

PORTFOLIO SERVICES FOR DEPOSITORIES

Loan Securitization Services

Freddie Mac's Securities Sales & Trading Group "SS&TG" will analyze the loans in your portfolio to assist in the optimization of credit and investment parameters. We will package and segment your loan portfolio to provide you with liquid options to help you achieve your net interest margin, profitability and credit exposure goals in a risk adjusted manner. SS&TG will provide operational support for loan stratification, pooling, file preparation and delivery. We will provide the due diligence services and operational support needed to efficiently securitize and sell your loans to Freddie Mac.

Balance Sheet and Investment Strategy

SS&TG offers depositories balance sheet management advice regarding the funding, hedging, credit risk and investment profile of mortgage loans and securities. SS&TG has developed proprietary path dependent models that assist clients in determining their mortgage portfolio value and risk. SS&TG will run interest rate scenarios to assess the value of mortgage assets in various yield curve environments to help clients evaluate risk and to help develop a comprehensive investment strategy. SS&TG is able to leverage its capital market and distribution capabilities to recommend portfolio restructurings and targeted asset sales. SS&TG also offers investment strategy to clients. SS&TG makes markets in the entire spectrum of the agency mortgage market and is a leading underwriter of CMOs. Our experience and presence in these markets enables us to provide tailored investments to our clients with top tier execution.

Mortgage Research

SS&TG offers specialized mortgage research to its clients. We leverage our intimate knowledge of the mortgage origination business and our trading expertise to provide top tier trading strategy and balance sheet advice. SS&TG has a full service website that makes these services and position inventories available to our clients. Most recently we published an analysis describing the opportunity to sell premium hybrid arms due to the strong demand for short duration ARMs from REITs and mutual funds. In addition, SS&TG tailors research presentations to serve specific client needs.

Mortgage Securities Market Making Activities

SS&TG is a full service mortgage securities dealer. SS&TG makes markets in every sector of the agency mortgage market. SS&TG is ranked among the top five dealers as measured by monthly MBSCC trading volume. We are the single largest buyer of new issue Freddie Mac securities from mortgage originators. SS&TG is a leading underwriter and market maker in agency CMOs. We will create cashflow structures that meet our clients' needs. By specializing in one sector of the fixed income market (Agency MBS) we have developed a high degree of expertise in trading and valuation. Areas of particular strength include CMOs, ARMs, and seasoned/specified fixed rate MBS. Our client base spans the entire spectrum of market participants including banks, thrifts, credit unions, investment advisors, pension funds, hedge funds, insurance companies, REITs and mutual funds.

Community Reinvestment Act (CRA) Services

SS&TG provides a comprehensive CRA investment service. Through our diverse origination customer base we are able to source and pool specific geographic and income targeted securities that support CRA objectives. In addition, Gold PCs help depositories meet their investment guideline needs due to the credit quality and liquidity. SS&TG has developed an innovative program, which enables banks to buy CMOs that fit their duration and average life investment parameters while achieving CRA credit. This program is called CHIP (Custom Tailored Affordable Housing Investment Program) and is available to our clients.

To learn more about the services of Freddie Mac's Securities Sales and Trading Group please call Michael Swell, National Sales Director, at **800 538-SSTG(7784) ext 33488 or call 703 903-3488.**



Tools

Community Reinvestment Act Geographic and Income-Targeted Gold PCs

Invest in Gold PCs Customized To Meet Your Needs

Help meet your Community Reinvestment Act (CRA) goals by investing in Freddie Mac Gold PCs—developed by our Securities Sales and Trading Group (SS&TG). SS&TG provides financing for mortgage lending activities and securities portfolios. SS&TG delivers Freddie Mac Gold PCs with the specific geographic and borrower income characteristics you need, while providing you with a highly liquid investment vehicle. Let SS&TG customize Gold PCs to match the desired geographic areas and borrower profiles that may be considered “qualified investments” for you under the CRA.

One-Stop Investing

Based on our broad perspective and access to the national mortgage pipeline, Freddie Mac is your one-stop conduit for carefully analyzed and competitively priced pools. SS&TG offers you the benefit of our expertise in developing Gold PC securities with specified income and geographic characteristics. Just like any other Freddie Mac Gold PC, these liquid PCs may be held in your portfolio or sold with absolutely no resale restrictions or other limitations in their value to you.

SS&TG Eliminates the Guesswork

We’ve simplified your investment process! By identifying and packaging loans according to our analysis of loan data, we can target the following characteristics:

- Your specific geographic assessment area or a broader area that includes your assessment area
- Borrower median family income primarily at or below 80 percent for the Metropolitan Statistical Area (MSA)
- Census tracts

Discover the Value of Gold PCs

SS&TG enables you to purchase specific geographic and income-targeted securities that support your CRA objectives and meet your investment needs with the liquidity of Freddie Mac’s Gold PC. SS&TG also provides assistance in financing your purchases through a Repurchase Agreement. Gold PCs also require less capital than holding Affordable mortgages in portfolio as whole loans. When you purchase CRA-eligible Gold PCs from Freddie Mac, we also provide you the pertinent loan-level data for the mortgages backing these securities.

Key Features

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- Gold PCs also require less capital than holding Affordable mortgages in portfolio as whole loans

Learn more about Freddie Mac CRA Geographic and Income-Targeted Gold PC’s:

- Call SS&TG (800) 538-7784
- Visit our website:
www.freddiemac.com

Freddie
Mac

VALUE FEATURES FOR TARGETED MBS

- principal and interest guaranteed
- market rate return
- no management fees
- favorable capital treatment
- fully liquid investment - with no resale restrictions
- flexible - can be tailored to bank's assessment area and sold in varying amounts
- low transaction costs
- available everywhere - even in rural areas