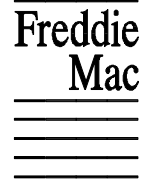


**PRICING SUPPLEMENT DATED August 28, 1998  
(To Offering Circular dated May 19, 1995 and  
Offering Circular Supplement dated April 7, 1998)**



**US\$1,000,000,000**

**Freddie Mac**

**GLOBAL DEBT FACILITY  
5.75% Notes Due April 15, 2008**

**Reference Notes <sup>SM\*</sup>**

This Pricing Supplement relates to the Notes of the Federal Home Loan Mortgage Corporation ("Freddie Mac") described below and should be read in conjunction with the Offering Circular dated May 19, 1995 and the Offering Circular Supplement dated April 7, 1998 (together, the "Offering Circular") and all documents incorporated by reference therein including Freddie Mac's Information Statement dated March 31, 1998 and any supplements to such Information Statement. Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Offering Circular.

The Notes have the same terms (other than Issue Date and Issue Price) as, and form a single series with, the 5.75% Notes Due April 15, 2008 that Freddie Mac issued in the principal amount of US\$5,000,000,000 on April 9, 1998, of which issue Notes in the amount of US\$4,000,000,000 are still outstanding. The aggregate principal amount of the 5.75% Notes Due April 15, 2008, including the Notes issued pursuant to this Pricing Supplement, will be US\$5,000,000,000. See "Description of the Notes - General - Further Issues" and " - Repurchase" in the Offering Circular. Interest on the Notes offered pursuant to this Pricing Supplement will accrue from and including April 9, 1998.

The Notes are not suitable investments for all investors. In particular, no investor should purchase the Notes unless the investor understands and is able to bear the yield, market and liquidity risks associated with the Notes. See "Certain Investment Considerations - Suitability" in the Offering Circular.

**THE NOTES ARE OBLIGATIONS OF FREDDIE MAC ONLY. THE NOTES, INCLUDING ANY INTEREST THEREON, ARE NOT GUARANTEED BY THE UNITED STATES AND DO NOT CONSTITUTE DEBTS OR OBLIGATIONS OF THE UNITED STATES OR ANY AGENCY OR INSTRUMENTALITY OF THE UNITED STATES OTHER THAN FREDDIE MAC. THE NOTES AND INCOME DERIVED THEREFROM ARE NOT GENERALLY EXEMPT FROM TAXATION. NON-U.S. OWNERS GENERALLY WILL BE SUBJECT TO UNITED STATES FEDERAL INCOME AND WITHHOLDING TAX UNLESS THEY ESTABLISH AN EXEMPTION BY PROVIDING A CERTIFICATE ON IRS FORM W-8 OR QUALIFY FOR ANOTHER EXEMPTION. THE NOTES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE U.S. SECURITIES EXCHANGE ACT OF 1934.**

The secondary market for, and the market value of, the Notes will be affected by a number of factors independent of the creditworthiness of Freddie Mac, including the level and direction of interest rates, the remaining period to maturity of the Notes, the aggregate principal amount of the Notes and the availability of comparable investments. In addition, the market value of the Notes may be affected by numerous other interrelated factors, including factors that affect the corporate debt market generally and Freddie Mac specifically. There is no assurance that a secondary market for the Notes will develop, that any secondary market will continue, or that the price at which an investor can sell the Notes will enable the investor to realize a desired yield on that investment. The market value of the Notes is likely to fluctuate; such fluctuations may be significant and could result in significant losses to investors. See "Certain Investment Considerations - Market, Liquidity and Yield Considerations" in the Offering Circular.

Certain persons participating in this offering may engage in transactions that stabilize, maintain, or otherwise affect the price of the Notes. Such transactions may include stabilizing. For a description of these activities, see "Plan of Distribution."

**THIS PRICING SUPPLEMENT DOES NOT DESCRIBE ALL OF THE RISKS OF AN INVESTMENT IN THE NOTES. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN FINANCIAL AND LEGAL ADVISORS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN THE NOTES.**

---

\* "Reference Notes" is a service mark of Freddie Mac.

