Small Balance Loan Program Overview (SB-Deals®)

Investor Presentation

As of December 31, 2023

Small Balance Loan Program | Key Facts

We have securitized 15,437 loans totaling $41.4 billion through our SB Certificates®

Investor Highlights

- FRESB deals are not rated and are generally issued by a third-party trust
- Freddie Mac purchases and aggregates individual loans from lenders and securitizes pools of approximately $225 million or more
- Entire flow, from quote through post-securitization monitoring, leverages K-Deal® processes
- SB-Deals® have a separate “SBXX” designation on the FRESB shelf, consistent with other existing non-K-Deal securitizations (such as M-Deals℠ and Q-Deals℠)
- FRESB deals are highly mission driven and are a rich source for potential Community Reinvestment Act (CRA) credit

Focused Expertise and Results

- Dedicated professionals work within our Multifamily Production, Underwriting, Capital Markets, and Asset Management & Operations groups and focus solely on SBL
- We have a specialty network of 12 Optigo® SBL lenders with extensive experience in the SBL market who source small balance loans across the country
- As of December 2023, we have securitized 15,437 loans, which benefited 566,986 apartment units and totaled $41.4 billion in volume
- In 2023, we settled seven SB securitizations backed by $1.9 billion of collateral comprising 659 loans

SBL Program | Mechanics and Features

Freddie Mac Multifamily generally refers to SBL as loans between $1 million and $7.5 million, although in the commercial real estate market "small loans" can often refer to loans of less than $15 million. Certain regulatory agencies refer to small loans as having 5-50 units.

- We offer 5-, 7- and 10-year fixed-rate balloon products as well as 20-year hybrid balloon mortgages with 5-, 7- and 10-year initial fixed-rate periods followed by floating-rate SOFR with six-month reset periods
- Partial-term interest only (IO) and full-term IO may be available
- Originated and serviced through Optigo SBL lenders
- Efficient due diligence process with focused underwriting and commitment execution
- Competitive, transparent pricing
- Streamlined non-negotiable loan documents
- Available in all markets
- Cash-out proceeds may be allowed
- Credit and underwriting standards consistent with Freddie Mac Multifamily Conventional line of business
- Freddie Mac is the Master Servicer post-securitization

Sourcing Our SBL Business

The dedicated SBL Production team sources its loans from a select group **of 12 experienced multifamily lenders**

- The small size of the SBL network promotes quality originations and a high level of service to lenders and borrowers
- Lenders must meet our standards for both origination and servicing loans, which include meeting minimum financial requirements and obtaining satisfactory annual audits

Optigo SBL Lenders

Arbor Agency Lending LLC
Basis Investment Group LLC
Berkadia Commercial Mortgage LLC
Capital One N.A.
CBRE Capital Markets Inc.
CPC Mortgage Company LLC
Greystone Servicing Company LLC
Lument Capital
Pinnacle Financial Partners
Ready Capital
Regions Bank
Walker & Dunlop LLC

SBL Terms | Prepayment Provisions

Prepayment varies by term but offers both step-down or yield maintenance provisions for all products

	Hybrid ARMs[1]			Fixed-Rate		
Option	5+15 Year	7+13 Year	10+10 Year	5 Year	7 Year	10 Year
1	54321, 1%	5544321, 1%	5544332211, 1%	54321	5544321	5544332211
2[2]	321(3), 1%	3(2)2(2)1(3), 1%	3(3)2(3)1(4), 1%	321(3)	3(2)2(2)1(3)	3(3)2(3)1(4)
3[3]	(YM or 1%), 1%	(YM or 1%), 1%	(YM or 1%), 1%	YM or 1%	YM or 1%	YM or 1%
4	310(3), 0%	N/A	N/A	310(3)	N/A	N/A

[1] Hybrid ARM consists of initial fixed-rate period followed by floating-rate period. The hybrid floating-rate coupon is based on 30-day Average SOFR + 325 margin. Every six months, the floating rate may increase or decrease by up to 1%, with a maximum lifetime cap equal to the initial fixed rate +5% and a lifetime floor equal to the initial fixed rate

[2] Prepay description: e.g., “321(3), 1%” refers to 3% for year 1, 2% for year 2, 1% for the next three years, then 1% during the remaining floating-rate period

[3] Higher of yield maintenance (YM) or 1% during fixed-rate period; 1% during floating-rate period

Note: All prepayment options are open for prepayment without premium for three months prior to maturity. Hybrid ARMs can be prepaid without payment of a prepayment premium if prepaid during the floating-rate period using the proceeds of a Freddie Mac loan that is the subject of a binding purchase commitment by Freddie Mac or as the result of the sale of the property to an unrelated third party in an arms’ length transaction. Pricing varies by prepay type.

