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Freddie Mac Introduces New Giant PC Program Pooling Requirements

Effective with July 2004 Hybrid ARM Giant PC settlements, all Hybrid ARM PCs backing a Hybrid ARM Giant PC must be pooled with other Hybrid ARM PCs that have the same initial period, initial cap up and initial cap down. For example, a 5/1 Hybrid ARM PC with a 5% initial cap may only be resecuritized with other 5/1 Hybrid ARM PCs with 5% initial caps.

In addition, ARM PCs with prepayment protection mortgages may only be pooled with other ARM PCs with prepayment protection mortgages.

These new pooling requirements will increase transparency in Freddie Mac's Giant PCs and are a result of the enhanced disclosure for all Hybrid ARM PCs, announced on April 22, 2004. For more information on the enhanced disclosure, visit

http://www.freddiemac.com/news/archives/mbs/2004/042204_mortgagecertificate.html.

Detailed Pooling Requirements for Fixed-Rate Gold Giant PCs and Pooling Requirements for Adjustable-Rate Giant PCs are available at http://www.freddiemac.com/mbs/html/aop_giant.html. You can also have them emailed by calling your Freddie Mac Transaction Manager at (866) 903-2767.