

Supplement dated November 20, 2007 to Information Statement dated March 23, 2007

On November 20, 2007, Freddie Mac announced its financial results for the third quarter of 2007. This Information Statement Supplement includes the content of that announcement as follows:

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FOR IMMEDIATE RELEASE
November 20, 2007
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**FREDDIE MAC REPORTS THIRD QUARTER 2007 NET LOSS OF \$2.0 BILLION
OR \$3.29 PER DILUTED SHARE**
Core Business Growth Offset by Credit and Valuation Losses

Third Quarter Summary

- Third quarter loss of \$2.0 billion reflects a higher provision for credit losses and losses on mark-to-market items.
- Provision for credit losses of \$1.2 billion reflects the significant deterioration of mortgage credit as a result of continued weakness in the housing market.
- Total GAAP mark-to-market losses of \$3.6 billion primarily include \$1.5 billion in interest-rate related items and \$2.3 billion in credit-related items.
- Fair value, before capital transactions, decreased by approximately \$8.1 billion primarily due to widening of net mortgage-to-debt option-adjusted spreads and valuation losses on credit-related items.
- Increase in management and guarantee income reflects continued guarantee portfolio growth.

McLean, VA—Freddie Mac (NYSE:FRE) today reported a net loss of \$2.0 billion, or \$3.29 per diluted common share, in the third quarter of 2007, compared to a net loss of \$715 million, or \$1.17 per diluted common share, for the same period in 2006. The company also reported a decrease in the fair value of net assets attributable to common stockholders, before capital transactions, of approximately \$8.1 billion for the third quarter of 2007, compared to an increase of approximately \$300 million for the same period in 2006. Compared to the second quarter of 2007, the company reported declines in both net income and fair value primarily due to increased credit-related expenses and losses on mark-to-market items.

“Without doubt, 2007 has been an extremely difficult year for the country’s housing and credit markets and, as our third quarter financial results reflect, we have been impacted by the deterioration in these markets,” said Richard F. Syron, Freddie Mac chairman and chief executive officer. “We recognized the challenges facing the mortgage markets, however, and have taken further steps to address them. At the same time, as our charter mandates, we have continued to meet our mission by playing a stabilizing role in the markets and supporting our customers.

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“Freddie Mac is a housing finance company operating in what today is a troubled housing and credit market. It will take time for this market to turn around. But as it improves, we are optimistic about Freddie Mac’s longer-term prospects. The market shift towards fixed rate originations and improved pricing and credit standards should position us well as the weakness in credit markets begins to improve and we are able to leverage our traditional strengths.”

“Weakening house prices and deteriorating credit have hurt Freddie Mac’s results, as well as those of other participants in the mortgage market,” said Buddy Pizel, chief financial officer. “You can see the impact of these trends in our credit results and throughout our financial statements. Year-to-date, we have recognized \$4.6 billion in net credit-related items on a pre-tax basis.

“During the past year we have taken important steps to address the impact of the declining housing and credit markets to our business,” Pizel added. “We have begun raising prices, tightened our credit standards and enhanced our risk management practices. We also continue to improve our internal controls as we move closer to completing our remediation efforts and returning to timely financial reporting. These actions position us well to take advantage of opportunities when the current market dislocation ends.”

Freddie Mac’s regulatory core capital was estimated at \$34.6 billion at September 30, 2007, which represented an estimated \$8.5 billion in excess of the regulatory minimum capital requirement, and an estimated \$0.6 billion in excess of the 30 percent mandatory target capital surplus directed by the Office of Federal Housing Enterprise Oversight (OFHEO).

GAAP Results

	<i>Three Months Ended</i>		
	<i>September 30,</i>	<i>June 30,</i>	<i>September 30,</i>
	2007	2007	2006
<i>(\$ in millions, except per share amounts)</i>			
Net Income (Loss)	\$(2,029)	\$764	\$(715)
Diluted earnings (loss) per common share	\$(3.29)	\$1.02	\$(1.17)
Diluted weighted average common shares outstanding	647.4 mm	655.8 mm	675.6 mm

The increased net loss, year-over-year, was primarily due to higher credit-related expenses and mark-to-market losses on the company’s portfolio of derivatives and credit-related items.

