



Structured Agency Credit Risk HARP Dataset Historical Performance

June 2019

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Historical Loss Summary

Assumptions for Summary Severity / Timelines / Loss Components



- To assist investors with their understanding of Freddie Mac’s historical loss experience, on the following slides we provide loss severity and liquidation timelines by origination year and judicial/non-judicial states
- Additionally, we have summarized the contributions from each of the components of net loss
 - » Net loss calculated as follows: Collateral Deficiency + Delinquent Interest + Expenses – MI Recoveries – Non MI Recoveries
- Data included in tables were derived from Freddie Mac’s Single Family Loan Level Dataset (SF LLD) as of February 2019 refresh: Originations 1999- December 31, 2017. Performance data: 1999- June 30, 2018, losses reported for loans liquidated as of 1Q2018.
- Assumptions/Calculations:
 - » Population includes only disposed loans with original LTV ratios between 60.01-97%
 - » Populations for this analysis = Fixed 30 loans (identified by loans with original loan term between 301 and 419 months)
 - » Loans with Repurchase flag = Y have been set to zero loss
 - » “FA” references liquidations through foreclosure alternatives
 - » “J” indicates judicial states; “NJ” indicates non-judicial states
 - » Timelines are in months weighted by default UPB
 - » If default UPB on last record is zero, the prior period default UPB was used
 - » Calculation for Collateral Deficiency: default UPB – net sales proceeds
 - » Calculation for Delinquent Interest is = default UPB * (current interest rate – 0.35%) * days delinquent / 360 /100
 - » For Net Sales proceeds = “C”; set loss = zero
 - » For Net Sales proceeds = “U”; removed from population if applicable
 - » Severity is net loss/default UPB
 - » Judicial states: CT, DE, FL, HI, IA, IL, IN, KS, KY, LA, ME, ND, NJ, NM, NY, OH, OK, PA, PR, SC, SD, VI, VT, WI

HARP

Historical Performance

Historical HARP Collateral

- Summary collateral characteristics for the different vintages are seen below

Origination Year	2009	2010	2011	2012	2013	2014	2015	2016	2017
Orig UPB (\$BN)	16.1	35.1	28.1	66.6	40.7	8.5	4.7	2.4	0.9
WA FICO	739	745	743	740	726	709	709	704	699
WA DTI (%)*	NA	NA	NA	NA	NA	NA	NA	NA	NA
WA OCLTV (%)	97	97	102	117	111	105	102	100	99
WA OLTV (%)	92	93	97	112	106	100	98	96	96
FICO Score Range									
0-600 (%)	2	2	2	3	4	6	6	6	6
600-679 (%)	12	9	11	13	19	26	27	28	31
680-719 (%)	19	17	17	16	20	21	21	23	25
720-759 (%)	25	24	23	22	22	19	18	18	17
760-779 (%)	16	16	16	15	13	10	10	9	8
780 and Greater (%)	26	32	31	31	23	19	19	17	13

* HARP loans were underwritten on a streamlined basis with no income verification

Loss Components by Disposition & Origination Year



Loss Components (Disposition)

Disposition Year	Loan Count	Default Upb	Net Loss	Severity	Collateral Loss	Expenses	MI Recoveries	Non-MI Recoveries	Delinquent Interest	Timeline
2009 - 2010	664,628	145,354,134,279	35,908,133,031	25%	99%	9%	-18%	-2%	13%	10
2011	2,745,978	593,444,120,366	171,538,011,699	29%	88%	14%	-15%	-3%	16%	13
2012	5,629,577	1,135,751,739,561	333,096,388,496	29%	81%	18%	-14%	-3%	18%	14
2013	5,900,205	1,095,031,117,045	333,955,828,133	30%	69%	27%	-15%	-4%	22%	18
2014	6,323,470	1,047,425,108,890	362,588,790,086	35%	59%	33%	-12%	-4%	24%	22
2015	5,544,687	910,625,879,720	321,092,926,812	35%	58%	35%	-15%	-4%	26%	25
2016	5,750,262	931,504,972,195	335,987,627,275	36%	56%	35%	-14%	-4%	26%	25
2017	6,503,996	1,038,066,423,480	218,819,905,815	21%	53%	47%	-23%	-6%	30%	22
2018	1,492,403	240,081,711,595	51,926,975,771	22%	53%	55%	-33%	-6%	32%	19
Grand Total	40,555,206	7,137,285,207,130	2,164,914,587,118	30%	66%	30%	-15%	-4%	23%	20

Loss Component (Origination)

