

M-DealSM Program Handout

Freddie Mac's Targeted Affordable Housing (TAH) Structured Transactions program provides creative and flexible structured debt solutions for third-party originated collateral that supports Freddie Mac's mission of providing stability to the affordable housing market. The addition of the tax-exempt bond (TEB) securitization program (M-DealSM) to Freddie Mac's line of business was formally announced in 2004. The M CertificateSM provides investors the opportunity to invest in predominantly tax-exempt securities supported by pools of tax-exempt bonds and secured by completed, occupied and stabilized affordable multifamily housing properties.

Securitization Highlights

- Total historical issuance
\$11.5 Billion
- Minimum loan pool size of at least
\$100 million in aggregate UPB
- Freddie Mac Guarantee
- Senior class will receive a corporate rating
- Efficient and cost-effective financing path for 4% LIHTC properties
- Select Social Impact Bonds Offerings

Collateral Highlights

- Affordable multifamily properties
- Loans qualify for receipt of LIHTC, and properties are subject to rent restrictions
- Quality Sponsorship
- All underlying assets are re-underwritten by Freddie Mac
- Supports mission-driven business by providing much needed financing for underserved areas
- Potential source for Community Reinvestment Act (CRA) investments

Securitization Program Strengths

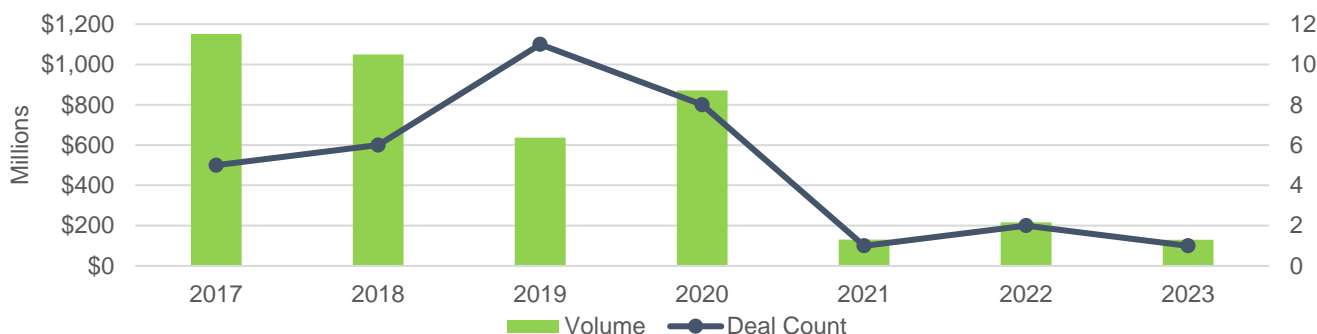
- Strong Credit
- Diversification
- Liquidity

Collateral Types

- Tax-Exempt and Taxable Multifamily Housing Revenue Bonds and Notes
- Custodial Receipts backed by tax-exempt and taxable bonds and notes

Execution Volume and Deal Count

Freddie Mac "M" series program provides sponsors, who are aggregating pools of tax-exempt bonds or notes (and related taxable bonds or notes) on their balance sheets, access to capital market funding, balance sheet capital relief and enhanced liquidity.



General M-Deal Structure – Sequential Pay



- The Class B Certificate is generally retained by the sponsor
- The Class B Certificate is a residual class and would pay residual interest
- Principal collected is distributed sequentially, unless the total outstanding principal balance of the subordinate Class B Certificate is reduced to zero
- Losses on the underlying mortgage loans will be first allocated to the Class B Certificate until the outstanding principal balance has been reduced to zero

General Mortgage Guidelines

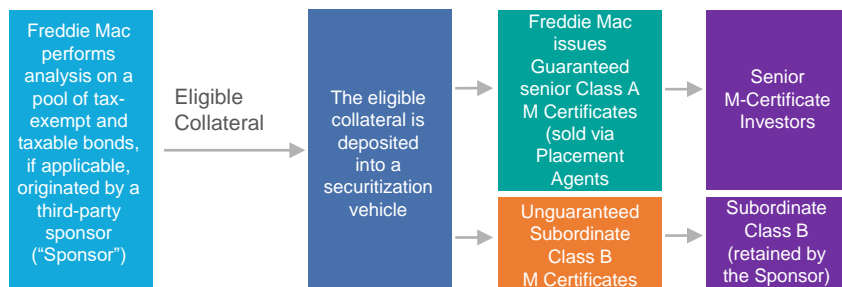
Eligible Loan Terms	<ul style="list-style-type: none"> Amortization term up to and including 40 years Total terms typically not exceeding 45 years Collateral in an interest-only period is acceptable
Eligible Property/Collateral Type	Underlying assets typically reflect one or more of the following characteristics: <ul style="list-style-type: none"> Entitled to Low-Income Housing Tax Credit (LIHTC) Units subject to rent/income restrictions Benefits from Section 8 Housing Assistance Payments Other regulatory agreements, land use restriction agreement, declaration of restrictive covenants, etc. imposing rent/income restrictions
Eligible Sponsors	<ul style="list-style-type: none"> Eligible seller/servicers are those approved to originate and service TAH transactions as well as other well-capitalized financial institutions approved on a case-by-case basis
DSCR and LTV	<ul style="list-style-type: none"> Maximum weighted average loan-to-value (LTV) ratio of 95% and minimum debt-service coverage ratio (DSCR) of 1.05x across the pool

