PRICING SUPPLEMENT DATED January 13, 2012
(to Offering Circular Dated February 25, 2011)

$3,000,000,000

Freddie Mac

2.06% Mortgage-Linked Amortizing Global Debt Securities Due January 15, 2022

Issue Date:	January 17, 2012
Maturity Date:	January 15, 2022
Subject to Redemption:	Yes
Interest Rate:	2.06%
Principal Payments:	At maturity, subject to prior redemption, in part, on each Payment Date as described in "Redemption" herein
CUSIP Number:	3134G3KS8

The 2.06% Mortgage-Linked Amortizing Global Debt Securities (the "Debt Securities') are unsecured general obligations of Freddie Mac. You should read this Pricing Supplement for the Debt Securities together with Freddie Mac's Global Debt Facility Offering Circular, dated February 25, 2011 (the "Offering Circular"), and all documents that are incorporated by reference in this Pricing Supplement and in the Offering Circular, which contain important additional information about the Debt Securities and Freddie Mac. See "Additional 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 Debt Securities will be subject to mandatory redemption, in part, for cash, by Freddie Mac prior to their Maturity Date on each Payment Date. The amount of each such redemption will be based on the rate of principal payments on a 30-year 6.00% Freddie Mac Giant Participation Certificate ("Giant PC") issued on January 1, 2012 (CUSIP 3128M86M1) (the "Reference Security"). See "Redemption" herein.

The Debt Securities may not be suitable investments for you. You should not purchase the Debt Securities unless you understand and are able to bear the yield, market, liquidity and other possible risks associated with the Debt Securities. 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" and in this Pricing Supplement under "Risk Factors" before purchasing any of the Debt Securities.

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

Any discussion of tax issues set forth in the Pricing Supplement and the related Offering Circular was written to support the promotion and marketing of the transaction described in this Pricing Supplement. Such discussion was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any tax penalties that may be imposed on such person. Each investor should seek advice based on it particular circumstances from an independent tax advisor.

	Price to Public (1)(2)	Underwriting Discount (2)	Proceeds to Freddie Mac (1)(3)
Per Medium-Term Note	100%	0.30%	99.70%
Total	$3,000,000,000	$9,000,000	2,991,000,000

(1) Plus accrued interest, if any, from January 17, 2012.
(2) See "Distribution Arrangements" in the Offering Circular.
(3) Before deducting expenses payable by Freddie Mac estimated at $25,000.

Goldman, Sachs & Co.

Credit Suisse **J.P. Morgan**

DESCRIPTION OF THE DEBT SECURITIES

Original Principal Amount:	$3,000,000,000
Issue Date:	January 17, 2012
Maturity Date:	January 15, 2022
Interest Rate:	2.06% per annum
Payment of Interest:	Monthly, in arrears, on the 15th day of each month (or if that day is not a Business Day, on the next Business Day), commencing February 15, 2012 (each, a "Payment Date") based on the principal amount of the Debt Securities outstanding as of the close of business on the immediately preceding Payment Date (or on the Issue Date, in the case of the first Payment Date).
Day Count Convention:	30/360
Redemption:	On each Payment Date, Freddie Mac will redeem the Debt Securities, in part, for cash, on a pro rata basis among all the Debt Securities, based on the Factor (as defined below) for the Reference Security. The aggregate amount of each such redemption will be equal to the product of (i) the difference between (a) the Factor for the Reference Security for the month that immediately precedes the month in which the related Payment Date occurs and (b) the Factor for the Reference Security for the month in which the related Payment Date occurs and (ii) the original principal amount of the Debt Securities. Freddie Mac will calculate and make available, on or about the fifth Business Day of each month, the Factor applicable to the Reference Security for that month.
Reference Security G06876:	30-year 6.00% Freddie Mac Giant PC issued on January 1, 2012 (CUSIP 3128M86M1). As set forth in "Redemption" herein, Freddie Mac will calculate and make available each month the Factor for the Reference Security for each Payment Date, which will be available on Bloomberg page FG G06876 <Mtge> GO and on the Freddie Mac website (www.Freddiemac.com/mbs/).
Payment of Principal:	At maturity, subject to prior redemption in part on each Payment Date as described herein. The Debt Securities will not be subject to optional redemption by Freddie Mac.
Form and Minimum Principal Amounts:	The Debt Securities will be issued and must be maintained and transferred on the Fed Book-Entry System in minimum original principal amounts of $100,000 and additional increments of $1,000.
CUSIP:	3134G3KS8
ISIN:	US3134G3KS82
Common Code:	73498317

