

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 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 **\$11.6 Billion**
- Generally targeting 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

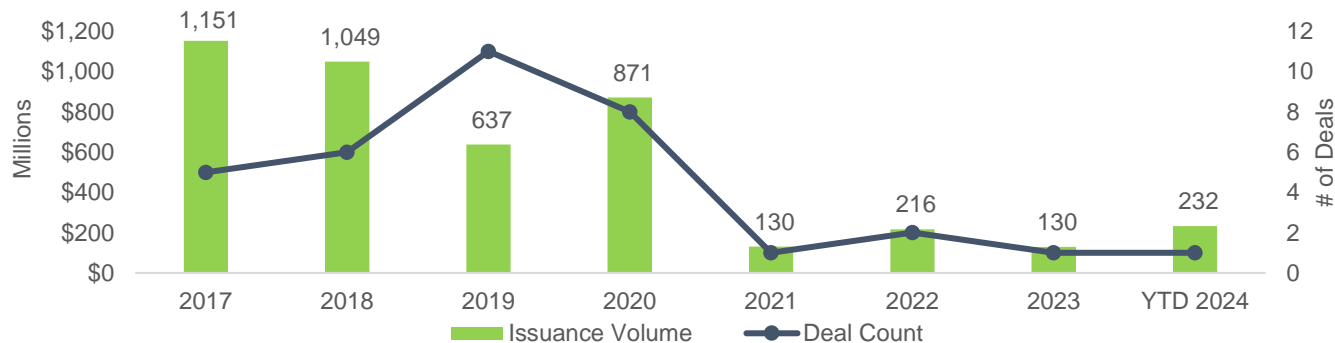
- Strong Credit
- Diversification
- Liquidity

Collateral Types

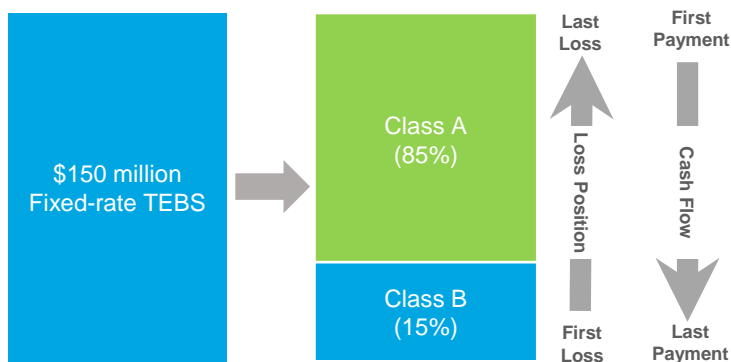
- Tax-Exempt and Taxable Multifamily Housing Revenue Bonds and Notes
- Custodial Receipts backed by tax-exempt and taxable bonds and notes

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

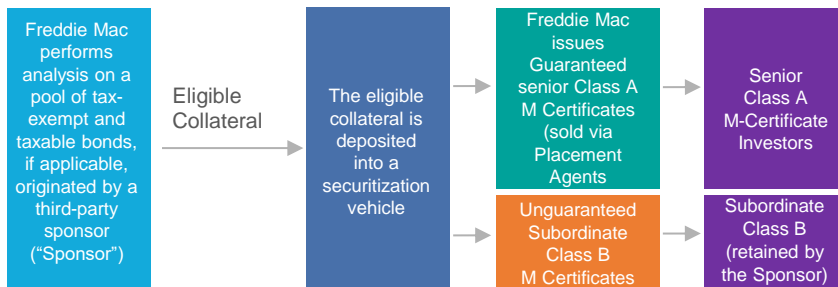
Eligible Loan Terms	<ul style="list-style-type: none"> Amortization term up to and including 40 years Total terms typically not exceeding 45 years Collateral in an interest-only period is acceptable
Eligible Property/Collateral Type	Underlying assets typically reflect one or more of the following characteristics: <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 agreements, declarations 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 2020-YTD 2024)¹

Deal Name	Sponsor	# of Deposited Assets	Pool Size (\$millions)	WAL	Rate Type	Impact Designation	Collateral Type
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 Notes
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 Notes
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
M-071	CRBT TEBS Sponsor II LLC	16	\$232	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.freddie.com/docs/mf_issuance_calendar.pdf

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

Security Lookup Tool: <https://mf.freddie.com/investors/performance-lookup>

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

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