



Multifamily Structured Credit RiskSM Program Overview (MSCRSM Notes)

Investor Presentation

as of September 30, 2024



Multifamily Structured Credit RiskSM (MSCRSM) Program

MSCR Notes offer capital markets investors an innovative way to add U.S. multifamily market exposure while benefiting from our industry-leading underwriting and credit risk management standards

- Freddie Mac introduced the MSCR Notes to its credit risk transfer (CRT) program in May 2016. The notes are structured similarly to other CRT vehicles but provide unique Multifamily exposure
- In January 2021, Freddie Mac revamped the MSCR Notes (MSCR 2021-MN1) to align with other CRT offerings, especially with our Single-Family STACR program
- MSCR Notes are subject to credit risk of an identified pool of multifamily mortgage loans (reference obligations):
 - i. backing Freddie Mac Multifamily fully guaranteed certificates;
 - ii. for which Freddie Mac provides credit enhancement for the related multifamily bonds issued by state and local housing agencies; or
 - iii. from Freddie Mac retained portfolio originated under the same underwriting standards as our conventional business
- The principal payments are determined by actual principal payments on the reference pool including losses if they occur
- Certain reference obligations are only partially included in the reference pool, based on a corresponding fixed percentage (Reference Obligation Percentage), representing *pari passu* portions of their respective whole loans
- As of September 2024, Freddie Mac Multifamily has settled eight¹ MSCR transactions totaling approximately \$50.0 billion of reference obligations

¹ Freddie Mac has also settled three MSCR-SN transactions totaling approximately \$1.2 billion of reference obligations and three SCR-MDN transactions totaling \$2.9 billion of reference obligations

MSCR Reference Obligations

MSCR notes transfer the credit risk on a pool of loans primarily backing fully guaranteed Freddie Mac Multifamily Participation Certificates (Multi PCs®), other fully guaranteed Multifamily certificates and credit enhancement on affordable multifamily-backed bonds issued by state and local housing finance agencies

Securitized Guaranteed Products

Multi PCs®

Direct pass-through securitizations and are fully guaranteed by Freddie Mac

The goal is to execute resolutions in Freddie Mac's or the Trust's best interest economically, operationally and from a reputational perspective

Fully Guaranteed Multifamily Certificates

Securitizations of pooled loans offering geographic and sponsorship diversification

Bond Credit Enhancements & Portfolio Loans

Bond Credit Enhancement (BCE)

The BCE program enables borrowers to obtain financing for affordable multifamily properties funded by the sale of fixed-rate or variable-rate tax-exempt housing bonds

Eligible transactions include bond refunding, substitution, or new issue transactions with 80-20 bonds, taxable bonds in combination with tax-exempt bonds, 501(c)(3) bonds, Section 8, Section 236, tax abatements and 4% Low-Income Housing Tax Credits

Portfolio Loans

Unsecuritized loans underwritten to the standards consistent with Freddie Mac Multifamily line of business

