Freddie Mac
We make home possible®

Fourth Quarter 2013 Financial Results Supplement

February 27, 2014

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Quarterly financial results

($ Billions)		3Q 2013	4Q 2013	4Q 2013 vs 3Q 2013
1	Net interest income	$4.3	$3.8	($0.5)
2	**Benefit for credit losses**	**1.1**	**0.2**	**(0.9)**
3	**Derivative gains (losses)**	**(0.1)**	**1.0**	**1.0**
4	**Net impairment of available-for-sale securities recognized in earnings**	**(0.1)**	**(1.3)**	**(1.2)**
5	**Other non-interest income**	**1.9**	**6.1**	**4.2**
6	Non-interest income	1.7	5.8	4.1
7	Total administrative expenses	(0.5)	(0.5)	(0.0)
8	Real estate owned operations income (expense)	0.1	(0.0)	(0.1)
9	Other non-interest expense	(0.2)	0.1	0.3
10	Non-interest expense	(0.6)	(0.4)	0.2
11	**Pre-tax income**	**6.5**	**9.3**	**2.8**
12	**Income tax benefit (expense)**	**24.0**	**(0.7)**	**(24.7)**
13	Net income	30.5	8.6	(21.9)
14	**Total other comprehensive income (loss), net of taxes**	**(0.0)**	**1.2**	**1.3**
15	Comprehensive income	$30.4	$9.8	($20.6)

- **Line 2:** Lower benefit for credit losses driven by moderation in home-price growth during 4Q13.
- **Line 3:** A shift from derivative losses in 3Q13 to derivative gains in 4Q13 driven by higher fair value gains on the net pay-fixed swap portfolio due to an increase in longer-term interest rates.
- **Line 4**: Higher net impairment of available-for-sale (AFS) securities primarily due to the 4Q13 implementation of enhanced model assumptions used to project cash flows on certain modified loans collateralizing non-agency mortgage-related securities.
- **Line 5:** Higher other non-interest income driven by a $4.3 billion increase in settlement proceeds related to private label securities (PLS) litigation in 4Q13.
- **Line 12:** A shift from income tax benefit in 3Q13 to income tax expense in 4Q13 primarily due to the release of the deferred tax asset valuation allowance.
- **Line 14:** A shift from total other comprehensive loss in 3Q13 to total other comprehensive income in 4Q13 reflects improved fair values on non-agency AFS securities due to spread tightening, as well as the recognition in earnings of other-than temporary impairments on the company's non-agency mortgage-related securities in 4Q13.

Note: Columns may not add due to rounding.

Annual financial results

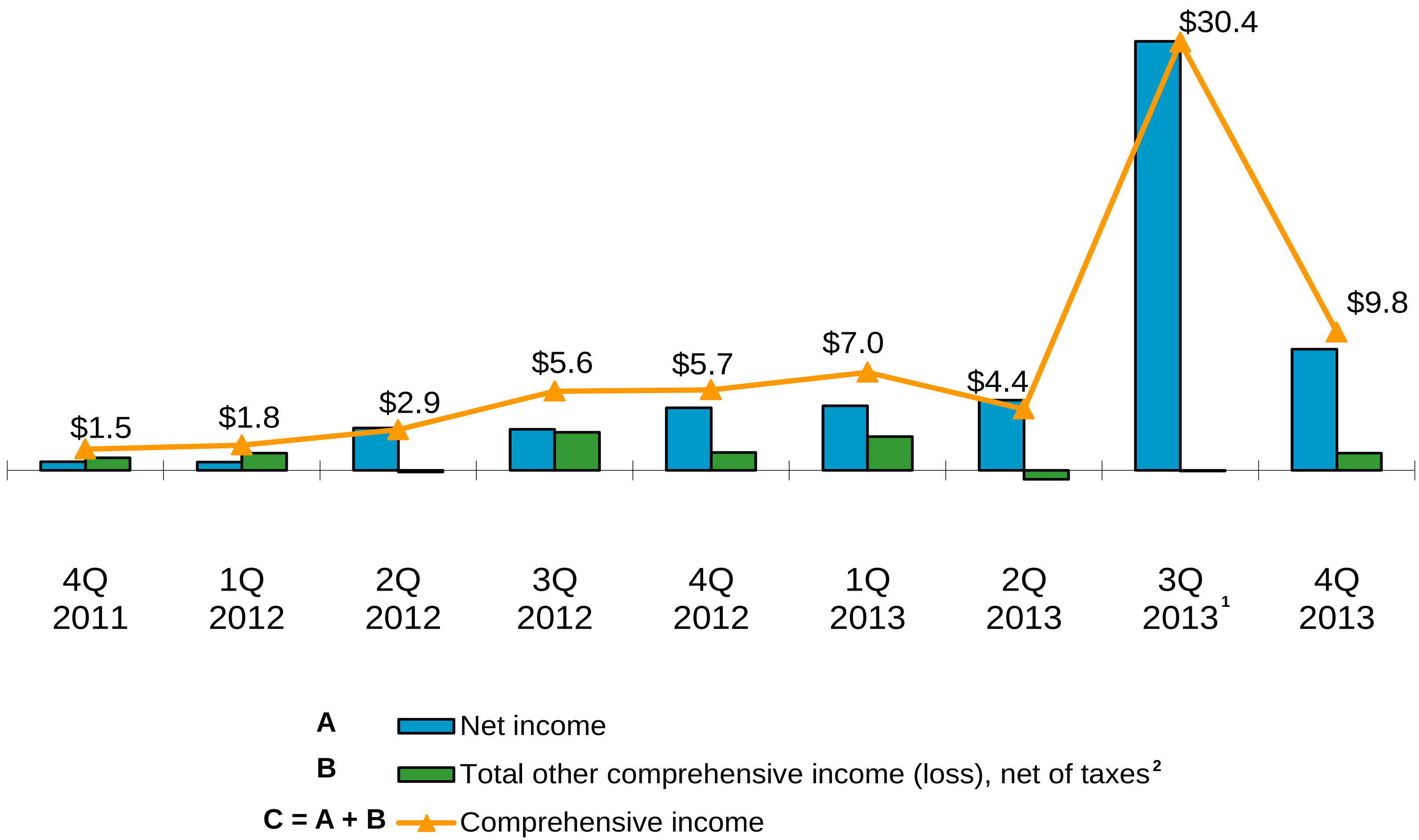
($ Billions)		2012	2013	2013 vs 2012
1	Net interest income	$17.6	$16.5	($1.1)
2	**(Provision) benefit for credit losses**	**(1.9)**	**2.5**	**4.4**
3	**Derivative gains (losses)**	**(2.4)**	**2.6**	**5.1**
4	Net impairment of available-for-sale securities recognized in earnings	(2.2)	(1.5)	0.7
5	**Other non-interest income**	**0.5**	**7.4**	**6.9**
6	Non-interest income (loss)	(4.1)	8.5	12.6
7	Total administrative expenses	(1.6)	(1.8)	(0.2)
8	Real estate owned operations income (expense)	(0.1)	0.1	0.2
9	Other non-interest expense	(0.6)	(0.4)	0.1
10	Non-interest expense	(2.2)	(2.1)	0.1
11	**Pre-tax income**	**9.4**	**25.4**	**15.9**
12	**Income tax benefit**	**1.5**	**23.3**	**21.8**
13	Net income	11.0	48.7	37.7
14	**Total other comprehensive income, net of taxes**	**5.1**	**2.9**	**(2.1)**
15	Comprehensive income	$16.0	$51.6	$35.6

- **Line 2:** A shift from a provision for credit losses in 2012 to a benefit in 2013 due to a decrease in the volume of newly delinquent loans, increases in national home prices and approximately $1.7 billion in recoveries from representation and warranty settlements in 2013.
- **Line 3:** A shift from derivative losses in 2012 to derivative gains in 2013 driven by an increase in longer-term interest rates during 2013, compared to a decrease in longer-term interest rates during 2012, coupled with a change in the mix of the company's derivative portfolio.
- **Line 5:** Higher other non-interest income driven primarily by settlement proceeds of $5.5 billion related to PLS litigation during 2013.
- **Line 12:** Higher income tax benefit primarily driven by the release of the deferred tax asset valuation allowance.
- **Line 14:** Lower total other comprehensive income reflects the unfavorable impact of higher interest rates, partially offset by higher fair value gains due to spread tightening on non-agency securities.

Note: Columns may not add due to rounding.

Comprehensive income

$ Billions



[1] Net income and Comprehensive income include $23.9 billion non-cash benefit from releasing the valuation allowance on deferred tax assets.

[2] Consists of the after-tax changes in: (a) the unrealized gains and losses on available-for-sale securities; (b) the effective portion of derivatives previously designated as cash flow hedges; and (c) defined benefit plans.

Senior Preferred Stock Purchase Agreement with Treasury

- Senior preferred stock outstanding and held by Treasury remained $72.3 billion at December 31, 2013. [1]
  - **Dividend payments do not reduce prior Treasury draws**.
  - Any future draws will increase the balance of senior preferred stock outstanding.
- Since entering conservatorship in September 2008, Freddie Mac has:
  - Received cumulative draws of $71.3 billion from Treasury. No draws have been requested for the past seven quarters; last draw request was $19 million for first quarter 2012.
- Freddie Mac's net worth was $12.8 billion at December 31, 2013.
  - Capital reserve amount decreased from $3.0 billion in 2013 to $2.4 billion for quarterly payments in 2014.
  - Dividend obligation to Treasury will be $10.4 billion in March 2014.
  - Aggregate cash dividends paid to Treasury will total $81.8 billion including the March dividend obligation, versus cumulative cash draws of $71.3 billion received from Treasury through December 31, 2013.
- The amount of remaining Treasury funding currently available to Freddie Mac under the Purchase Agreement is $140.5 billion. Any future draws will reduce this amount.

[1] Senior preferred stock outstanding of $72.3 billion at December 31, 2013 includes cumulative draws of $71.3 billion plus the initial liquidation preference of $1 billion.

Treasury draw requests and dividend payments

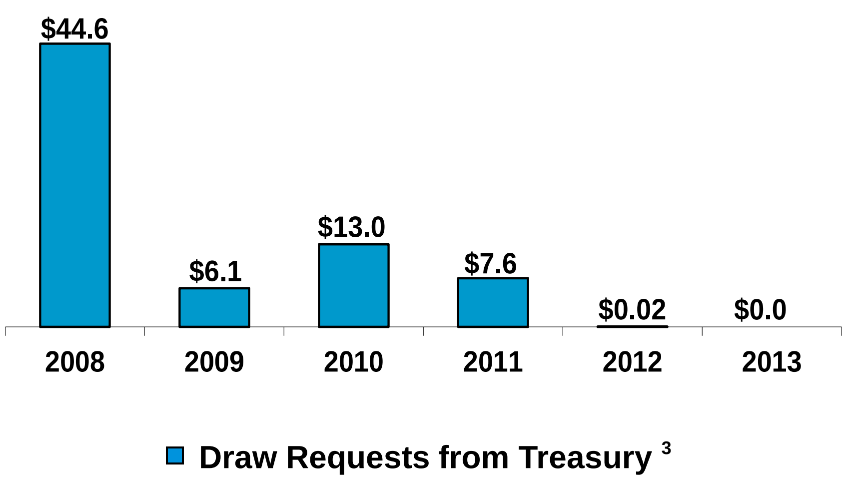
$ Billions

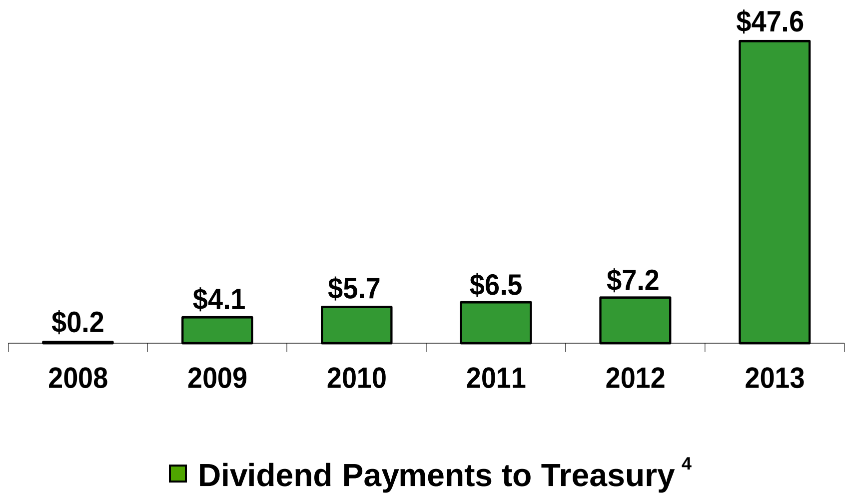
Draws From Treasury

($ Billions)	Cumulative Total
Initial Liquidation Preference[1]	$1.0
Treasury Draws	$71.3
Total Senior Preferred Stock Outstanding	$72.3

Dividend Payments to Treasury

($ Billions)	Cumulative Total
Dividend Payments as of 12/31/13	$71.3
1Q 2014 Dividend Obligation	$10.4
Total Dividend Payments[2]	$81.8





1 The initial $1 billion liquidation preference of senior preferred stock was issued to Treasury in September 2008 as consideration for Treasury's funding commitment. The company received no cash proceeds as a result of issuing this initial $1 billion liquidation preference of senior preferred stock.

2 Amounts may not add due to rounding.

3 Annual amounts represent the total draws requested based on Freddie Mac's quarterly net deficits for the periods presented. Draw requests are funded in the subsequent quarter (e.g., $19 million draw request for 1Q 2012 was funded in 2Q 2012).

4 Represents quarterly cash dividends paid by Freddie Mac to Treasury during the periods presented. Through December 31, 2012, Treasury was entitled to receive cumulative quarterly cash dividends at the annual rate of 10% per year on the liquidation preference of the senior preferred stock. However, the fixed dividend rate was replaced with a net worth sweep dividend payment beginning in the first quarter of 2013. See the company's Annual Report on Form 10-K for the year ended December 31, 2013 for more information.

Total equity and Senior Preferred Stock activity

($ Billions)		4Q 2012	1Q 2013	2Q 2013	3Q 2013	4Q 2013
1	Beginning balance - Total equity / GAAP net worth	$4.9	$8.8	$10.0	$7.4	$33.4
2	Capital draw funded by Treasury	-	-	-	-	-
3	Net income	4.5	4.6	5.0	30.5	8.6
4	Total other comprehensive income (loss), net of taxes	1.3	2.4	(0.6)	(0.0)	1.2
5	**Comprehensive income**	**5.7**	**7.0**	**4.4**	**30.4**	**9.8**
6	Dividends paid to Treasury	(1.8)	(5.8)	(7.0)	(4.4)	(30.4)
7	Other	-	-	-	-	-
8	**Ending balance - Total equity / GAAP net worth**[1]	**$8.8**	**$10.0**	**$7.4**	**$33.4**	**$12.8**
9	Aggregate liquidation preference of the senior preferred stock[2]	$72.3	$72.3	$72.3	$72.3	$72.3
10	Remaining senior preferred stock funding beginning in 2013	N/A	$140.5	$140.5	$140.5	$140.5

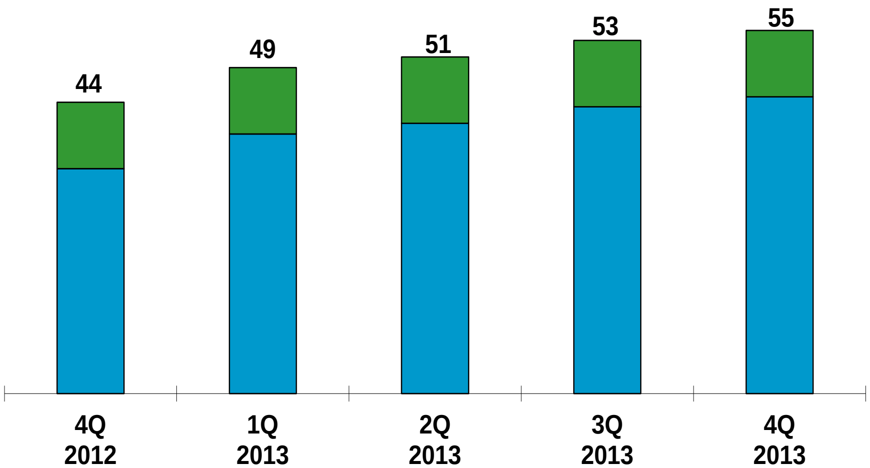
1 See the company's Annual Report on Form 10-K for the year ended December 31, 2013 for a description of the company's dividend obligation to Treasury.