INTEREST PAYMENT TERMS

The Debt Securities will bear interest at the fixed rate specified on the front cover of this Pricing Supplement. Interest will be paid monthly, in arrears, on each Payment Date. Interest will be calculated based upon the amount of principal of the Debt Securities outstanding as of the close of business on the immediately preceding Payment Date or, in the case of the first Payment Date, as of the Issue Date. No interest on the principal amount of the Debt Securities being redeemed will accrue on and after the Payment Date on which such principal is redeemed.

INTEREST PERIOD

The Debt Securities will bear interest from and including the most recent Payment Date or, in the case of the first Payment Date, from and including the Issue Date of the Debt Securities, to but excluding the current Payment Date. Interest on the Debt Securities will be computed on the basis of a 360-day year consisting of twelve 30-day months.

REDEMPTION

Amortization Procedures

The Debt Securities will not be subject to optional redemption by Freddie Mac prior to their Maturity Date. The Debt Securities will be subject to mandatory redemption, in part, on each Payment Date as described below.

On each Payment Date Freddie Mac will redeem, in part, for cash, on a pro rata basis among all Debt Securities, the principal of the Debt Securities in an aggregate amount equal to the product of (i) the difference between (a) the Factor for the Reference Security for the month that immediately precedes the month in which the related Payment Date occurs and (b) the Factor for the Reference Security for the month in which the related Payment Date occurs and (ii) the original principal amount of the Debt Securities. For further information concerning the Reference Security, see Freddie Mac's Mortgage Participation Certificates Offering Circular dated January 4, 2012 (the "PC Offering Circular"), Freddie Mac's Giant and Other Pass-Through Certificates Offering Circular dated June 1, 2010 (the "Giant Offering Circular") and the related Offering Circular Supplement for the Reference Security dated January 11, 2012 (the "Offering Circular Supplement"), which are available on Freddie Mac's internet website at (www.Freddiemac.com/mbs/).

Factors

Freddie Mac will calculate and make available, on or about the fifth Business Day of each month, the current factor for the Reference Security (the "Factor") on Bloomberg page FG G06876 <Mtge> GO and on the Freddie Mac website (www.Freddiemac.com/mbs/). The Factor for any month is a truncated eight-digit decimal which, when multiplied by the original principal amount of the Reference Security, will equal its remaining principal amount, after giving effect to payments of principal on the payment date in the same month as the Factor is published.

If Bloomberg page FG G06876 <Mtge> GO or such other source as may replace that page, is not available, then the Factor for the Reference Security for the current month will be determined and otherwise published at a source determined by Freddie Mac. Freddie Mac's determination of the Factor for the Reference Security for any monthly period, absent clear error, will be final and binding on all parties.

Examples of Redemption of the Debt Securities

To illustrate the calculation methodology for redemption of principal of the Debt Securities, assume that on the first Payment Date, (a) the Factor for the Reference Security for January 2012 is 1.00000000 and (b) the Factor for the Reference Security for February 2012 is 0.98765432, and (c) the aggregate original principal amount of the Debt Securities is $100,000,000. Consequently, the aggregate amount of principal of the Debt Securities redeemed on February 15, 2012 would be $ 1,234,568. Assume further that the Factor for the Reference Security for March 2012 is 0.98123456. Consequently, the aggregate amount of principal of the Debt Securities redeemed on March 15, 2012 would be $641,976. The table below illustrates the calculation methodology for payments of principal and interest.

