

**PRICING SUPPLEMENT DATED September 1, 2004
(to the Offering Circular Dated April 2, 2004)**



\$1,000,000,000

Freddie Mac

**GLOBAL DEBT FACILITY
Fixed Rate Notes Due July 15, 2009**

Reference Notes[®] Securities

This Pricing Supplement relates to the Reference Notes[®] Securities (the "Notes") of the Federal Home Loan Mortgage Corporation ("Freddie Mac") described below and should be read in conjunction with the Offering Circular dated April 2, 2004 and all documents incorporated by reference in the Offering Circular, including Freddie Mac's Information Statement dated February 27, 2004 and any supplements to such Information Statement. Freddie Mac will also publish a Supplemental Statement applicable to the Notes shortly after the Auction (as defined herein). The Supplemental Statement will contain the interest rate for the Notes, the price at which they will be sold as a result of the Auction, the Common Code, and other information. See "Other – Distribution Arrangements - Auction – Supplemental Statement" in this Pricing Supplement." Capitalized terms used in this Pricing Supplement and not otherwise defined in this Pricing Supplement have the meanings given to them in the Offering Circular.

The Reference Notes have the same terms (other than Issue Date and Issue Price) as, and form a single series with, the 4.25% Reference Notes Due July 15, 2009 that Freddie Mac issued in the principal amount of US\$3,000,000,000 on June 4, 2004. The aggregate principal amount of the 4.25% Reference Notes Due July 15, 2009, including the Notes issued pursuant to this Pricing Supplement, will be US\$4,000,000,000. See "Description of the Debt Securities - General - Reopened Issues" and "Maturity, Redemption and Optional Repayment" in the Offering Circular. Interest on the Reference Notes offered pursuant to this Pricing Supplement will accrue from and including June 4, 2004.

Freddie Mac plans to offer the Offering Amount of Reference Notes indicated above in an Internet-based, single price, closed bid auction (the "Auction") to be held between 8:15 a.m. and 10:15 a.m., Eastern time (U.S.) on September 1, 2004. The terms and conditions for the Auction are contained in the Freddie Mac Reference Note Auction Procedures (the "Auction Procedures"), available on the Freddie Mac website ([freddiemac.com/debt securities](http://freddiemac.com/debt%20securities)) and by calling the Freddie Mac Debt Securities Marketing Office at (571) 382-3700. You should read this Pricing Supplement in conjunction with the Auction Procedures, which are incorporated by reference herein. See "Other – Distribution Arrangements - Auctions" in this Pricing Supplement. Freddie Mac reserves the right, pursuant to Sec. 19(b) of the Auction Procedures to suspend, delay or cancel the Auction. Any such suspension, delay or cancellation will be immediately publicly announced.

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 "Risk Factors - The Debt Securities May Not Be Suitable For You" in the Offering Circular.

The Notes are obligations of Freddie Mac only. The Notes, including any interest or return of discount on the Notes, are not guaranteed by, and are not debts or obligations of, the United States or any agency or instrumentality of the United States other than Freddie Mac. The Notes are not tax-exempt. Non-U.S. owners generally will be subject to United States federal income and withholding tax unless they establish an exemption. Because of applicable U.S. securities law exemptions, we have not registered the Notes with any U.S. federal or state securities commission. No U.S. securities commission has reviewed the Offering Circular or this Pricing Supplement.

Certain Notes Terms

1. Title: Fixed Rate Notes Due July 15, 2009
2. Form: Book-Entry
3. Specified Payment Currency:
 - a. Specified Interest Currency: U.S. dollars
 - b. Specified Principal Currency: U.S. dollars
4. Offering Amount: \$1,000,000,000
5. Issue Date: September 3, 2004
6. Denominations: \$2,000 and additional increments of \$1,000
7. Maturity Date: July 15, 2009
8. Subject to Redemption or Repayment Prior to Maturity Date: No
9. Amount Payable on the Maturity Date: Fixed Principal Repayment Amount
100% of principal amount
10. Interest:
 - a. Frequency of Interest Payments: Semiannually
 - b. Interest Payment Dates: January 15 and July 15, commencing January 15, 2005
 - c. Interest rate per annum: The interest rate for the Notes will be set in the Auction. The interest rate established as a result of the Auction may be rounded down, if necessary, to the nearest 1/8 of one percent increment. The interest rate established produces the price closest to, but not above, par when the Notes and the interest rate are evaluated at the yield awarded to successful competitive bidders. See "Other – Distribution Arrangements - Auction – Determination of Auction Awards" in this Pricing Supplement.
 - d. Accrual Method (i.e., Day Count Convention): 30/360

Additional Information Relating to the Notes

1. Identification Number(s):
 - a. CUSIP: 3134A4US1
 - b. ISIN: US3134A4US17
 - c. Common Code: 19418022
2. Listing Application: Yes - Luxembourg Stock Exchange: An application has been made with the Luxembourg Stock Exchange to list the Notes.
3. Eligibility for Stripping: Yes - Interest for the first Interest Payment Period may not be stripped. The minimum principal amount required for stripping the Notes will be indicated in the Supplemental Statement.
4. Governing Law:

The Notes will be governed by the federal laws of the United States. The local laws of the State of New York will be deemed to reflect the federal laws of the United States, unless there is applicable precedent under federal law or the application of New York law would frustrate the purposes of the Freddie Mac Act or the Global Facility Agreement.