## Certain Notes Terms

1. Title: 5.75% Notes Due April 15, 2008
2. Form:
  - ☒ Book-Entry
  - Registered
    - DTC Registered Notes
    - Global Registered Notes
3. Specified Payment Currency:
  - a. Specified Interest Currency: U.S. dollars
  - b. Specified Principal Currency: U.S. dollars
4. Aggregate Original Principal Amount: \$1,000,000,000
5. Issue Date: September 1, 1998
6. Denominations: \$1,000 and additional increments of \$1,000
7. Maturity Date: April 15, 2008
  - a. Amount Payable on the Maturity Date
    - ☒ Fixed Principal Repayment Amount
      - ☒ 100% of principal amount
      - % of principal amount
    - Variable Principal Repayment Amount
8. Subject to Redemption Prior to Maturity Date:
  - ☒ No
  - Yes
    - Mandatory
    - Option of Freddie Mac
9. Payment Terms of the Notes:
  - ☒ Fixed Rate Notes
  - Step Notes
  - Variable Rate Notes
  - Fixed/Variable Rate Notes
  - Zero Coupon Notes
10. Interest:
  - a. Frequency of Interest Payments
    - Annually
    - ☒ Semiannually
    - Quarterly
    - Monthly
    - Other: \_\_\_\_\_
  - b. Interest Periods: The first Interest Period for the Notes offered hereby begins on, and includes, April 9, 1998 and ends on, but excludes, the first Interest Payment Date. Consequently, the first payment on the Notes will include accrued interest from April 9, 1998. Subsequent Interest Periods will be as described in the Offering Circular.
  - c. Interest Payment Dates: April 15 and October 15, commencing October 15, 1998
  - d. Interest rate per annum: 5.75%

1. Identification Number(s)
  - a. CUSIP: 3134A2DT2
  - b. ISIN: US3134A2DT27
  - c. Common Code: 8633886
  - d. Other: N/A
2. Listing Application
  - ☒ No
  - ☐ Yes
    - Luxembourg Stock Exchange
    - Stock Exchange of Singapore Limited
    - Paris Stock Exchange
    - Other: \_\_\_\_\_
3. Eligibility for Stripping
  - ☐ No
  - ☒ Yes: Interest for the first Interest Period may not be stripped. See "Other - Description of the Notes - General - Payment Terms of the Notes"
  - ☒ Minimum Principal Amount \$800,000

### Offering

1. Pricing Date: August 28, 1998
2. Method of Distribution: ☒ Principal • Agent

<u>Applicable Manager</u>	<u>Underwriting Commitment</u>
Smith Barney Inc.	<u>\$1,000,000,000</u>
Total .....	<u>\$1,000,000,000</u>

4. Offering Price:
  - ☒ Fixed Offering Price: 100.2408% and an additional aggregate amount of \$22,680,555.56, representing accrued interest from April 9, 1998 to, but not including September 1, 1998, plus accrued interest, if any, from the Settlement Date
  - ☐ Variable Price Offering
5. Purchase Price to Applicable Manager: 100.1408% of Principal Amount (being equal to the Offering Price less a management and underwriting fee of .1%)

### Settlement

1. Settlement Date of the Notes Offered Hereby: September 1, 1998 (Previous Settlement Date of the outstanding Notes forming part of the same series is April 9, 1998)
2. Settlement Basis
  - ☒ Delivery versus payment
  - ☐ Free delivery
3. Settlement Clearing System
  - ☒ U.S. Federal Reserve Banks

- DTC
- × Euroclear
- × Cedel
- Other

Targeted Registered Notes: N/A

**Other:**

## **DESCRIPTION OF THE NOTES**

### **General**

#### ***Payment Terms of the Notes***

#### ***Eligibility For Stripping***

Certain issues of Notes that are Freddie Mac Reference Notes<sup>SM</sup> designated by Freddie Mac, including the Notes (collectively, the “Eligible Notes”) are eligible to be separated (“stripped”) into their separate Interest Components and Principal Components (each as defined below) on the book-entry records of the Federal Reserve Bank of New York (the “FRBNY”). The components of an Eligible Note are: (i) each future interest payment due on or prior to the Maturity Date (each an “Interest Component”) and (ii) the principal payment (the “Principal Component”). However, the initial interest payment on the Notes will not be an Interest Component because the initial Interest Period is longer than other Interest Periods, based on a 360-day year consisting of twelve 30-day months. The initial interest payment will remain with the Principal Component. Each Interest Component and Principal Component (each a “Component”) will receive a CUSIP number and an ISIN number. Such CUSIP and ISIN numbers for the Interest Components of the Notes are set forth in a table below.

For an Eligible Note to be stripped into Components, the principal amount of the Eligible Note must be in an amount that, based on the stated interest rate of the Eligible Note, will produce an interest payment of \$1,000 or an integral multiple thereof on each Interest Payment Date for such Eligible Note. The minimum principal amount required to strip the Notes is \$800,000.