	<i>Three Months Ended</i>		
	<i>September 30,</i>	<i>June 30,</i>	<i>September 30,</i>
	2007	2007	2006
<i>(\$ in millions)</i>			
Total Revenues	\$(678)	\$2,255	\$91
Net interest income	987	973	959
Management and guarantee income	520	474	427
Other non-interest income (loss)	(2,185)	808	(1,295)

Within total revenues, net interest income has remained stable throughout 2007 and management and guarantee income continued to grow from prior period levels.

Net interest income was \$987 million for the third quarter of 2007, compared to \$959 million for the third quarter of 2006. Year-over-year, net interest income increased primarily due to lower amortization expense, partially offset by increased funding costs as maturing debt was replaced at higher yields.

During the third quarter of 2007, the unpaid principal balance (UPB) of the company's retained portfolio increased at an annualized rate of one percent to approximately \$713 billion, as liquidations decreased and wider net mortgage-to-debt option-adjusted spreads (OAS) generally increased purchase opportunities. During the third quarter, Freddie Mac reduced the balance of its cash and short-term investments portfolio by \$30 billion, which helped the company manage its capital and invest in mortgage-related securities with wider OAS. Capital constraints during the quarter limited Freddie Mac's ability to take advantage of purchase opportunities for the retained portfolio and in September the company sold approximately \$20 billion in UPB of retained portfolio assets to manage to the 30 percent mandatory target capital surplus.

As in September, retained portfolio sales in October 2007 of approximately \$25 billion largely reflected activities to manage to the 30 percent mandatory target capital surplus. During the remainder of 2007, the UPB of the retained portfolio may decline given the impact of the continued earnings volatility created by the current market environment and the need to manage to the 30 percent mandatory target capital surplus.

Management and guarantee income on mortgage participation certificates (PCs) and Structured Securities increased to \$520 million in the third quarter of 2007, compared to \$427 million in the third quarter of 2006. The year-over-year increase is primarily due to growth in the average balance of outstanding PCs and Structured Securities and a moderately higher total guarantee fee rate.

The company's total credit guarantee portfolio increased at an annualized rate of 18 percent in the third quarter of 2007 to approximately \$1.7 trillion at September 30, 2007. Through October 31, 2007, the company's total credit guarantee portfolio increased at an annualized rate of 16 percent to approximately \$1.7 trillion. This compares to forecasted annual growth in total U.S. residential mortgage debt outstanding of approximately six percent in 2007.

During the third quarter of 2007, the company recorded mark-to-market losses totaling \$2.7 billion on items included in other non-interest income (loss), compared to mark-to-market losses of \$1.5 billion in the third quarter of 2006. Of the mark-to-market losses during the third quarter of 2007, approximately \$1.4 billion were related to the impact of widening credit spreads on the value of the company's credit guarantee activities and approximately \$1.4 billion were related to the impact of declining long-term interest rates on the value of the company's derivatives portfolio.

(\$ in millions)	<i>Three Months Ended</i>		
	<i>September 30,</i>	<i>June 30,</i>	<i>September 30,</i>
	2007	2007	2006
Total Expenses	\$2,731	\$1,378	\$827
Administrative expenses	428	442	418
Credit-related expenses	1,248	336	112
Other non-interest expense			
Losses on certain credit guarantees	396	187	103
Losses on loans purchased	483	205	30
Other	176	208	164

Administrative expenses totaled \$428 million for the third quarter of 2007, compared to \$418 million for the third quarter of 2006. Year-over-year administrative expenses, expressed as a percentage of the average total mortgage portfolio, declined to 8.7 basis points for the third quarter of 2007 from 9.4 basis points for the third quarter of 2006.

Credit-related expenses, consisting of provision for credit losses and real estate owned (REO) operations expense, were \$1.2 billion for the third quarter of 2007, compared to \$112 million for the third quarter of 2006. This increase reflects observed credit deterioration, particularly on 2006 and 2007 mortgage loan originations that have exhibited higher transition rates from delinquency to foreclosure, and higher expected severities of losses on a per-property basis resulting from slower home price appreciation and higher UPBs on those loans generating losses.