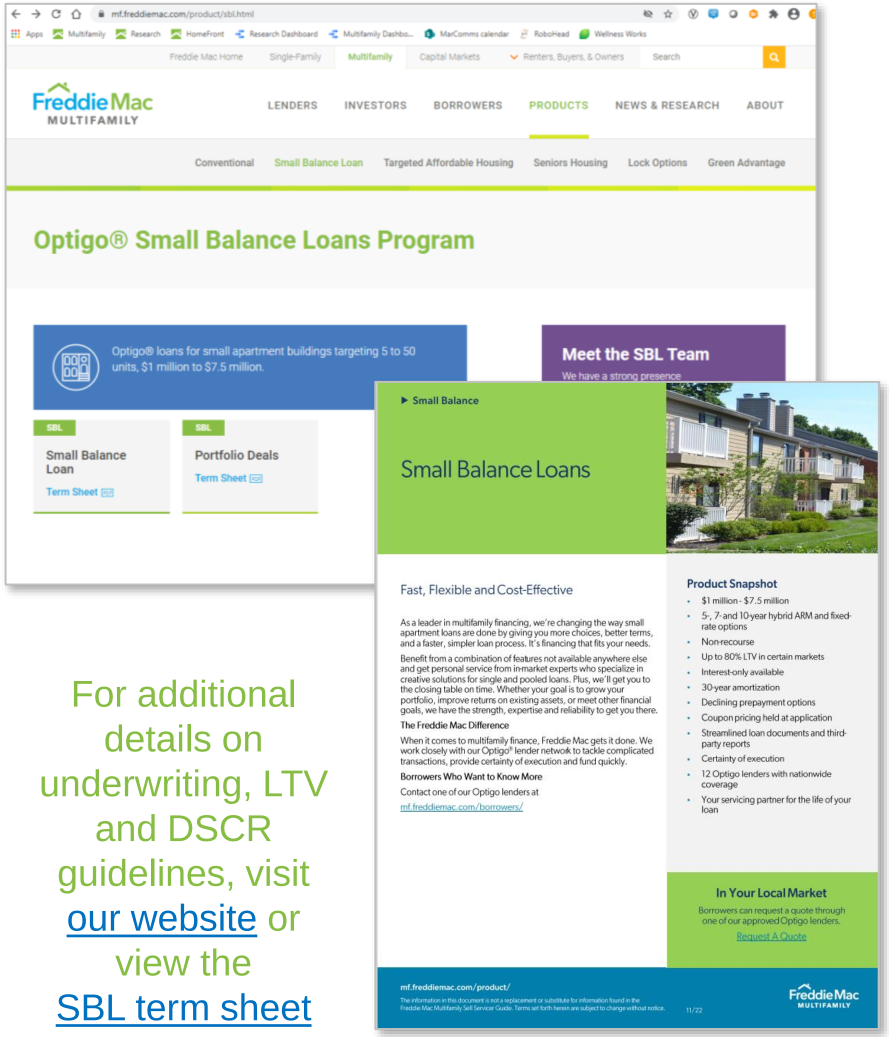
SBL Mortgage Guidelines

Property Type

- Conventional multifamily housing with five or more residential units
- Section 8 vouchers and tax abatements
- Properties may include commercial income
- Not allowed: Seniors Housing, Student Housing (greater than 50% concentration), military housing (greater than 50% concentration) and properties with Low-Income Housing Tax Credit (LIHTC) and/or Land Use Restriction Agreements (LURAs) (except those in the last two years of the initial compliance period or in the extended use period)

Loan Terms

- 20-year Hybrid ARM structures of 5-, 7- or 10-year initial fixed-rate period followed by floating-rate SOFR with six-month reset periods
- 5-, 7- and 10-year fixed balloon loan terms
- Maximum amortization of 30 years for both hybrid and balloon products
- Partial-term IO; full-term IO may be available
- Credit parameters consistent with Freddie Mac Multifamily conventional business
- Floating rate based on 30-day Average SOFR plus margin, subject to the periodic cap, floor and lifetime ceiling
- Prepayment fee varies by term but offers both step-down or yield maintenance provisions for all products



For additional details on underwriting, LTV and DSCR guidelines, visit [our website] or view the [SBL term sheet]

SBL Market Credit Alignment

	DSCR/LTV Baseline	
	Minimum Amortizing DSCR	Maximum LTV
Top SBL Markets	1.20x	80%
Standard SBL Markets	1.25x	80%
Small SBL Markets	1.30x	70% for Refinances 75% for Acquisition
Very Small SBL Markets	1.40x	

	Full-Term IO Adjustments* Full-Term IO or IO during Fixed-Rate Period of Hybrid ARM	
	Add to the Baseline	Maximum LTV
Top and Standard SBL Markets	0.15x	65%
Small and Very Small SBL Markets	0.10x	60%

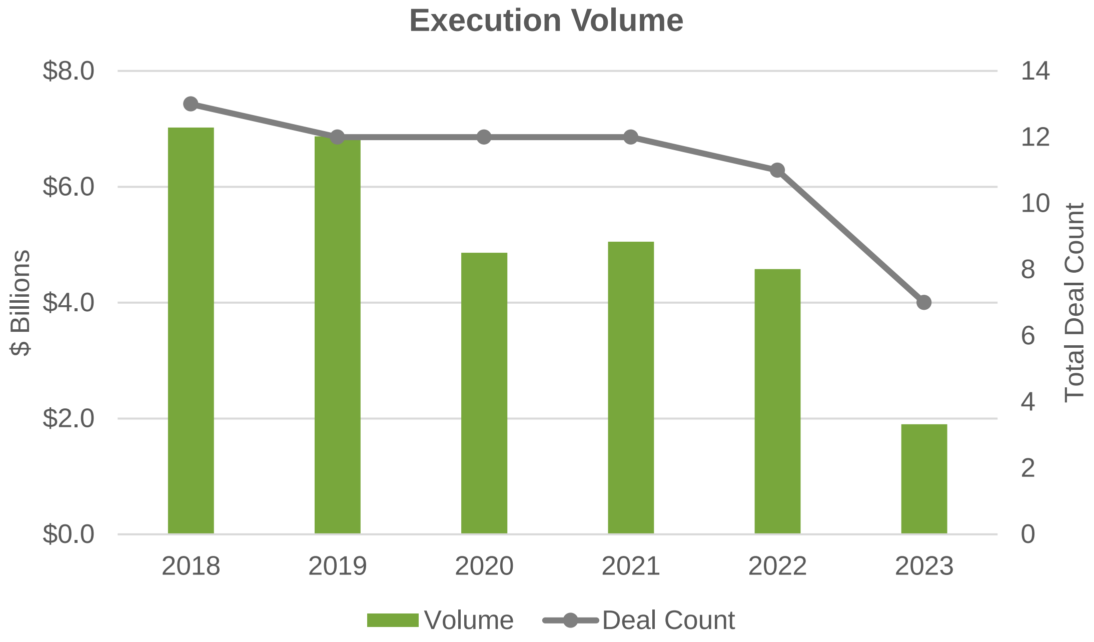
(*) Maximum available partial IO period for Small and Very Small SBL Markets is generally limited to:

- Zero (0) years on 5-year term
- One (1) year for a 7-year term
- Two (2) years for a 10-year term/20-year hybrid

Alternative measures explored to secure applications when LTV/DSCR adjustments are necessary based on competition in market:

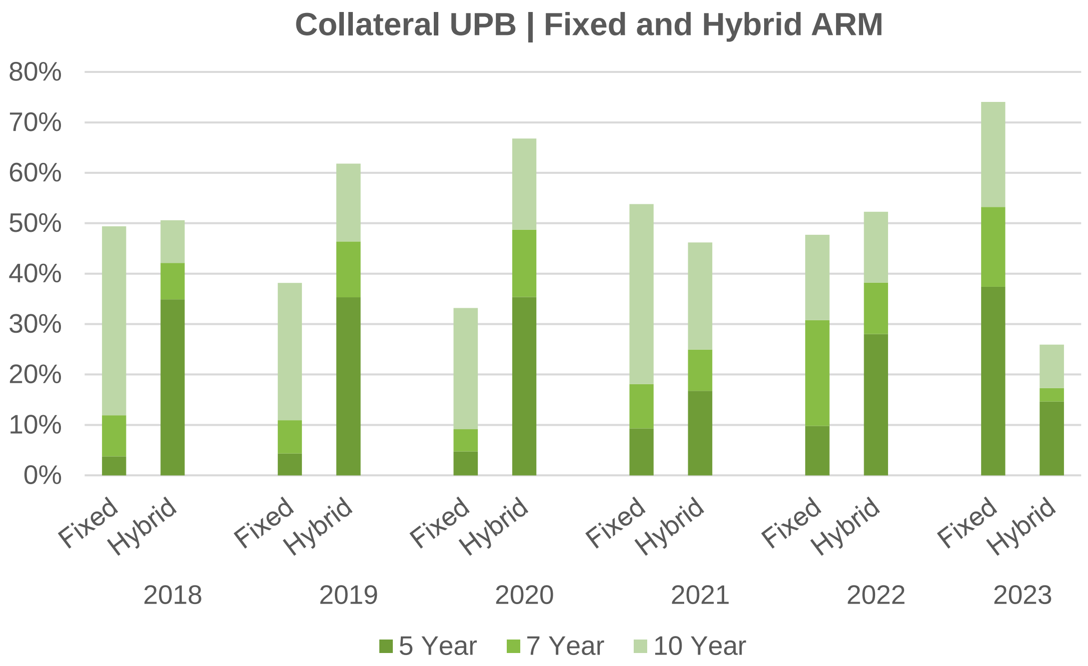
- Maintain static principal payments
- Shorter amortization
- Reduce IO period during fixed-rate term
- Use of some base recourse