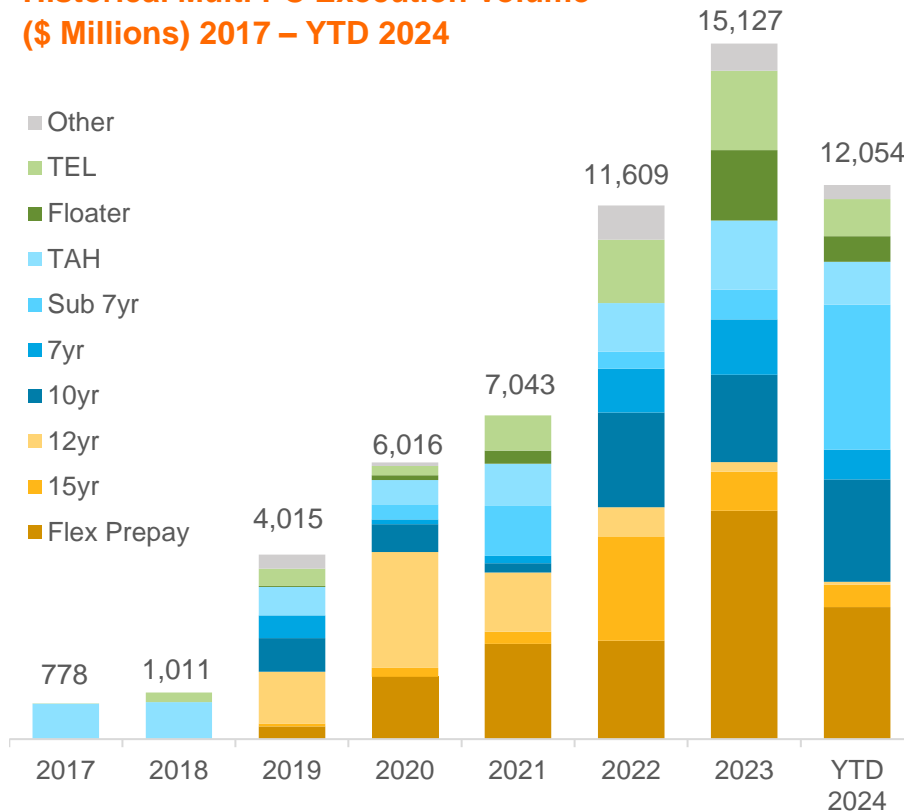
MSCR CRT Historical Issuance

Category	MSCR 2024-MN8	MSCR 2023-MN7	MSCR 2023-MN6	MSCR 2022-MN5	MSCR 2022-MN4	MSCR 2021-MN3	MSCR 2021-MN2	MSCR 2021-MN1
Number of Loans	400	350	357	231	257	270	40	302
Pool Cut-off Date Balance	\$8.2B	\$8.2B	\$7.6B	\$5.5B	\$6.0B	\$5.6B	\$4.1B	\$4.9B
Average Loan Balance	\$20M	\$24M	\$21M	\$24M	\$23M	\$21M	\$102M	\$16M
Top 10 Assets as % of Pool	20.1%	17.5%	17.2%	22.4%	21.1%	20.0%	75.6%	19.3%
WA Cut-off Date LTV	59.0%	59.0%	56.1%	59.7%	65.8%	67.2%	60.4%	67.2%
WA Underwritten DCR	1.35x	1.35x	1.36x	1.54x	1.49x	1.78x	2.21x	1.77x
Conventional / Targeted Affordable Percentage	66% / 34%	71% / 29%	73% / 27%	76% / 24%	73% / 27%	69% / 31%	9% / 91%	73% / 27%
Collateral Type	PC & Portfolio Loans	PC, K- & Portfolio Loan	PC, K- & Portfolio Loans	PC	PC	PC	BCE & PC	PC
Top 3 States	CA – 14% FL – 12% TX – 10%	TX – 22% CA – 13% FL – 12%	TX – 14% NY – 12% FL – 12%	CA – 16% TX – 14% OH – 6%	TX – 13% NJ – 10% CA – 10%	CA – 19% TX – 11% FL – 8%	NY – 89% CA – 6% IL – 3%	NY – 13% CA – 10% MD – 9%
Attachment / Detachment	1.00% / 5.50%	1.00% / 5.50%	1.00% / 5.00%	1.00% / 6.75%	0.75% / 6.75%	0.75% / 6.75%	1.50% / 7.50%	1.50% / 7.50%
Number of Offered Tranches	3	3	2	1	3	3	3	3
Companion Deal	Yes	Yes	Yes	Yes	Yes	No	No	No

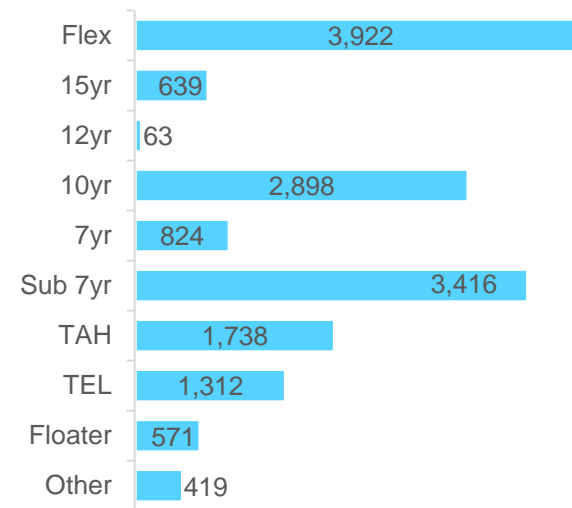
The three legacy SCR transactions (SCR 2016-MDN1, SCR 2016-MDN2 and SCR 2017-MDN3) have been omitted from the table above