Total credit losses, consisting of net charge-offs plus REO operations expense, were \$126 million for the third quarter of 2007 and \$263 million for the nine months ended September 30, 2007. Realized credit losses were 3.0 basis points of the average total mortgage portfolio for the third quarter of 2007 and 2.2 basis points of the average total mortgage portfolio for the nine months ended September 30, 2007. The company expects credit losses to continue to increase for the remainder of 2007 and in 2008, especially if conditions, such as home prices and the rate of home sales, continue to deteriorate.

For the third quarter of 2007, other non-interest expense included losses on certain credit guarantees of \$396 million, compared to losses of \$103 million in the third quarter of 2006, primarily related to higher market-measured future credit costs on newly-issued PCs. Also included in other non-interest expense were losses of \$483 million on loans purchased out of PC pools, compared to losses of \$30 million in the third quarter of 2006, largely due to an increase in the volume, and a decline in the estimated fair value, of non-performing loans purchased out of PC pools during the quarter. During the third quarter of 2007, the company recognized \$58 million in net interest income on re-performing loans previously purchased and \$109 million in other non-interest income associated with the recapture of previously recognized market value losses on purchased loans due to borrower payments or higher realized loan foreclosure values.

Capital Management

Estimated regulatory core capital was \$34.6 billion at September 30, 2007, which represented an estimated \$8.5 billion in excess of the regulatory minimum capital requirement, and an estimated \$0.6 billion in excess of the 30 percent mandatory target capital surplus directed by OFHEO. Retained portfolio sales in September and October largely reflected activities to manage to the 30 percent mandatory target capital surplus.

As a result of GAAP losses and in order to manage to the 30 percent mandatory target capital surplus and respond to regulatory concerns, as well as to have the flexibility to effectively manage its business, the company is planning on taking several actions. First, the company has engaged Goldman Sachs and Lehman Brothers as financial advisors to help it consider very near term capital raising alternatives. Second, the company is seriously considering reducing its fourth quarter common stock dividend by 50 percent. If these measures are not sufficient to help the company manage to the 30 percent mandatory target capital surplus, then the company may consider additional measures in the future such as limiting growth or reducing the size of our retained portfolio, slowing purchases into our credit guarantee portfolio, issuing additional preferred or convertible preferred stock and issuing common stock. When market conditions improve and Freddie Mac returns to sustainable profitability, the company will consider increasing the common stock dividend and returning capital to its shareholders through, among other things, calling preferred stock.

Fair Value Results

	<i>Three Months Ended</i>		
	<i>September 30,</i>	<i>June 30,</i>	<i>September 30,</i>
<i>(\$ in billions, after-tax)</i>	2007	2007	2006
Fair Value Change (before capital transactions)	\$(8.1)	\$0.8	\$0.3

During the third quarter of 2007, the fair value of net assets attributable to common stockholders, before capital transactions, decreased by approximately \$8.1 billion, compared to an increase of approximately \$300 million in the third quarter of 2006.

Attribution of changes in fair value relies on models, assumptions, and other measurement techniques that evolve over time. The following attribution is the company's current estimate of the items presented (on a pre-tax basis) and excludes the effect of returns on capital and administrative expenses.

Investment activities in the company's retained portfolio decreased fair value by approximately \$5.9 billion during the third quarter of 2007, compared to an increase in fair value of approximately \$500 million during the third quarter of 2006. These estimates include a reduction in fair value of approximately \$8.0 billion attributable to net mortgage-to-debt OAS widening in the third quarter of 2007. Of this amount, approximately \$3.5 billion was related

to the impact of the net mortgage-to-debt OAS widening on the company's portfolio of non-agency mortgage-related securities.

Mortgage-to-debt OAS widening increases the likelihood that, in future periods, the company will be able to recognize core spread income from its investment activities at a higher spread level. In the third quarter of 2007, the company estimated it recognized core spread income at a net mortgage-to-debt OAS level of approximately 60 to 70 basis points, compared to approximately 25 to 30 basis points estimated in the third quarter of 2006.

Credit guarantee activities decreased fair value by an estimated \$6.4 billion during the third quarter of 2007, compared to a decrease in fair value of an estimated \$400 million during the third quarter of 2006. These results include amounts related to net cash flows received, as well as changes in the fair value of the single-family guarantee asset and obligation.