SB-Deal Securitization Volume



Year	2018	2019	2020	2021	2022	2023	Program Total
SB-Deal Volume ($ Billion)	$7.0	$6.9	$4.9	$5.1	$4.6	$1.9	**$41.4**

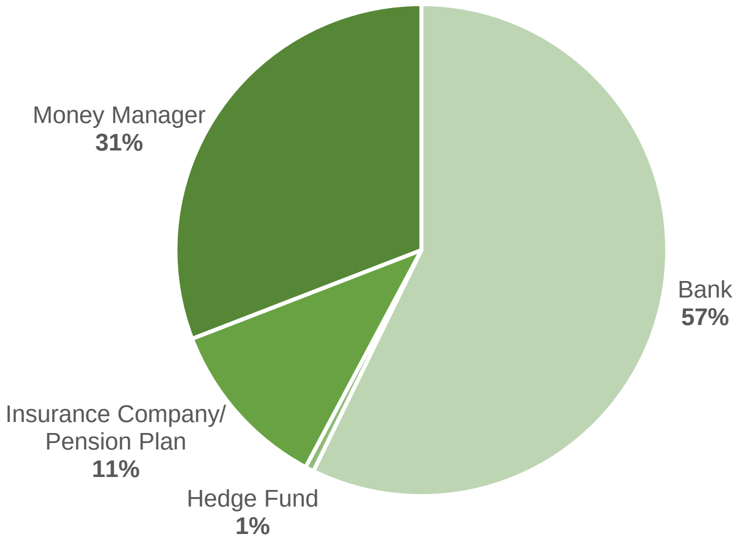
Note: SB-102 through SB-104 are fully guaranteed transactions.



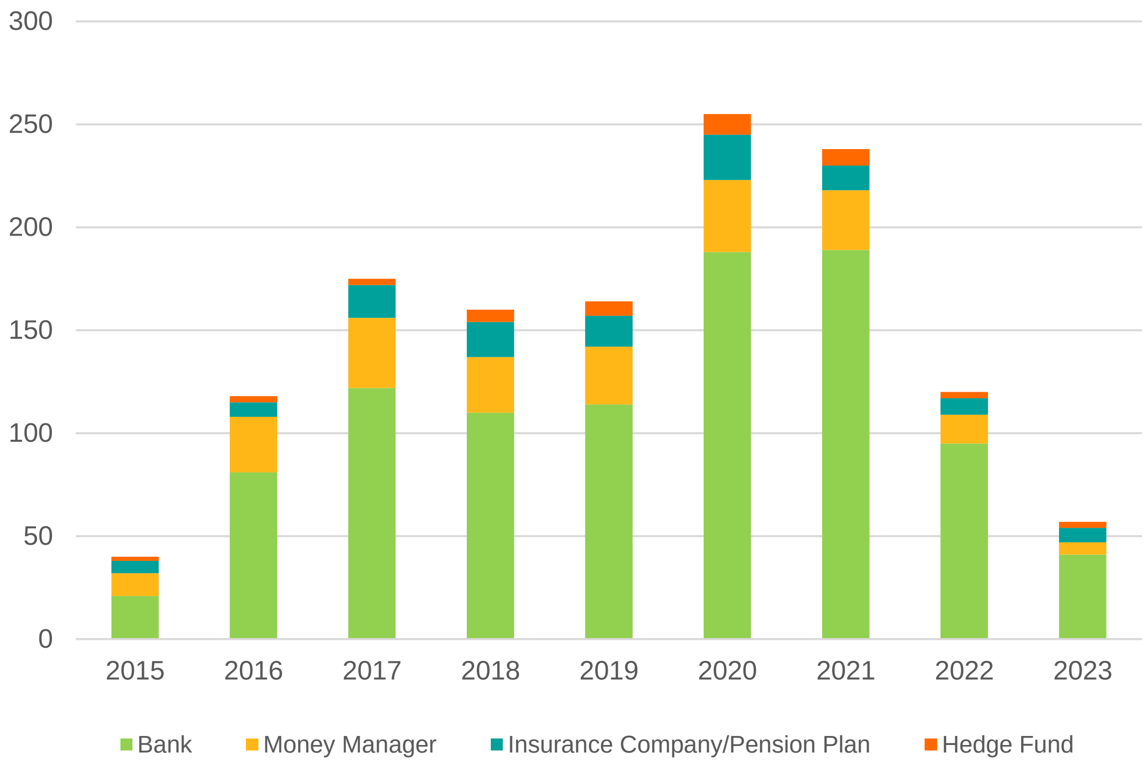
Rate Type	% of Issuance 2023	# of Loans 2023	2023 Issuance ($ Billion)
Hybrid ARM	26%	185	$0.5
Fixed Rate	74%	474	$1.4
Total	**100%**	**659**	**$1.9**

Historical Investor Participation

SB-Deal Investor Type[1]



Investor Participation[1]



