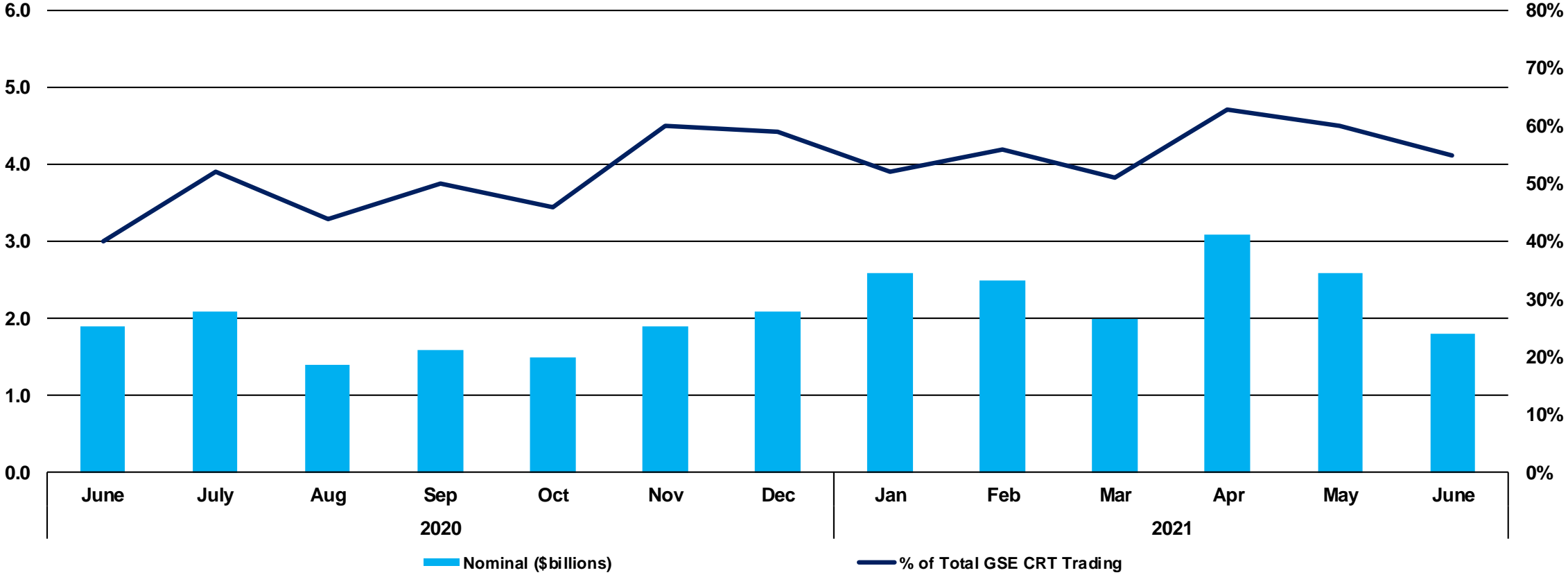
# STACR Secondary Trading Spreads



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

Monthly Trading Volume Over Trailing 12 Months<sup>(1)</sup>



(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](http://CRT.FreddieMac.com) | [Clarity.FreddieMac.com](http://Clarity.FreddieMac.com)**



Freddie Mac CRT Quarterly Webcast | Q2 2021

# Questions

# Disclaimers

# Safe Harbor Statements

## Freddie Mac obligations

Freddie Mac's securities are obligations of Freddie Mac only. The securities, including any interest or return of discount on the securities, are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.

## No offer or solicitation of securities

This presentation includes information related to, or referenced in the offering documentation for, certain Freddie Mac securities, including offering circulars and related supplements and agreements. Freddie Mac securities may not be eligible for offer or sale in certain jurisdictions or to certain persons. This information is provided for your general information only, is current only as of its specified date and does not constitute an offer to sell or a solicitation of an offer to buy securities. The information does not constitute a sufficient basis for making a decision with respect to the purchase or sale of any security. All information regarding or relating to Freddie Mac securities is qualified in its entirety by the relevant offering circular and any related supplements. Investors should review the relevant offering circular and any related supplements before making a decision with respect to the purchase or sale of any security. In addition, before purchasing any security, please consult your legal and financial advisors for information about and analysis of the security, its risks and its suitability as an investment in your particular circumstances.