Interest-Rate Risk Management

During the third quarter of 2007, Freddie Mac's interest-rate risk remained low with portfolio market value sensitivity (PMVS-L) and duration gap averaging one percent and zero months, respectively, unchanged compared to the third quarter of 2006.

Internal Controls

Remediation of the material weaknesses and significant deficiencies in Freddie Mac's financial reporting process continues to be a top corporate priority in 2007. The company is continuing to make progress on a series of initiatives to improve its financial reporting infrastructure and remediate material weaknesses and other deficiencies in its internal controls. These activities are part of Freddie Mac's comprehensive plan for returning to timely quarterly financial reporting. Efforts made to date have resulted in a strengthened control environment.

Additional Information

For more information, see the Consolidated Financial Statements and Core Tables accompanying this release, the company's Information Statement Supplements, dated November 20, 2007, and the slide presentation that will be available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors.

Additional information about Freddie Mac and its business is also set forth in the company's Information Statement and Annual Report dated March 23, 2007 and related Information Statement Supplements, which are available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors. Printed copies of these documents may be obtained free of charge upon request from the company's Investor Relations department by writing or calling the company at shareholder@freddiemac.com, (703) 903-3883 or (800) 373-3343. Freddie Mac encourages all investors and interested members of the public to review these materials for a more complete understanding of the company's financial results and related disclosures.

Announcement of Conference Call and Webcast

Management will host a conference call discussing today's announcement at 10:00 a.m. Eastern Time today. Domestic investors should call 1-800-230-1951 and international investors can access the call at 612-332-0335. The conference call will be webcast live on the company's Web site. A telephone recording of this conference call will be available continuously beginning at approximately 3:00 p.m. Eastern Time on November 20, 2007 until midnight on December 3, 2007. To access this recording in the United States, call 1-800-475-6701 and use access code 891911. Outside of the United States, call 320-365-3844 and use access code 891911.

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This Information Statement Supplement contains forward-looking statements pertaining to the company's current expectations and objectives for financial reporting, remediation efforts, future business plans, economic and market conditions, market share, credit losses, prepayments, results of operations and financial condition on both a GAAP and fair value basis, and market trends and developments. Forward-looking statements are often accompanied by, and identified with, terms such as "objective," "expect," "trend," "assumptions," "judgments," "estimate," "ultimate," "believe," "ability," "models," "outlook," "initiatives," and similar phrases. These statements are not historical facts, but rather represent the company's expectations based on current information, plans, judgments, assumptions, estimates and projections. Forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the company's control. You should not unduly rely on the company's forward-looking statements.

Actual results may differ materially from the expectations expressed in these and other forward-looking statements the company makes as a result of various factors, including: continued uncertainty and volatility in the mortgage markets; the company's ability to effectively implement its business strategies and manage the risks in its business; the company's ability to complete additional capital transactions; adverse changes in the financial condition of its customers and counterparties; actions by governmental entities, securities agencies or others that adversely affect the supply or cost of equity capital or debt financing available to the company; the company's ability to identify, manage, mitigate and remediate internal control weaknesses and deficiencies and other risks; any loss of customers or changes in volume from existing customers; changes in estimates, methodologies, models or other measurement techniques the company uses; general business, economic, market and political conditions, including changes in levels and volatilities of interest rates and other market factors, changes in mortgage-to-debt option-adjusted spreads, prepayment behavior, housing prices, credit losses, and employment rates; competitive developments in the mortgage market; the rate of growth in total outstanding U.S. residential mortgage debt; changes in applicable legislative or regulatory requirements, including required capital levels, or changes in interpretations of such requirements; the other factors discussed in the Information Statement Supplement dated November 20, 2007 containing the Financial Report for the Three and Nine Months Ended September 30, 2007; and the reactions of the marketplace to the foregoing. Additional factors are also discussed in the company's Information Statement dated March 23, 2007, and

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subsequent Information Statement Supplements, which are available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors.

The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances after the date of this Information Statement Supplement or to reflect the occurrence of unanticipated events.