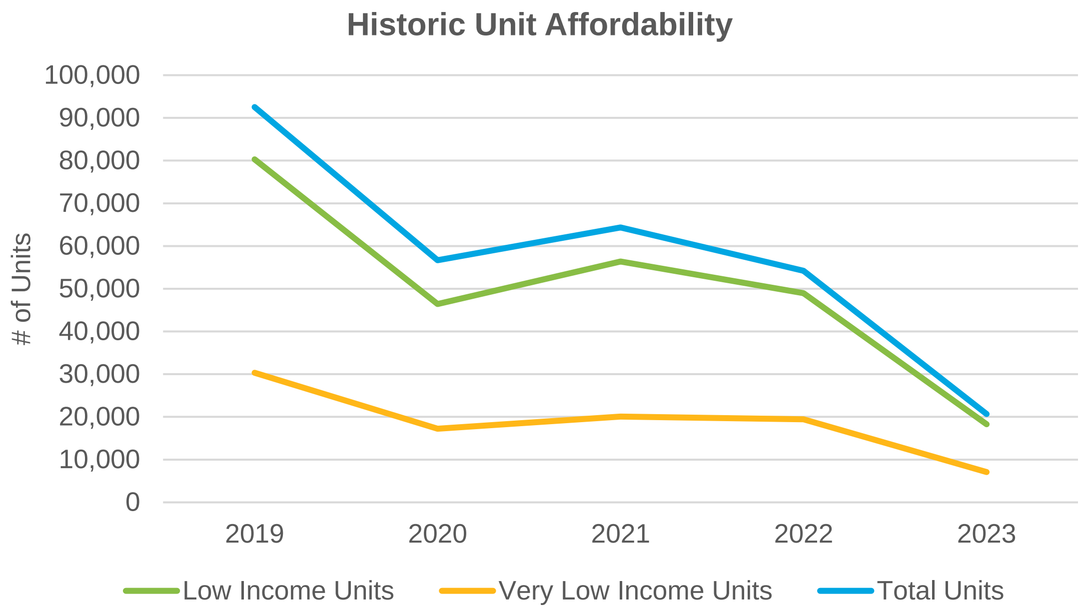
Since the SB-Deal program inception in 2015, the investor base has remained active:

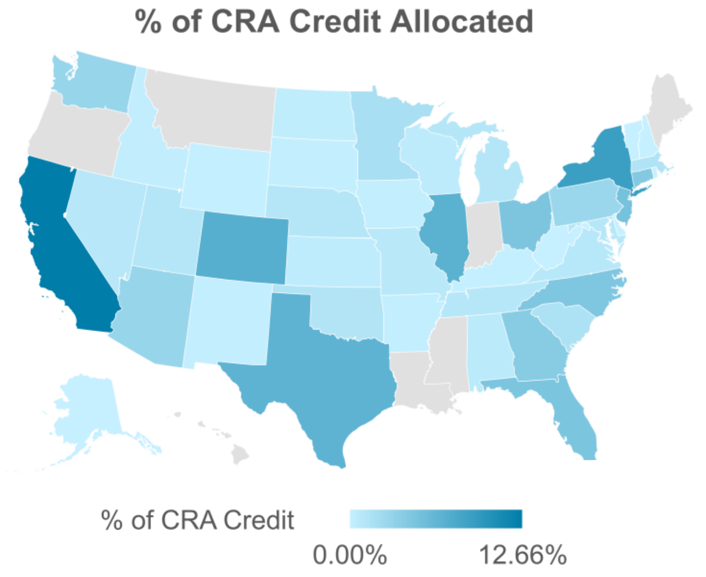
- 602 investors historically with 55 participating in 2023
- Average of 39 different accounts per transaction historically, with 25 per transaction in 2023
- 13 subordinate investors historically, with three participating in 2023

[1] Data reflects senior bond allocations for all deals closed in the life of the program. Data as of 12/31/2023

SB-Deal Program | Community Reinvestment Act (CRA)

Since 2017, we have allocated $4.4 billion of SB-Deal investments to investors seeking to meet their CRA needs[1]





- $4.4 billion of loan balance has been issued to 213 SB-Deal investors, with $992 million issued to 68 investors in 2022
- 379,168 low-income units (≤ 80% of area median income, AMI) and 139,713 very low-income units (≤ 50% of AMI) have been securitized in SB-Deals since mid-2017
- Our nationwide lending footprint provides investors the opportunity to meet their CRA needs with investments in properties across all 50 states
- SB-Deal investors have sought credit in 45 states

[1] Freddie Mac makes no representation that the underlying mortgage assets will qualify as CRA eligible or will be accepted by any regulatory or governmental agency for CRA credit. Data as of 12/31/2023. Freddie Mac CRA side letters are only available to investors at new issue.

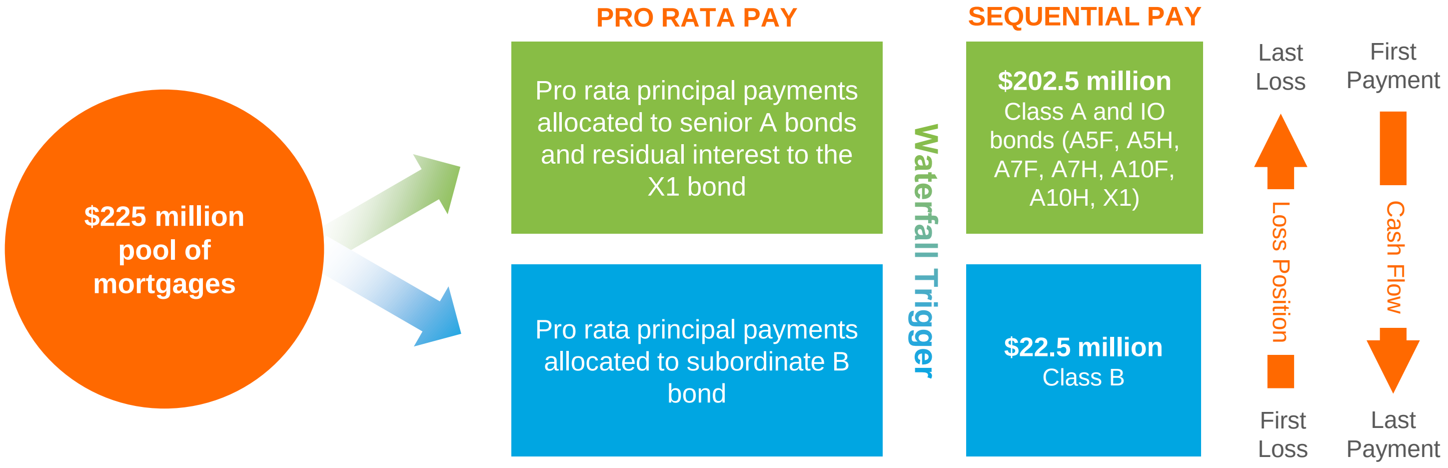
Typical SB-Deal Issuance Timeline

Credit Enhanced SB-Deals

Internal Pool Preparation **2 weeks**	Preliminary Due Diligence **1 - 2 weeks**	Full Due Diligence **5 - 6 weeks**	Marketing / Placement **1 - 2 weeks**	Closing/Settlement **1 - 2 weeks**	Surveillance **Ongoing**
▪ Identify pool collateral ▪ Pool preparation including data tapes, asset summary reports and mortgage files	▪ Subordinate investors perform preliminary due diligence ▪ Subordinate bond investor selected	▪ Perform accounting and legal due diligence ▪ Select trustee (Freddie Mac is Master Servicer) ▪ Finalize exceptions to representations and warranties ▪ Finalize preliminary offering documents (OC, PSA, term sheet)	▪ Broker-Dealer announces transaction ▪ Respond to investor inquiries ▪ Launch and price securities	▪ Prepare for closing ▪ Finalize offering documents (OC, PSA, MLPA) ▪ Settlement ▪ Mortgage files transferred to trustee and Master Servicer	▪ Serve as Master Servicer and guarantor ▪ Surveillance ▪ Review and clear trustee exception reports