## Forward-looking statements

Freddie Mac's presentations may contain forward-looking statements, which may include statements pertaining to the conservatorship, the company's current expectations and objectives for its Single-family Guarantee, Multifamily and Capital Markets segments, its efforts to assist the housing market, liquidity and capital management, economic and market conditions and trends, market share, the effect of legislative and regulatory developments and

new accounting guidance, credit quality of loans the company owns or guarantees, the costs and benefits of the company's credit risk transfer transactions, and results of operations and financial condition on a GAAP, Segment Earnings, non-GAAP and fair value basis. Forward-looking statements involve known and unknown risks and uncertainties, some of which are beyond the company's control. Management's expectations for the company's future necessarily involve a number of assumptions, judgments and estimates, and various factors, including changes in market conditions, liquidity, mortgage spreads, credit outlook, actions by the U.S. government (including FHFA, Treasury and Congress), and the impacts of legislation or regulations and new or amended accounting guidance, could cause actual results to differ materially from these expectations. These assumptions, judgments, estimates and factors are discussed in the company's Annual Report on Form 10-K for the year ended December 31, 2018, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, which are available on the Investor Relations page of the company's website at [www.freddiemac.com/investors](http://www.freddiemac.com/investors) and the SEC's website at [www.sec.gov](http://www.sec.gov). The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances occurring after the date of this presentation.

# Disclaimer

## Notice to all Investors:

This presentation ("Presentation") is not an offer to sell any Freddie Mac securities. Offers for any given security are made only through applicable private placement memoranda and any related supplements, which incorporate Freddie Mac's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 11, 2021, and all documents that Freddie Mac files with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act, excluding any information "furnished" to the SEC on Form 8-K. Content in this Presentation is not reflective of current markets/spreads and is not indicative of any future Freddie Mac offerings. Please use this Presentation for informational purposes only.

## Notice to Reinsurers:

THIS PRESENTATION MUST NOT BE ACTED ON OR RELIED UPON BY PERSONS WHO ARE NOT (RE)INSURANCE PROFESSIONALS WITH THE REQUISITE LEVEL OF EXPERTISE AND SOPHISTICATION REQUIRED TO UNDERSTAND AND UNDERWRITE MORTGAGE CREDIT INSURANCE RISK. ADDITIONAL DUE DILIGENCE WILL BE REQUIRED ON THE PART OF SUCH PROFESSIONALS IN THEIR INDIVIDUAL ASSESSMENTS OF, AND THE DEGREE TO WHICH THEIR RESPECTIVE (RE)INSURANCE COMPANIES MAY COVER, ANY RISK SUMMARIZED IN THIS PRESENTATION.

## Notice to Investors in the European Economic Area and the United Kingdom:

THIS PRESENTATION IS NOT A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION (AS DEFINED BELOW). THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA (THE "EEA") OR IN THE UNITED KINGDOM (THE "UK"). FOR THESE PURPOSES, A 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"); OR
- (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED OR SUPERSEDED, THE "INSURANCE DISTRIBUTION DIRECTIVE), 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 REGULATION (EU) 2017/1129 (AS AMENDED, THE "PROSPECTUS REGULATION").

CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA OR IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR IN THE UK MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

## MIFID II PRODUCT GOVERNANCE

ANY DISTRIBUTOR SUBJECT TO MIFID II THAT IS OFFERING, SELLING OR RECOMMENDING THE NOTES IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES AND DETERMINING ITS OWN DISTRIBUTION CHANNELS FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE RULES UNDER COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 (AS AMENDED, THE "DELEGATED DIRECTIVE"). NONE OF THE TRUST, THE SPONSOR OR ANY OF THE INITIAL PURCHASERS MAKES ANY REPRESENTATIONS OR WARRANTIES AS TO A DISTRIBUTOR'S COMPLIANCE WITH THE DELEGATED DIRECTIVE.

## NOTICE TO UNITED KINGDOM INVESTORS

THE TRUST MAY CONSTITUTE A "COLLECTIVE INVESTMENT SCHEME" AS DEFINED BY SECTION 235 OF THE FSMA THAT IS NOT A "RECOGNIZED COLLECTIVE INVESTMENT SCHEME" FOR THE PURPOSES OF THE FSMA AND THAT HAS NOT BEEN AUTHORIZED, REGULATED OR OTHERWISE RECOGNIZED OR APPROVED. AS AN UNREGULATED SCHEME, THE NOTES CANNOT BE MARKETED IN THE UNITED KINGDOM TO THE GENERAL PUBLIC, EXCEPT IN ACCORDANCE WITH THE FSMA.