2 Includes the initial liquidation preference of Freddie Mac's senior preferred stock of $1.0 billion.

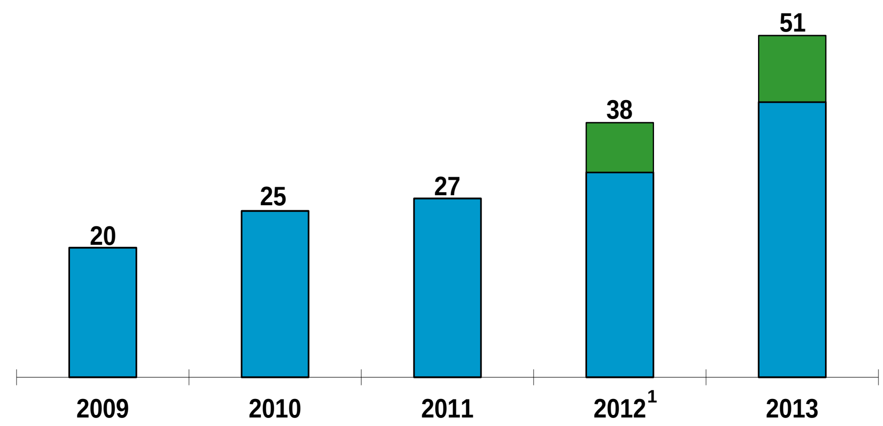
Note: Columns may not add due to rounding.

Single-family guarantee fees charged on new acquisitions

Quarterly
In Basis Points, Annualized



Annual
In Basis Points



Legislated 10 Basis Point Guarantee Fee Remitted to Treasury [1]

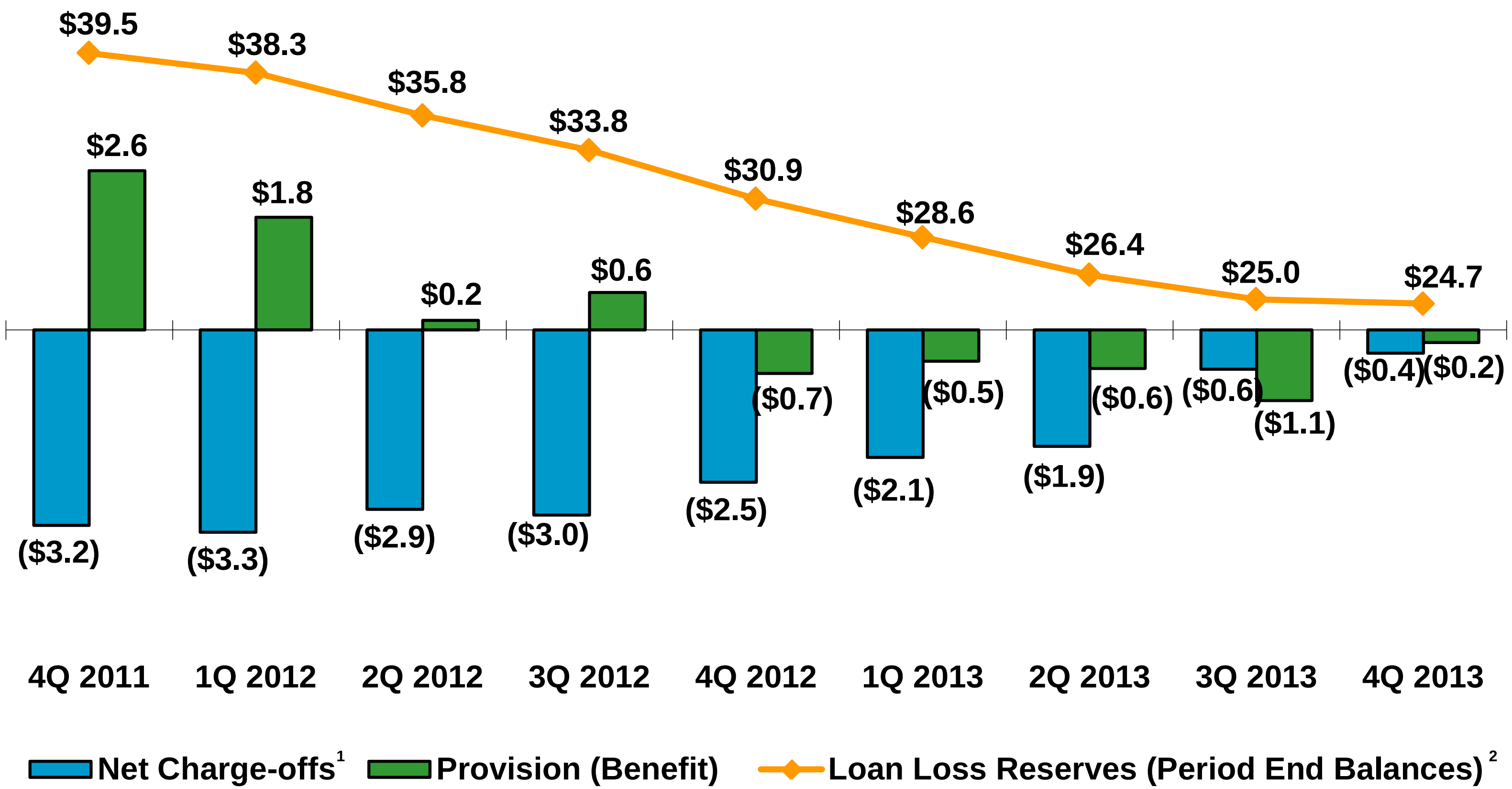
Single-Family Guarantee Fee Charged on New Acquisitions (excluding amounts remitted to Treasury) [2]

[1] Effective April 1, 2012, guarantee fees charged on single-family loans sold to Freddie Mac were increased by 10 basis points. Under the Temporary Payroll Tax Cut Continuation Act of 2011, Freddie Mac is required to remit the proceeds from this increase to Treasury. Given the April 1, 2012 effective date, the impact of the increase on average guarantee fees for full-year 2012 was 7.5 basis points.

[2] Represents the estimated rate of management and guarantee fees for new acquisitions during the period assuming amortization of delivery fees using the estimated life of the related loans rather than the original contractual maturity date of the related loans. Also includes the effect of pricing adjustments that are based on the relative performance of our PCs compared to comparable Fannie Mae securities.

Loan loss reserves

$ Billions



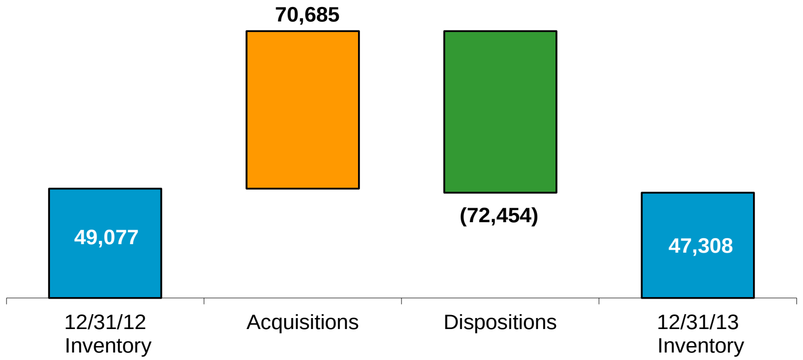
[1] Includes amounts related to certain loans purchased under financial guarantees and reflected within other expenses on the company's consolidated statements of comprehensive income.

[2] Consists of the allowance for loan losses and the reserve for guarantee losses.

Real estate owned[1]

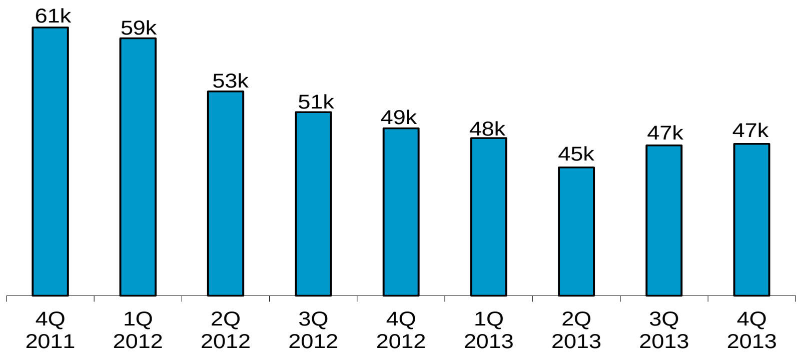
Property Inventory 2013 Activity

(Number of Properties)



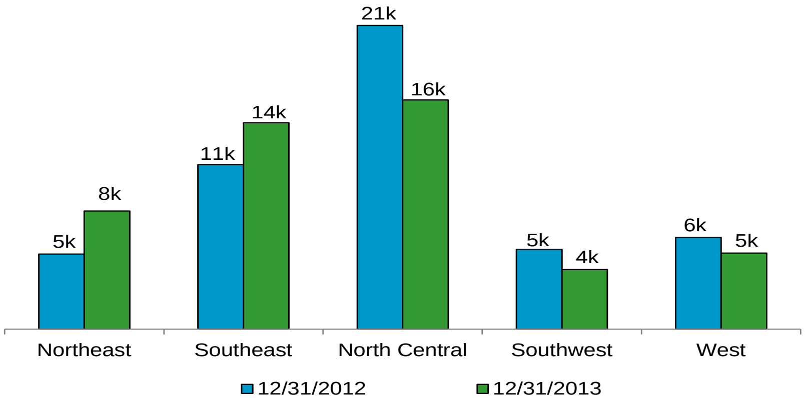
Historical Trend Ending Property Inventory

(Number of Properties)



Geographic Distribution[2] Based on Number of Properties in Inventory

(Number of Properties)



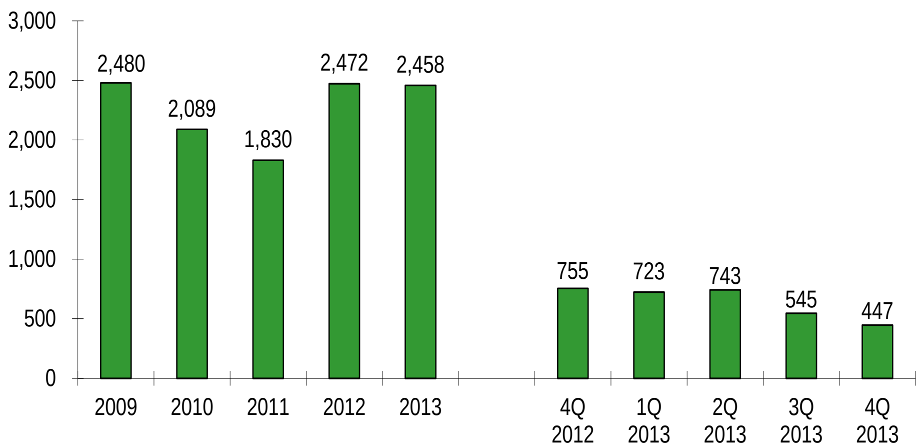
- In 2013, REO inventory declined primarily due to lower single-family foreclosure activity as a result of Freddie Mac's loss mitigation efforts and a declining amount of delinquent loans.
- Freddie Mac experienced an increase in REO acquisitions during 2013 compared to 2012 in the Northeast region and REO acquisitions remained high in the Southeast region. High REO acquisition volumes in these regions were primarily due to higher foreclosure volume in Maryland, Pennsylvania and Florida.
- The North Central region comprised 33 percent of our REO property inventory as of December 31, 2013. This region generally has experienced more challenging economic conditions, and includes a number of states with longer foreclosure timelines due to the local laws and foreclosure process for single-family mortgage loans. Seven of the nine states in the North Central region require a judicial foreclosure process.

[1] Includes single-family and multifamily REO. Multifamily ending property inventory was 6 properties and 1 property as of December 31, 2012 and 2013, respectively.

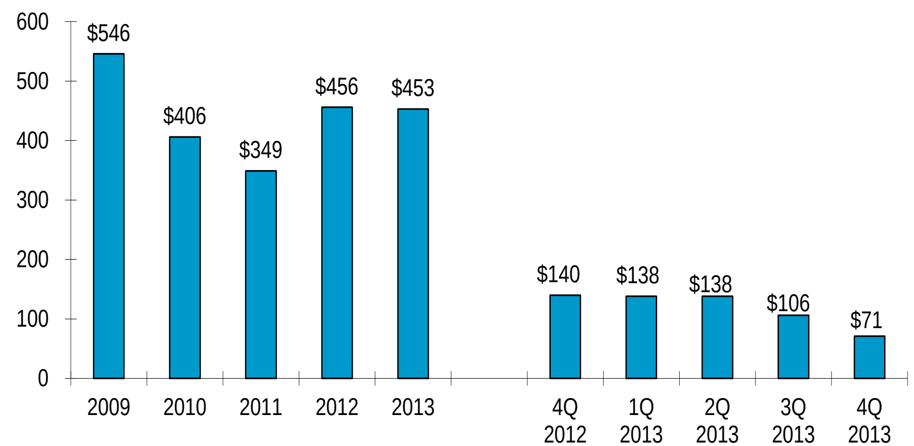
[2] Region designation: West (AK, AZ, CA, GU, HI, ID, MT, NV, OR, UT, WA); Northeast (CT, DE, DC, MA, ME, MD, NH, NJ, NY, PA, RI, VT, VA, WV); Southeast (AL, FL, GA, KY, MS, NC, PR, SC, TN, VI); North Central (IL, IN, IA, MI, MN, ND, OH, SD, WI); and Southwest (AR, CO, KS, LA, MO, NE, NM, OK, TX, WY).

Market liquidity provided

Number of Families Freddie Mac Helped to Own or Rent a Home[1]
In Thousands



Purchase and Issuance Volume[2, 3] (Single-Family and Multifamily)
$ Billions



	Cumulative Totals Since 2009
Number of Families Freddie Mac Helped to Own or Rent a Home[1] *(In Thousands)*	11,329
Refinance borrowers (includes HARP)	*7,675*
Purchase borrowers	*2,032*
Multifamily rental units	*1,622*
Freddie Mac Purchase and Issuance Volume[2]	$2.2 Trillion

[1] For the periods presented, a borrower may be counted more than once if the company purchased more than one loan (purchase or refinance mortgage) relating to the same borrower.

