

Update on SPCs Backed by Loans Involving Robert Morgan

Freddie Mac [previously identified certain](#) Structured Pass-Through Certificate (SPC) series backed by loans that involve Robert Morgan and/or his management company Morgan Management, LLC. The percentages of affected loans in each SPC series listed in that announcement have not changed materially.

On December 21, 2018, the U.S. Attorney's Office for the Western District of New York in Buffalo announced that Kevin Morgan (formerly a Vice President of Morgan Management, LLC and nephew of Robert Morgan) pleaded guilty to providing lenders, servicers and other investors with false financial information in connection with the origination and servicing of certain loans in which Robert Morgan and/or his management company have or had an ownership interest. Freddie Mac takes this development very seriously.

The press release issued by the U.S. Attorney can be found [here](#).

Although all payments due in December 2018 on these loans were reported as having been made, Freddie Mac cannot ensure that the matters referenced in the plea agreement or the related documents or any future actions against Kevin Morgan, Robert Morgan and/or Morgan Management, LLC will not result in an early prepayment of SPCs. For prepayment risks associated with an investment in SPCs, investors should review "Risk Factors" in the Giant and Other Pass-Through Certificates (Multifamily) Offering Circular dated February 23, 2017.

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 The information could be out of date and no longer accurate.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.