A Holder of an Eligible Note may request that such Eligible Note be separated into its Components at any time. The Holder must make a request for separation to the FRBNY and comply with any requirements and procedures, including payment of applicable fees, if any, of the FRBNY in effect at such time.

The Components may be maintained and transferred on the Fed Book-Entry System in integral multiples of \$1,000. Payments on Components will be made in U.S. dollars on the applicable payment dates (or the succeeding Business Day if payment on the related Notes is made on such succeeding Business Day as described under “Description of the Notes - General - Business Day Convention” in the Offering Circular) by credit of the payment amount to the account at a U.S. Federal Reserve Bank of the Holding Institutions whose names appear on the book-entry records of the U.S. Federal Reserve Banks as the entities to whose account such Components have been deposited (“Component Holders”).

Currently, at the request of a Component Holder holding a Principal Component and all applicable unmatured Interest Components, and on the Component Holder’s payment of a fee (currently the FRBNY’s fee applicable to on-line book-entry securities transfers), the FRBNY will restore (“reconstitute”) the Principal Components of a stripped Note and the applicable unmatured Interest Components (all in appropriate amounts) to such Note in fully constituted form. Generally, for purposes of reconstituting a Note, the Principal Component of an issue of Notes may be combined with either Interest Components of such issue or Interest Components, if any, from other issues of Notes of Freddie Mac that have the same CUSIP numbers as the unmatured Interest Components of such issue. Component Holders wishing to reconstitute Components into a Note also must comply with all applicable requirements and procedures of the FRBNY relating to the stripping and reconstitution of securities.

The preceding discussion is based on Freddie Mac’s understanding of the manner in which the FRBNY currently strips and reconstitutes eligible securities on the Fed Book-Entry System. The FRBNY may cease stripping or reconstituting Notes or may change the manner in which this is done or the requirements, procedures or charges therefor at any time without notice.

Interest Component  
Identifying Number Table

<u>Interest Payment Date</u>	<u>CUSIP Number</u>	<u>ISIN Number</u>
April 15, 1999	3134A2 CX4	US3134A2CX48
October 15, 1999	3134A2 CY2	US3134A2CY21
April 15, 2000	3134A2 CZ9	US3134A2CZ95
October 15, 2000	3134A2 DA3	US3134A2DA36
April 15, 2001	3134A2 DB1	US3134A2DB19
October 15, 2001	3134A2 DC9	US3134A2DC91
April 15, 2002	3134A2 DD7	US3134A2DD74
October 15, 2002	3134A2 DE5	US3134A2DE57
April 15, 2003	3134A2 DF2	US3134A2DF23
October 15, 2003	3134A2 DG0	US3134A2DG06
April 15, 2004	3134A2 DH8	US3134A2DH88
October 15, 2004	3134A2 DJ4	US3134A2DJ45
April 15, 2005	3134A2 DK1	US3134A2DK18
October 15, 2005	3134A2 DL9	US3134A2DL90
April 15, 2006	3134A2 DM7	US3134A2DM73
October 15, 2006	3134A2 DN5	US3134A2DN56
April 15, 2007	3134A2 DP0	US3134A2DP05
October 15, 2007	3134A2 DQ8	US3134A2DQ87
April 15, 2008	3134A2 DR6	US3134A2DR60

**CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES**

The following discussion should be read in conjunction with the discussion contained under “Certain United States Federal Tax Consequences” in the Offering Circular. Capitalized terms used herein and not defined in this Pricing Supplement are defined in the Offering Circular. This discussion does not address all tax consequences applicable to all categories of investors, some of which may be subject to special rules.

**Principal and Interest Components of Reference Notes**

***Tax Treatment of Purchasers of Principal or Interest Components***

Pursuant to Code Section 1286, the separation of ownership of the right to receive some or all of the interest payments on a debt obligation from ownership of the right to receive some or all of the principal payments results in the creation of “stripped bonds” with respect to principal payments and “stripped coupons” with respect to interest payments. Consequently, a purchaser of a Principal Component or an Interest Component will be considered to own stripped bonds or stripped coupons, respectively.

