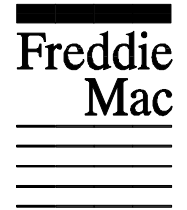


OFFERING CIRCULAR SUPPLEMENT
(to Offering Circular Dated
September 13, 1995)



\$25,000,000

Freddie Mac

Step-up Debentures Due 2014

Redeemable at the option of Freddie Mac, commencing September 30, 1999

The Step-up Debentures Due 2014 (the "Debentures") are unsecured general obligations of the Federal Home Loan Mortgage Corporation ("Freddie Mac") offered pursuant to Freddie Mac's Debentures, Medium-Term Notes and Discount Notes Offering Circular dated September 13, 1995 (the "Offering Circular"). See "Description of the Securities -- Debentures and Medium-Term Notes -- Step Debentures and Medium-Term Notes" in the Offering Circular. The Debentures will have the terms and characteristics set forth in the Offering Circular and in this Offering Circular Supplement. Capitalized terms used herein and not otherwise defined herein have the meanings given them in the Offering Circular.

The initial fixed interest rate on the Debentures, which will apply from the Issue Date to, but not including, March 30, 2000 is 6.00%. The Debentures provide for an increase in the interest rate on March 30, 2000 and annually thereafter at each anniversary of the Issue Date, as set forth in "Description of the Debentures - Interest Rates" in this Offering Circular Supplement, unless the Debentures are redeemed by Freddie Mac. See also "Certain Investment Considerations" in this Offering Circular Supplement.

This Offering Circular Supplement should be read in conjunction with the Offering Circular and with Freddie Mac's Information Statement dated March 31, 1998, its Information Statement Supplements dated May 15, 1998, August 14, 1998, November 3, 1998 and January 29, 1999 and any other supplements to such Information Statement. See "Availability of Information and Incorporation by Reference" in the Offering Circular.

	Price to Public (1)(2)	Underwriting Discount (2)	Proceeds to Freddie Mac (1)(3)
Per Debenture	100%	.375%	99.625%
Total	\$25,000,000	\$93,750	\$24,906,250

- (1) Plus accrued interest, if any, from March 30, 1999.
- (2) See "Plan of Distribution" in this Offering Circular Supplement and in the Offering Circular for additional information concerning price to public and underwriting compensation.
- (3) Before deducting expenses payable by Freddie Mac estimated at \$5,000.

It is expected that the Debentures, in book-entry form, will be available for deposit at any Federal Reserve Bank on or about March 30, 1999, against payment therefor in immediately available funds.

THE DEBENTURES ARE NOT SUITABLE INVESTMENTS FOR ALL INVESTORS. IN PARTICULAR, NO INVESTOR SHOULD PURCHASE THE DEBENTURES UNLESS THE INVESTOR UNDERSTANDS AND IS ABLE TO BEAR THE ASSOCIATED REDEMPTION, MARKET, LIQUIDITY AND YIELD RISKS. SEE "CERTAIN INVESTMENT CONSIDERATIONS" IN THIS OFFERING CIRCULAR SUPPLEMENT AND IN THE OFFERING CIRCULAR.

THE DEBENTURES ARE OBLIGATIONS OF FREDDIE MAC ONLY. THE DEBENTURES, 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. INCOME ON THE DEBENTURES HAS NO EXEMPTION UNDER FEDERAL LAW FROM FEDERAL, STATE OR LOCAL TAXATION. THE DEBENTURES ARE EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933 AND ARE "EXEMPTED SECURITIES" WITHIN THE MEANING OF THE SECURITIES EXCHANGE ACT OF 1934.

First Tennessee Bank N.A.

Offering Circular Supplement Dated March 18, 1999

DESCRIPTION OF THE DEBENTURES

Principal Amount:	\$25,000,000
Issue Date:	March 30, 1999
Maturity Date:	March 31, 2014
Optional Redemption:	On or after September 30, 1999, Freddie Mac may, at its option, upon notice of not less than 10 Business Days, redeem all (but not less than all) of the Debentures at 100% of their principal amount plus accrued interest to the date of redemption
Interest Rates:	6.00% per annum from March 30, 1999 to, but not including, March 30, 2000; 6.25% per annum from March 30, 2000 to, but not including, March 30, 2001; 6.50% per annum from March 30, 2001 to, but not including, March 30, 2002; 6.75% per annum from March 30, 2002 to, but not including, March 30, 2003; 7.00% per annum from March 30, 2003 to, but not including, March 30, 2004; 7.50% per annum from March 30, 2004 to, but not including, March 30, 2005; 8.00% per annum from March 30, 2005 to, but not including, March 30, 2006; 8.50% per annum from March 30, 2006 to, but not including, March 30, 2007; 9.00% per annum from March 30, 2007 to, but not including, March 30, 2008; 9.50% per annum from March 30, 2008 to, but not including, March 30, 2009; 10.00% per annum from March 30, 2009 to, but not including, March 30, 2010; 10.50% per annum from March 30, 2010 to, but not including, March 30, 2011; 11.00% per annum from March 30, 2011 to, but not including, March 30, 2012; 11.50% per annum from March 30, 2012 to, but not including, March 30, 2013; 12.00% per annum from March 30, 2013 to, but not including, March 31, 2014
Payment of Interest:	Semiannually, in arrears, on each March 30 and September 30, commencing September 30, 1999
Payment of Principal:	At maturity, or upon redemption
Minimum Principal Amounts:	Debentures will be issued and must be maintained and transferred in minimum original principal amounts of \$1,000 and additional increments of \$1,000
CUSIP Number:	3134A3GX8

