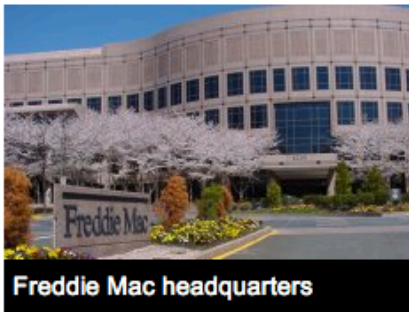




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## Freddie Mac Sells \$195M in First Bulk Loan Sale

By [Erika Morphy](#) | National



Freddie Mac headquarters

McLEAN, VA—**Freddie Mac** has launched its first multifamily bulk loan transaction, selling a portfolio of seasoned assets that had been residing on its balance sheet since before it entered conservatorship. The winning bidder was an affiliate of **Colony Capital**. The company purchased 27 performing mortgage loans that had an unpaid principal balance of **\$195 million**. The purchase price for the portfolio was not disclosed. Freddie Mac retained **Mission Capital Advisors** as loan sale advisor.

Freddie Mac is not abandoning securitization--its primary mode of selling off assets from its balance sheet; not hardly, says **Mike Lipson**, senior vice president of Multifamily Asset Management and Operations for Freddie Mac. "Securitization is our main focus," he tells [GlobeSt.com](#).

The GSE decided to try out a bulk loan sale for a couple of reasons, he explains. "We wanted to be in a position to be able to use all of the different vehicles for distribution of assets on our balance sheet – one that we hadn't used before. We wanted to establish this method and make sure it worked from a business, finance and regulatory standpoint."

Another reason behind the transaction is the GSE's mandate to reduce its old legacy portfolio.

Also, he continues, bulk sales is a standard sales vehicle in the private sector and the GSE wanted to replicate it for its own books. "It turned out to be a good execution for us and it was well received by the bidders," Lipson says.

Because these were seasoned loans--as opposed to the newer loans the GSE tends to securitize in its K Deals--the offering attracted a different type of investor, Lipson adds, running the gamut from balance sheet lenders to private equity funds.

Freddie Mac does not have plans to do another deal anytime soon, according to Lipson. "We will assess what the market looks like and proceed from there."