

Welcome to the Securities Spotlight! Published quarterly to keep you up to date with all resources, events and insights related to Mortgage-Backed Securities.

## In This Edition



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### [Spotlight On](#)

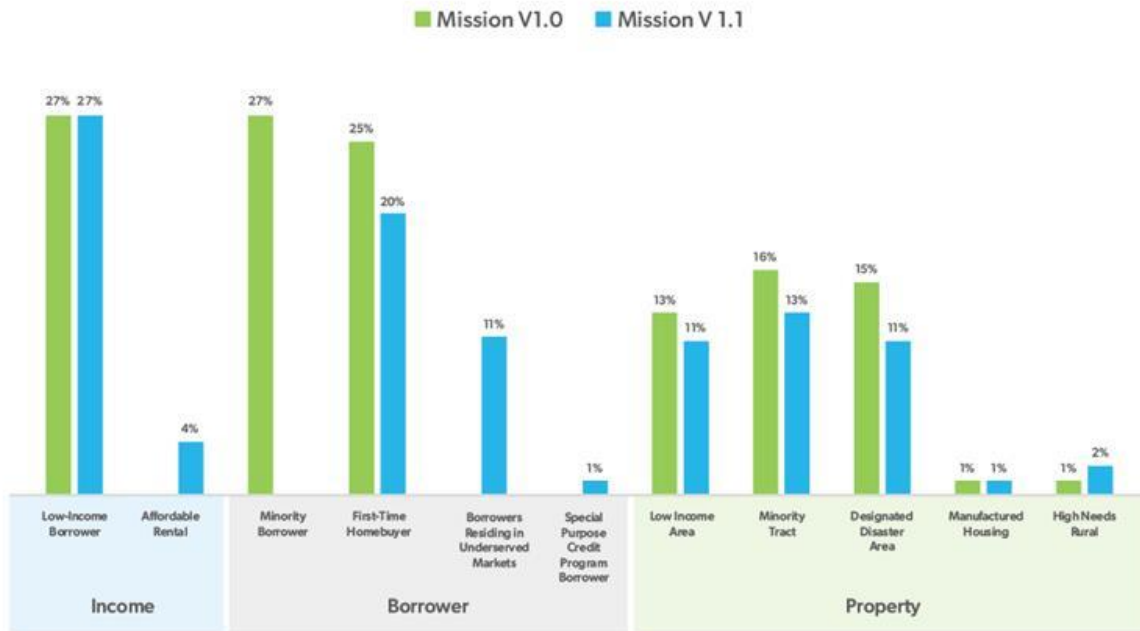
#### Updated Mission Index Methodology and Labeled Social Bonds

Our Mission Index data disclosures help investors identify securities with higher concentrations of mission-focused loans with characteristics related to Income, Borrower and Property, while still preserving borrower privacy. In June 2024, we updated our mission-scoring methodology to Mission Index v1.1. Accordingly, we also began issuing bonds with the highest concentration of loans that meet the specified criteria as Social Bonds.

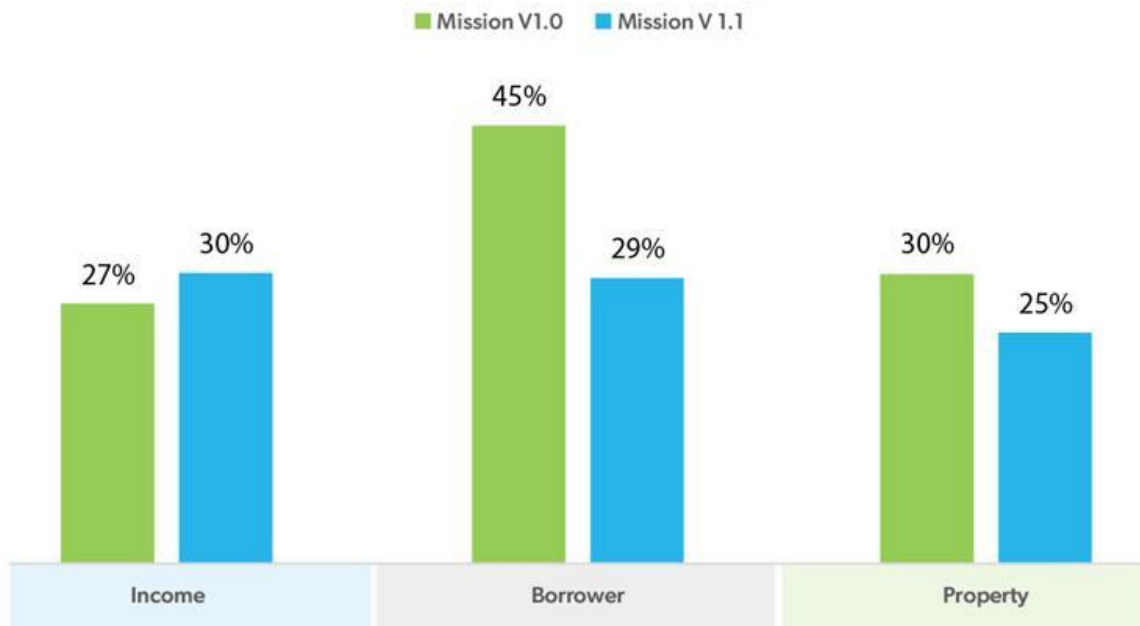
The updated Mission Index v1.1 scoring adds new criteria and fine-tunes area median income (AMI) targets. Here's a quick look at how the updated calculations impact the population of eligible 'Social' collateral and a discussion of the implications for prepayment behavior.