Structure and Waterfall Overview

The SB-Deal structure mirrors the typical floating-rate K-Deal pro rata structure[1] with senior Freddie Mac guaranteed A bonds, a single Freddie Mac guaranteed interest-only bond (the X1) and a single subordinate bond[2]



CASH FLOW WATERFALL ILLUSTRATION

Class or Fee	Weight	Rate	Remaining Interest
Collateral Gross WAC Less Admin Fees*		5.35% 0.45% 4.90%	4.90%
Less Guarantee Fee	90%	0.35% 0.32%	4.59%
Wtd Avg A Coupon	90%	4.10% 3.69%	0.90%
B Fixed Initial Coupon	10%	7.50% 0.75%	0.15%
X1 Coupon		0.15%	0.00%

* Primary servicing, master, trustee, etc.

The securitization will switch from pro rata to sequential pay if a Waterfall Trigger Event occurs. The trigger events are:

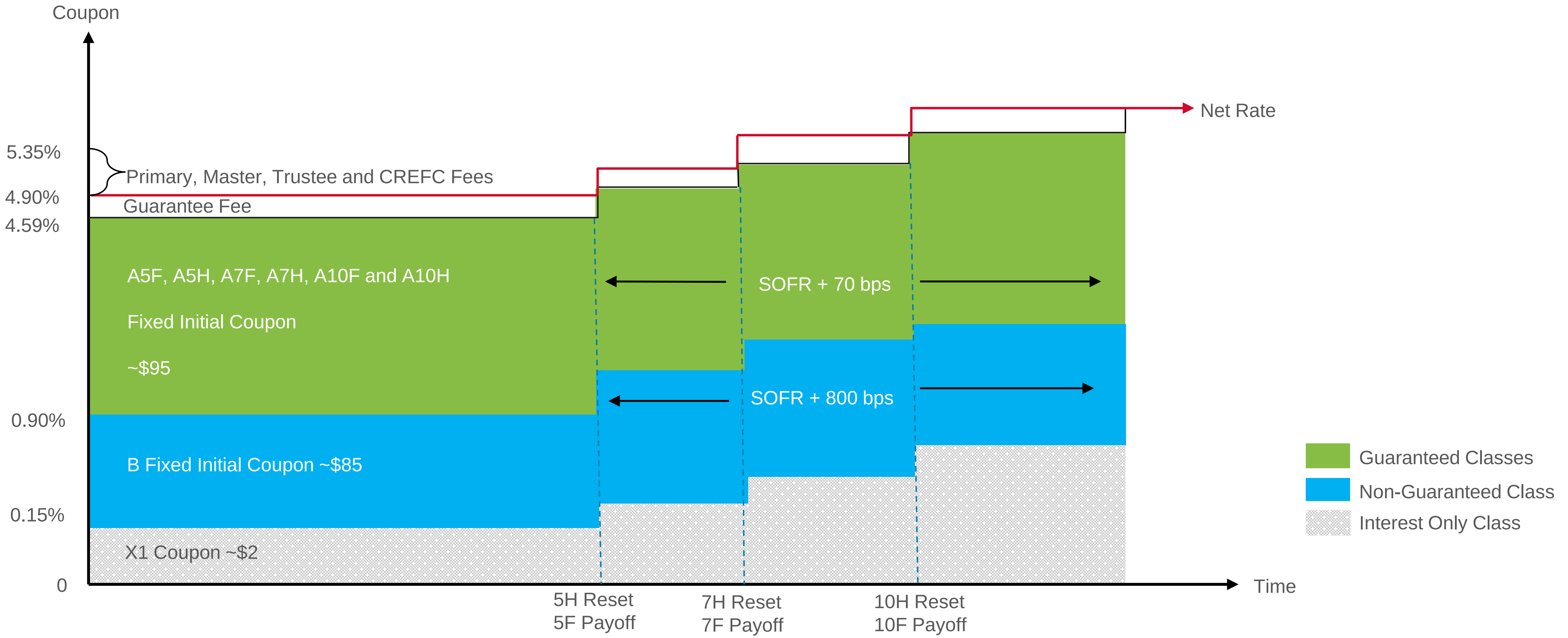
- The unpaid principal balance (UPB) of the collateral (excluding specially serviced loans) is less than or equal to 15% of the initial pool balance
- The aggregate 60-day delinquency is greater than 5% of the collateral. In the event the 60-day delinquency subsequently falls below 5%, the transaction will revert to pro rata pay
- Credit support to Class A is less than 7.5%, and once credit support increases to 10%, the transaction will revert to pro rata pay

Each securitization will have a clean-up call (Optional Termination) when the collateral balance reaches 5% of the original pool balance, as outlined below

- The holders of a majority interest of the Controlling Class (excluding Freddie Mac), the special servicer and any third-party master servicer, in that order, will each in turn have the option to purchase all of the SBL Loans and all other property remaining in the Trust on any distribution date on which the total stated principal balance of the mortgage pool is less than 5% of the initial mortgage pool balance

[1] Principal is distributed pro rata, unless a Waterfall Trigger Event has occurred and is continuing
[2] SB-102, SB-103 and SB-104 are fully guaranteed

Sample SB-Deal Rate and Coupon Structure[1]



Note: The graph above demonstrates the pro rata pay structure before a Waterfall Trigger. For actual bond pricing, the senior bonds assume a 5% CPR prepayment speed until the earlier of each underlying loan's maturity date or first interest reset date, at which time the loans are assumed to pay off in full. Pass-through rates (Coupon) for the fixed A classes pay a fixed coupon. Hybrid classes have a fixed coupon during the initial fixed period and then switch to 30-day Average SOFR + 70 bps. The pass-through rate for the X1 is based on residual cash flow after paying the As, B and Guarantee Fee. The B, after a period of receiving a fixed-rate from each group, switches to SOFR plus a margin. All are classes subject to capped rates per offering documents.