	A	B	C	D	E
				B minus C	**D times A**
February 2012 Payment Example	Original Principal	Prior Month	Current Month	Payment	Principal
	Amount	Factor	Factor	Factor	Redemption
Principal Payment	$ 100,000,000.00	1.00000000	0.98765432	0.01234568	$1,234,568.00
	Original Principal	Prior Month	Prior Month		Interest
	Amount	Factor	Balance	Coupon	Payment
Interest Payment	$ 100,000,000.00	1.00000000	$100,000,000.00	1.500%	$ 125,000.00
			Principal & Interest Payment:		$1,359,568.00
	A	**B**	**C**	**D**	**E**
				B minus C	**D times A**
March 2012 Payment Example	Original Principal	Prior Month	Current Month	Payment	Principal
	Amount	Factor	Factor	Factor	Redemption
Principal Payment	$ 100,000,000.00	0.98765432	0.98123456	0.00641976	$ 641,976.00
	Original Principal	Prior Month	Prior Month		Interest
	Amount	Factor	Balance	Coupon	Payment
Interest Payment	$ 100,000,000.00	0.98765432	$ 98,765,432.00	1.500%	$ 123,456.79
			Principal & Interest Payment:		$ 765,432.00

Debt Securities Factors

Freddie Mac will make available on Bloomberg page MLAN <Mtge> GO, Series 12-1 A10 and on Freddie Mac's internet website at (www.Freddiemac.com/debt) a current factor for the Debt Securities ("Debt Securities Factor") for each Payment Date on or about the fifth Business Day of the month in which the Payment Date occurs. Until any portion of the principal amount of the Debt Securities has been redeemed, the Debt Securities Factor will be 1.00000000. On any Payment Date, the aggregate remaining principal amount of the Debt Securities, after giving effect to the redemption to be made on that Payment Date, will correspond to (a) the original principal amount of the Debt Securities multiplied by (b) the Debt Securities Factor for that Payment Date.

The Debt Securities Factor for January 2012 is 1.00000000. It will reduce in each month by the same amount as the Factor for the Reference Security, except that the Debt Securities Factor for the month of the Maturity Date will be zero.

Reference Security

The Reference Security is a Freddie Mac Giant PC, which is a single-class security backed by mortgage participation certificates. Each of these mortgage participation certificates represents an undivided beneficial ownership interest in the underlying mortgages contained in the related PC Pool (as defined in the PC Offering Circular). The characteristics of the mortgages underlying the Reference Security may differ substantially from the assumptions used in the examples set forth in this pricing supplement. For additional information about the Reference Security, see the PC Offering Circular, the Giant Offering Circular and the Offering Circular Supplement.

Prepayment Models

Prepayments on pools of mortgages can be measured based on a variety of prepayment models. The model referred to in this Pricing Supplement is The Securities Industry and Financial Markets Association's standard prepayment (or "PSA") model.

The PSA model assumes that:

- Mortgages will prepay at an annual rate of 0.2% in the first month after origination.
- The prepayment rate will increase by an annual rate of 0.2% per month up to the 30th month after origination.
- The monthly prepayment rate will be constant at 6% per annum in the 30th and later months.

This assumption is called "100% PSA". For example, at 100% PSA, mortgages with a loan age of three months (mortgages in their fourth month after origination) are assumed to prepay at an annual rate of 0.8%. "0% PSA" assumes no prepayments; "50% PSA" assumes prepayments rates equal to 0.50 times 100% PSA; "200% PSA" assumes prepayment rates equal to 2.00 times 100% PSA; and so forth.

See "Prepayment, Yield and Suitability Considerations– Prepayments" in the Giant Offering Circular.

Weighted Average Life

The weighted average life of a security refers to the average amount of time that will elapse from the date of its issuance until each dollar of principal has been repaid to the investor. The weighted average life of the Debt Securities will depend primarily on the rate at which principal is paid on the mortgages that underlie the Reference Pool. The table below shows the weighted average life of the Debt Securities under various constant mortgage prepayment assumptions.

Weighted Average Life Table
(in years)
PSA Prepayment Assumption

0%	100%	250%	452%	750%	1000%
9.0	6.8	4.6	2.9	1.7	1.1

Weighted Average Life Table
(in years)
CPR Prepayment Assumption

10%	20%	30%	40%	50%
5.7	3.8	2.6	1.9	1.4

For purposes of this table, we have assumed that the mortgages underlying the Reference Security have the following characteristics:

Remaining Term to Maturity in months	Loan Age in months	Per Annum Interest Rate
303	51	6.568%

The actual characteristics of many of the mortgages differ from these assumptions, perhaps significantly. The weighted average lives set forth in the table could change based on the actual characteristics of the mortgages underlying the Reference Security.