FREDDIE MAC
CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

Line:	Three Months Ended		Nine Months Ended	
	September 30, 2007	September 30, 2006	September 30, 2007	September 30, 2006
	(dollars in millions, except share-related amounts)			
	<i>Interest income</i>			
1	\$ 1,102	\$ 1,012	\$ 3,242	\$ 3,092
2	9,170	8,782	26,893	25,905
3	959	1,263	2,897	3,156
4	11,231	11,057	33,032	32,153
	<i>Interest expense</i>			
5	(2,292)	(2,183)	(6,749)	(6,439)
6	(7,521)	(7,418)	(22,028)	(20,961)
7	(9,813)	(9,601)	(28,777)	(27,400)
8	(98)	(91)	(322)	(286)
9	(9,911)	(9,692)	(29,099)	(27,686)
10	(333)	(406)	(995)	(1,205)
11	987	959	2,938	3,262
	<i>Non-interest income (loss)</i>			
12				
13	520	427	1,454	1,229
14	(420)	(690)	(91)	(469)
15	231	217	724	629
16	(150)	(783)	(397)	(155)
17	(932)	(257)	(1,483)	(403)
18	91	155	187	463
19	22	30	76	109
20	(1,162)	8	(1,692)	(25)
21	135	25	285	80
	(1,665)	(868)	(937)	1,458
	<i>Non-interest expense</i>			
22	(234)	(207)	(705)	(601)
23	(113)	(120)	(338)	(338)
24	(17)	(15)	(47)	(44)
25	(64)	(76)	(183)	(213)
26	(428)	(418)	(1,273)	(1,196)
27	(1,197)	(93)	(1,696)	(113)
28	(51)	(19)	(81)	(38)
29	(396)	(103)	(727)	(201)
30	(483)	(30)	(858)	(72)
31	(111)	(98)	(354)	(317)
32	(65)	(66)	(194)	(188)
33	(2,731)	(827)	(5,183)	(2,125)
34	(3,409)	(736)	(3,182)	2,595
35	1,380	21	1,706	96
36	(2,029)	(715)	(1,476)	2,691
37				
38	(102)	(72)	(292)	(189)
39	-	-	-	(6)
	\$ (2,131)	\$ (787)	\$ (1,768)	\$ 2,496
	Earnings (loss) per common share			
40	\$ (3.29)	\$ (1.17)	\$ (2.70)	\$ 3.63
41	\$ (3.29)	\$ (1.17)	\$ (2.70)	\$ 3.63
	Weighted average common shares outstanding (in thousands)			
42	647,377	675,556	653,825	686,651
43	647,377	675,556	653,825	688,130
44	\$ 0.50	\$ 0.47	\$ 1.50	\$ 1.41

See our unaudited Consolidated Financial Statements as presented in our Information Statement Supplement dated November 20, 2007.

FREDDIE MAC
CONSOLIDATED BALANCE SHEETS

Line:	September 30, 2007 (unaudited)	December 31, 2006	
	(dollars in millions, except share-related amounts)		
Assets			
<i>Retained portfolio</i>			
Mortgage loans:			
1	Held-for-investment, at amortized cost	\$ 68,599	\$ 63,780
2	Reserve for losses on mortgage loans held-for-investment	(250)	(70)
3	Held-for-sale, at lower-of-cost-or-market	3,331	1,908
4	Mortgage loans, net of reserve	71,680	65,618
Mortgage-related securities:			
5	Available-for-sale, at fair value (includes \$17,834 and \$20,463, respectively, pledged as collateral that may be repledged)	620,672	626,731
6	Trading, at fair value	13,611	7,597
7	Participation Certificate residuals, at fair value	(1,064)	597
8	Total mortgage-related securities	633,219	634,925
9	<i>Retained portfolio</i>	704,899	700,543
<i>Cash and investments</i>			
10	Cash and cash equivalents	12,227	11,359
Investments:			
Non-mortgage-related securities:			
11	Available-for-sale, at fair value	21,264	45,586
12	Securities purchased under agreements to resell and Federal funds sold	17,267	23,028
13	<i>Cash and investments</i>	50,758	79,973
14	Accounts and other receivables, net	6,774	7,461
15	Derivative assets, net at fair value	7,271	7,908
16	Guarantee asset, at fair value	8,243	6,070
17	REO, net	1,321	743
18	Other assets	13,607	10,383
19	<i>Total assets</i>	\$ 792,873	\$ 813,081
Liabilities and stockholders' equity			
<i>Debt securities, net</i>			
Senior debt:			
20	Due within one year	\$ 261,127	\$ 294,861
21	Due after one year	468,903	452,677
22	Subordinated debt, due after one year	5,232	6,400
23	<i>Total debt securities, net</i>	735,262	753,938
24	Due to Participation Certificate investors	9,815	11,123
25	Accrued interest payable	7,655	8,345
26	Guarantee obligation	9,573	7,117
27	Derivative liabilities, net at fair value	337	179
28	Reserve for guarantee losses on Participation Certificates	1,589	350
29	Other liabilities	2,541	3,212
30	<i>Total liabilities</i>	766,772	784,264
31	Commitments and contingencies		
32	Minority interests in consolidated subsidiaries	281	516
<i>Stockholders' equity</i>			
33	Preferred stock, at redemption value	8,109	6,109
34	Common stock, \$0.21 par value, 726,000,000 shares authorized, 725,863,886 shares issued and 646,064,612 shares and 661,254,178 shares outstanding, respectively	152	152
35	Additional paid-in capital	961	962
36	Retained earnings	29,607	32,177
Accumulated other comprehensive income (loss), or AOCI, net of taxes, related to:			
37	Available-for-sale securities	(4,434)	(2,749)
38	Cash flow hedge relationships	(4,309)	(5,033)
39	Defined benefit plans	(80)	(87)
40	Total AOCI, net of taxes	(8,823)	(7,869)
41	Treasury stock, at cost, 79,799,274 shares and 64,609,708 shares, respectively	(4,186)	(3,230)
42	<i>Total stockholders' equity</i>	25,820	28,301
43	<i>Total liabilities and stockholders' equity</i>	\$ 792,873	\$ 813,081