Strategic Growth of Our Multi PC Securitizations Created the Need for MSCR

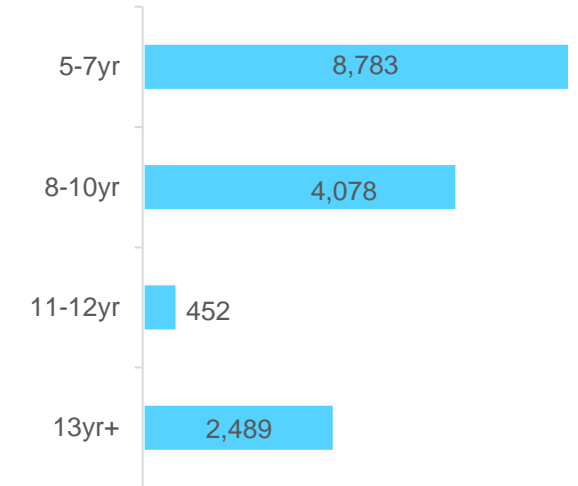
Historical Multi PC Execution Volume (\$ Millions) 2017 – YTD 2024



Issuance Volume by Loan Product (\$ Millions)¹



Collateral UPB by Loan Terms (\$ Millions)¹



Multi PCs are frequently utilized with the following loan programs:

- 12-year / 15-year term
- Flexible prepay
- Declining prepayment premium
- Tax-exempt loans
- Long-Term Financing (LTF)
- Targeted Affordable Housing (TAH; immediate funding and forwards)
- Low leverage low spread

¹ Issuance Volume and Collateral UPB for Multi PCs issued from 10/1/2023 to 9/30/2024

Underwriting and Credit

Our credit policy and consistent underwriting practices are among the main drivers of the strong performance of Freddie Mac Multifamily offerings

Credit Philosophy

Freddie Mac makes all credit, structuring and pricing decisions working with our lenders during all aspects of the origination process. We are focused on:

- Sustainable cash flow
- Market knowledge & fundamentals
- Equity
- Definable exit strategy
- Sponsorship
- Investment quality real estate collateral

General Guidelines*

- Properties generally need to demonstrate stabilized occupancy rates of 90%+
- For Conventional fixed-rate loans, loan-to-value (LTV) ratios must not exceed 80% and minimum debt service coverage ratio (DSCR) of 1.25x applies
- For Conventional floating-rate loans, LTV ratios must not exceed 80% and minimum DSCR of 1.00x on the max capped interest rate
- For TAH Loans with new LIHTC, a maximum of 90% LTV and minimum DSCR of 1.15x typically applies. For other TAH taxable loans, generally a maximum LTV of 80% and minimum DSCR 1.25x applies
- For Small Balance Loans (SBL), LTV ratios must not exceed 80% and a minimum DSCR of 1.25x (for Top SBL Markets, greater than or equal to 1.20x)
- Adjustments are made to LTV and DSCR for factors such as shorter loan terms, select product types and asset-specific credit factors
- Same underwriting standards are applied to loans intended for Multi PCs, BCEs, K-Deals

* Exceptions may be permitted on an individual basis. All loans require Freddie Mac credit review and approval

Sample MSCR Trust Structure

Reference Pool: Comprises primarily loans

- Backing Freddie Mac Multi PCs and other fully guaranteed certificates
- Underlying BCE products
- From Freddie Mac retained portfolio

Issuance Type:

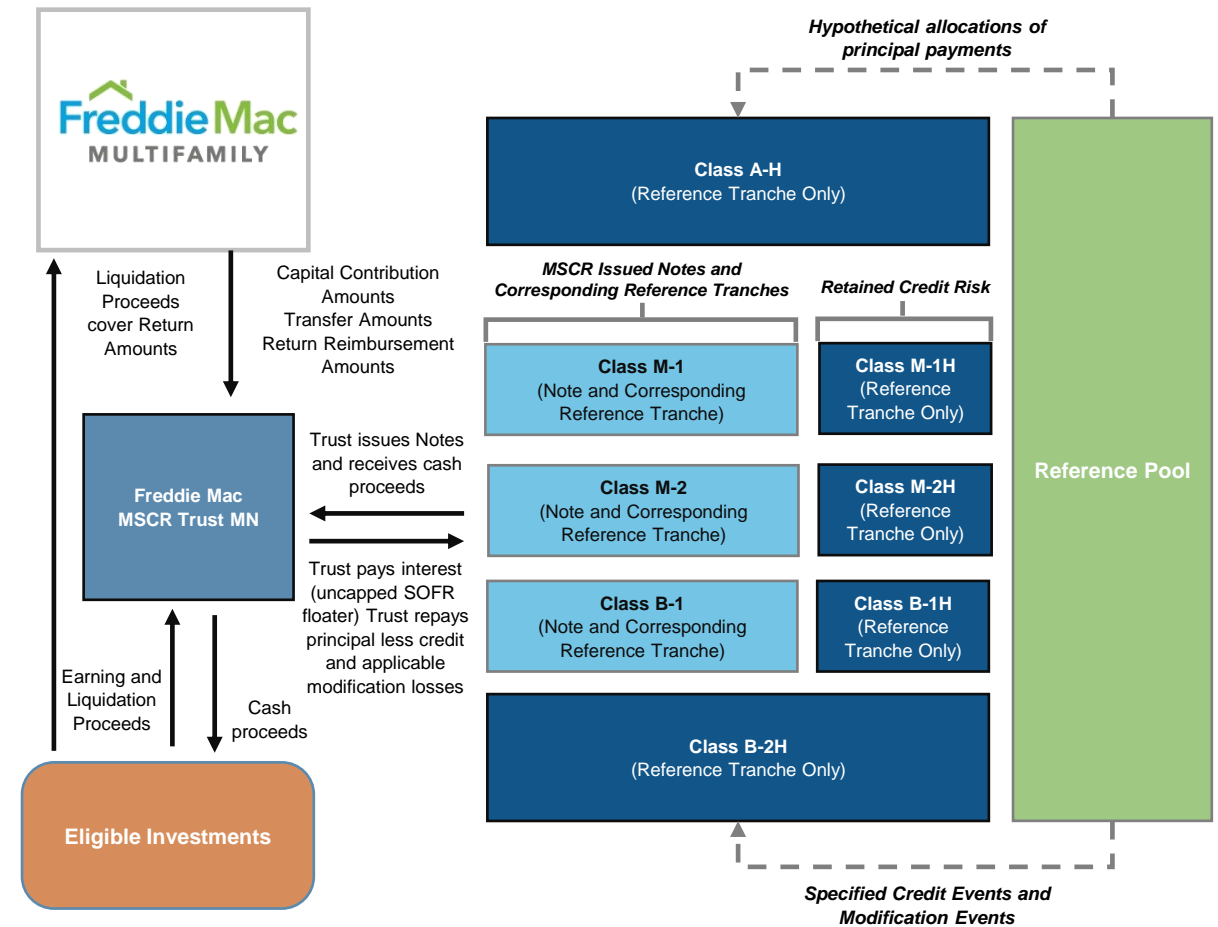
- Deal issued in Trust form
- Private Offering 144A for Qualified Institutional Buyers

Key Structural Features:

- Actual Loss: Performance based on actual delinquency and principal payment experience on the reference pool
- First-Loss Retention: Freddie Mac retains a first-loss position
- Freddie Mac retains at least a 5% vertical slice of offered tranches to align our interest with investors