RISK FACTORS

Mortgage Prepayments

The rate of principal redemptions of the Debt Securities will depend on the rates of principal prepayments on the mortgages that underlie the Reference Security. The rates of prepayments of the mortgages underlying the Reference Security are influenced by a variety of economic, social and other factors, including local and regional economic conditions, homeowner mobility and the availability of, and costs associated with, alternative financing. Such factors, which may be affected by our Relief Refinance and Home Affordable Modification Programs, include but are not limited to:

- *Prevailing mortgage interest rates.* In general, as mortgage interest rates decline, borrowers tend to refinance their current, higher rate mortgages, which results in faster prepayment rates on the Reference Security. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their mortgages, which results in slower prepayment rates on the Reference Security. Since the fourth quarter of 2008, the U.S. Department of the Treasury and the Board of Governors of the Federal Reserve have been engaged, from time to time, in concerted efforts, including the purchase of mortgage-related securities guaranteed by Freddie Mac, Fannie Mac and the Government National Mortgage Association and the purchase of long-term Treasury securities, to try to keep mortgage interest rates at historically low levels and to try to maintain the availability of mortgage funding.

- *Mortgage characteristics, such as the geographic location of the mortgaged properties, loan size, borrower credit scores, loan to value ("LTV") ratios or year of origination.* These characteristics may be concentrated in a PC Pool (as defined in the PC Offering Circular) either initially or as a result of changes over time in the composition of a PC Pool. To the extent mortgages with similar characteristics tend to have similar prepayment patterns, the related PCs (as defined in the PC Offering Circular) may prepay more quickly or more slowly than other PCs.

- *Characteristics of the borrowers (such as credit score) and their equity positions in their houses (whether the LTV ratio is high or low).* In particular, borrowers with substantial equity in their houses may be inclined to engage in cash-out refinancings in which the refinancing mortgage has a higher principal balance than the refinanced mortgage. This technique enables the borrower to convert all or a portion of the equity into cash. To the extent mortgages with these borrower characteristics may be concentrated in a PC Pool, the related PCs may prepay more quickly or more slowly than other PCs.

- *Procedures implemented by mortgage originators and servicers to ease the burden on themselves and borrowers of processing refinance loans.* These changes may include reducing the amount of documentation and costs required to refinance and easing underwriting standards, which could encourage borrowers to refinance their mortgages and thus increase prepayment rates. Some of our mortgage purchase programs may facilitate these practices. For example, certain eligible borrowers applying for Relief Refinance Mortgages may be subject to streamlined underwriting and other procedures.

- *Active solicitation by originators and servicers.* Many mortgage servicers, including sellers of mortgages to Freddie Mac, solicit borrowers to refinance their mortgages. In particular, servicers may solicit borrowers to refinance in an effort to preserve servicing income, which could increase prepayment rates. To mitigate this risk, generally, we place restrictions on solicitation of borrowers which are intended to prevent servicers from targeting borrowers under mortgages they service for us more actively than they target other borrowers. However, under our Relief Refinance Program, a number of borrowers under mortgages in PC Pools may be solicited for refinancings.

- *Servicing fee rates.* PC Pools containing mortgages that are subject to servicing fee rates that are relatively low may experience different prepayment rates than PC Pools in which relatively high servicing fee rates predominate.

- *The rate of defaults and resulting repurchases of the mortgages in a PC Pool.* Defaults may increase during periods of economic recession, mortgage credit contraction, stricter underwriting standards that may inhibit refinancings, natural disasters, declining property values or increased use of secondary financing or as a result of other factors that decrease borrowers' equity. Such adverse developments could also have a greater impact on certain states or geographical regions. We currently repurchase substantially all mortgages that are 120 days or more delinquent from our PC Pools. This has the same effect on an investor as a prepayment of the mortgage. Servicers may also modify such a mortgage under our Home Affordable Modification Program upon a borrower's successful completion of a trial period. Such a mortgage would be repurchased from its PC Pool and such a repurchase would have the same effect on an investor as a prepayment of the mortgage. (See also "Risk Factors – Prepayment and Yield Factors- Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds" and "Risk Factors - Credit Factors" in the PC Offering Circular).