[2] Includes cash purchases of single-family and multifamily mortgage loans, issuances of Freddie Mac mortgage-related securities through the company's guarantor swap program, issuances of other guarantee commitments, issuance of other structured securities and purchases of non-Freddie Mac mortgage-related securities.

[3] In the first quarter of 2013, Freddie Mac made certain changes to more closely align the presentation of the company's single-family and multifamily securitization activities. As a result, the purchase and issuance volumes for all prior periods have been revised to conform with the current period presentation.

Single-family refinance activity[1]

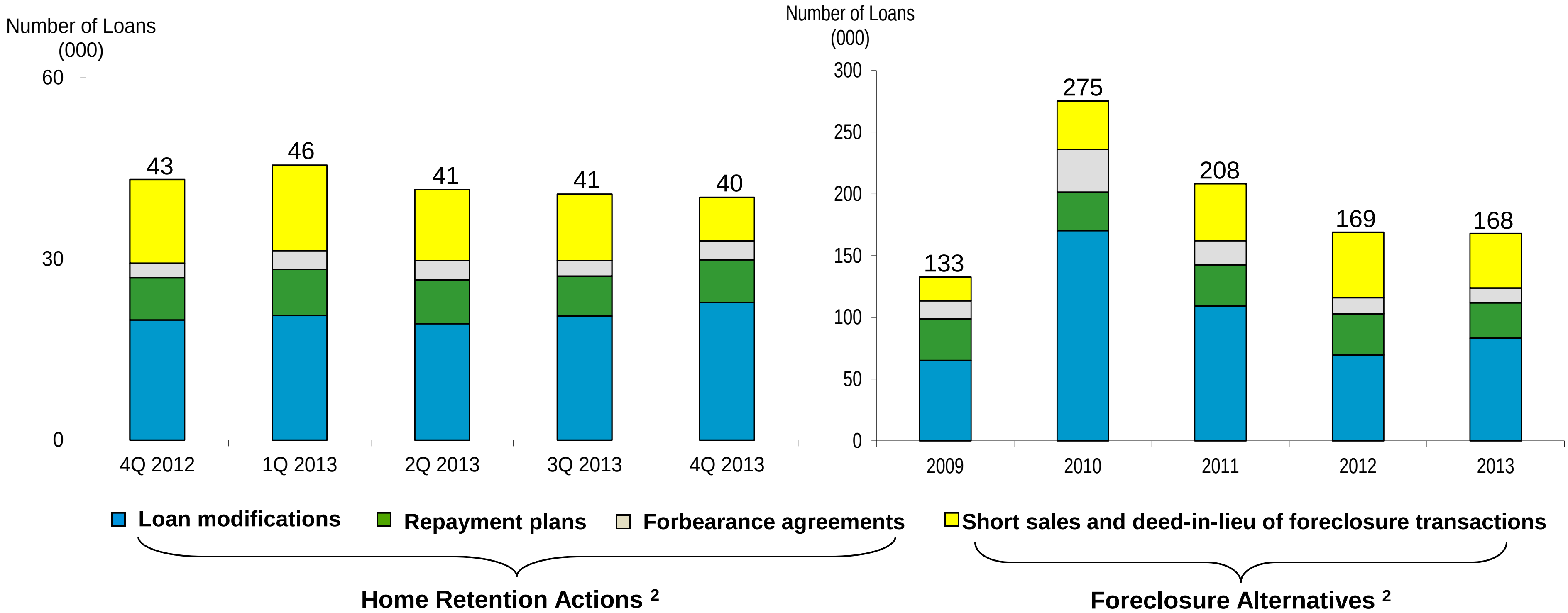
	2009	2010	2011	2012	2013	Cumulative Total
Number of Borrowers[2] *(In Thousands)*						
Other Refinance	1,595	947	740	996	944	5,222
Relief Refinance - LTV ≤ 80%	83	324	268	253	270	1,198
Relief Refinance - LTV > 80% to 100% (HARP) [3]	72	166	126	191	168	723
Relief Refinance - LTV > 100% to 125% (HARP) [3]	14	43	59	144	110	370
Relief Refinance - LTV > 125% (HARP) [3]	0	0	0	99	63	162
Total Number of Borrowers	**1,764**	**1,480**	**1,193**	**1,683**	**1,555**	**7,675**
$ Volume *(In Billions)*						
Other Refinance	$345	$200	$168	$228	$210	$1,151
Relief Refinance - LTV ≤ 80%	$15	$58	$42	$36	$37	$188
Relief Refinance - LTV > 80% to 100% (HARP) [3]	$17	$38	$27	$37	$30	$149
Relief Refinance - LTV > 100% to 125% (HARP) [3]	$3	$10	$13	$30	$21	$77
Relief Refinance - LTV > 125% (HARP) [3]	$0	$0	$0	$20	$11	$31
Total $ Volume	**$380**	**$306**	**$250**	**$351**	**$309**	**$1,596**

1 Consists of all single-family refinance mortgage loans that the company either purchased or guaranteed during the period, including those associated with other guarantee commitments and Other Guarantee Transactions.

2 Some loans have multiple borrowers, but the company has counted them as one borrower for this purpose. For the periods presented, a borrower may be counted more than once if the company purchased more than one refinance loan relating to the same borrower.

3 The relief refinance mortgage initiative is Freddie Mac's implementation of the Home Affordable Refinance Program (HARP). Under the program, the company allows eligible borrowers who have mortgages with high current LTV ratios to refinance their mortgages without obtaining new mortgage insurance in excess of what was already in place. HARP is targeted at borrowers with current LTV ratios above 80%; however, Freddie Mac's program also allows borrowers with LTV ratios at or below 80% to participate.

Single-family loan workouts[1]



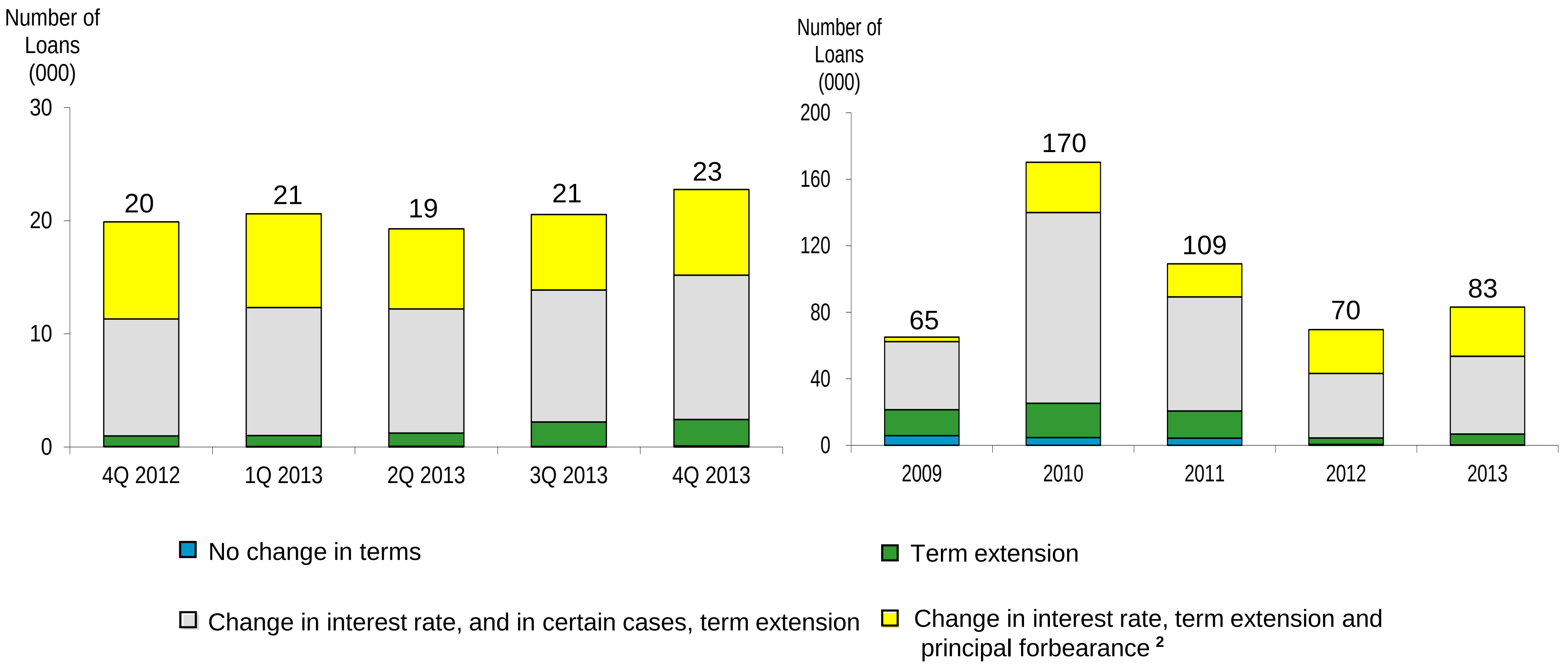
	Cumulative Totals Since 2009
Number of Families Avoiding Foreclosure[1] *(In Thousands)*	953
Families Retaining Homes	8 out of every 10

[1] Consists of both home retention actions and foreclosure alternatives.

[2] These categories are not mutually exclusive and a borrower in one category may also be included within another category in the same or another period. For example, a borrower helped through a home retention action in one period may subsequently lose his or her home through a foreclosure or a short sale or deed-in-lieu transaction in a later period.

Single-family loan modifications

Single-family Loan Modifications (HAMP and non-HAMP) [1]



[1] Includes completed loan modifications under HAMP and under the company's other modification programs. Excludes those loan modification activities for which the borrower has started the required process, but the modification has not been made permanent or effective, such as loans in a modification trial period.

[2] Principal forbearance is a change to a loan's terms to designate a portion of the principal as non-interest bearing and non-amortizing.

Note: Totals may not recalculate due to rounding.

Performance of single-family modified loans

Quarterly Percentages of Modified Single-Family Loans (HAMP and non-HAMP) [1]

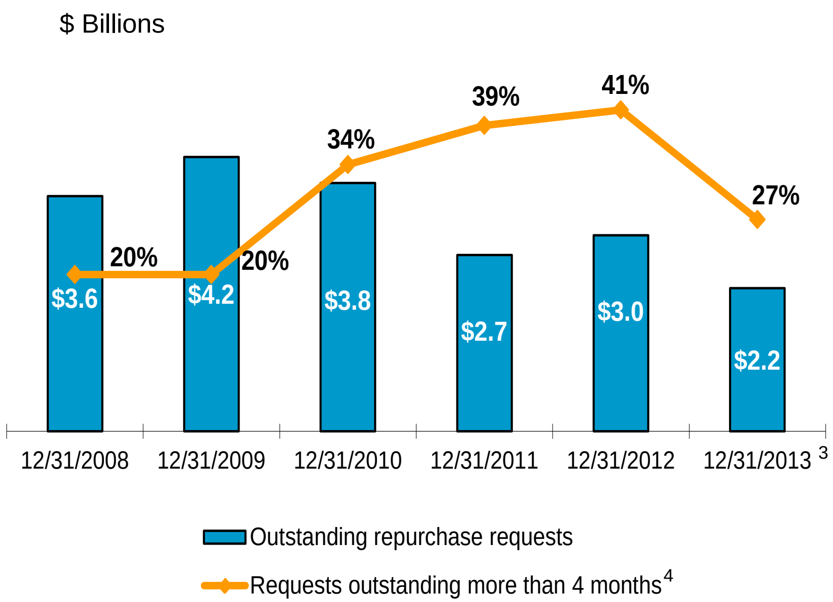
% Current and Performing								
	Quarter of Loan Modification Completion[2]							
Time Since Modification	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	3Q 2013
3 to 5 months	86%	85%	87%	84%	85%	86%	85%	84%
6 to 8 months	80%	80%	83%	82%	81%	81%	79%	N/A
9 to 11 months	75%	77%	81%	78%	78%	78%	N/A	N/A
12 to 14 months	73%	76%	78%	76%	75%	N/A	N/A	N/A
15 to 17 months	73%	74%	77%	73%	N/A	N/A	N/A	N/A
18 to 20 months	71%	73%	75%	N/A	N/A	N/A	N/A	N/A
21 to 23 months	70%	71%	N/A	N/A	N/A	N/A	N/A	N/A
24 to 26 months	68%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1 Represents the percentage of loans that are current and performing (no payment is 30 days or more past due) or have been paid in full. Excludes loans in modification trial periods.

2 Loan modifications are recognized as completed in the quarterly period in which the servicer has reported the modification as effective and the agreement has been accepted by the company. For loans that have been remodified (e.g., where a borrower has received a new modification after defaulting on the prior modification) the rates reflect the status of each modification separately. For example, in the case of a remodified loan where the borrower is performing, the previous modification would be presented as being in default in the applicable period.

Repurchase requests[1,2]

Trend in Repurchase Requests Outstanding



2013 Repurchase Request Activity

[1] Amounts are based on the UPB of the loans associated with the repurchase requests. The balance as of December 31, 2013 includes: (a) $1.6 billion in UPB related to repurchase claims for violations of seller representations and warranties and (b) $0.6 billion in UPB related to repurchase claims for violations of servicing guidelines. The balance as of December 31, 2013 excludes $0.3 billion in UPB related to notices of defect related to servicing violations.

[2] The amount the company expects to collect on outstanding requests is significantly less than the unpaid principal balance (UPB) of the loans primarily because many of these are likely to be satisfied by reimbursement of the company's realized credit losses by seller/servicers, or rescinded in the course of the contractual appeals process. Based on historical loss experience and the fact that many of these loans are covered by credit enhancements (e.g., mortgage insurance), Freddie Mac expects the actual credit losses experienced by the company should it fail to collect to also be less than the UPB of the loans.

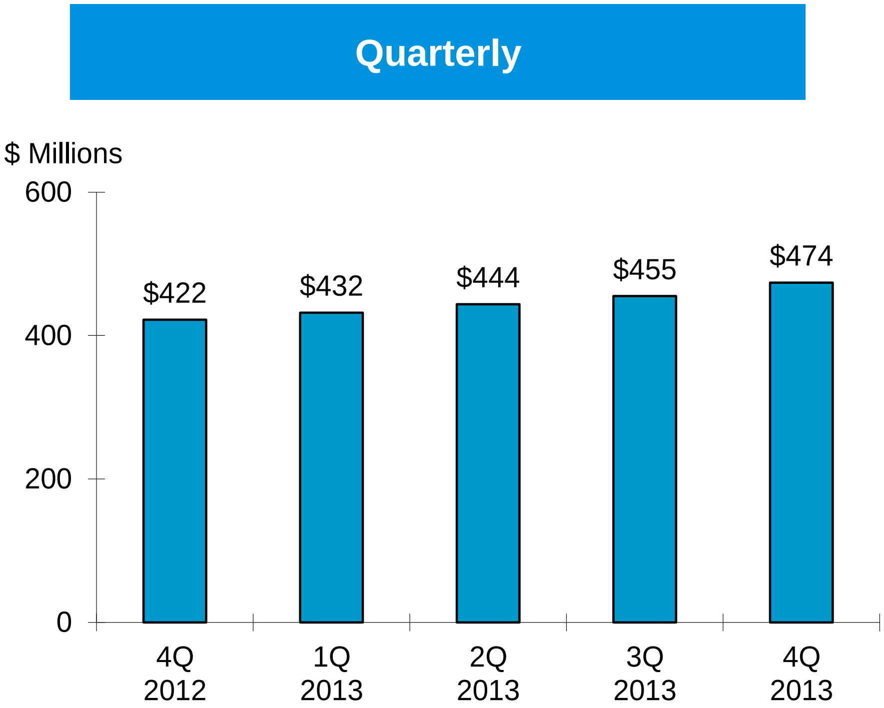
[3] Approximately $0.2 billion of the total amount of repurchase requests outstanding at December 31, 2013 were issued due to mortgage insurance rescission or mortgage insurance claim denial.