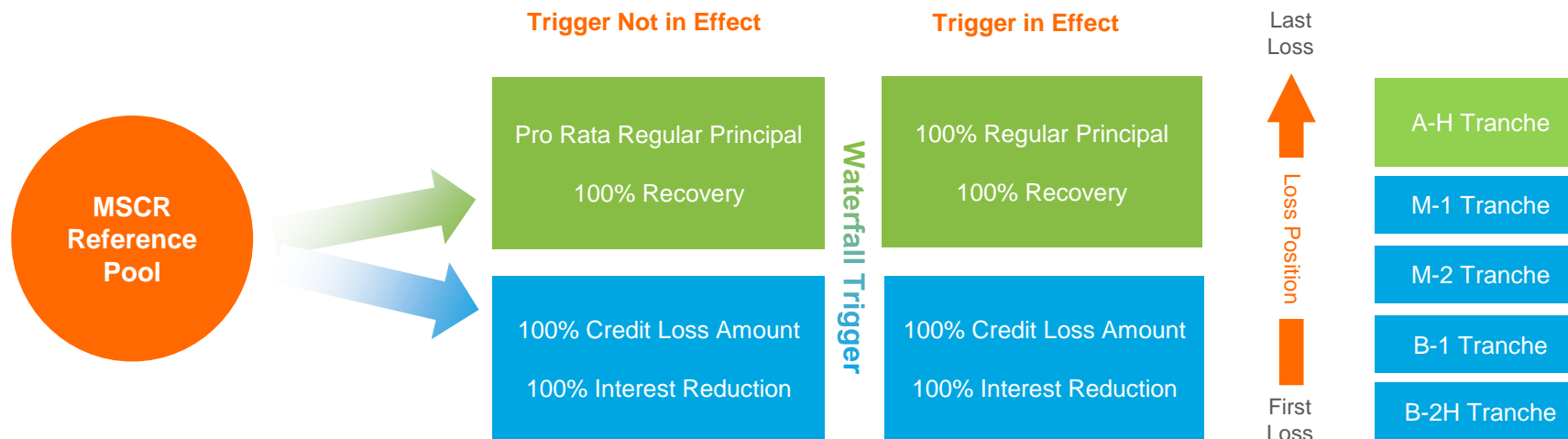
Floating-Rate Coupon:

- 30-day SOFR Average Index¹
- Rate determined two business days prior to the start of the Accrual Period



¹ The applicable SOFR average is published on or about 2:30 p.m. (New York City time) on the New York Federal Reserve Bank's website Structured Credit Risk Notes (MSCR Notes) © Freddie Mac Multifamily

Deal Subordination and Waterfall Trigger



Waterfall Triggers (in effect when either test fails)

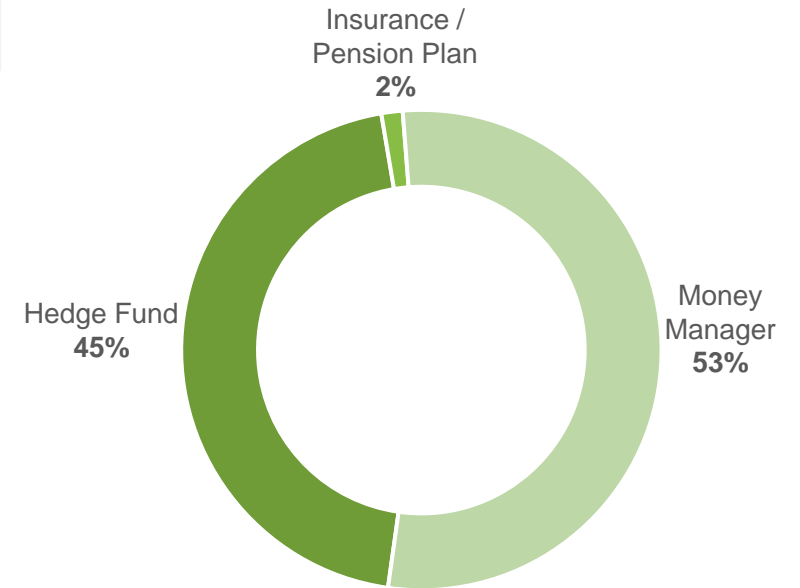
Minimum Credit Enhancement Test: A test that will be satisfied if the Subordinate Percentage is greater than or equal to minimum credit enhancement level

Delinquency Test: With respect to any Payment Date, means a test that will be satisfied if: (a) the sum of the Distressed Principal Balance for the current Payment Date and each of the preceding two Payment Dates, divided by three or, in the case of any Payment Date prior to the third Payment Date after the Closing Date, the sum of the Distressed Principal Balance for the current Payment Date and each of the preceding Payment Dates, divided by the number of Payment Dates since the Closing Date, is less than (b) 40% of the amount by which (i) the product of (x) the Subordinate Percentage and (y) the aggregate UPB of the Reference Obligations as of the preceding Payment Date; exceeds (ii) the Principal Loss Amount for the current Payment Date.