- *Repurchases of mortgages due to breaches of representations and warranties by the sellers of those mortgages.* These repurchases would have the same effect on an investor as a prepayment of the mortgages. See "Risk Factors – Prepayment and Yield Factors - We have a substantial backlog of repurchase requests to sellers and their fulfillment could affect PC prepayment speeds" in the PC Offering Circular.

- *Repurchases of mortgages from PC Pools when the terms of those mortgages are modified or the mortgages are refinanced as a result of default or imminent default.* We offer financial incentives (including under our Home Affordable Modification Program) to servicers to modify certain delinquent mortgages in order to reduce foreclosures and to enable borrowers to stay in their homes. Such mortgages are repurchased from their pools and these repurchases would have the same effect on an investor as a prepayment of the mortgages. See "Risk Factors – Prepayment and Yield Factors - Increased Mortgage refinance, modification and other loss mitigation programs could materially affect PC prepayment speeds" in the PC Offering Circular.

We make no representation concerning the particular effect that any factor may have on mortgage prepayment behavior.

Reference Security   G06876

An investor in the Debt Securities should consider that the interest rates applicable to the mortgages underlying the Reference Security may be different from time to time than prevailing mortgage interest rates generally available at such times. The prepayment rate for the mortgages underlying the Reference Security, and thus the rate of redemption of the Debt Securities, may be expected to be different than if the interest rates applicable to the mortgages were more similar to then-prevailing mortgage interest rates. However, Freddie Mac makes no representation about the prepayment rates of the mortgages or the rate of redemption of the Debt Securities. On the Freddie Mac website, Freddie Mac sets forth current pool-level and loan-level information regarding the Reference Security and its underlying PCs, including the weighted average coupon, the weighted average remaining term to maturity (in months) and the weighted average loan age (in months) of the mortgages underlying the Reference Security.

Weighted Average Life

The Debt Securities may receive principal redemption amounts that vary widely from period to period. Relatively fast mortgage prepayment rates may significantly shorten the weighted average life of the Debt Securities, and relatively slow mortgage prepayment rates may significantly extend the weighted average life of the Debt Securities.

Principal Payment Stability

The rate of principal payments on the Reference Security may vary significantly from month to month as a result of fluctuations in the principal payment rates of its underlying mortgages. The Reference Security may experience payment behavior that is similar to or different from that experienced by other pools consisting of similar mortgages. Changes in payment behavior could also result from changes in or waivers of our mortgage purchase or servicing requirements or standards.

Mortgages and mortgage-related securities are subject to prepayment uncertainty. Because principal redemptions on the Debt Securities are tied to prepayment rates on the Reference Security, the Debt Securities are subject to corresponding prepayment uncertainty. The rate of principal redemptions of the Debt Securities will depend, in part, on the rate of principal prepayments on the mortgages underlying the Reference Security.

Suitability

The Debt Securities are complex securities that entail certain risks. The Debt Securities are not suitable investments for all investors. The Debt Securities are not appropriate investments for any investor that requires a single lump sum payment on a predetermined date or an otherwise certain payment stream. The market value of the Debt Securities is likely to fluctuate; such fluctuations may be significant and could result in significant losses to investors. The secondary markets for mortgage-related securities have experienced periods of illiquidity and can be expected to do so in the future. Because principal redemptions on the Debt Securities are tied to prepayment rates on the Reference Security, the Debt Securities could experience corresponding illiquidity. Illiquidity can have a severely adverse effect on the prices of securities that are especially sensitive to prepayment risk or that have been structured to meet the investment requirements of limited categories of investors. 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 Debt Securities in light of each investor's particular circumstances. No investor should purchase the Debt Securities unless the investor understands and is able to bear the prepayment and reinvestment risk associated with mortgage securities as well as the redemption, yield, liquidity and market risks associated with the Debt Securities. Prospective investors should also consult their own tax and legal advisors as to the tax consequences of holding, owning and disposing of the Debt Securities, and whether and to what extent the Debt Securities constitute legal investments for such investors. See "Certain United States Federal Tax Consequences" and “Legal Investment Considerations” in the Offering Circular.