Sample SB-Deal B-Piece Coupon Structure

- Freddie Mac sets the initial fixed-rate coupon for each class's fixed-rate period
- The B-piece component rates from each hybrid group will reset based upon the coupon reset date of the last loan in that particular group, at which time the B-piece component rate for that particular group will switch to SOFR + 800 bps
- After each component rate reset, the entire B coupon will continue to be the weighted average of each component. After the 10H component resets, the remaining hybrid classes will all contribute SOFR + 800 bps
- The B-piece coupon is subject to an available funds cap

Loan Type	UPB ($Millions)	Balloon Term (Months)	Fixed Term (Months)	Remaining Fixed Period	Month 1 (Initial Fixed Coupon)	Month 60	Month 84	Month 120
5F	$50	60	N/A	57	7.50%	N/A	N/A	N/A
7F	$50	84	N/A	81	7.50%	7.50%	N/A	N/A
10F	$150	120	N/A	117	7.50%	7.50%	7.50%	N/A
5H	$150	240	60	57	7.50%	13.00%	13.00%	13.00%
7H	$50	240	84	81	7.50%	7.50%	13.00%	13.00%
10H	$50	240	120	117	7.50%	7.50%	7.50%	13.00%
B-piece	$50				7.50%	9.33%	10.25%	13.00%

Note: The example shows sample seasoning during Freddie Mac's aggregation period. This coupon structure is only for SB-65 and forward. Prior SB-Deals provided for a different B-piece coupon structure. The coupon structure for SB-83 and forward is with SOFR. Prior SB-Deals used LIBOR. Assumes SOFR of 5.0%

SB-111 | Transaction Highlights

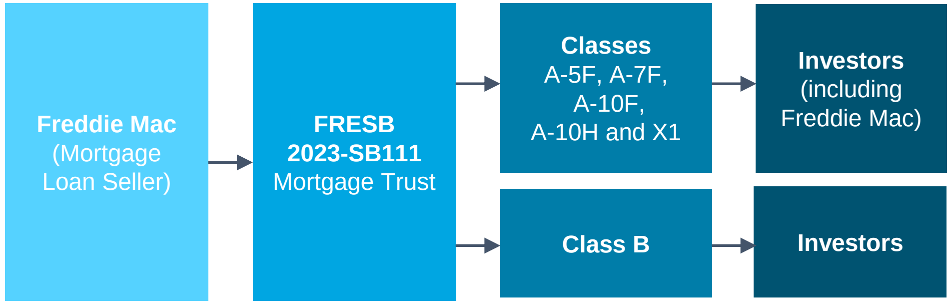
Overview of Deal Structure (Pricing Date: November 7, 2023)[1]

Class	Initial Principal or Notional Amount	Pricing Spread	Assumed Weighted Average Life
Offered SB-111 Certificates:			
A-5F	$79,083,280	J+68	4.20
A-7F	$46,696,499	J+90	5.66
A-10F	$41,305,888	J+110	7.47
A-10H	$47,556,958	J+175	7.44
X1	$214,642,625	Auctioned	4.12
Total Guaranteed	**$214,642,625**		

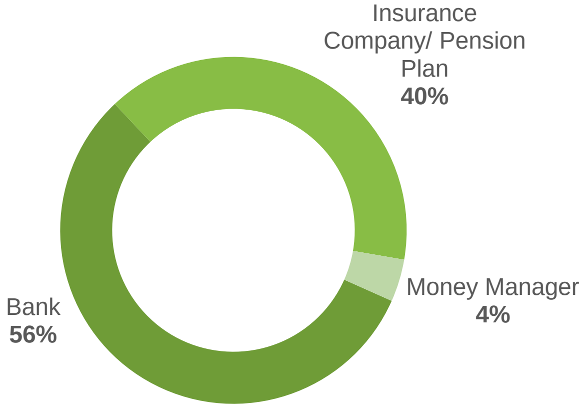
Deal Characteristics[2]

Collateral Type	Multifamily Small Balance Loans
Initial Underlying Pool Balance	$238,491,809
Mortgage Loans	78
Rating Agencies	Not Rated
WA Initial Fixed Mortgage Interest Rate	5.782%
WA DSCR	1.27x
WA LTV	63.0%
WA Original Maturity	117 Months
Waterfall Structure	Pro Rata[3]
Top 5 State Concentrations	NY (15.5%), TX (9.8%), NJ (9.7%), CA (9.4%), IL (9.2%)

Structural Diagram



Breakdown of Investors (Classes A-5F, A-7F, A-10F, A-10H)[4]

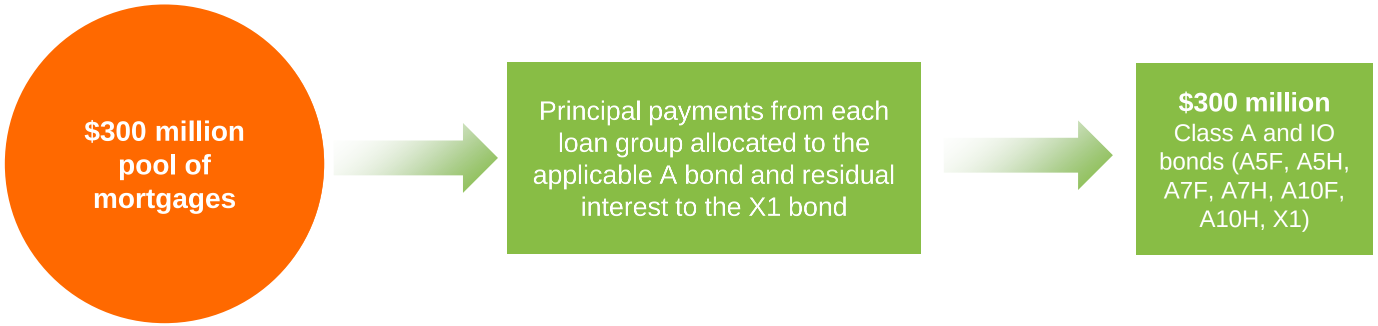


[1] Assumes a 5% CPR prepayment speed until the earlier of each underlying loan's maturity date or first interest reset date, at which time the loan is assumed to pay in full. [2] As of the Cut-off Date. [3] Waterfall structure will change from pro rata to sequential upon the earlier of (i) the aggregate Stated Principal Balance of the underlying loans as of the related determination date is less than or equal to 15% of the initial Principal Balance of the pool (ii) aggregate loans that are at least 60 days delinquent is greater than 5% of pool balance UPB or (iii) the Class B percentage is less than 7.5% as of the related distribution date. [4] As of the Closing Date

Structure and Waterfall Overview

Fully Guaranteed SB-Deals

The SB-Deal structure, from SB-102 to SB-104, has 100% Freddie Mac guaranteed A bonds and a single Freddie Mac guaranteed interest-only bond (the X1)



CASH FLOW WATERFALL ILLUSTRATION

Class or Fee	Weight	Rate	Remaining Interest
Collateral Gross WAC Less Admin Fees*		4.75% 0.50% 4.25%	4.25%
Less Guarantee Fee	100%	0.95% 0.95%	3.30%
Wtd Avg A Coupon	100%	3.15% 3.15%	0.15%
X1 Coupon		0.15%	0.00%

* Primary servicing, master, trustee, etc.