2024 MSCR Transaction Highlights

2024-MN8 Deal Structure				Early Redemption ¹		Maturity ¹	
Tranche	Initial CE (bps)	Class Balance (\$)	Pricing Spread (bps)	WAL (years)	Principal Window	WAL (years)	Principal Window
A-H	550	\$7,721,659,958		6.3	1-96	8.08	1-239
M-1	350	\$65,368,000	SOFR + 285	4.4	1-56	4.4	1-56
M-1H	350	\$98,053,375		4.4	1-56	4.4	1-56
M-2	200	\$67,411,000	SOFR + 425	6.5	56-96	6.7	56-110
M-2H	200	\$55,155,031		6.5	56-96	6.7	56-110
B-1	100	\$57,197,000	SOFR + 735	8.0	96-96	9.9	110-165
B-1H	100	\$24,513,687		8.0	96-96	9.9	110-165
B-2H	0	\$81,710,688		8.0	96-96	15.7	164-239
Total (Offered)		\$189,976,000					

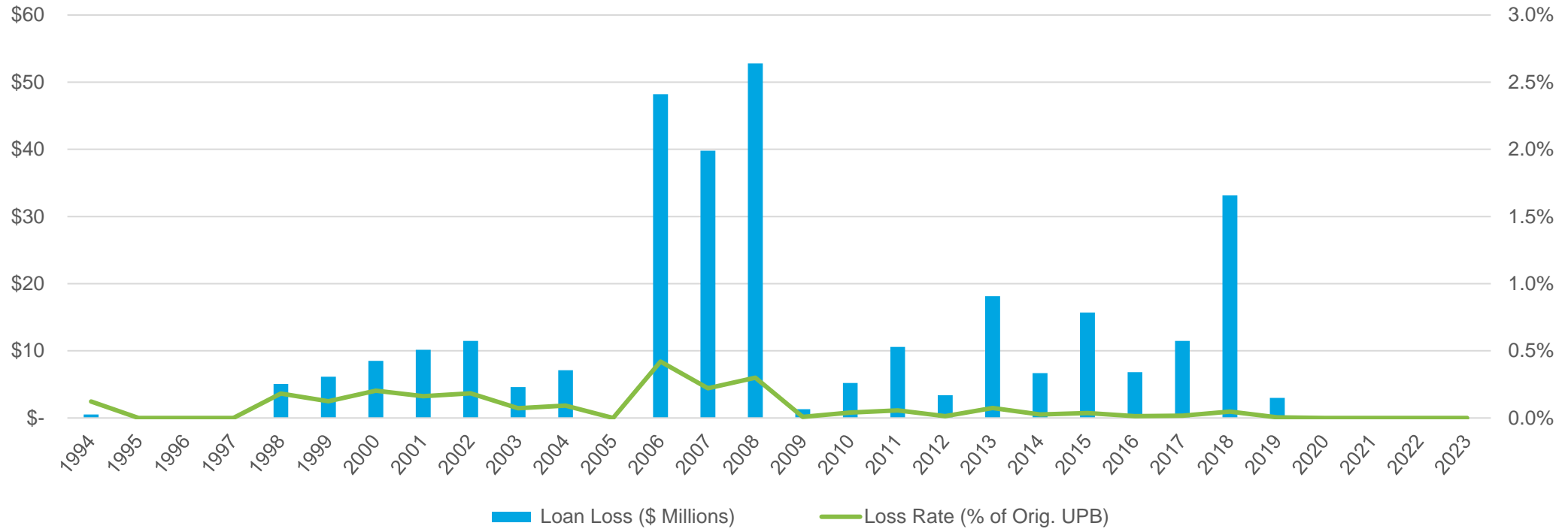
Breakdown of Investors (by total \$UPB since inception)



¹ Based on final reference pool, zero conditional prepayment rate scenario

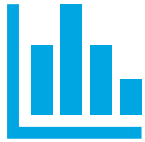
Historical Freddie Mac Multifamily Loan Performance¹

Realized Loss Comparison by Acquisition Year
(1994 – 2023)



¹ The MLPD provides historical information on a subset of the Freddie Mac multifamily loan portfolio. The MLPD comprises information regarding certain multifamily whole loan, K-Deal and SB-Deal loans. It excludes loans that are credit revolvers, sold book (pre-1994) loans, and negotiated transactions/structured deals and K001 and K002. Data as of 12/31/2023

Loan Performance Resources at Your Fingertips



Performance data for our MSCR Notes is updated monthly at <https://mf.freddiemac.com/investors/>



Loan-level performance and reporting can be accessed in our [Multifamily Securities Access tool](#)



Historical information on certain Multifamily whole loans and securitized loans is available in the [Multifamily Loan Performance Database](#)