The update from Mission Index v1.0 to v1.1 slightly increases the percentage of loans that meet the criteria for the income dimension but reduces the percentage of loans that meet the requirements related to Borrower and Property dimensions. The net impact is a modest decrease in the total eligible loan population. The intention of the updated criteria in Mission Index v1.1 is to establish a path to more effectively and deliberately direct capital to borrowers that are most in need.

### 2023 CL Loan Level Mission Criteria Share

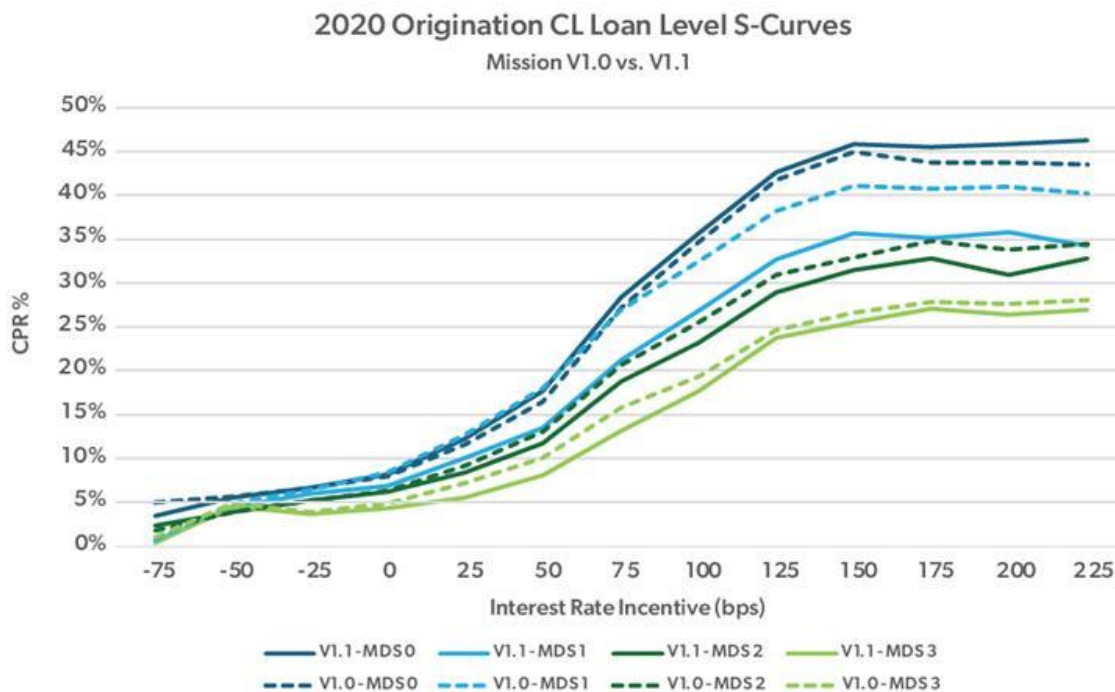


### 2023 CL Loan Level Mission Density Score



In addition to potentially improving access to credit for historically underserved borrowers, high Mission Index score bonds exhibit characteristics that have been shown to correlate with more desirable convexity profiles, adding call protection relative to generic TBA collateral in response to mortgage rate movements. Empirical data shows that collateral with higher mission density

scores exhibit less interest rate sensitivity than non- or low-mission score collateral (i.e., flatter s-curves).



For full details on Freddie Mac’s Single-Family Social Bond framework, the Mission Index dimensions and criteria and more, please check out our [website](#).

## **Stay in the Know!**

### **Mortgage-Backed Securities (MBS) Investor Day 2024**

Join us for our Freddie Mac MBS Investor Day on Tuesday, October 15, 2024. Be on the lookout for more details from us on how to register for the event.

### **Clarity**

Clarity Data Intelligence® (Clarity) is our data visualization platform that provides transparency and relevant content to supplement our data disclosures. [See what’s new in Clarity](#).

The Community Reinvestment Act (CRA) - Targeted Pool Supplemental Disclosure is no longer hosted on our Mortgage Securities Data webpage. Users can also access REMIC data under Structured Transaction Reports. [Create a login on our Clarity site to access the data file](#).

### **Historical VantageScore® 4.0 Data**

FHFA recently announced the publication of historical VantageScore® 4.0 scores. [Learn more about credit score models](#).

## Green MBS Impact Report

We published our Green MBS Impact Report which quantifies the estimated beneficial environmental impact of energy efficiency and renewable energy features on homes with mortgages backing our labeled Green MBS issued in 2023. [Check it out here.](#)



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