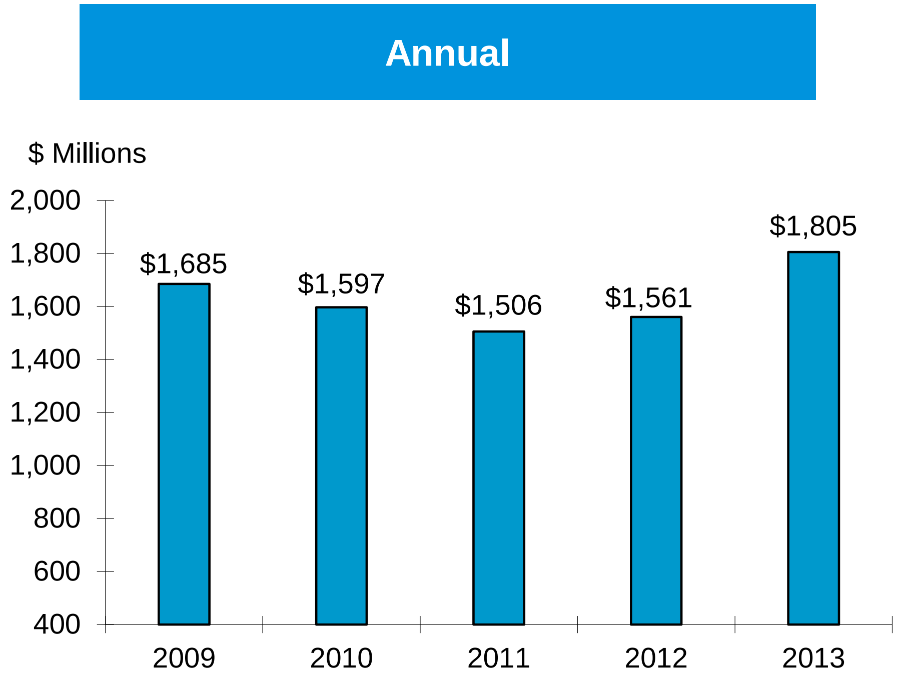
[4] Repurchase requests outstanding more than four months include repurchase requests for which appeals were pending.

[5] Requests collected are based on the UPB of the loans associated with the repurchase requests, which in many cases is more than the amount of payments received for reimbursement of losses for requests associated with foreclosed mortgage loans, negotiated agreements and other alternative remedies. Includes $2.1 billion in 2013 related to settlement agreements with certain seller/servicers to release specified loans from certain repurchase obligations in exchange for one-time cash payments.

[6] Consists primarily of those requests that were resolved by the servicer providing missing documentation or rescinded through a successful appeal of the request. Also includes other items that affect the UPB of the loan while the repurchase request is outstanding, such as payments made on the loan.

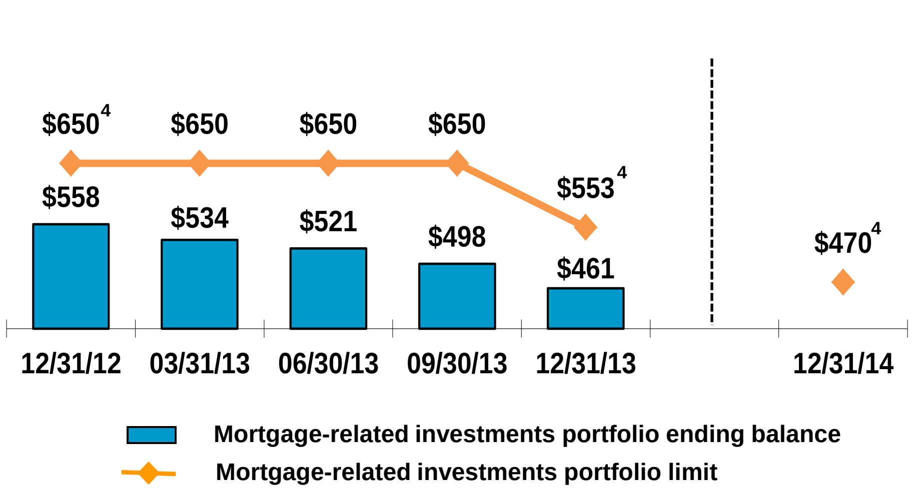
Administrative expenses



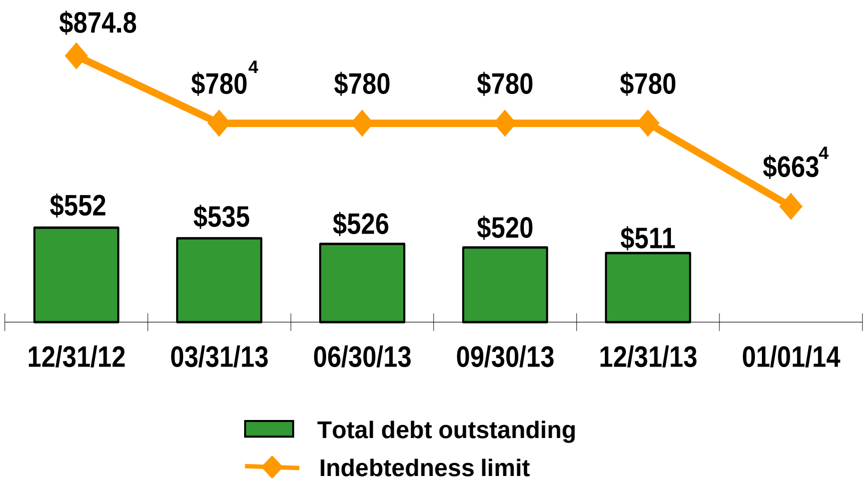


Purchase Agreement portfolio limits

Mortgage Assets [1, 2]
($ Billions)



Indebtedness [1, 3]
($ Billions)



[1] The company's Purchase Agreement with Treasury limits the amount of mortgage assets the company can own and indebtedness it can incur. Under the Purchase Agreement, mortgage assets and indebtedness are calculated without giving effect to the January 1, 2010 change in the accounting guidance related to the transfer of financial assets and consolidation of variable interest entities (VIEs). See the company's Annual Report on Form 10-K for the year ended December 31, 2013 for more information.

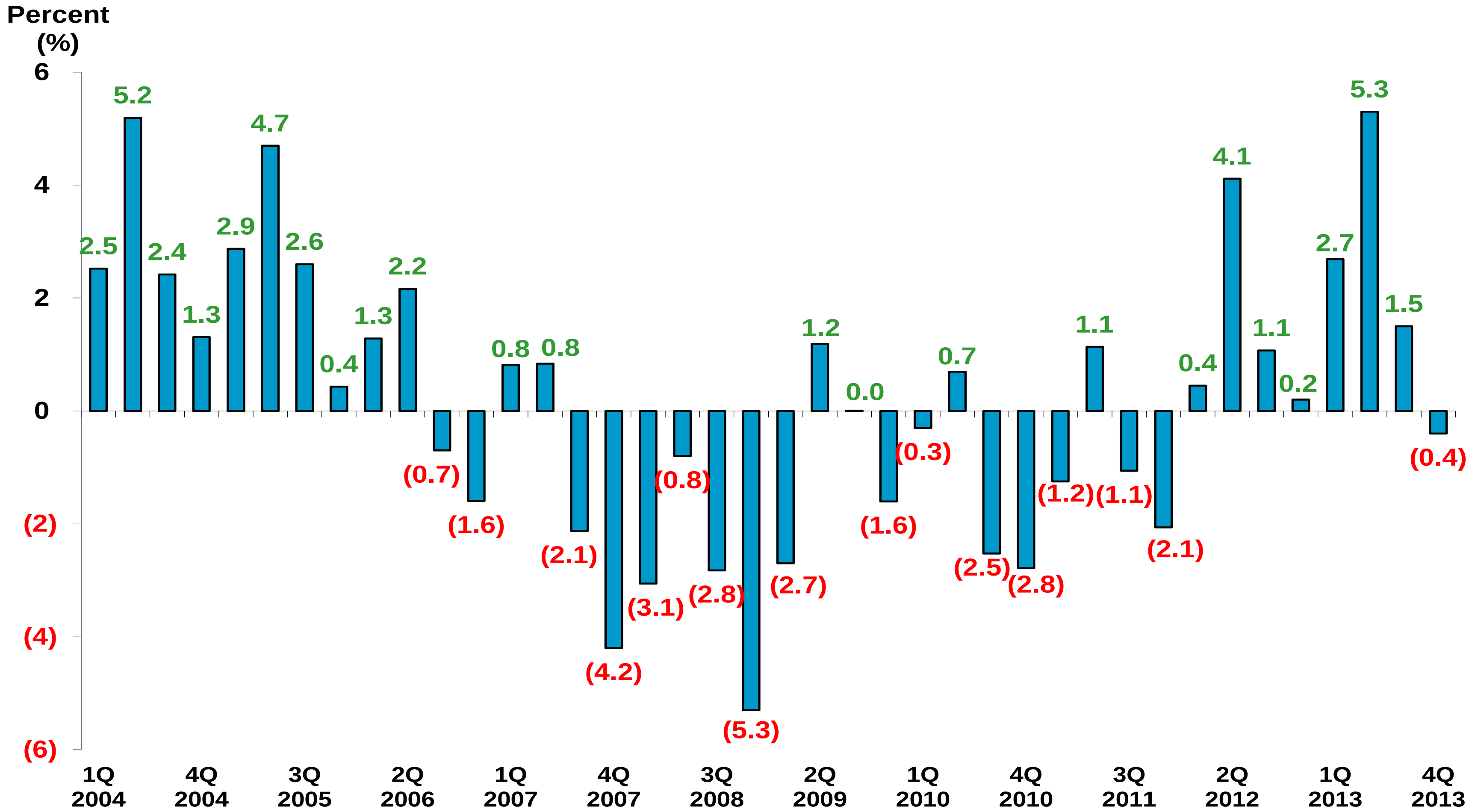
[2] Represents the unpaid principal balance (UPB) of the company's mortgage-related investments portfolio. The company discloses its mortgage assets on this basis monthly in its Monthly Volume Summary reports, which are available on its Web site and in Current Reports on Form 8-K filed with the Securities and Exchange Commission (SEC).

[3] Represents the par value of the company's unsecured short-term and long-term debt securities issued to third parties to fund its business activities. The company discloses its indebtedness on this basis monthly in its Monthly Volume Summary reports, which are available on its Web site and in Current Reports on Form 8-K filed with the SEC.

[4] Limit under the Purchase Agreement, as amended on August 17, 2012.

Credit Supplement

National home prices have experienced a cumulative decline of 15% since June 2006[1]

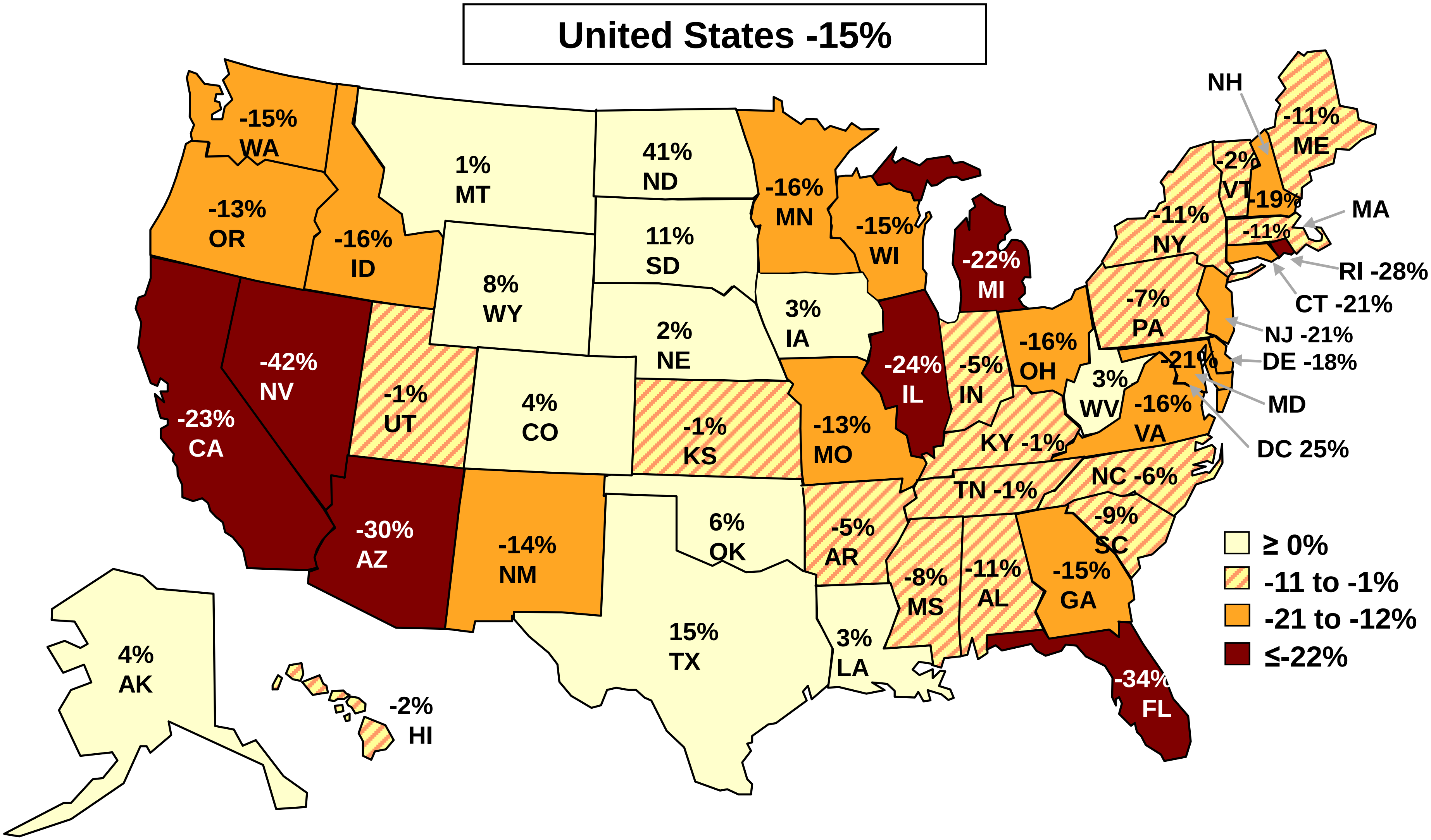


[1] National home prices use the Freddie Mac House Price Index for the U.S., which is a value-weighted average of the state indexes where the value weights are based on Freddie Mac's single-family credit guarantee portfolio. Other indices of home prices may have different results, as they are determined using different pools of mortgage loans and calculated under different conventions than Freddie Mac's. The Freddie Mac House Price Index for the U.S. is a non-seasonally adjusted monthly series; quarterly growth rates are calculated as a 3-month change based on the final month of each quarter. Seasonal factors typically result in stronger house-price appreciation during the second and third quarters. Historical quarterly growth rates change as new data becomes available. Values for the most recent periods typically see the largest changes. Cumulative decline calculated as the percent change from June 2006 to December 2013.

