



\$100,000,000

Freddie Mac

**Step Medium-Term Notes Due August 4, 2006
Redeemable on August 4, 2004 only**

Issue Date:	August 4, 2003
Maturity Date:	August 4, 2006
Subject to Redemption:	Yes. The Medium-Term Notes are redeemable at our option, upon notice of not less than 5 Business Days, at a price of 100% of the principal amount, plus accrued interest to the Redemption Date. We will redeem all of the Medium-Term Notes if we exercise our option.
Redemption Date(s):	On August 4, 2004 only
Interest Rate:	The Medium-Term Notes bear interest at different fixed rates, during different periods. (See "Step Interest Rates" herein.)
Frequency of Interest Payments:	Semiannually, in arrears, commencing February 4, 2004
Interest Payment Dates:	February 4 and August 4
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	3128X1VS3

You should read this Pricing Supplement together with Freddie Mac's Debentures, Medium-Term Notes and Discount Notes Offering Circular, dated April 4, 2003 (the "Offering Circular"), and all documents that are incorporated by reference in the Offering Circular, which contain important detailed information about the Medium-Term Notes and Freddie Mac. See "Available Information" in the Offering Circular. Capitalized terms used in this Pricing Supplement have the meanings we gave them in the Offering Circular, unless we specify otherwise.

The Medium-Term Notes may not be suitable investments for you. You should not purchase the Medium-Term Notes unless you understand and are able to bear the redemption, yield, market, liquidity and other possible risks associated with the Medium-Term Notes. You should read and evaluate the discussion of risk factors (especially those risk factors that may be particularly relevant to this security) that appears in the Offering Circular under "Risk Factors" before purchasing any of the Medium-Term Notes.

The Medium-Term Notes, including any interest or return of discount on the Medium-Term Notes, are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.

Bear, Stearns & Co. Inc. (the "Representative") has agreed to purchase the Medium-Term Notes from Freddie Mac at 99.85% of their principal amount (\$99,850,000 aggregate proceeds to Freddie Mac, before deducting expenses payable by Freddie Mac estimated at \$5,000), plus accrued interest, if any, from August 4, 2003, subject to the terms and conditions of the Master Dealer Agreement between Freddie Mac and the Underwriters. The Underwriters propose to offer the Medium-Term Notes from time to time for sale in one or more negotiated transactions, at prices to be determined, in each case, at the time of sale. See "Distribution Arrangements" in the Offering Circular.

Bear, Stearns & Co. Inc.

UBS Investment Bank

OFFERING:

1. Pricing date: July 22, 2003
2. Method of Distribution: ☒ Principal ☐ Agent
3. Concession: N/A
4. Reallowance: N/A
5. Syndication: Yes:

UnderwriterUnderwriting Commitment

Bear, Stearns & Co. Inc. (the "Representative")
 UBS Securities LLC

\$50,000,000
50,000,000

\$100,000,000

STEP INTEREST RATES:

2.00% per annum from August 4, 2003 to, but not including, August 4, 2004;
 3.00% per annum from August 4, 2004 to, but not including, August 4, 2006.