Yield Considerations

An investor seeking to maximize yield should make a decision whether to invest in the Debt Securities based on the anticipated yield of the Debt Securities resulting from their purchase price and the investor's own projection of mortgage prepayment rates under a variety of scenarios. Freddie Mac makes no representation regarding mortgage prepayment rates or the yield of the Debt Securities. See "Risk Factors" in the Offering Circular, in the PC Offering Circular and in the Giant Offering Circular.

Your yield on the Debt Securities will depend on their price, the interest rate payable on the Debt Securities, the rate of prepayments on the mortgages that underlie the Reference Security, and the other characteristics of those mortgages. You should carefully consider the yield risks associated with the Debt Securities, including these:

• If you purchase the Debt Securities at a discount to their principal amount and the rate of principal payments on the mortgages underlying the Reference Security is slower than you expect, you will receive payments over a longer period than you expect, so the yield on your investment will be lower than you expect.

• If you purchase the Debt Securities at a premium over their principal amount and the rate of principal payments on the mortgages underlying the Reference Security is faster than you expect, you will receive payments over a shorter period than you expect, so the yield on your investment will be lower than you expect.

• In general, the rate of prepayments early in your investment has the greatest effect on your yield to maturity. A negative effect on your yield produced by principal prepayments at a higher (or lower) rate than you expect in the period immediately following your purchase of the Debt Securities is not likely to be fully offset by an equivalent reduction (or increase) in that rate in later periods.

OFFERING:

1. Method of Distribution: x Principal _ Agent
2. Concession: N/A
3. Reallowance: N/A
4. Syndication: Yes:

Underwriter	Underwriting Commitment
Goldman, Sachs & Co.	$2,400,000,000
Credit Suisse Securities (USA) LLC	300,000,000
J.P. Morgan Securities LLC	300,000,000
	$3,000,000,000

5. Underwriter’s Counsel: Sidley Austin LLP

ADDITIONAL UNITED STATES TAX CONSEQUENCES

The following explanation, read in conjunction with "Certain United States Tax Consequences" in the Offering Circular, correctly describes the United States tax treatment of U.S. Owners investing in the Debt Securities. This explanation does not deal with all federal tax consequences applicable to all investors, some of whom may be subject to special rules.

Special Tax Characteristics

Although principal on the Debt Securities is payable generally in relation to principal distributions made with respect to the Reference Security, the Debt Securities represent an unsecured general obligation of Freddie Mac and not ownership interests in the Reference Security or the underlying mortgage loans. Consequently, (i) Debt Securities held by a domestic building and loan association will not be a "qualifying real property loan" under Section 593(d) of the Code; and (ii) Debt Securities held by a real estate investment trust will not be "real estate assets" under Section 856(c)(5)(B) of the Code, nor will interest distributions on the Debt Securities be "interest on obligations secured by mortgages on real property or on interests in real property" under Section 856(c)(3)(B) of the Code. The Debt Securities will have the characteristics described in "Certain United States Tax Consequences—U.S. Owners" in the Offering Circular.

Interest and Original Issue Discount

U.S. Owners generally must include interest paid on the Debt Securities in income when it accrues or when it is received based on their method of accounting for federal tax purposes. For debt instruments issued with Original Issue Discount ("OID"), the Internal Revenue Code and regulations provide guidance for U.S. Owners regarding the accrual of OID. See "Certain United States Tax Consequences—U.S. Owners—Debt Obligations with Original Issue Discount" in the Offering Circular for a general explanation. To determine whether the Debt Securities are issued with *de minimis* OID, Freddie Mac will use the weighted average maturity (listed in the Weighted Average Life Table) based on the prepayment assumption used to price the Debt Securities (the "Prepayment Assumption"). The Prepayment Assumption for the Debt Securities is 452% PSA. No representation is made that the Debt Securities, the Reference Security or the underlying mortgages will pay at the Prepayment Assumption or at any other rate.