CERTAIN INVESTMENT CONSIDERATIONS

The Debentures are complex securities that entail certain risks. See "Certain Investment Considerations - Suitability" and " - Market, Liquidity and Yield Considerations" in the Offering Circular. Investors should have the financial status and, either alone or with a financial advisor, the knowledge and experience in financial and business matters sufficient to evaluate the merits and to bear the risks of investing in the Debentures in light of each investor's particular circumstances.

The Debentures provide for 14 prescribed increases in their interest rate, commencing March 31, 2000. See "Description of the Debentures - Interest Rates" in this Offering Circular Supplement. Investors should note, however, that Freddie Mac may redeem the Debentures at any time on or after September 30, 1999. Freddie Mac is most likely to redeem the Debentures when prevailing interest rates and Freddie Mac's costs of borrowing are relatively low in comparison to the interest rate on the Debentures. If Freddie Mac redeems the Debentures, investors may not be able to reinvest the redemption proceeds in comparable securities with similar yields. Prospective investors should consider this reinvestment risk in deciding between purchasing the Debentures and purchasing instruments that are not similarly redeemable, or that do not provide for similar interest rate increases. Investors should also consider the risk that, if Freddie Mac does not redeem the Debentures, the interest rate on the Debentures may be below the interest rate that investors would receive on newly issued but otherwise comparable instruments.

The ability of Freddie Mac to redeem the Debentures at its option is likely to restrict the market value of the Debentures. In particular, on or after the date when Freddie Mac may redeem the Debentures, their market value may not significantly exceed the redemption price.

Because of these features, the Debentures may have less liquidity and greater price volatility than comparable instruments that either are not redeemable or that bear interest at a single fixed rate to maturity. Fluctuations in the market value of the Debentures may be significant and could result in significant losses to investors, particularly those investors whose circumstances do not permit them to hold the Debentures until maturity or earlier redemption. Accordingly, investors should consider whether their circumstances permit them to bear the risks of illiquidity and price volatility. See "Certain Investment Considerations - Market, Liquidity and Yield Considerations -- Secondary Markets and Market Values" in the Offering Circular

Prospective investors should also consult their own tax and legal advisors as to the tax consequences of holding, owning and disposing of the Debentures, and whether and to what extent the Debentures constitute legal investments for such investors. See "Certain Federal Tax Consequences" and "Legal Investment Considerations" in the Offering Circular.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in the Underwriting Agreement between Freddie Mac and First Tennessee Bank National Association (the "Underwriter"), Freddie Mac has agreed to sell, and the Underwriter has agreed to purchase, all of the Debentures offered hereby, if any are sold and purchased.

Freddie Mac has been advised by the Underwriter that it proposes initially to offer the Debentures to the public at the offering price set forth on the cover page of this Offering Circular Supplement and to certain dealers at such price less a concession not in excess of .300% of the principal amount of the Debentures and that the Underwriter may allow and such dealers may reallow a concession not in excess of .275% of the principal amount on sales to certain other dealers. After the initial public offering, the public offering price and such concessions may be changed by the Underwriter. See "Plan of Distribution" in the Offering Circular.

In connection with this offering, the Underwriter may engage in certain transactions that stabilize, maintain or otherwise affect the market price of the Debentures. Such transactions may include bids or purchases for the purpose of pegging, fixing or maintaining the market price of the Debentures and the purchase of Debentures to cover short positions.

The Underwriter may create a short position in the Debentures in connection with the offering by selling Debentures with a principal amount greater than that set forth on the cover of this Offering Circular Supplement, and may reduce that short position by purchasing Debentures 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 Underwriter 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 Debentures. In addition, neither Freddie Mac nor the Underwriter makes any representation that the Underwriter will engage in such transactions or that such transactions, if commenced, will be continued.

CERTAIN FEDERAL TAX CONSEQUENCES

The Taxpayer Relief Act of 1997 revises the definition of "U.S. Person" (as defined in the Offering Circular under "Certain 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.

CAPITALIZATION

Freddie Mac's capitalization as of December 31, 1998 is set forth in a capitalization table in Freddie Mac's Information Statement Supplement dated January 29, 1999 to its Information Statement dated March 31, 1998. See "Capitalization" in the Offering Circular.