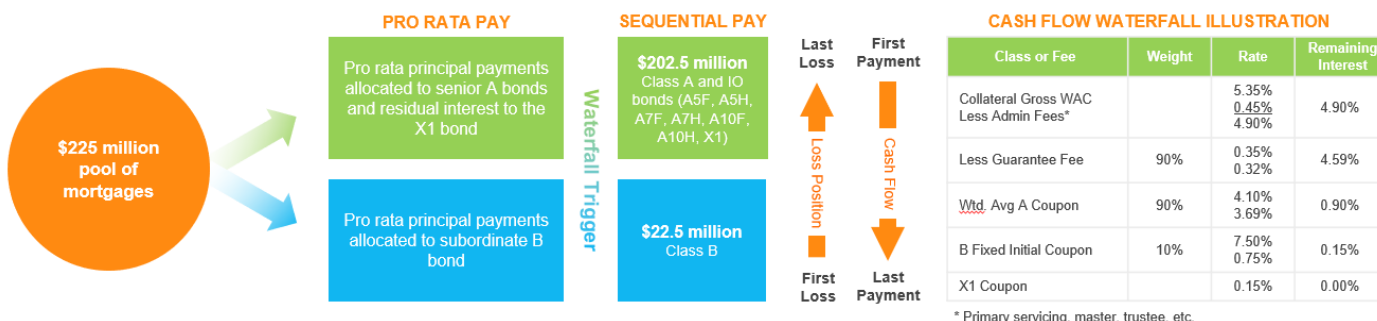


## SB-Deal® X1 Bond Program

The SB-Deal® X1 is a Freddie Mac guaranteed interest-only bond, with both coupon and prepayment fees as dual income sources, providing a natural interest rate environment hedge.

### Sample Structure and Waterfall

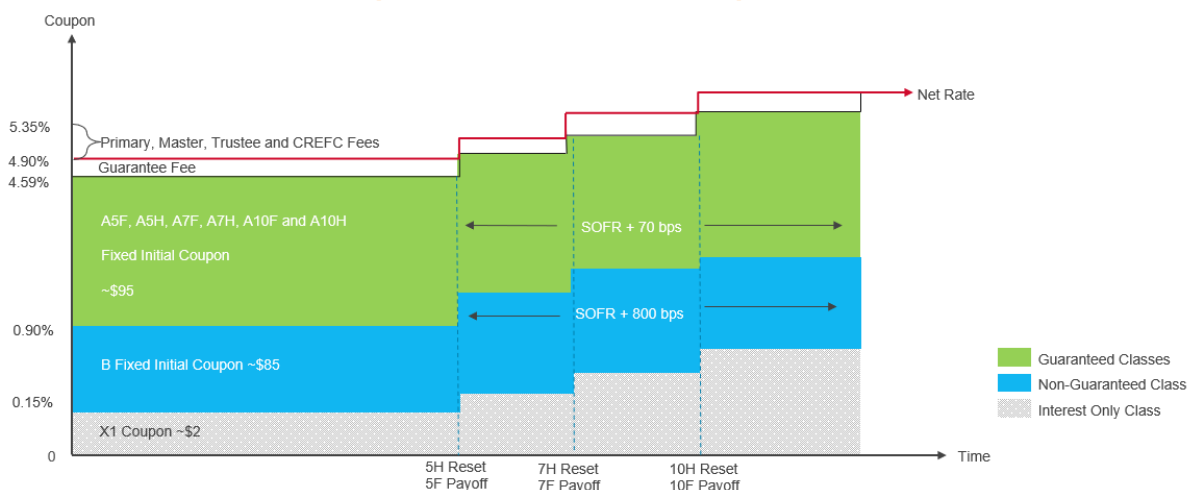


- SB-Deals include 5-, 7- and 10-year fixed-rate balloon mortgages as well as 10-year hybrid balloon mortgages with 5- and 7- year initial fixed-rate periods followed by floating-rate SOFR with six-month reset periods, and a 20-year hybrid balloon mortgage with a 10-year initial fixed-rate period followed by floating-rate SOFR with six-month reset periods, all with an array of prepayment options
- Freddie Mac does not guarantee a certain coupon to the X1 but rather guarantees the residual coupon will be paid. However, the guarantee does not cover any loss of expected yield to the X1 arising from reductions in the notional amount of the X1 or because of payment of additional interest amounts
- As an illustration only, due to the collateral mix varying from deal to deal, the X1 on a \$225 million deal typically has a ~\$2 price, or approximately \$5.6 million market value at the 15 Constant Prepayment Rate (CPR) pricing speed

### Cash Flow

The pass-through rates for X1 certificates vary and are based, as shown in the chart below, on an initial fixed-rate period followed by one-month 30-day Average SOFR and will be subject to capped rates based on the weighted average net mortgage pass-through rate for the related loan group or for the mortgage pool.