Offering

1. Auction Date: September 1, 2004
2. Method of Distribution: Auction
See "Other – Auction – Plan of Distribution" in this Pricing Supplement.
3. Fixed Offering Price:
4. Purchase Price to Auction Participants: The price of the Notes will be set in the Auction. The price of the Notes awarded to both competitive and noncompetitive bidders is the price equivalent to the highest yield at which bids were accepted. See "Other – Distribution Arrangements – Auction - Determining Purchase Prices for Awarded Securities" in this Pricing Supplement.

Settlement

1. Settlement Date of the Notes offered hereby: September 3, 2004
2. Settlement Basis: Delivery versus payment
3. Settlement Clearing System: U.S. Federal Reserve Banks
Euroclear
Clearstream, Luxembourg

Other

CERTAIN UNITED STATES FEDERAL TAX CONSEQUENCES

For United States federal income tax purposes, the Notes will be part of the same issue as the 4.25% Reference Notes Due July 15, 2009 issued by Freddie Mac on June 4, 2004 (the "Original Notes") and will have the same issue date, the same issue price and the same adjusted issue price as the Original Notes.

DISTRIBUTION ARRANGEMENTS

Auction

General

Freddie Mac intends to hold an Auction of the Notes on September 1, 2004, as noted above. Certain Dealers will be designated as direct participants in the Auction. Investors may participate in the Auction through one or more designated Dealers. For information on designated Dealers, you may contact the Freddie Mac Debt Marketing Office at (571) 382-3700.

A person or an entity registered with the U.S. Securities and Exchange Commission as a broker-dealer under the Securities Exchange Act of 1934 (15 U.S.C. Sec. 78o and Sec. 78o-5, as they may be amended from time to time) may not submit a noncompetitive bid for its own account, either directly or through an intermediary, in the Auction.

The terms and conditions for the Auction are contained in the Auction Procedures. The Auction Procedures provide that all participants in the Auction certify, by their participation, that they agree to comply with and be bound by the Auction Procedures. For a complete description of the terms and conditions applicable to the Auction, see the Auction Procedures.

Each competitive bid submitted in the Auction must be for at least \$10 million of Notes, and increments of \$1 million thereafter. Each noncompetitive bid in the Auction must be for at least \$1 million of Notes, and increments of \$10,000 thereafter.

Bids for Notes are binding on the bidder as of the closing time for the Auction.

Determination of Auction Awards

Determinations of awards in the Auction will be made by Freddie Mac after the closing time for receipt of bids (10:15 a.m., Eastern time (U.S.)). In determining auction awards, Freddie Mac will first accept in full all noncompetitive bids received by the closing time, subject to applicable award limitations. (The maximum permitted single award for a noncompetitive bid is \$250,000,000, less any amount by which the bidder's net long position as reportable under the Auction Procedures exceeds maximum single auction award amount.) If the aggregate amount of such noncompetitive bids exceeds \$200,000,000,000 then awards in respect of such noncompetitive bids will be prorated and each award will be rounded up to the nearest \$1,000. Then competitive bids will be accepted, subject to the maximum single auction award amount limit, starting with those at the lowest yields through successively higher yields, up to the amount required to meet the Offering Amount. Bids at the stop rate will be prorated, if necessary. (The maximum single auction award amount is \$250,000,000 less any amount awarded to the bidder for noncompetitive bids and less the bidder's net long position as reportable under the Auction Procedures.)

When the total amount of bids at the stop rate exceeds the amount of the Offering Amount remaining after acceptance of noncompetitive bids and competitive bids at the lower yields, a percentage of the bids received at the stop rate will be awarded. This proration is performed for the purpose of awarding a par amount of securities close to the public offering amount. The percentage is derived by dividing the remaining par amount needed to fill the public offering by the par amount of the bids recognized at the stop rate.

Determining Purchase Prices for Awarded Notes

Price calculations will be rounded to six decimal places on the basis of price per hundred, e.g., 99.954321. The price of securities awarded to both competitive and noncompetitive bidders is the price equivalent to the highest yield at which bids were accepted.