Source: Freddie Mac.

Home price performance by state

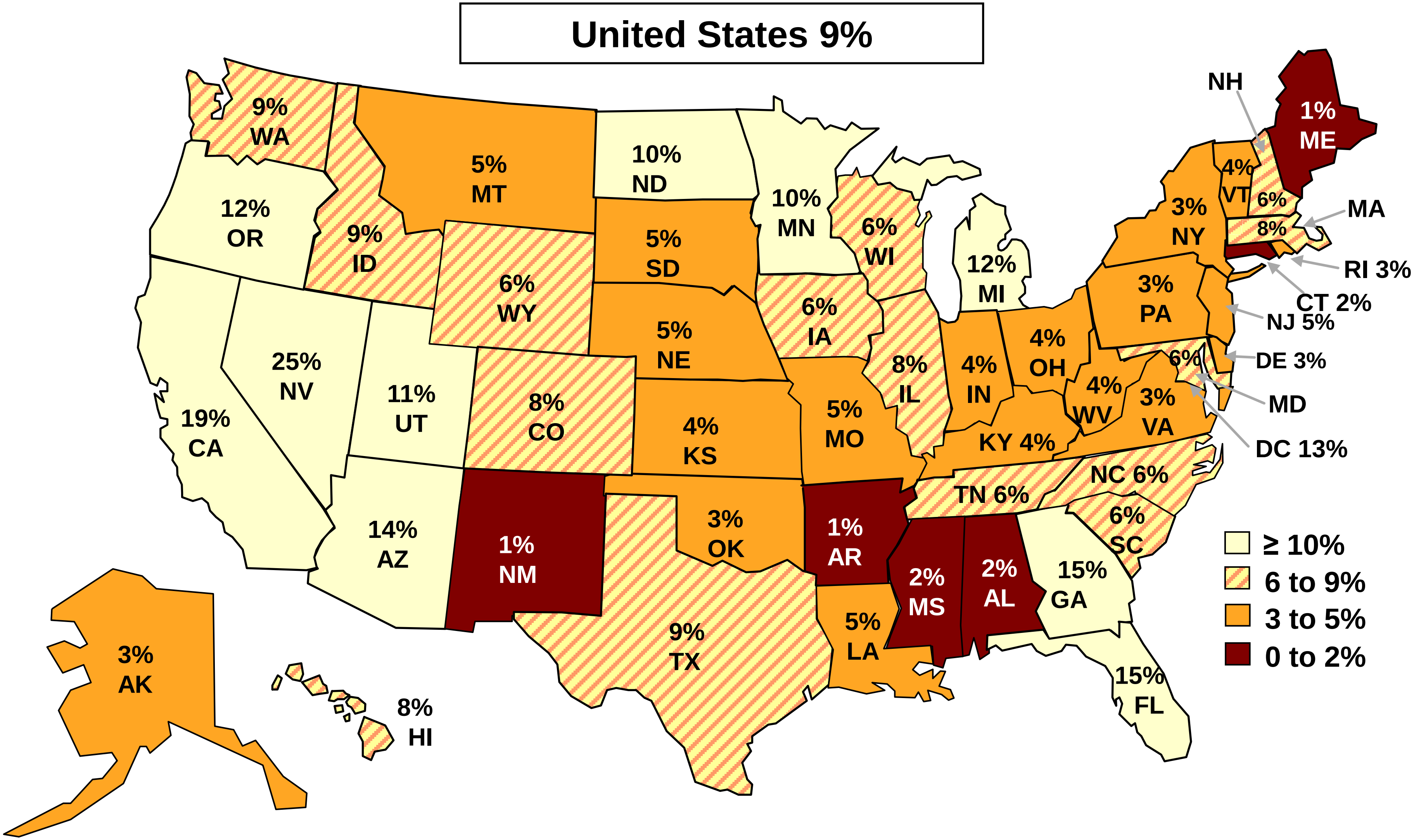
June 2006 to December 2013[1]



[1] The Freddie Mac House Price Index for the U.S. is a value-weighted average of the state indexes where the value weights are based on Freddie Mac's single-family credit guarantee portfolio. Other indices of home prices may have different results, as they are determined using different pools of mortgage loans and calculated under different conventions. The Freddie Mac House Price Index for the U.S. is a non-seasonally adjusted monthly series.

Source: Freddie Mac

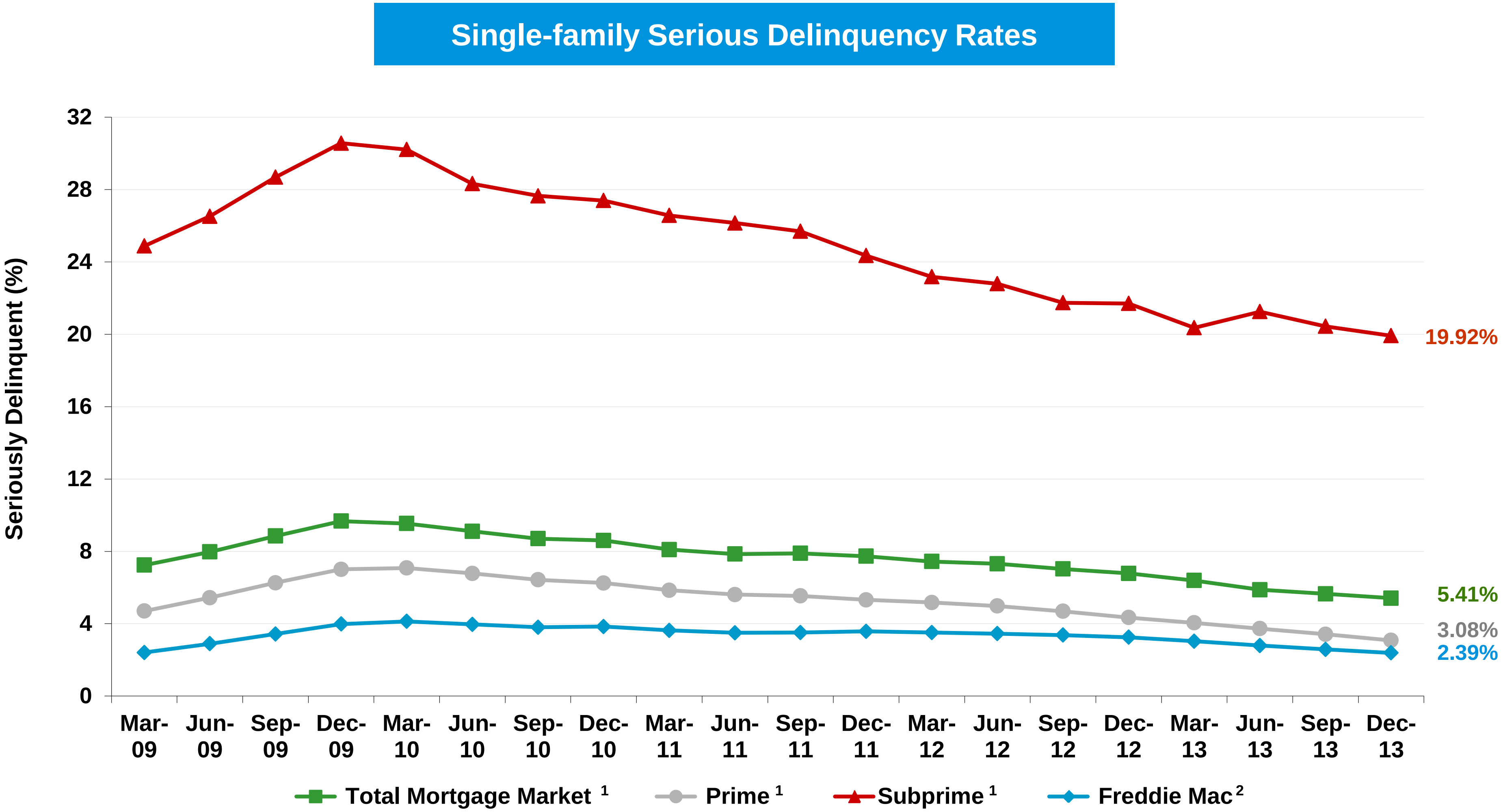
Home price performance by state
December 2012 to December 2013[1]



[1] The Freddie Mac House Price Index for the U.S. is a value-weighted average of the state indexes where the value weights are based on Freddie Mac's single-family credit guarantee portfolio. Other indices of home prices may have different results, as they are determined using different pools of mortgage loans and calculated under different conventions. The Freddie Mac House Price Index for the U.S. is a non-seasonally adjusted monthly series.

Source: Freddie Mac

Mortgage market and Freddie Mac serious delinquency rates

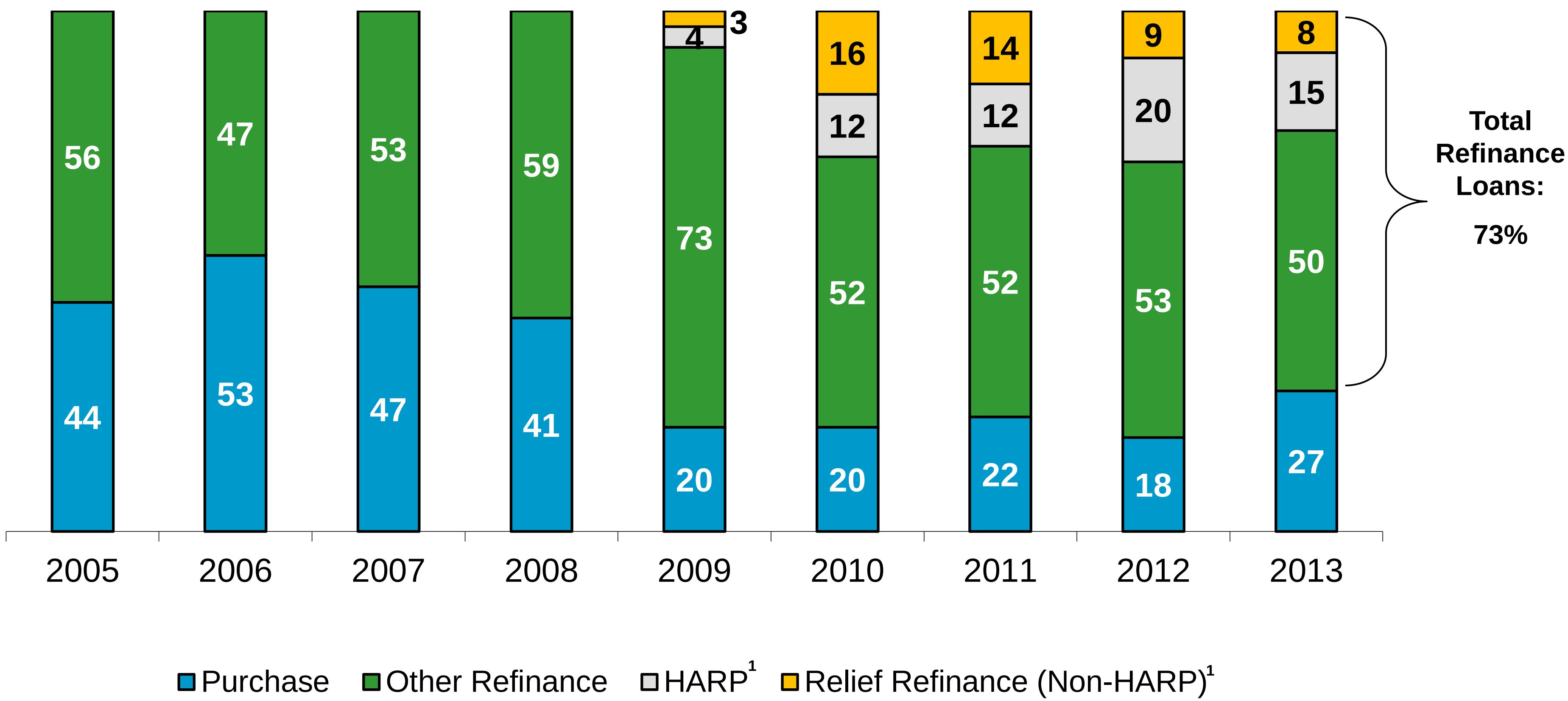


[1] Source: National Delinquency Survey from the Mortgage Bankers Association. Categories represent first lien single-family loans.

[2] See "MD&A – RISK MANAGEMENT – Credit Risk – *Mortgage Credit Risk – Single-Family Mortgage Credit Risk – Credit Performance* – Delinquencies" in Freddie Mac's Form 10-K for the year ended December 31, 2013, for information about the company's reported delinquency rates.

Loan purpose of single-family credit guarantee portfolio purchases

Percent (%)



[1] The relief refinance mortgage initiative is Freddie Mac's implementation of the Home Affordable Refinance Program (HARP). Under the program, the company allows eligible borrowers who have mortgages with high current LTV ratios to refinance their mortgages without obtaining new mortgage insurance in excess of what was already in place. HARP is targeted at borrowers with current LTV ratios above 80%; however, Freddie Mac's relief refinance initiative also allows borrowers with LTV ratios at or below 80% to participate.

Credit quality of single-family credit guarantee portfolio purchases

	2009	2010	2011	2012	2013
Weighted Average Original LTV Ratio[1]					
Relief refinance (includes HARP)	80%	77%	77%	97%	91%
All other	66%	67%	67%	68%	71%
Total purchases	67%	70%	70%	76%	75%
Weighted Average Credit Score[2]					
Relief refinance (includes HARP)	738	747	744	740	727
All other	757	758	759	762	756
Total purchases	756	755	755	756	749

	2009	2010	2011	2012	2013
Purchase of Relief Refinance Mortgages > 80% LTV (HARP loans)[3]					
$ Billions	$19.6	$47.9	$39.7	$86.9	$62.5
% of single-family credit guarantee portfolio purchases	4%	12%	12%	20%	15%

1 Original LTV ratios are calculated as the unpaid principal balance (UPB) of the mortgage Freddie Mac guarantees including the credit-enhanced portion, divided by the lesser of the appraised value of the property at the time of mortgage origination or the mortgage borrower's purchase price. Second liens not owned or guaranteed by Freddie Mac are excluded from the LTV ratio calculation. The existence of a second lien mortgage reduces the borrower's equity in the home and, therefore, can increase the risk of default.

2 Credit score data is based on FICO scores at the time of origination and may not be indicative of the borrowers' creditworthiness at December 31, 2013. FICO scores can range between approximately 300 to 850 points.

3 HARP is the portion of the company's relief refinance initiative targeted at borrowers with current LTV ratios above 80%. In April 2013, HARP was extended to December 31, 2015.