#### Sample SB-Deal Rate and Coupon Structure<sup>1</sup>



<sup>1</sup>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

## Prepayment Premiums (Static Prepayment Premiums or Yield Maintenance)

- The X1 class is the 100% beneficial owner of prepayment fees/premiums collected
- One or more holder(s) representing the majority of X1 Certificates by notional amount may waive prepayment premiums
- Premiums are not due if resulting from condemnation<sup>2</sup>

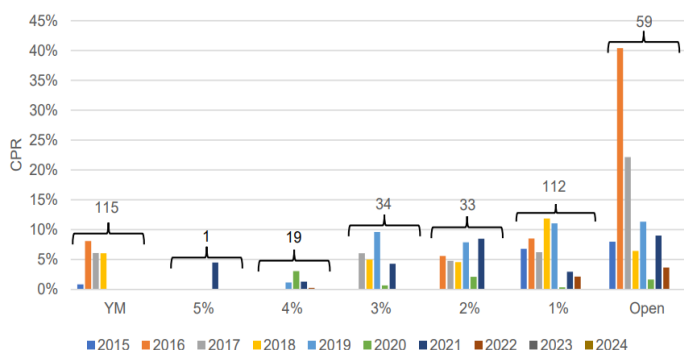
## Prepayment Premiums not Required

- 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 (i) 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 (ii) as the result of the sale of the property to an unrelated third party in an arms' length transaction

## Collateral Prepayments

While most loans are subject to high premiums (high points or yield maintenance), as shown in the below excerpt from our latest [Prepayment Report](#), we continue to see voluntary prepayment speeds increasing as seasoning increases and prepayment premium decreases.

### CPR by Loan Prepayment Phase and Payoff Loan Counts in the Past 12 Months



## Pricing Scenario

X1 Certificates are priced to a 15 CPR as a proxy for an average prepay speed for the collateral. Given the multiple bond classes in a deal, each with various prepay types, and considering the prepayment behavior we have observed since the SBL program was launched in 2014, the 15 CPR speed provides a much simpler and stable pricing mechanism. While in the short term, actual prepaids are much slower than the 15 CPR speed, as loans season it is expected they will have speeds much faster than 15 CPR.

## Performance Through March 2025

Key Metrics	SB-Deal®
Combined Issuance	\$43.5B
Number of Deals	119
Original Loan Count	16,127
Paid-Off Loans	6,509
Delinquency Status	3.3%
Aggregate Losses	\$79.0M
Loans in Special Servicing	393
Unpaid Balance on Watchlist*	16.2%

## Additional Resources

[SB-Deal Investor Presentation](#)  
[SB-Deal Performance Report](#)  
[SB-Deal Program Handout](#)  
[Multifamily Issuance Calendar](#)

Please contact:

[MF\\_CM\\_InvestorRelations@freddiemac.com](mailto:MF_CM_InvestorRelations@freddiemac.com) or visit our  
[website at mf.freddiemac.com](https://mf.freddiemac.com)

<sup>2</sup> For loans originated after January 1, 2020 (or December 5, 2019 in the case of a mortgaged real property located in King County, WA) and either (1) such condemnation is intended to result in the continued use of the mortgaged real property subject to such condemnation for residential purposes or (2) applicable law expressly requires or permits that the condemning authority or acquiring entity reimburse prepayment premiums incurred in connection with a prepayment occurring as a result of a condemnation, a prepayment premium will be due to the extent permitted by applicable law.

All corporate financial information as of March 31, 2025, unless otherwise indicated. 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 and is current only as of its date. 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. The information does not constitute a sufficient basis for deciding 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 must review the relevant offering circular and any related supplements before deciding 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. Please visit [mf.freddiemac.com](https://mf.freddiemac.com) for more information. The multifamily investors section of the company's Web site at <https://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.