Origination Year	Loan Count	Default Upb	Net Loss	Severity	Collateral Loss	Expenses	MI Recoveries	Non-MI Recoveries	Delinquent Interest	Timeline
2009	25,102,478	4,680,437,364,554	1,578,376,603,458	34%	65%	26%	-11%	-3%	23%	20
2010	7,291,902	1,134,409,821,169	351,636,876,112	31%	60%	35%	-14%	-4%	23%	20
2011	2,746,085	437,462,300,903	113,510,434,953	26%	64%	41%	-24%	-6%	25%	19
2012	1,657,421	258,401,806,279	50,166,389,978	19%	75%	49%	-41%	-5%	24%	18
2013	1,567,838	246,173,106,960	36,252,559,166	15%	93%	60%	-70%	-14%	32%	17
2014	1,196,362	198,762,685,028	22,497,513,762	11%	112%	68%	-106%	-13%	39%	16
2015	713,783	128,508,900,137	9,755,430,543	8%	127%	76%	-129%	-14%	41%	14
2016	253,316	49,959,407,120	2,611,662,038	5%	174%	73%	-178%	-14%	47%	12
2017	26,021	3,169,814,979	107,117,108	3%	246%	57%	-232%	-10%	39%	8
Grand Total	40,555,206	7,137,285,207,127	2,164,914,587,118	30%	66%	30%	-15%	-4%	23%	20

Notes: Performance data: 2009-2Q2018, losses reported for loans liquidated as of 1Q2018
 Cumulative Losses do not include modification losses

Severity Rates and Disposition Timelines



Severity Rates by Disposition and Origination Year

Disposition Year	Origination Year / St Type																													
	2009			2010			2011			2012			2013			2014			2015			2016			2017		Grand Total			
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	NJ	Total				
2009 - 2010	25	25	25	5	0	3																								25
2011	33	28	29	30	17	20	64	2	26																					29
2012	36	28	31	24	21	22	5	16	14		0	0																		29
2013	37	29	32	31	25	27	16	19	19	13	12	12																		30
2014	45	31	37	38	29	33	29	20	24	22	16	18	34	13	15															35
2015	47	33	40	40	29	35	35	25	29	25	20	23	22	12	15	22	11	13												35
2016	51	34	44	44	33	39	40	31	36	26	20	23	19	17	18	15	11	12	9	13	12		-1	-1						36
2017	34	22	28	36	24	31	30	17	23	19	10	15	16	9	12	11	8	9	8	5	6	4	3	3	0	0	21			
2018	38	21	30	33	25	29	27	12	21	22	11	18	21	8	14	23	11	16	17	10	12	11	7	8	13	13	22			
Grand Total	41	29	34	37	26	31	31	21	26	23	16	19	18	12	15	14	10	11	9	7	8	7	4	5	3	3	30			

Disposition Timelines (# months delinquent at disposition)

Disposition Year	Origination Year / St Type																													
	2009			2010			2011			2012			2013			2014			2015			2016			2017		Grand Total			
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	NJ	Total				
2009 - 2010	9	10	10	5	8	6																								10
2011	14	12	13	9	9	9	4	6	5																					13
2012	17	14	14	12	12	12	7	9	8		5	5																		14
2013	21	17	19	18	15	16	12	13	13	10	11	11																		18
2014	27	21	24	22	18	20	19	16	17	15	13	14	10	10	10															22
2015	31	25	28	25	22	24	22	20	21	17	15	16	13	12	12	12	9	10												25
2016	34	25	30	27	23	25	24	21	23	20	19	19	19	16	17	14	13	13	9	10	10		4	4						25
2017	29	21	25	29	22	26	24	18	21	22	18	20	20	18	19	19	16	17	15	13	14	12	11	12	8	8	22			
2018	24	22	23	20	17	18	21	16	19	21	16	19	23	17	20	24	17	20	16	14	15	13	12	12	10	10	19			
Grand Total	25	17	20	23	18	20	21	17	19	19	16	18	19	16	17	18	15	16	15	13	14	12	11	12	8	8	20			

Notes: Performance data: 2009-2Q2018, losses reported for loans liquidated as of 1Q2018
 Cumulative Losses do not include modification losses

Severity Rates and Disposition Timelines REO



Severity Rates by Disposition and Origination Year

Disposition Year	Origination Year / St Type																								Grand Total		
	2009			2010			2011			2012			2013			2014			2015			2016				2017	
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total		NJ	Total
2009 - 2010	38	30	31		0	0																				30	
2011	45	32	35	31	22	22																				34	
2012	49	33	37	34	28	30		17	17																	36	
2013	44	33	37	38	30	33	17	27	25	11	14	13														36	
2014	51	36	42	42	31	36	29	24	27	18	20	20		13	13											39	
2015	52	36	44	43	31	37	36	30	32	30	25	28	32	17	23	24	31	29								40	
2016	58	39	48	52	37	44	50	34	42	24	24	24	20	22	21	20	18	19	43	5	9					41	
2017	47	31	39	45	33	40	39	22	30	25	13	19	17	10	12	12	11	11	9	6	7	6	3	4		28	
2018	57	38	47	57	46	51	42	31	38	25	31	27	29	8	17	27	14	19	34	14	18					34	
Grand Total	50	34	40	43	31	37	37	27	31	25	20	22	21	14	16	16	14	15	12	7	8	11	6	7	29	29	36

Disposition Timelines (# months ddlpi to REO acquisition)