Single-family 4Q 2013 credit losses and REO by region and state

		Total Portfolio UPB[1]		Seriously Delinquent Loans			REO Acquisitions & Balance[4]			Credit Losses (Gains)[5]	
		($ Billions)	% of Total	UPB[2] ($ Millions)	% of Total	Serious Delinquency Rate[3] (%)	4Q 2013 Acquisitions ($ Millions)	REO Inventory ($ Millions)	% of Total Inventory	($ Millions)	% of Total
	Region[6]										
1	**West**	$464	28%	$8,842	20%	1.73%	$456	$1,091	15%	($32)	(8%)
2	**Northeast**	431	26	15,756	36	3.23%	492	1,480	20	146	37
3	**North Central**	291	18	5,631	13	1.81%	528	2,113	29	119	30
4	**Southeast**	273	16	10,624	25	3.42%	883	2,167	29	170	42
5	**Southwest**	194	12	2,463	6	1.36%	188	530	7	(5)	(1)
6	**Total**	$1,653	100%	$43,316	100%	2.39%	$2,547	$7,381	100%	$398	100%
	State										
7	**Arizona, California, Florida & Nevada**[7]	$422	26%	$12,839	30%	3.01%	$880	$2,052	28%	$93	23%
8	**Illinois, Michigan & Ohio**[8]	176	11	4,113	9	2.11%	376	1,563	21	104	26
9	**New York & New Jersey**[9]	145	9	9,088	21	5.11%	99	247	3	33	9
10	**All other**	910	54	17,276	40	1.88%	1,192	3,519	48	168	42
11	**Total**	$1,653	100%	$43,316	100%	2.39%	$2,547	$7,381	100%	$398	100%

1 Based on the unpaid principal balance (UPB) of the single-family credit guarantee portfolio at December 31, 2013.

2 UPB amounts exclude $408 million of Other Guarantee Transactions since these securities are backed by non-Freddie Mac issued securities for which loan characteristic data was not available.

3 Based on the number of loans that are three monthly payments or more past due or in the process of foreclosure.

4 Based on the UPB of loans at the time of REO acquisition.

5 Consist of the aggregate amount of charge-offs, net of recoveries, and REO operations (income) expense for 4Q 2013.

6 Region designation: West (AK, AZ, CA, GU, HI, ID, MT, NV, OR, UT, WA); Northeast (CT, DE, DC, MA, ME, MD, NH, NJ, NY, PA, RI, VT, VA, WV); Southeast (AL, FL, GA, KY, MS, NC, PR, SC, TN, VI); North Central (IL, IN, IA, MI, MN, ND, OH, SD, WI); and Southwest (AR, CO, KS, LA, MO, NE, NM, OK, TX, WY).

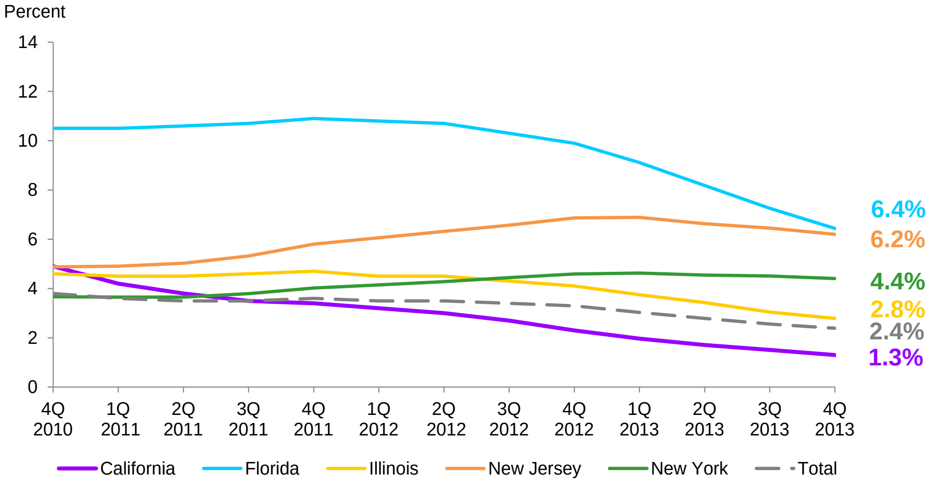
7 Represents the four states that had the largest cumulative declines in home prices during the housing crisis that began in 2006, as measured using Freddie Mac's home price index.

8 Represents selected states in the North Central region that have experienced adverse economic conditions since 2006.

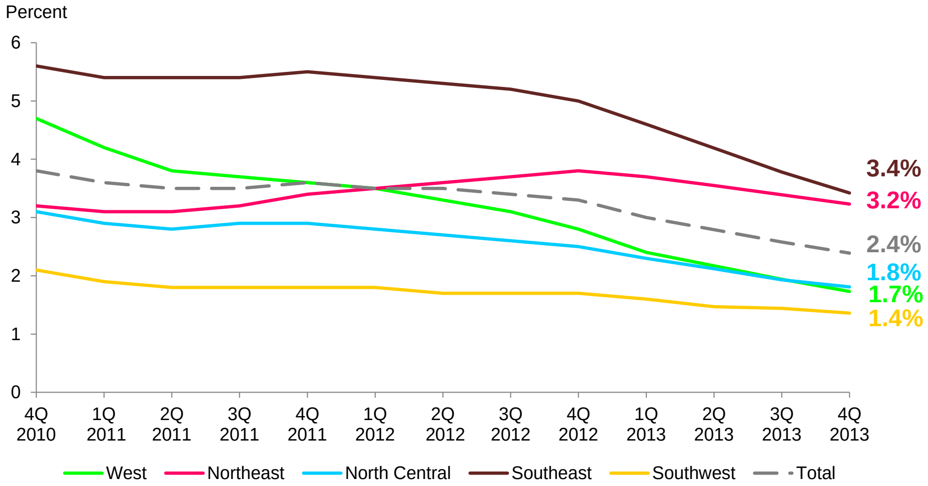
9 Represents two states with a judicial foreclosure process in which there are a significant number of seriously delinquent loans within Freddie Mac's single-family credit guarantee portfolio.

Single-family serious delinquency rates by state and region

Single-family Serious Delinquency Rates By State[1,2]



Single-family Serious Delinquency Rates By Region[1,3]



[1] Based on the number of loans that are three monthly payments or more past due or in the process of foreclosure. See "MD&A – RISK MANAGEMENT – Credit Risk – *Mortgage Credit Risk – Single-Family Mortgage Credit Risk – Credit Performance* – Delinquencies" in Freddie Mac's Form 10-K for the year ended December 31, 2013, for information about the company's reported delinquency rates.

[2] States presented are those with the highest number of seriously delinquent loans within Freddie Mac's single-family credit guarantee portfolio as of December 31, 2013.

[3] Region designation: West (AK, AZ, CA, GU, HI, ID, MT, NV, OR, UT, WA); Northeast (CT, DE, DC, MA, ME, MD, NH, NJ, NY, PA, RI, VT, VA, WV); Southeast (AL, FL, GA, KY, MS, NC, PR, SC, TN, VI); North Central (IL, IN, IA, MI, MN, ND, OH, SD, WI); and Southwest (AR, CO, KS, LA, MO, NE, NM, OK, TX, WY).

Aging of single-family seriously delinquent loans by judicial and non-judicial states

	As of 12/31/2012		As of 9/30/2013		As of 12/31/2013	
	# of Seriously Delinquent Loans	Percent	# of Seriously Delinquent Loans	Percent	# of Seriously Delinquent Loans	Percent
Judicial Review States[1]						
Less than or equal to 1 year	79,422	23%	60,943	22%	59,129	23%
More than 1 year and less than or equal to 2 years	50,506	14%	33,756	12%	30,604	12%
More than 2 years	77,766	22%	67,306	25%	65,154	26%
Non-Judicial States[1]						
Less than or equal to 1 year	87,641	25%	66,405	25%	60,175	24%
More than 1 year and less than or equal to 2 years	30,435	9%	22,063	8%	17,968	7%
More than 2 years	23,824	7%	22,998	8%	19,731	8%
Combined[1]						
Less than or equal to 1 year	167,063	48%	127,348	47%	119,304	47%
More than 1 year and less than or equal to 2 years	80,941	23%	55,819	20%	48,572	19%
More than 2 years	101,590	29%	90,304	33%	84,885	34%
Total	**349,594**	**100%**	**273,471**	**100%**	**252,761**	**100%**

[1] Excludes loans underlying certain single-family Other Guarantee Transactions since the geographic information is not available to us for these loans. As of December 31, 2013, the states and territories classified as having a judicial foreclosure process consist of: CT, DE, FL, HI, IA, IL, IN, KS, KY, LA, ME, ND, NE, NJ, NM, NY, OH, OK, OR, PA, PR, SC, SD, VI, VT and WI. All other states are classified as having a non-judicial foreclosure process. Judicial foreclosures are those conducted under the supervision of a court.

Single-family credit guarantee portfolio characteristics[1]

	Attribute	Total Portfolio as of December 31, 2013	Alt-A[2]	Interest-only[3]	Option ARM	FICO < 620[4]	FICO 620 - 659[4]	Original LTV > 90%	FICO < 620 & Original LTV > 90%[4]
1	UPB $ Billions	$1,653	$57	$35	$6	$48	$96	$258	$13
2	Percent of Total Portfolio	100%	3%	2%	0%	3%	6%	16%	1%
3	Average UPB per loan	$154,632	$154,285	$225,114	$199,528	$126,197	$132,737	$169,694	$136,640
4	Fixed Rate (% of total portfolio)	94%	63%	18%	0%	95%	94%	98%	98%
5	Owner Occupied	90%	82%	81%	76%	95%	94%	91%	95%
6	Original Loan-to-Value (OLTV)	75%	73%	74%	71%	81%	80%	107%	107%
7	OLTV > 90%	16%	4%	3%	2%	27%	23%	100%	100%
8	Current Loan-to-Value (CLTV)	69%	87%	93%	86%	83%	80%	98%	102%
9	CLTV > 90%	17%	46%	53%	41%	37%	33%	61%	68%
10	CLTV > 100%	10%	33%	37%	29%	25%	22%	35%	49%
11	CLTV > 110%	6%	22%	23%	19%	16%	14%	22%	32%
12	Average FICO Score[4]	739	711	717	711	585	643	725	582
13	FICO < 620[4]	3%	5%	3%	4%	100%	0%	5%	100%
	Book Year[5]								
14	2013	16%	0%	0%	0%	1%	5%	10%	1%
15	2012	16%	0%	0%	0%	1%	4%	7%	0%
16	2011	8%	0%	0%	0%	1%	2%	2%	0%
17	2010	7%	0%	1%	0%	1%	3%	2%	0%
18	2009	7%	0%	1%	0%	2%	3%	2%	1%
19	New single-family book (2009 to 2013)	54%	0%	2%	0%	6%	17%	23%	2%
20	HARP and other relief refinance loans[6]	21%	0%	0%	0%	29%	22%	60%	54%
21	2005 to 2008 Legacy single-family book	16%	84%	94%	71%	44%	41%	11%	28%
22	Pre-2005 Legacy single-family book	9%	16%	4%	29%	21%	20%	6%	16%
23	% of Loans with Credit Enhancement	13%	12%	9%	15%	22%	19%	49%	53%
24	% Seriously Delinquent[7]	2.39%	10.06%	12.51%	12.30%	9.99%	7.18%	3.22%	9.60%

1 Portfolio characteristics are based on the unpaid principal balance (UPB) of the single-family credit guarantee portfolio. Approximately $1 billion in UPB for Other Guarantee Transactions is included in total UPB and percentage seriously delinquent but not included in the calculation of other statistics since these securities are backed by non-Freddie Mac issued securities for which loan characteristic data was not available.

2 For a description of Alt-A, see the "Glossary" in the company's Annual Report on Form 10-K for the year ended December 31, 2013.

3 Beginning September 1, 2010, the company fully discontinued purchases of interest-only loans.

4 Represents the FICO score of the borrower at loan origination. The company estimates that less than 1% of loans within the portfolio are missing origination FICO scores and as such are excluded.

5 Indicates year of loan origination (except for HARP and other relief refinance loans). Calculated based on the loans remaining in the portfolio as of December 31, 2013, rather than all loans originally guaranteed by the company and originated in the respective year. Each Book Year category represents the percentage of loans referenced in line 1 of the same vertical column. Individual book years exclude HARP and other relief refinance loans originated in that year. See endnote (6).

6 HARP and other relief refinance loans are presented separately rather than in the year in which the refinancing occurred (from 2009 to 2013). All other refinance loans are presented within the year that the refinancing occurred.

7 Based on the number of loans that are three monthly payments or more past due or in the process of foreclosure.

Note: Individual categories are not mutually exclusive, and therefore are not additive across columns.

Single-family credit profile by book year and product feature[1]

	Attribute	Total Portfolio as of December 31, 2013	Book Year[2] 2013	2012	2011	2010	2009	New single-family book (2009 to 2013)	HARP and other relief refinance loans[3]	2005 to 2008 Legacy single-family book	Pre-2005 Legacy single-family book
1	**UPB $ Billions**	**$1,653**	$270	$265	$120	$113	$120	$888	$342	$268	$155
2	**Original Loan-to-Value (OLTV)**	**75%**	71%	69%	69%	69%	69%	69%	89%	75%	72%
3	**OLTV > 90%**	**16%**	9%	7%	5%	4%	3%	7%	45%	11%	11%
4	**Current Loan-to-Value (CLTV)**	**69%**	69%	61%	58%	60%	62%	63%	81%	87%	50%
5	**CLTV > 100%**	**10%**	0%	0%	0%	0%	1%	0%	21%	29%	3%
6	**CLTV > 110%**	**6%**	0%	0%	0%	0%	0%	0%	13%	19%	1%
7	**Average FICO Score[4]**	**739**	755	761	757	754	751	757	735	704	711
8	**FICO < 620[4]**	**3%**	0%	0%	0%	0%	1%	0%	4%	8%	7%
9	**Adjustable-rate**	**6%**	5%	5%	9%	4%	1%	5%	1%	15%	11%
10	**Interest-only[5]**	**2%**	0%	0%	0%	0%	0%	0%	0%	12%	1%
11	**Investor**	**6%**	5%	4%	5%	5%	3%	5%	9%	6%	5%
12	**Condo**	**7%**	6%	5%	5%	6%	7%	6%	9%	11%	8%
	Geography										
13	**Arizona, California, Florida & Nevada[6]**	**26%**	27%	26%	21%	19%	17%	23%	28%	31%	22%
14	**Illinois, Michigan & Ohio[7]**	**11%**	10%	10%	10%	10%	9%	10%	13%	9%	14%
15	**New York & New Jersey[8]**	**9%**	8%	7%	9%	9%	10%	8%	8%	10%	11%
16	**All other states**	**54%**	55%	57%	60%	62%	64%	59%	51%	50%	53%
17	**% of Loans with Credit Enhancement**	**13%**	18%	13%	11%	8%	8%	13%	12%	18%	11%
18	**% Seriously Delinquent[9]**	**2.39%**	0.01%	0.04%	0.18%	0.39%	0.88%	0.24%	0.64%	8.77%	3.24%

1 Portfolio characteristics are based on the unpaid principal balance (UPB) of the single-family credit guarantee portfolio. Approximately $1 billion in UPB for Other Guarantee Transactions is included in total UPB and percentage seriously delinquent but not included in the calculation of other statistics since these securities are backed by non-Freddie Mac issued securities for which loan characteristic data was not available.

