

Tax-Exempt Securitizations



Our Tax-Exempt Securitization provides liquidity for investors, originators and holders of tax-exempt collateral backed by multifamily housing. Freddie Mac can create customized deal executions to meet the needs of our customers. The following overview is based on average deal size, credit and structure. All terms are subject to change.

Sponsor

Small financial institutions, community banks, investment vehicles, Community Development Financial Institutions, Housing Finance Agencies, aggregators of tax-exempt collateral

Deal Size

Optimal loan pool size of at least \$100 million in aggregate UPB

Deal Collateral

Tax-exempt collateral backed by multifamily housing

Our Guarantee

Freddie Mac guarantees the timely payment of interest and ultimate payment of principal on the guaranteed senior certificates

Benefits

- Customizable structure
- Freddie Mac guarantees payment of interest and principal on senior securities
- Access to efficient capital markets funding

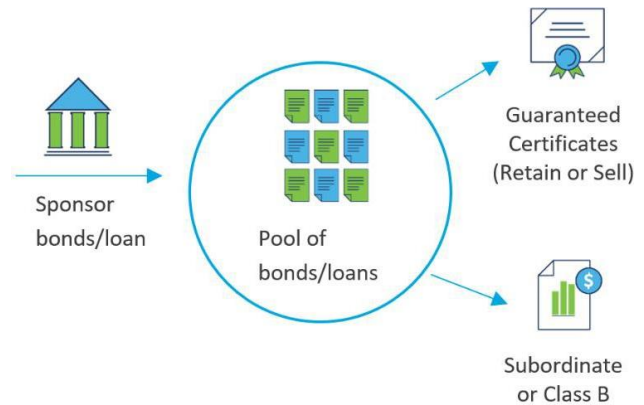
We Help You

- Manage your balance sheet
- Monetize your portfolio
- Increase liquidity
- Optimize reserve requirements
- Maintain relationships

Flexibility

We offer several customizable structures

The sponsor transfers loans from the balance sheet in exchange for certificates via the following structures:



1.

Senior and Subordinate (A/B) Structure

Senior, guaranteed certificates (Class A) with subordinate certificates (Class B).

The Class B can be retained by the Sponsor or sold to a third-party investor (B-piece buyer).

2.

A/B Structure with Nominal First-loss Piece and FM Reinsurance

Single class of guaranteed certificates. Sponsor retains a first-loss position with a reimbursement obligation.

A reimbursement agreement between sponsor and Freddie Mac for any losses up to a certain percentage of the pool's UPB. This may be secured via a letter of credit cash or pledged securities (rated and marked to market)

Servicing

Freddie Mac (or Freddie Mac-approved third party) will be the Master Servicer. With Freddie Mac approval, the sponsor may retain subservicing of loans.

Reps and Warranties

The sponsor will be required to provide representations and warranties to the securitization trust.

Collateral Due Diligence

Freddie Mac will be entitled to conduct a full underwriting and due diligence review of all the loans/bonds, including interior and exterior physical inspections, borrower and guarantor credit, property financials and rent rolls, environmental, compliance, valuation, and collateral files and servicing files. Freddie Mac will determine which loans/bonds will be securitized based on its review.

For more information, please contact:

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