



Freddie Mac Announces First NPL Sale to Non-Profit Buyer

December 21, 2015

Sells \$18.4 Million NPLs to Community Loan Fund of New Jersey, Inc.

MCLEAN, VA--(Marketwired - Dec 21, 2015) - Freddie Mac (OTCQB: FMCC) today announced it sold via auction 103 deeply delinquent non-performing loans (NPLs) serviced by Wells Fargo Bank, N.A., from its mortgage investment portfolio on December 18, 2015. The winning bidder of the auction was Community Loan Fund of New Jersey, Inc. Non-profit, private and minority and women-owned businesses (MWOBs) were all encouraged to bid. The transaction is expected to settle in February 2016 and servicing will be transferred post-settlement. The sale is part of Freddie Mac's Extended Timeline Pool Offerings ([EXPO®](#)). In March 2015, Freddie Mac's regulator, the Federal Housing Finance Agency, announced [enhanced requirements pdf](#) for NPL sales.

These loans have been delinquent for approximately three 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 43 percent of the aggregate pool balance. The aggregate pool is geographically concentrated in Miami-Dade and Tampa, FL, and has a loan-to-value ratio of approximately 88 percent, based on BPO (Broker Price Opinion).

The pool and cover bid price (second highest bids) are summarized below:

Description	Pool #1
Unpaid Principal Balance	\$18.4 million
Loan Count	103
BPO CLTV	88
Average Months Delinquent	33
Average Loan Balance (\$000)	178.3
Geographical Concentration	Florida
Winning Bidder	Community Loan Fund of New Jersey, Inc.
Cover Bid Price	Low \$70s

Freddie Mac, through its advisors, began marketing the transaction on November 9, 2015, to potential bidders, including MWOBs, non-profits, neighborhood advocacy funds and private investors active in the NPL market.

A second pool that is 100 percent concentrated in New Jersey was put out for bid but was not traded based on economics.

Advisors to Freddie Mac on the transaction were Wells Fargo Securities, JPMorgan Securities and First Financial Network, a woman-owned business.

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 approximately one in four home borrowers and is one of the largest sources of financing for multifamily housing. Additional information is available at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog at [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.