

FOR IMMEDIATE RELEASE

October 19, 2021

MEDIA CONTACT: Fred Solomon

703-903-3861

Frederick_Solomon@freddiemac.com

Freddie Mac Sells \$1.2 Billion in NPLs

Awards 4 SPO Pools to 3 Winners

McLean, Va. - Freddie Mac (OTCQB: FMCC) today announced it sold via auction 7,186 non-performing residential first lien loans (NPLs) from its mortgage-related investments portfolio. The loans, with a balance of approximately \$1.2 billion, are currently serviced by Specialized Loan Servicing LLC, Select Portfolio Servicing, Inc., and NewRez LLC, d/b/a Shellpoint Mortgage Servicing. The transaction is expected to settle in December 2021. The sale is part of Freddie Mac's Standard Pool Offerings (SPO®). Freddie Mac, through its advisors, began marketing the transaction on September 16, 2021 to potential bidders, including non-profits and Minority, Women, Disabled, LGBT, Veteran or Service-Disabled Veteran-Owned Businesses (MWDOBs), neighborhood advocacy organizations and private investors active in the NPL market. Bids for the upcoming Extended Timeline Pool Offering (EXPO), which is a smaller sized pool of loans, are due from qualified bidders by November 16, 2021.

For the SPO® offerings, the loans were offered as four separate pools of mortgage loans. The four pools consist of mortgage loans secured by geographically diverse properties. Investors had the flexibility to bid on each pool individually and/or any combination of pools.

Given the delinquency status of the loans, the borrowers have likely been evaluated previously for loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 64 percent of the aggregate pool balance.

Additionally, purchasers are required to honor the terms of existing loss mitigation agreements and solicit distressed borrowers for additional assistance except in limited cases and ensure all pending loss mitigation actions are completed.

The SPO pools and winning bidders are summarized below:

Description	Pool #1	Pool #2	Pool #3	Pool #4
Unpaid Principal Balance	\$320.1 million	\$503.6 million	\$161.8 million	\$197.2 million
Loan Count	1989	2808	862	1527
BPO-weighted* CLTV (in %)	66	42	68	64
Average Months Delinquent	23	24	34	36
Average Loan Balance (in \$000s)	160.9	179.3	187.7	129.2
Geographical Distribution	National	National	National	National
Winning Bidder	VRMTG ACQ, LLC	Truman 2021 SC9, LLC	VRMTG ACQ, LLC	MCLP Asset Company, Inc.
Cover Bid Price (% of UPB) (second-highest bid price)	100 area	Low-Mid 110s	Mid 100s	Low-Mid 90s

*Broker Price Opinions (BPOs)

Advisors to Freddie Mac on the transaction are Citigroup Global Markets Inc and First Financial Network, Inc., a woman-owned business.

Freddie Mac's seasoned loan offerings are focused on reducing less-liquid assets in the company's mortgage-related investments portfolio in an economically sensible way. This includes sales of NPLs, securitizations of re-performing loans (RPLs) and structured RPL transactions.

To date, Freddie Mac has sold over \$8 billion of NPLs and securitized approximately \$75 billion of RPLs consisting of \$30 billion via fully guaranteed PCs, \$33 billion via Seasoned Credit Risk Transfer (SCRT) senior/sub securitizations, and over \$11 billion via Seasoned Loans Structured Transaction (SLST) offerings. [Requirements](#) guiding

the servicing of these transactions are focused on improving borrower outcomes and stabilizing communities. Additional information about Freddie Mac's seasoned loan offerings is available at <http://www.freddie.mac.com/seasonedloanofferings/>

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at FreddieMac.com, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

###