Each securitization has a clean-up call (Optional Termination) when the collateral balance reaches 5% of the original pool balance. Please refer to the applicable Offering Circular for more details.

SB-104 | Transaction Highlights

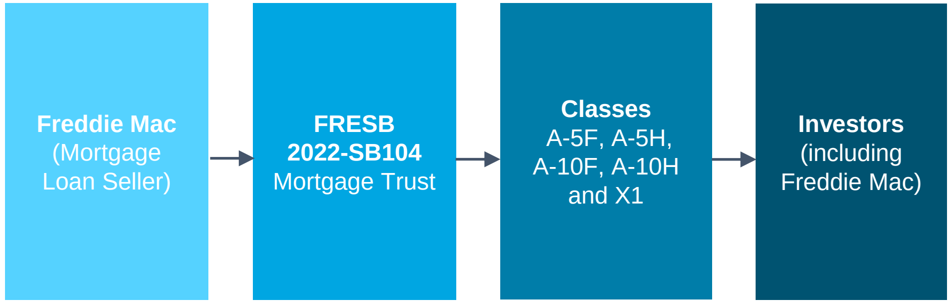
Overview of Deal Structure (Pricing Date: November 8, 2022)[1]

Class	Initial Principal or Notional Amount	Pricing Spread	Assumed Weighted Average Life
Offered SB-104 Certificates:			
A-5F	$101,290,444	P+78	4.05
A-5H	$98,066,642	P+105	4.16
A-10F	$100,237,708	P+128	7.20
A-10H	$96,933,969	P+140	7.13
X1	$396,528,763	Auctioned	5.63
Total Guaranteed	**$396,528,763**		

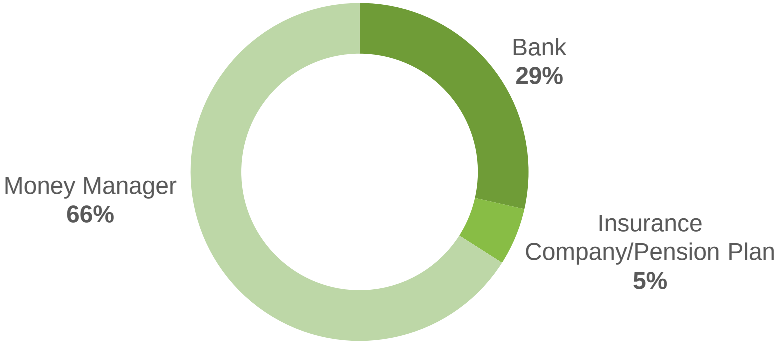
Deal Characteristics[2]

Collateral Type	Multifamily Small Balance Loans
Initial Underlying Pool Balance	$396,528,764
Mortgage Loans	149
Rating Agencies	Not Rated
WA Initial Fixed Mortgage Interest Rate	4.22%
WA DSCR	1.34x
WA LTV	63.8%
WA Original Maturity	164 Months
Waterfall Structure	Pro Rata[3]
Top 5 State Concentrations	NY (18.8%), CA (13.3%), MI (9.9%), MA (8.3%), WA (8.2%)

Structural Diagram

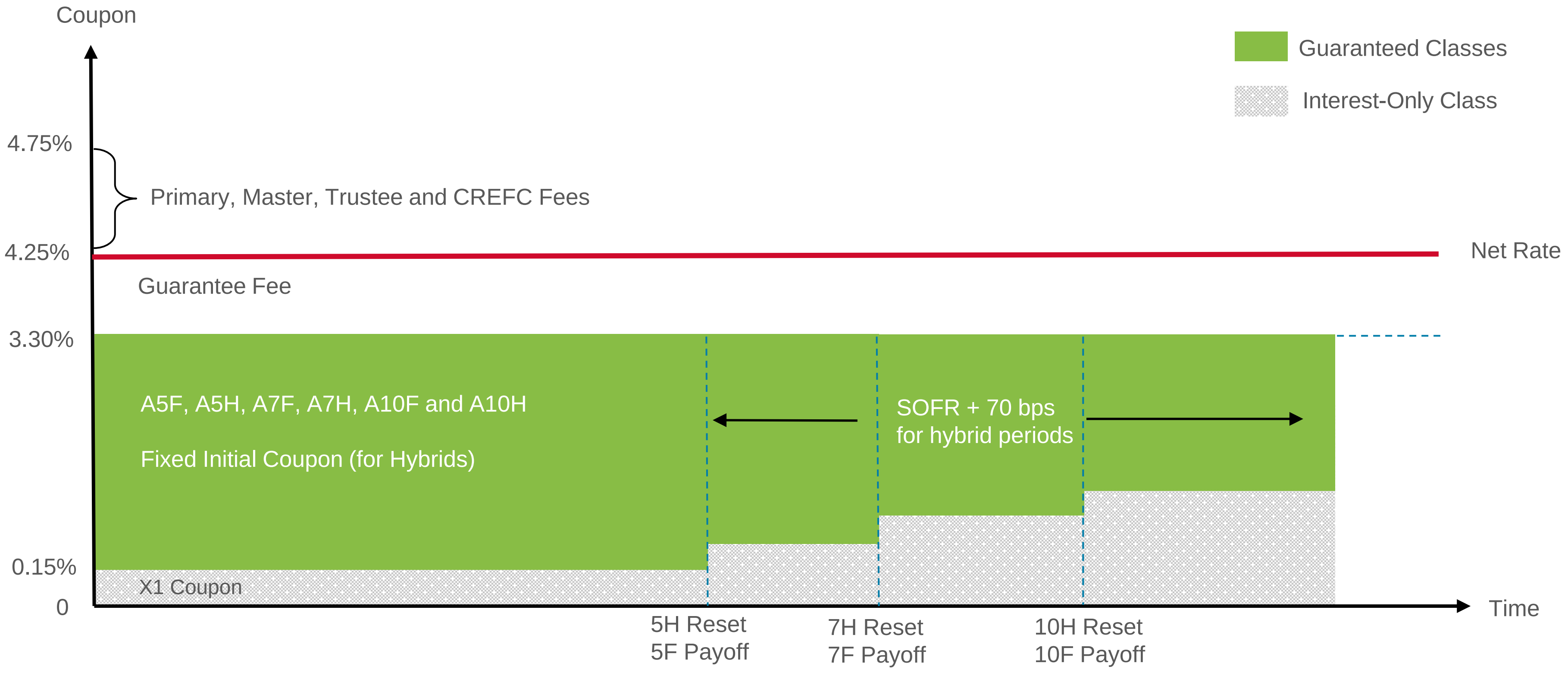


Breakdown of Investors (Classes A-5F, A-5H, A-10F, A-10H)[3]