Key Metrics	MSCR SM
Combined Issuance	\$48.6B
Number of Deals	8
Original Loan Count	2,206
Paid-Off Loans	55
Delinquency Status	0%
Aggregate Losses	\$0M
Loans in Special Servicing	9
Unpaid Balance on Watchlist*	11.5%

*Freddie Mac maintains a watchlist for the Multi PCs. Loans are added to and removed from the watchlist in accordance with criteria established by CREFC. Performance data does not include MSCR SN notes

** Performance data through September 30, 2024

Additional Resources

Stay Up to Date with Our Investor Resources

Securitization Overview - https://mf.freddie.mac.com/docs/mf_securitization_investor-presentation.pdf

Multi PC Investor Presentation - https://mf.freddie.mac.com/docs/pc_investor_presentation.pdf

K-Deal® 100% Guaranteed Handout - <https://mf.freddie.mac.com/docs/k-deal-100-guaranteed-rated-handout.pdf>

Long-Term Financing Handout - https://mf.freddie.mac.com/docs/long_term_financing_handout.pdf

Multi PC Performance Data - https://mf.freddie.mac.com/docs/multi_pc_performance.pdf

MSCR Performance Presentation - https://mf.freddie.mac.com/docs/mscr_performance.pdf

Multifamily Securities Pricing - <https://mf.freddie.mac.com/investors/multifamily-securities-pricing>

Multifamily Research

[2024 Midyear Multifamily Outlook](#)



The Freddie Mac Multifamily Apartment Investment Market Index® (AIMI®) can help you determine how the relative value of investing in multifamily properties in select major metros, and nationally, has changed over time.

Learn more at <https://mf.freddie.mac.com/aimi/>

Connect with Us

Subscribe to our Multifamily newsletters to receive timely research reports, product updates and more

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

Appendix A: MSCR Historical Pricing

		MSCR 2024-MN8	MSCR 2023-MN7	MSCR 2023-MN6	MSCR 2022-MN5	MSCR 2022-MN4	MSCR 2021-MN3	MSCR 2021-MN2	MSCR 2021-MN1
M-1 Tranche	Class Size	\$65.4M	\$65.8M	Non-Offered	Non-Offered	\$42.62M	\$79.33M	\$58.18M	\$69.14M
	Initial Credit Support (bps)	350	350	350	525	525	525	600	600
	WAL ¹	4.43	5.03	5.82	5.9	4.7	4.49	5.11	5.33
	Price at Issuance	SOFR + 285	SOFR + 360	N/A	N/A	SOFR + 425	SOFR + 230	SOFR + 180	SOFR + 200
M-2 Tranche	Class Size	\$67.4M	67.8M	\$30.0M	Non-Offered	\$62.50M	\$171.89M	\$135.76M	\$161.33M
	Initial Credit Support (bps)	200	200	200	200	200	200	250	250
	WAL ¹	6.70	7.87	9.01	9.25	9.29	8.86	8.88	9.54
	Price at Issuance	SOFR + 425	SOFR + 570	SOFR + 675	N/A	SOFR + 650	SOFR + 400	SOFR + 335	SOFR + 375
B-1 Tranche	Class Size	\$57.2M	\$65.8M	\$72.5M	\$52.30M	\$35.52M	\$66.11M	\$38.79M	\$46.10M
	Initial Credit Support (bps)	100	100	100	100	75	75	150	150
	WAL ¹	9.86	9.67	9.64	12.82	14.54	12.38	12.43	11.4
	Price at Issuance	SOFR + 735	SOFR + 885	SOFR + 925	SOFR + 950	SOFR + 950	SOFR + 685	SOFR + 550	SOFR + 775

¹ Based on final reference pool, zero conditional prepayment rate scenario

This product overview may contain forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, some of which are beyond the company's control. Management's expectations for the company's future necessarily involve several assumptions, judgments and estimates, and various factors could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements. These assumptions, judgments, estimates and factors are discussed in the company's most recent Annual Report on Form 10-K, and its reports on Form 10-Q and Form 8-K, which are available on the Investor Relations page of the company's website at mf.freddiemac.com/investors/ and the SEC's website at www.sec.gov. The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances occurring after the date of this presentation.

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, is current only as of its date and does not constitute an offer to sell or a solicitation of an offer to buy securities. 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. 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. Please visit mf.freddiemac.com for more information. The multifamily investors section of the company's website at 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.