Neither the Code nor regulations issued thereunder explain precisely how to accrue OID for notes with the characteristics of the Debt Securities. Section 1272(a) (6) of the Code provides rules for the accrual of OID in cases when principal payments for a debt instrument are accelerated because of prepayments on other obligations securing the debt instrument. Although the Reference Security does not secure payments on the Debt Securities, principal payments on the Debt Securities are made based upon the rate of principal payments on the Reference Security. Consequently, although these rules do not literally apply to the Debt Securities, the method for accruing OID provided in section 1272(a)(6) of the Code appears to be the method that most clearly reflects income with respect to the Debt Securities. Freddie Mac intends to use this method for OID reporting based on the Prepayment Assumption. The IRS could disagree and require U.S. Owners to accrue interest under different OID rules, including the rules applicable to contingent payment debt instruments. It is unclear, however, how the contingent payment debt regulations apply to the Debt Securities. Application of different OID rules could result in timing and characterization of income materially different from use of the rules under Section 1272(a)(6) of the Code. U.S. Owners should consult their tax advisers regarding the accrual of interest and the consequences of the application of different accrual rules.

In applying the rules of Section 1272(a)(6) of the Code, (i) the amount and rate of accrual of OID on the Debt Securities will be based on the Prepayment Assumption, and (ii) adjustments will be made in the amount of OID accruing in each taxable year if the actual prepayment rate differs from the Prepayment Assumption.

Section 1272(a)(6)(B)(iii) of the Code requires that the prepayment assumption to be used to calculate OID be determined in the manner prescribed in Treasury regulations yet to be issued. Relevant legislative history indicates that the regulations will provide that the assumed prepayment rate must be the rate used by the parties in pricing the transaction. It is anticipated that the Prepayment Assumption for the Reference Security will be consistent with this standard, and such Prepayment Assumption will be used by Freddie Mac to calculate OID, if any, on the Debt Securities. Each U.S. Owner must make its own determination as to the appropriate prepayment assumption to be used in deciding whether to invest in the Debt Securities.

Section 1272(a)(6) of the Code requires each U.S. Owner to include in income the sum of the daily portions of OID on a Medium-Term Note for each day during its taxable year on which it holds the note. For this purpose, a calculation will first be made of the portion of OID, if any, that accrued during each accrual period. OID will be reported based on accrual periods of one month, beginning on the date on which interest is paid (or, in the case of the first accrual period, on the Closing Date) and ending on the day before the next interest payment date.

The portion of OID, if any, treated as accruing for any accrual period will equal the excess, if any, of (i) the sum of (A) the present value of all distributions remaining to be made on the Medium-Term Note as of the end of the accrual period and (B) the distributions made on the Medium-Term Note during the accrual period of amounts included in the stated redemption price over, (ii) the adjusted issue price of such Medium-Term Note at the beginning of the accrual period. The present value of remaining distributions will be calculated based on (i) the original yield to maturity of the Medium-Term Note, calculated as of the Issue Date, (ii) events (including actual prepayments) that have occurred prior to the end of the accrual period, and (iii) the Prepayment Assumption. The adjusted issue price of a Medium-Term Note at any time will equal the issue price of the Medium-Term Note, increased by the aggregate amount of OID previously accrued with respect to the Medium-Term Note, and reduced by the amount of any distributions on the Medium-Term Note of amounts included in its stated redemption price at maturity. The OID accruing during any accrual period will then be allocated ratably to each day during the accrual period to determine the daily portion of OID.

Acquisition Premium, Market Discount and Premium

For the tax treatment of acquisition premium, see "Certain United States Tax Consequences—U.S. Owners—Acquisition Premium and Market Discount" in the Offering Circular.

Market discount and premium should be taken into account when principal payments are received on the Debt Securities. See "Certain United States Tax Consequences—U.S. Owners—Acquisition Premium and Market Discount" and "—Debt Obligations Purchased at a Premium" in the Offering Circular for a general explanation.

In general, discount and premium on a Medium-Term Note to which Section 1272(a)(6) of the Code applies, may be treated as accruing either (i) under a constant yield method, taking into account the Prepayment Assumption, or (ii) in proportion to OID that accrued on the Medium-Term Note in that period over the total remaining expected (based upon the Prepayment Assumption) accruals of OID as of the beginning of the accrual period, if any, or if none, in proportion to the stated interest distributable on the Medium-Term Note in that period over the total remaining interest expected (based upon the Prepayment Assumption) to be distributable as of the beginning of the accrual period. Freddie Mac will publish quarterly a monthly Market Discount Accrual Ratio ("MDAR") for U.S. Owners to determine the amount of market discount and premium using the method described above. See the MDAR Factor under the CUSIP at the Freddie Mac website (www.Freddiemac.com/debt/).