Disposition Year	Origination Year / St Type																								Grand Total		
	2009			2010			2011			2012			2013			2014			2015			2016				2017	
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total		NJ	Total
2009 - 2010	12	8	8		6	6																					8
2011	14	10	10	10	8	8																					10
2012	15	11	12	11	9	9		8	8																		11
2013	18	12	14	15	10	12	12	10	8	13	8	8															14
2014	22	15	18	17	12	14	14	10	12	13	8	9															16
2015	26	19	23	19	15	17	16	15	15	13	10	11	8	8	8												20
2016	27	18	23	20	15	18	21	15	18	14	14	14	15	13	14	9	9	9	3	8	7					19	
2017	29	18	23	27	18	23	24	16	19	17	13	15	16	13	14	15	11	13	14	10	11					19	
2018	27	27	27	22	16	19	21	18	20	16	25	19	18	13	15	18	12	15	12	11	11	12	8	9	7	7	19
Grand Total	22	13	16	19	13	15	19	13	15	15	12	14	15	12	14	15	11	12	13	10	11	10	8	9	7	7	16

Disposition Timelines (# months REO acquisition to disposition)

Disposition Year	Origination Year / St Type																								Grand Total		
	2009			2010			2011			2012			2013			2014			2015			2016				2017	
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total		NJ	Total
2009 - 2010	4	4	4		2	2																					4
2011	7	6	6	5	4	4																					6
2012	7	6	7	6	6	6		4	4																		7
2013	8	8	8	7	7	7	6	7	6	6	4	4															8
2014	8	8	8	8	8	8	8	7	7	7	6	6															8
2015	10	9	9	8	9	9	7	8	7	6	6	6	6	4	4	8	5	5									9
2016	10	10	10	9	8	9	9	9	9	8	8	8	6	7	7	7	6	6	6	4	4						9
2017	10	9	9	9	10	10	9	9	9	8	9	9	8	8	8	7	7	7	6	6	6						9
2018	9	10	10	9	11	10	9	12	10	8	11	9	10	8	9	8	8	8	6	7	7	6	6	6	6	6	9
Grand Total	9	7	8	8	8	8	8	8	8	8	8	8	7	8	7	7	7	7	6	6	6	5	6	6	6	6	8

Notes: Performance data: 2009-2Q2018, losses reported for loans liquidated as of 1Q2018
Cumulative Losses do not include modification losses

Severity Rates and Disposition Timelines FA



Severity Rates by Disposition and Origination Year

Disposition Year	Origination Year / St Type																								Grand Total					
	2009			2010			2011			2012			2013			2014			2015			2016				2017				
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total		NJ	Total			
2009 - 2010	22	20	20	5		5																								20
2011	25	23	24	30	13	18	64	2	26																					23
2012	26	22	24	20	14	16	5	15	12		0	0																		22
2013	29	21	25	22	17	19	16	8	11	13	0	10																		23
2014	35	23	29	30	24	27	27	12	20	25	10	16	34	13	17															27
2015	41	29	36	37	26	32	35	18	26	21	16	19	16	11	12	22	9	11												31
2016	46	28	39	37	27	34	32	26	30	28	15	22	19	14	16	14	7	9	4	17	13				-1	-1				31
2017	23	11	18	24	10	18	22	10	16	11	7	9	15	9	12	10	5	7	7	4	6	4	3	3	0	0			14	
2018	25	4	16	9	-1	4	7	1	4	17	-1	8	10	8	9	14	7	10	13	7	10	9	5	6	4	4			10	
Grand Total	32	22	27	29	19	24	26	14	20	21	11	16	17	11	13	12	6	9	8	6	7	5	4	4	1	1			24	

Disposition Timelines (# months delinquent at disposition)

Disposition Year	Origination Year / St Type																								Grand Total					
	2009			2010			2011			2012			2013			2014			2015			2016				2017				
	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total	J	NJ	Total		NJ	Total			
2009 - 2010	8	8	8	5		5																								8
2011	10	9	9	8	7	7	4	6	5																					9
2012	12	9	10	10	9	9	7	7	7		5	5																		10
2013	16	12	14	12	11	11	10	9	9	7	7	7																		13
2014	22	17	20	17	15	16	14	15	14	13	11	12	10	9	9															18
2015	26	21	24	23	20	22	21	15	18	15	13	14	12	11	11	11	9	9												21
2016	31	22	28	25	21	23	21	16	19	18	14	16	18	12	15	13	11	12	8	10	9				4	4			23	
2017	20	13	17	20	15	17	17	10	14	15	11	13	16	15	15	15	14	14	13	10	11	11	10	10	7	7			15	
2018	16	8	13	10	4	7	8	8	8	15	5	9	16	11	13	18	10	14	16	12	14	10	10	10	8	8			11	
Grand Total	20	13	16	19	14	16	17	12	14	16	12	14	16	12	14	14	12	13	13	10	11	11	10	10	7	7			15	

Notes: Performance data: 2009-2Q2018, losses reported for loans liquidated as of 1Q2018
 Cumulative Losses do not include modification losses