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**THOUSANDS BID, 207 FAMILIES BUY HOMES AT FREDDIE MAC AUCTIONS
IN LAS VEGAS, RIVERSIDE/SAN BERNARDINO COUNTIES**

Successful Auctions for First Time Buyers, Owner-Occupants Combine Federal Neighborhood Stabilization Funds And HomeSteps[®] Closing Cost Assistance, 2-Year Home Warranty

McLean, VA – Freddie Mac (NYSE:FRE) today reported that it had sold 207 HomeSteps[®] REO homes to first time buyers and other owner-occupants at morning and afternoon auctions in Las Vegas and Riverside/San Bernardino Counties that drew thousands of bidders on April 24 and 25. HomeSteps is the real estate sales unit of Freddie Mac and markets a nationwide selection of Freddie Mac-owned homes.

“The response was very encouraging. In one weekend we put 207 new families on the road to sustainable homeownership in Las Vegas and the Inland Empire,” said Ingrid Beckles, Senior Vice President, Default Asset Management at Freddie Mac. “The bidding was intense in both markets, California homebuyers filled the Riverside Convention Center to capacity, and we sold virtually all of the homes we had set-aside for these auctions.”

Morning auctions were held for borrowers eligible for the federal Neighborhood Stabilization Program (NSP) and afternoon auctions for the general public interested in buying a home as their principle residence. The NSP provides counseling and financial assistance to encourage eligible first time homebuyers and other owner-occupants to buy foreclosed homes in designated areas hard hit by the housing downturn.

Freddie Mac sold 90 percent of the HomeSteps properties set aside for the auctions, including 49 of the 50 homes in areas targeted under the NSP. Altogether HomeSteps successfully auctioned 107 HomeSteps homes in Las Vegas, including 36 homes to NSP-eligible bidders, and 100 homes in Riverside/San Bernardino, including 13 under the NSP program. All of the homes were removed from the market prior to the auction, inspected, repaired, and finally sold in “as is” condition.

As an added incentive to bidders at the morning NSP auctions, HomeSteps offered to pay up to 3.5 percent of the closing costs and, for homes that sold for at least \$25,000, provide a two-year limited home warranty through Cross Country Home Services. The limited warranty covers electrical, plumbing, heating and air conditioning, ductwork, and major appliances.

The auctions were managed by New Vista and the Real Estate Disposition Company.

“The auctions we held with New Vista and REDC show that the NSP can be a valuable tool for stabilizing communities by fostering real homeownership opportunities,” said Chris Bowden, Vice President of HomeSteps. “Our next step is to use what we have learned to build upon our

commitment to sell REO properties in a way that promotes sustainable communities and successful homeownership.”

“The crowds of homeowners that came to these auctions reaffirm that owner-occupant buyers and the pride of homeownership are central to the housing recovery,” said New Vista Co-CEO Gary Acosta. “We’re looking forward to expanding this initiative and enabling more homebuyers to help rebuild America’s neighborhoods.”

“With the help of the Neighborhood Stabilization Program providing down-payment assistance to buyers and Freddie Mac providing an inventory of qualifying homes, these auctions were designed to keep these homes in the hands of the community,” said Jeffrey Frieden, CEO of REDC. “It was truly inspiring to be a part of these four auctions.”

For more information about HomeSteps homes visit www.HomeSteps.com.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Over the years, Freddie Mac has made home possible for one in six homebuyers and more than five million renters.

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