



## Freddie Mac Sells \$43.7 Million NPLs to Non-Profit Buyer

July 1, 2016

MCLEAN, VA--(Marketwired - Jul 1, 2016) - Freddie Mac (OTCQB: FMCC) today announced it sold via auction 189 deeply delinquent non-performing loans (NPLs) serviced by Bayview Loan Servicing, LLC from its mortgage investment portfolio. The transaction is expected to settle in September 2016, and servicing will be transferred post-settlement. The sale is part of Freddie Mac's Extended Timeline Pool Offerings (EXPO<sup>®</sup>) and Community Loan Fund of New Jersey, Inc., a non-profit, is the winning bidder. Freddie Mac, through its advisors, began marketing the transaction on May 25, 2016, to potential bidders, including minority and women-owned businesses (MWOBs), non-profits, neighborhood advocacy funds and private investors active in the NPL market.

The loans have been delinquent for almost five years, on average. Given the deep delinquency status of the loans, the borrowers have likely been evaluated previously for or are already in various stages of loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 33 percent of the aggregate pool balance. The aggregate pool is geographically concentrated in Florida and has a loan-to-value ratio of approximately 93 percent, based on Broker Price Opinion (BPO). Both pools sold at a weighted average price in the mid-70s.

The pools and winning bidders are summarized below:

Description	Pool #1	Pool #2
Unpaid Principal Balance	\$26.1 million	\$17.6 million
Loan Count	110	79
CLTV Range	All	All
BPO CLTV	93	92
Average Months Delinquent	59	55
Average Loan Balance (\$000)	237.1	222.5
Geographical Distribution	Florida	Florida
Winning Bidder	Community Loan Fund of New Jersey, Inc.	Community Loan Fund of New Jersey, Inc.

Advisors to Freddie Mac on the transaction were Bank of America Merrill Lynch and The Williams Capital Group, a minority-owned business.

Through the first quarter of 2016, Freddie Mac sold \$4.3 billion in NPLs as part of its strategy to reduce the less liquid assets in its mortgage-related investments portfolio. [Requirements](#) guiding the servicing of these transactions are focused on improving borrower outcomes and stabilizing communities. In April 2016, Freddie Mac's regulator, the Federal Housing Finance Agency, announced [enhanced requirements pdf](#) for NPL sales. Additional information about the company's NPL sales is at <http://www.freddiemac.com/npl/>.

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 the largest source of financing for multifamily housing. Additional information is available at [FreddieMac.com](http://FreddieMac.com), Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog at [FreddieMac.com/blog](http://FreddieMac.com/blog).

The financial and other information contained in the documents that may be accessed on this page speaks only as of the date of those documents. The information could be out of date and no longer accurate. Freddie Mac does not undertake an obligation, and disclaims any duty, to update any of the information in those documents. Freddie Mac's future performance, including financial performance, is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the company's future results are discussed more fully in our reports filed with the SEC.