Historical M-Deal Transactions (Deals from 2019-2023)¹

Deal Name	Sponsor	# of Deposited Assets	Pool Size (\$millions)	Bond Duration	Rate Type	Impact Designation	Collateral Type
M-056	Arc70 Fund I – 2019 TEBS LLC	3	\$14	4 year	Fixed	N/A	Taxable Bonds
M-057	SAHI TEBS II LLC	6	\$47	10 year	Fixed	N/A	Tax-exempt Notes
M-058	SAHI TEBS II LLC	5	\$10	6 year	Fixed	N/A	Taxable Notes
M-059	MM/Barings Multifamily TEBS 2020 LLC	6	\$130	11 year	Fixed	N/A	Tax-exempt Custodial Receipts
M-060	MM/Barings Multifamily TEBS 2020 LLC	7	\$205	9 year	Fixed	N/A	Taxable Custodial Receipts
M-061	Dominium TEBS Sponsor IV LLC	7	\$136	15 year	Fixed	N/A	Tax-exempt Bonds
M-062	Arc70 Fund I - 2020 TEBS LLC	9	\$113	13 year	Fixed	Social Bonds	Tax-exempt Bonds / Custodial Receipts
M-063	Arc70 Fund I - 2020 TEBS LLC	3	\$34	13 year	Fixed	Social Bonds	Tax-exempt Bonds / Custodial Receipts
M-064	Arc70 Fund II - 2020 TEBS LLC	11	\$165	14 year	Fixed	Social Bonds	Tax-exempt Bonds / Custodial Receipts
M-065	Arc70 Fund II - 2020 TEBS LLC	7	\$81	8.5 year	Fixed	Social Bonds	Tax-exempt Bonds / Custodial Receipts
M-066	Arc70 Fund II - 2020 TEBS LLC	1	\$6	11 year	Fixed	Social Bonds	Taxable Notes
M-067	Key Depositor LLC	8	\$130	13.7 year	Fixed	N/A	Tax-exempt Bonds
M-068	Dominium TEBS Sponsor V LLC	5	\$121	13 year	Fixed	Sustainability Bonds	Tax-exempt Bonds
M-069	RSZ TAC Residual Holder LLC	6	\$95	13 year	Fixed	Social Bonds	Tax-exempt Bonds
M-070	CRBT TEBS Sponsor I LLC	10	\$130	12 year	Floating	Social Bonds	Tax-exempt Custodial Receipts

¹ Please refer to the Offering Circular for specifics related to each deal

General M-Deal Structural Diagram



Sample Cash Flow Waterfall

Interest from underlying Bonds

- (-) Interest paid to class A certificates
- (-) Freddie Mac fees
- (-) Remarketing fees (if applicable)
- (-) Servicing fees
- (-) Hedge Escrow (if applicable)
- (-) Freddie Mac reimbursement amounts (if applicable)
- (=) Residual Interest paid to Class B

Additional Resources

Multifamily Issuance Calendar: https://mf.freddiemac.com/docs/mf_issuance_calendar.pdf

Impact Bonds Webpage: <https://mf.freddiemac.com/investors/impact-bonds>

Security Lookup Tool: <https://mf.freddiemac.com/investors/sd-remic-lookup>

For additional information, please contact: MF_CM_InvestorRelations@freddiemac.com or visit our website at mf.freddiemac.com

All program financial information as of December 31, 2023 unless otherwise indicated. This product overview is not an offer to sell or a solicitation of an offer to buy any Freddie Mac securities. Offers for any given security are made only through applicable offering circulars and related supplements, which incorporate Freddie Mac's Annual Report on Form 10-K and certain other reports filed with the Securities and Exchange Commission. This document contains information related to, or referenced in the offering documentation for, certain Freddie Mac mortgage securities. This information is provided for your general information only and is current only as of its date. The examples set forth above are for illustrative purposes only. Opinions contained in this document are those of Freddie Mac currently and are subject to change without notice. The information does not constitute a sufficient basis for making a decision with respect to the purchase and sale of any security and is directed only at, and is intended for distribution to and use by, qualified persons or entities in jurisdictions where such distribution and use is permitted and would not be contrary to law or regulation. All information regarding or relating to Freddie Mac securities is qualified in its entirety by the relevant offering circular and any related supplements. You 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. Please visit mf.freddiemac.com for more information. The multifamily investors section of Freddie Mac's website at <https://mf.freddiemac.com/investors> will also be updated, from time to time, with any information on material developments or other events that may be important to investors, and we encourage investors to access this website on a regular basis for such updated information.