2 Indicates year of loan origination (except for HARP and other relief refinance loans). Calculated based on the loans remaining in the portfolio as of December 31, 2013, rather than all loans originally guaranteed by the company and originated in the respective year. Individual book years exclude HARP and other relief refinance loans originated in that year. See endnote (3).

3 HARP and other relief refinance loans are presented separately rather than in the year in which the refinancing occurred (from 2009 to 2013). All other refinance loans are presented within the year that the refinancing occurred.

4 Represents the average of the borrowers' FICO scores at origination. The company estimates that less than 1% of loans within the portfolio are missing FICO scores and as such are excluded.

5 Beginning September 1, 2010, the company fully discontinued purchases of interest-only loans.

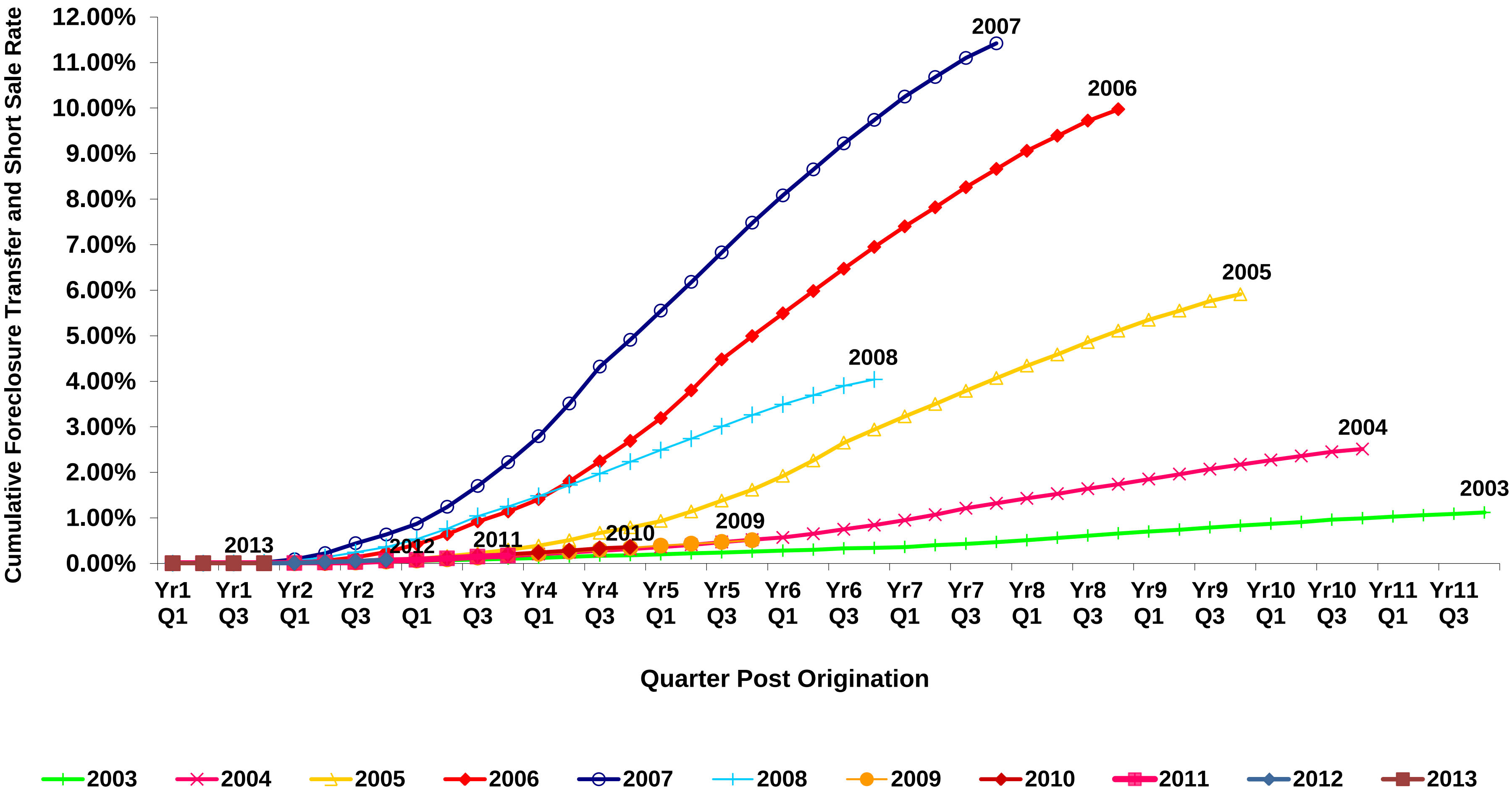
6 Represents the four states that had the largest cumulative declines in home prices during the housing crisis that began in 2006, as measured using Freddie Mac's home price index.

7 Represents selected states in the North Central region that have experienced adverse economic conditions since 2006.

8 Represents two states with a judicial foreclosure process in which there are a significant number of seriously delinquent loans within Freddie Mac's single-family credit guarantee portfolio.

9 Based on the number of loans that are three monthly payments or more past due or in the process of foreclosure.

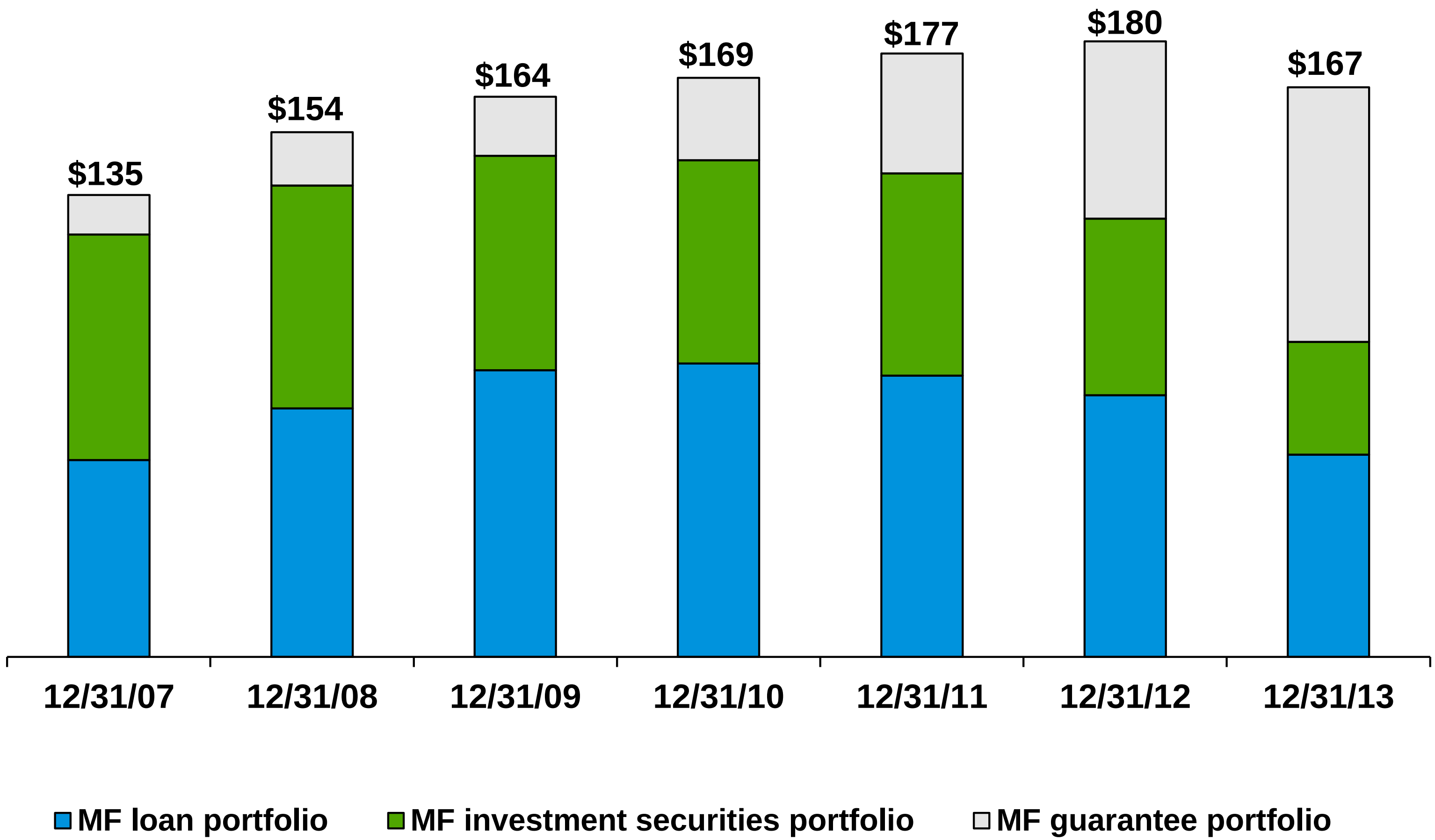
Single-family cumulative foreclosure transfer and short sale rates[1] by book year



[1] Rates are calculated for each year of origination as the number of loans that have proceeded to foreclosure transfer or short sale and resulted in a credit loss, excluding any subsequent recoveries, divided by the number of loans originated in that year that were acquired in the company's single-family credit guarantee portfolio. Includes Other Guarantee Transactions where loan characteristic data is available.

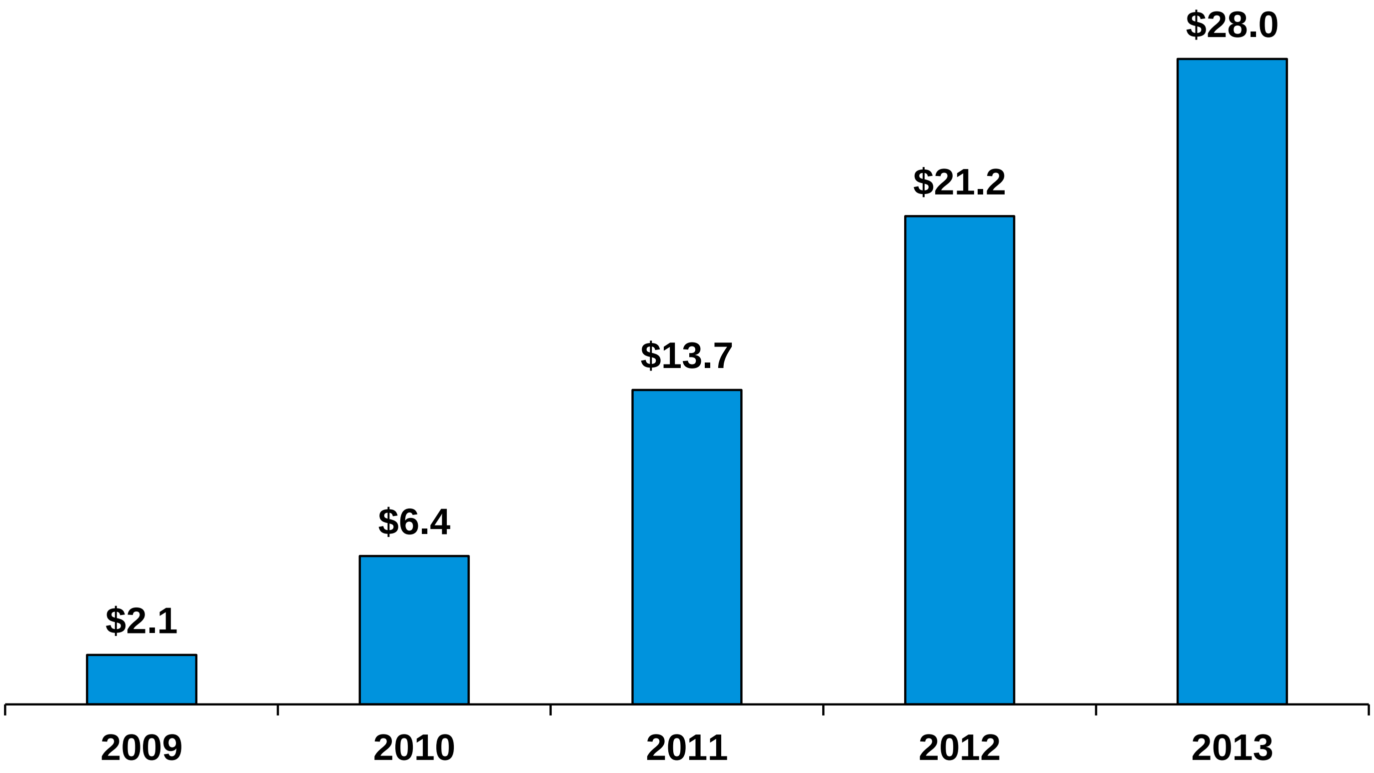
Multifamily portfolio composition

Total Multifamily (MF) Portfolio
UPB $ Billions



Multifamily securitization volume

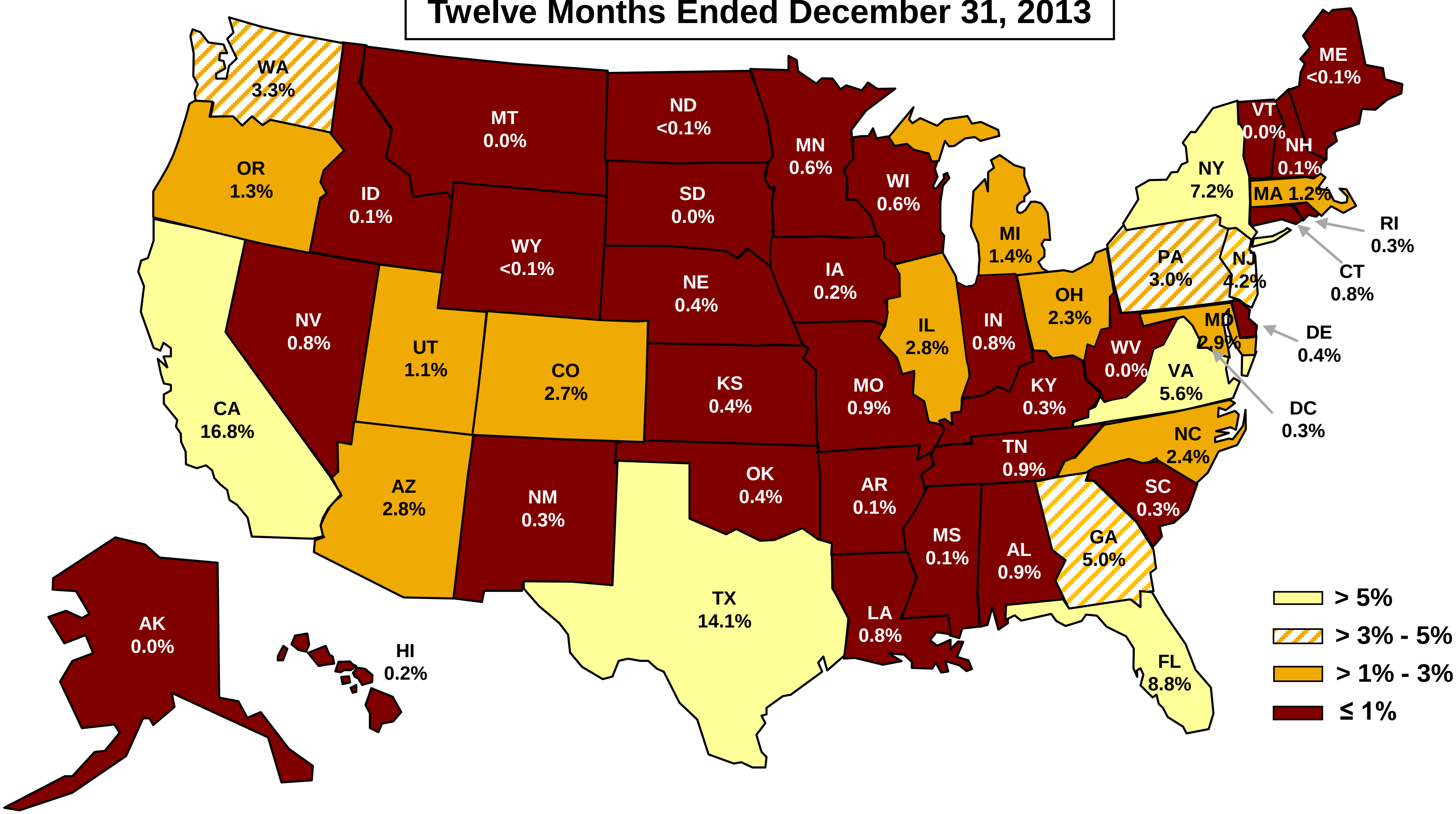
K-Deal Securitization Volume[1]
UPB $ Billions



[1] Total UPB represents the total collateral UPB of multifamily loans sold via Freddie Mac's K Certificate transactions.

