Offering Circular Supplement
(To Offering Circular Dated February 1, 2001)

Freddie
Mac

Freddie Mac

Mortgage Participation Certificates

Effective July 1, 2001, Freddie Mac is changing its reporting period from a "mid-month" to a calendar month reporting period with respect to full and partial prepayments for Gold PCs and ARM PCs issued on or after September 1, 1995. The monthly reporting period is the applicable one-month reporting period for which servicers report payments on the Mortgages in PC Pools, which are reflected in the applicable Pool Factors and passed through to Holders on the related Payment Date.

Currently, the monthly reporting period for both scheduled payments and prepayments is the 16th of one month to the 15th of the next month. For affected PC Pools, the reporting period for prepayments will become the calendar month preceding the related Payment Date for Gold PCs and the second calendar month preceding the related Payment Date for ARM PCs. Following implementation in July, 2001, affected PC Holders will receive, for one month only, approximately 45 days of prepayments (prepayments reported to us by servicers between approximately May 16, 2001 and June 30, 2001) instead of approximately 30 days of prepayments. Holders of Gold PCs will receive these additional 15 days of prepayments on July 16, 2001 and Holders of ARM PCs will receive them on August 15, 2001. Except for these Payment Dates, Holders will receive approximately 30 days of prepayments on each Payment Date.

In connection with the change to the prepayment reporting period and effective in July, 2001, we will make monthly Pool Factors available on or about the 5th business day of each month for both Gold and ARM PCs. Currently, Pool Factors are available for Gold and ARM PCs on or about the 1st and 7th business days of each month, respectively.

As permitted under the PC Agreement, we are amending that Agreement to reflect the changes described in this Supplement. Capitalized terms used in this Supplement have the meanings given to them in the Offering Circular.

Offering Circular Supplement dated May 9, 2001