Code Section 1286 treats a stripped bond or a stripped coupon, for purposes of applying the original issue discount rules, as a debt instrument issued with original issue discount on the date that such stripped interest is purchased. Accordingly, the tax consequences to a purchaser of a Component are determined as if the Component were an OID Debt Obligation issued on the date of purchase or, in the case of a Component maturing one year or less from the date of purchase, a Short-Term Debt Obligation issued on that date. See “Certain United States Federal Tax Consequences -- U.S. Owners -- Debt Obligations with Original Issue Discount” and “-- Debt Obligations with a Term of One Year or Less” and “Certain United States Federal Tax Consequences -- Non-U.S. Owners -- Interest” in the Offering Circular. The amount of original issue discount is equal to the excess (if any) of the Component’s stated redemption price at maturity (in the case of an Interest Component, the amount payable on the due date of such Component), over the purchase price.

If an investor purchases in one transaction a pro rata share of the Principal Component and applicable unmatured Interest Components relating to the same Reference Note, while the matter is not free from doubt, such investor should be

treated as purchasing an undivided interest in the Reference Note rather than the separate Components. If it cannot be ascertained whether such Components relate to the same Reference Note, or if such Components are purchased in separate transactions, then the investor likely should be treated as purchasing the separate Components for Federal income tax purposes. Such an investor must account for taxable income with respect to such Components as described in the preceding paragraph.

#### ***Tax Treatment of Person That Strips the Reference Note and Disposes of Some of the Components***

A Beneficial Owner of a Reference Note that strips the Reference Note into its related Components and disposes of some of such Components will be subject to the rules of Code Section 1286. On the date of disposition, such Beneficial Owner must (i) include in income all interest and market discount accrued on the Reference Note not previously included in income, (ii) increase its basis in the Reference Note by the same amount, (iii) allocate its basis in the Reference Note among the Principal Component and Interest Components retained and disposed of according to their respective fair market values and (iv) recognize gain or loss with respect to the Principal Component and Interest Components disposed of. Such Beneficial Owner will be treated as having purchased the retained Components for an amount equal to the basis allocable to such Components.

#### ***Tax Treatment of Stripping and Reconstitution Transactions***

An exchange by a Beneficial Owner of a Reference Note for the related Components will not constitute a taxable exchange to the Beneficial Owner. Similarly, a reconstitution of Components into a single instrument will not constitute a taxable exchange. In either case, the Beneficial Owner will be treated as continuing to own for Federal income tax purposes the property that it owned prior to the exchange.

#### **Information Reporting, Withholding and Backup Withholding**

The Department of the Treasury has issued new regulations which make certain modifications to the withholding, backup withholding and information reporting rules. The new regulations generally are effective for payments made after December 31, 1999. Investors should consult their tax advisors regarding such regulations.

#### **Definition of U.S. Person**

The Taxpayer Relief Act of 1997 revises the definition of "U.S. Person" (as defined in the Offering Circular under "Certain United States Federal Tax Consequences") to mean a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any State (other than a partnership that is not treated as a U.S. Person under any applicable Treasury regulations), or an estate whose income is subject to United States federal income tax regardless of its source, or a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have the authority to control all substantial decisions of the trust. Notwithstanding the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as U.S. Persons prior to such date, that elect to continue to be treated as U.S. Persons, also will be U.S. Persons.

### **PLAN OF DISTRIBUTION**

#### **Distribution**

The Manager is permitted to engage in certain transactions that stabilize the price of the Notes. Such transactions consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Notes.

If the Manager creates a short position in the Notes in connection with the offering, i.e., if the Manager sells more Notes than are set forth under "Offering" in this Pricing Supplement, the Manager may reduce that short position by purchasing Notes in the open market.

In general, purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases.

Neither Freddie Mac nor the Manager makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither Freddie Mac nor the Manager makes any representation that the Manager will engage in such transactions or that such transactions, once

commenced, will be continued.

## **Selling Restrictions**

For information on selling restrictions in jurisdictions other than the United Kingdom, see “Plan of Distribution - Selling Restrictions” in the Offering Circular.

### ***United Kingdom***

Freddie Mac has not authorized any offer of Notes to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (the “Regulations”). The Notes may not lawfully be offered or sold to persons in the United Kingdom except in circumstances which do not result in an offer to the public in the United Kingdom within the meaning of the Regulations or otherwise in compliance with all applicable provisions of the Regulations.

The Manager has represented to and agreed with Freddie Mac that:

(a) *No offer to public*: it has not offered or sold and will not offer or sell any Notes to persons in the United Kingdom prior to the expiration of the period of six months from the Closing Date of the Notes except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations of 1995;

(b) *General compliance*: it has complied and will comply with all applicable provisions of the Financial Services Act of 1986 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and

(c) *Investment advertisements*: it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Notes to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996, as amended, or is a person to whom such document may otherwise lawfully be issued or passed on.