THE DISTRIBUTION OF THIS PRESENTATION (A) IF MADE BY A PERSON WHO IS NOT AN AUTHORIZED PERSON UNDER THE FSMA, IS BEING MADE ONLY TO, OR DIRECTED ONLY AT, PERSONS WHO (I) ARE OUTSIDE THE UNITED KINGDOM, OR (II) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS IN ACCORDANCE WITH ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION ORDER 2005 (THE "FINANCIAL PROMOTION ORDER"), OR (III) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) THROUGH (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE FINANCIAL PROMOTION ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "FPO PERSONS"); AND (B) IF MADE BY A PERSON WHO IS AN AUTHORIZED PERSON UNDER THE FSMA, IS BEING MADE ONLY TO, OR DIRECTED ONLY AT, PERSONS WHO (I) ARE OUTSIDE THE UNITED KINGDOM, OR (II) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFY AS INVESTMENT PROFESSIONALS IN ACCORDANCE WITH ARTICLE 14(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES (EXEMPTIONS) ORDER 2001 (AS AMENDED) (THE "PROMOTION OF COLLECTIVE INVESTMENT SCHEMES EXEMPTIONS ORDER"), OR (III) ARE PERSONS FALLING WITHIN ARTICLE 22(2)(A) THROUGH (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.") OF THE PROMOTION OF COLLECTIVE INVESTMENT SCHEMES EXEMPTIONS ORDER, OR (IV) ARE PERSONS TO WHOM THE TRUST MAY LAWFULLY BE PROMOTED IN ACCORDANCE WITH CHAPTER 4.12 OF THE U.K. FINANCIAL CONDUCT AUTHORITY'S CONDUCT OF BUSINESS SOURCEBOOK (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "PCIS PERSONS" AND, TOGETHER WITH THE FPO PERSONS, THE "RELEVANT PERSONS").

THIS PRESENTATION MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PRESENTATION RELATES, INCLUDING THE NOTES, IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. ANY PERSONS OTHER THAN RELEVANT PERSONS SHOULD NOT ACT OR RELY ON THIS PRESENTATION. POTENTIAL INVESTORS IN THE UNITED KINGDOM ARE ADVISED THAT ALL, OR MOST, OF THE PROTECTIONS AFFORDED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE NOTES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

## Notice to Canadian Investors:

The Notes 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 Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

# Disclaimer

## Notice to Spanish Investors:

No action has been or will be taken by Freddie Mac that would permit a public offering of the Notes in Spain non-exempted from the prospectus requirement. Neither the Notes nor the offering have been or will be registered or approved by the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) ("CNMV") and, therefore, no prospectus has been or will be registered or approved by the CNMV for the purposes of this offering.

## Notice to Japanese Investors:

The Notes have not been and will not be registered under FIEA and, accordingly, each Initial Purchaser undertakes that it will not offer or sell any Notes 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 organized under the laws of Japan.

## Notice to Korean Investors:

The Trust is not making any representation with respect to eligibility of any recipients of this Presentation to acquire the Notes referred to herein under the laws of Korea. The Notes offered under this Presentation have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under FSCMA and are therefore subject to certain transfer restrictions. The Notes 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.

## Notice to Investors in the People's Republic of China ("PRC", for the sole purpose herein, excluding Hong Kong, Macau and Taiwan):

The Notes may not be offered or sold directly or indirectly within the PRC. The offering material or information contained herein relating to the Notes, 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 ("CSRC")), may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC. The offering material or information contained herein relating to the Notes does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The Notes may only be invested by PRC investors that are authorized to engage in the purchase of notes 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 informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant approvals/licenses, verification and/or registrations themselves from relevant governmental authorities (including but not limited to the People's Bank of China, CSRC, the State Administration of Foreign Exchange, the China Banking and Insurance Regulatory Commission and other relevant regulatory bodies), and complying with all relevant PRC regulations, including, but not limited to, all

relevant foreign exchange regulations and/or foreign investment regulations.

## Notice to Singaporean Investors:

SECTION 309B(1)(C) NOTIFICATION UNDER THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE: THE NOTES ARE CAPITAL MARKETS PRODUCTS OTHER THAN PRESCRIBED CAPITAL MARKETS PRODUCTS (AS DEFINED IN THE SECURITIES AND FUTURES (CAPITAL MARKETS PRODUCTS) REGULATIONS 2018 OF SINGAPORE) AND SPECIFIED INVESTMENT PRODUCTS (AS DEFINED IN MAS NOTICE SFA 04-N12: NOTICE ON THE SALE OF INVESTMENT PRODUCTS AND MAS NOTICE FAA-N16: NOTICE ON RECOMMENDATIONS ON INVESTMENT PRODUCTS). This Presentation has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"). Accordingly, this Presentation or any document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

## Notice to Taiwanese Investors:

The Notes 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 Notes in Taiwan, the Republic of China.

**A prospective investor in securities of Freddie Mac must conduct its own independent review and due diligence to make its own assessment of the merits and risks of making an investment in, perform its own legal, accounting and tax analysis and conclude that the investment in the securities of Freddie Mac (i) is fully consistent with the investor's financial requirements and financial condition, investment objectives and risk tolerance; (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to the investor; and (iii) is a fit, proper and suitable investment for the investor.**