[1] Assumes a 5% CPR prepayment speed until the earlier of each underlying loan's maturity date or first interest reset date, at which time the loan is assumed to pay in full
[2] As of the Cut-off Date
[3] As of the Closing Date

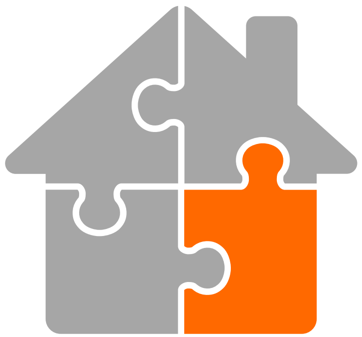
Sample SB-Deal Rate and Coupon Structure



Note: For bond pricing, the senior bonds assume a 5% CPR prepayment speed until the earlier of each underlying loan's maturity date or first interest reset date, at which time the loans are assumed to pay off in full. Pass-through rates (Coupon) for the fixed A classes pay a fixed coupon. Hybrid classes have a fixed coupon during the initial fixed period and then switch to 30-day Average SOFR + 70 bps. The pass-through rate for the X1 is based on residual cash flow after paying the As and Guarantee Fee. All are classes subject to capped rates per offering documents.

SB-Deals Performance

Freddie Mac is an active and consistent issuer of top-quality multifamily securities, featuring transparency and consistency on collateral and deal information



- As of December 2023, the SB-Deal program has grown to include:
  - **111** SB-Deal transactions[3]
  - **$41.4 billion** in combined issuance
  - **$24.7 billion** current outstanding balance
  - **15,437 loans** (original loan count)
  - **98.9%** of the SBL Loans are current
- **248 loans** are assigned to special servicing (representing ~296 bps of outstanding principal)
- There have been **$61.4 million** in total realized losses (representing approximately 15 bps of total issuance)
- **5,839** loans have paid off through December 2023
- **12.8%** (1,310 loans) of the outstanding loan population (by outstanding principal) is on the servicers' watchlist[1]
- Deals SB-3, SB-8 and SB-19 are seasoned loan executions. Since SB-19, these kind of seasoned deals are no longer issued through the SB securitization path[2]

[1] The respective primary servicers maintain a watchlist for each securitization. Loans are added to and removed from the master servicer's watchlist in accordance with criteria established by CREFC. View the SB-Deal Performance Data presentation for additional details.

[2] These loans were originated by lenders that are not part of the Optigo network and the loans are not on Freddie Mac paper

[3] SB-102, SB-103 and SB-104 are fully guaranteed

Loan Performance Resources at Your Fingertips

Performance data for our SB-Deals is updated monthly at https://mf.freddiemac.com/investors/data.html

SB-Deal® Performance

Performance through December 2023

COMBINED ISSUANCE	DEALS	LOANS	PAID-OFF LOANS
$41.4 B	111	15,437 original loan count	5,839

DELINQUENCY STATUS	AGGREGATE LOSSES	LOANS IN SPECIAL SERVICING	UNPAID BALANCE ON WATCHLIST*
1.1%	$61.95 M	248	12.8%

View the SB-Deal Performance Presentation PDF

View the SBL Prepayment Report PDF

*The respective master servicers maintain a watchlist for each securitization. Loans are added to and removed from the watchlist in accordance with criteria established by CREFC.

Loan-level performance can be accessed in our Multifamily Securities Investor Access tool

Multifamily Securities Investor Access LOG IN

Multifamily Securities Investor Access (MSIA) is an online tool that provides investors and analysts with information related to Freddie Mac Multifamily K-Deals, ML-Deals, Q-Deals, SB-Deals, and PC mortgage-backed securities and their underlying collateral. It also provides information about SCR Notes. The available data includes the standard Investor Reporting Package provided monthly by the master servicer and trustee for a given security issuance. For a single deal or a portfolio, this tool provides a combination of standard and custom reporting capabilities.

MSIA Reference Manual PDF

MSIA Quick Start Tips PDF

Historical information about our Whole Loan Portfolio is available in the Multifamily Loan Performance Database

Multifamily Loan Performance Database

This database provides historical information on a subset of the Freddie Mac Multifamily whole loan portfolio since 1994. It also includes information on original loan terms; identifiers for prepaid loans, defaulted loans and delinquencies; property information; and dates of real estate owned (REO) sales.

If you want to use the data for commercial redistribution, please follow the instructions in the Licensing Agreement for Using the Multifamily Loan Performance Database below.

Overview and Data Dictionary PDF

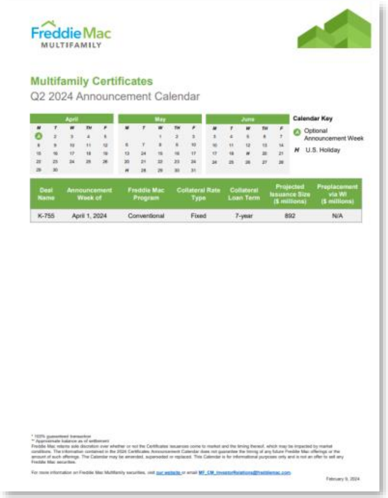
Loan Performance Dataset ZIP

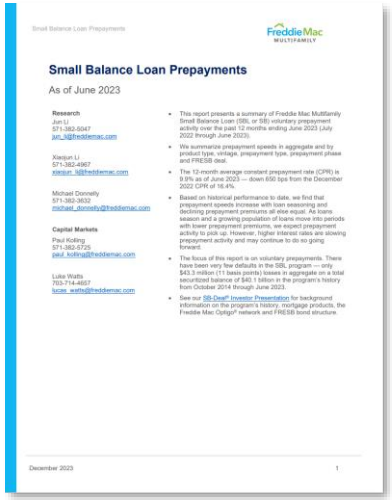
Dataset Loss Summary PDF

Licensing Agreement for Using the Multifamily Loan Performance Database PDF

Stay up to Date with Our Investor Resources

SB-Deal Program Handout - https://mf.freddiemac.com/docs/sb-program-handout.pdf
SB-Deal X1 Handout - https://mf.freddiemac.com/docs/sbl_x1_overview_handout.pdf
SB-Deal SOFR Bonds Overview - https://mf.freddiemac.com/docs/SB-Deal_SOFR_Bonds_Overview.pdf
SB-Deal Performance Data - https://mf.freddiemac.com/docs/sbl_deal_performance_report.pdf
Small Balance Loan Prepayment Report - https://mf.freddiemac.com/research/insight/20231212-sbl-prepayment-report-as-of-june-2023
Multifamily Issuance Calendar - https://mf.freddiemac.com/docs/mf_issuance_calendar.pdf
Multifamily Securities Pricing - https://mf.freddiemac.com/investors/multifamily-securities-pricing





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

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