Multifamily new business volume by state[1] (%)

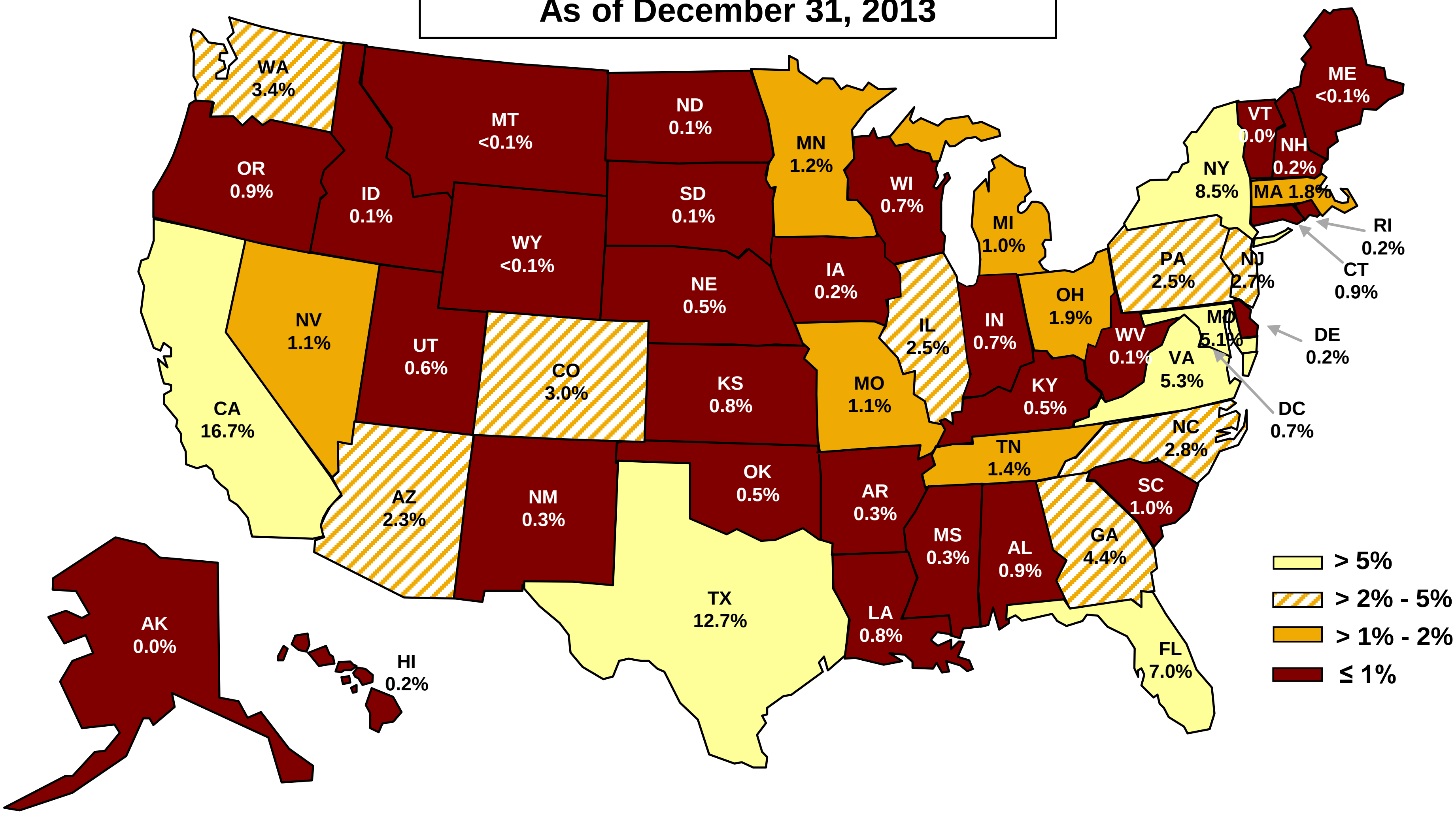
MF New Business Volume $25.9B
Twelve Months Ended December 31, 2013



[1] Based on the unpaid principal balance (UPB) of the multifamily loan purchases and issuance of other guarantee commitments and other structured securities. Percentages shown above are rounded to the nearest tenth of a percent although classifications are based on unrounded figures.

Multifamily mortgage portfolio UPB concentration by state[1]

MF Mortgage Portfolio $132.8B[2]
As of December 31, 2013



[1] Based on the unpaid principal balance (UPB) of unsecuritized mortgage loans, other guarantee commitments, and collateral underlying other structured securities and K Certificate transactions. Percentages shown above are rounded to the nearest tenth of a percent although classifications are based on unrounded figures.

[2] Consists of the UPB of unsecuritized multifamily loans, other guarantee commitments, and guaranteed Freddie Mac mortgage-related securities. Excludes the UPB associated with unguaranteed subordinated tranches in K Certificate transactions and other structured securities.

Multifamily mortgage portfolio by attribute[1]

		December 31, 2012		September 30, 2013		December 31, 2013	
		UPB ($ Billions)	Delinquency Rate[2] (%)	UPB ($ Billions)	Delinquency Rate[2] (%)	UPB ($ Billions)	Delinquency Rate[2] (%)
	Year of Acquisition or Guarantee[3]						
1	**2006 and prior**	$25.2	0.17%	$21.2	0.01%	$19.1	- %
2	**2007**	17.8	0.86	15.8	0.29	15.1	0.54
3	**2008**	16.6	0.30	14.1	0.15	13.2	0.18
4	**2009**	12.2	-	11.5	-	11.2	-
5	**2010**	12.0	-	11.4	-	10.9	0.13
6	**2011**	17.0	-	16.4	-	15.9	-
7	**2012**	26.6	-	24.1	-	23.7	-
8	**2013**	N/A	N/A	17.6	-	23.7	-
	Total	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%
	Maturity Dates						
9	**2013**	$3.3	0.86%	$0.5	1.73%	N/A	N/A
10	**2014**	5.8	-	3.4	-	$2.1	0.12%
11	**2015**	9.8	0.53	7.8	-	6.9	0.05
12	**2016**	13.0	0.05	11.9	0.04	11.2	-
13	**2017**	10.9	0.02	10.4	0.17	10.0	0.43
14	**2018**	17.3	-	17.1	-	17.0	-
15	**Beyond 2018**	67.3	0.24	81.0	0.05	85.6	0.08
	Total	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%
	Geography[4]						
16	**California**	$21.1	0.12%	$21.9	- %	$22.4	0.03%
17	**Texas**	15.9	0.13	16.3	0.04	16.7	0.02
18	**New York**	10.7	0.09	11.3	0.09	11.4	0.12
19	**Florida**	8.4	0.12	9.3	-	9.3	0.28
20	**Virginia**	6.6	-	7.1	-	7.0	0.37
21	**Maryland**	6.9	-	6.8	-	6.7	-
22	**All other states**	57.8	0.32	59.4	0.09	59.3	0.08
	Total	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%

1 Based on the unpaid principal balance (UPB) of the multifamily mortgage portfolio.

2 Based on the UPB of mortgages two monthly payments or more past due or in the process of foreclosure.

3 Based on either: (a) the year of acquisition, for loans recorded on the company's consolidated balance sheets; or (b) the year that the company issued its guarantee, for the remaining loans in its multifamily mortgage portfolio.

4 Presents the six states with the highest UPB at December 31, 2013.

Multifamily mortgage portfolio by attribute, continued[1]

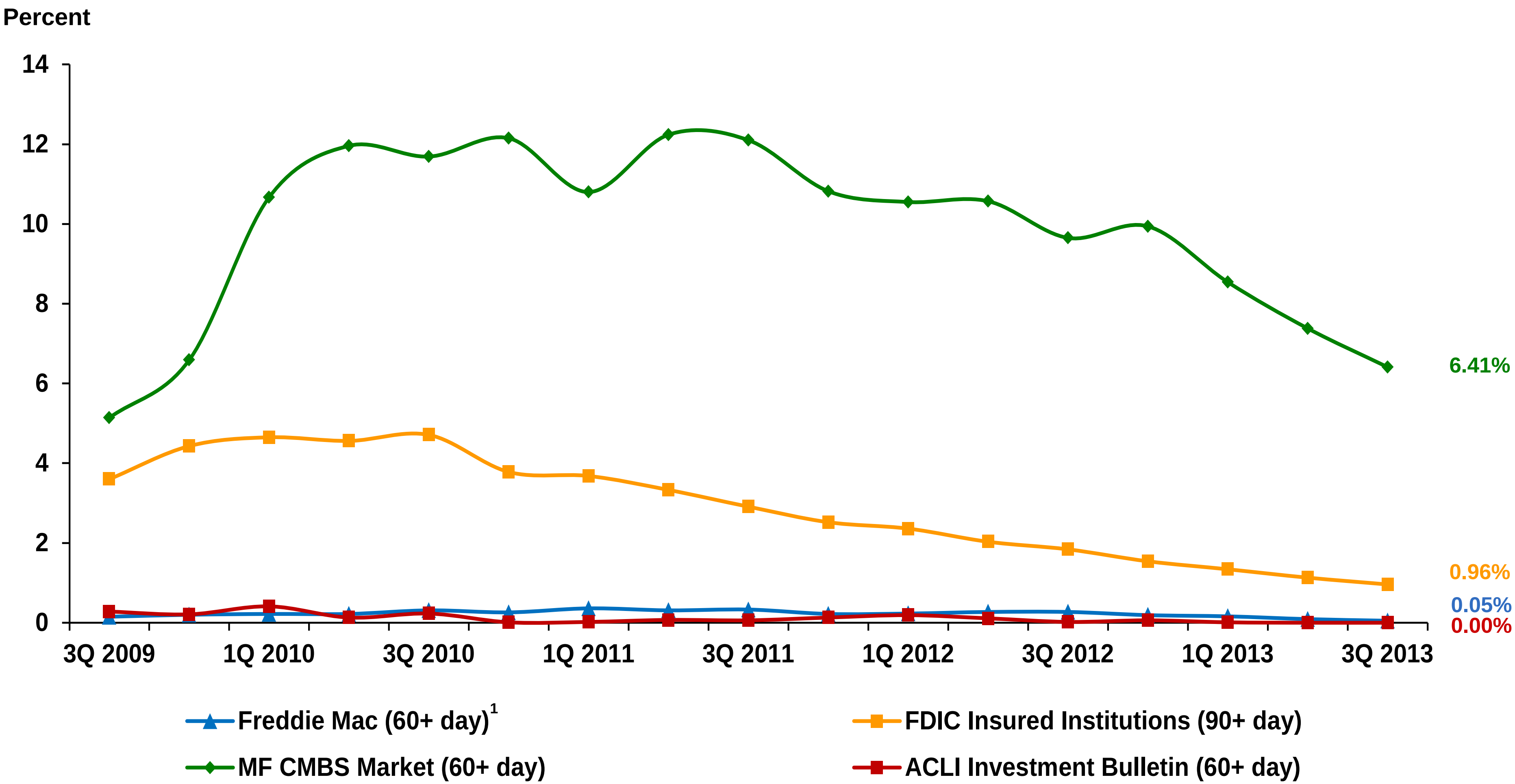
		December 31, 2012		September 30, 2013		December 31, 2013	
		UPB ($ Billions)	Delinquency Rate[2] (%)	UPB ($ Billions)	Delinquency Rate[2] (%)	UPB ($ Billions)	Delinquency Rate[2] (%)
	Current Loan Size						
1	**> $25M**	$48.5	0.06%	$50.8	- %	$50.6	0.05%
2	**> $5M & <= $25M**	70.0	0.26	72.4	0.07	73.2	0.11
3	**> $3M & <= $5M**	5.7	0.22	5.8	0.23	6.0	0.11
4	**> $750K & <= $3M**	3.0	0.65	2.9	0.23	2.8	0.17
5	**<= $750K**	0.2	0.37	0.2	0.45	0.2	0.46
6	**Total**	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%
	Legal Structure						
7	**Unsecuritized Loans**	$76.6	0.08%	$64.9	0.05%	$59.2	0.08%
8	**K Certificates**	37.2	0.07	54.1	0.01	59.8	0.07
9	**Other Freddie Mac mortgage-related securities**	4.2	3.20	4.0	0.75	4.8	0.59
10	**Other guarantee commitments**	9.4	0.13	9.1	-	9.0	-
11	**Total**	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%
	Credit Enhancement						
12	**Credit Enhanced**	$47.8	0.36%	$64.1	0.06%	$70.2	0.11%
13	**Non-Credit Enhanced**	79.6	0.10	68.0	0.05	62.6	0.07
14	**Total**	$127.4	0.19%	$132.1	0.05%	$132.8	0.09%
	Other						
15	**Original LTV > 80%**	$5.8	2.31%	$5.2	0.33%	$5.6	0.19%
16	**Original DSCR below 1.10[3]**	$2.3	2.97%	$2.0	0.30%	$2.2	- %

1 Based on the unpaid principal balance (UPB) of the multifamily mortgage portfolio.

2 Based on the UPB of mortgages two monthly payments or more past due or in the process of foreclosure.

3 DSCR – Debt Service Coverage Ratio – is an indicator of future credit performance for multifamily loans. DSCR estimates a multifamily borrower's ability to service its mortgage obligation using the secured property's cash flow, after deducting non-mortgage expenses from income. The higher the DSCR, the more likely a multifamily borrower will be able to continue servicing its mortgage obligation.

Multifamily market and Freddie Mac delinquency rates



[1] See "MD&A – RISK MANAGEMENT – Credit Risk – *Mortgage Credit Risk – Multifamily Mortgage Credit Risk* " in Freddie Mac's Form 10-K for the year ended December 31, 2013, for information about the company's reported multifamily delinquency rate. The multifamily delinquency rate at December 31, 2013 was 0.09%.

Source: Freddie Mac, FDIC Quarterly Banking Profile, TREPP (CMBS multifamily 60+ delinquency rate, excluding REOs), American Council of Life Insurers (ACLI). Non-Freddie Mac data is not yet available for the fourth quarter of 2013.

Safe Harbor Statements

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