See our unaudited Consolidated Financial Statements as presented in our Information Statement Supplement dated November 20, 2007.

FREDDIE MAC
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)

Line:	Nine Months Ended				
	September 30, 2007		September 30, 2006		
	Shares	Amount	Shares	Amount	
(in millions)					
	<i>Preferred stock, at redemption value</i>				
1	Balance, beginning of year	132	\$ 6,109	92	\$ 4,609
2	Preferred stock issuances	104	2,600	20	1,000
3	Preferred stock redemptions	(12)	(600)	-	-
4	<i>Preferred stock, end of period</i>	224	8,109	112	5,609
	<i>Common stock, par value</i>				
5	Balance, beginning of year	726	152	726	152
6	<i>Common stock, end of period</i>	726	152	726	152
	<i>Additional paid-in capital</i>				
7	Balance, beginning of year		962		924
8	Stock-based compensation		61		40
9	Income tax benefit from stock-based compensation		2		8
10	Preferred stock issuance costs		(26)		(10)
11	Common stock issuance		(31)		(12)
12	Real Estate Investment Trust preferred stock repurchase		(7)		(2)
13	<i>Additional paid-in capital, end of period</i>		961		948
	<i>Retained earnings</i>				
14	Balance, beginning of year		32,177		31,559
15	Cumulative effect of change in accounting principle, net of taxes		181		(13)
16	Balance, beginning of year, as adjusted		32,358		31,546
17	Net income (loss)		(1,476)		2,691
18	Preferred stock dividends declared		(286)		(189)
19	Common stock dividends declared		(989)		(975)
20	<i>Retained earnings, end of period</i>		29,607		33,073
	<i>AOCI, net of taxes</i>				
21	Balance, beginning of year		(7,869)		(8,773)
22	Changes in unrealized gains (losses) related to available-for-sale securities, net of reclassification adjustments		(1,685)		(213)
23	Changes in unrealized gains (losses) related to cash flow hedge relationships, net of reclassification adjustments		724		982
24	Changes in defined benefit plans		7		-
25	<i>AOCI, net of taxes, end of period</i>		(8,823)		(8,004)
	<i>Treasury stock, at cost</i>				
26	Balance, beginning of year	65	(3,230)	33	(1,280)
27	Common stock issuances	(1)	44	(1)	33
28	Common stock repurchases	16	(1,000)	26	(1,500)
29	<i>Treasury stock, end of period</i>	80	(4,186)	58	(2,747)
30	<i>Total stockholders' equity</i>		\$ 25,820		\$ 29,031
	<i>Comprehensive income (loss)</i>				
31	Net income (loss)		\$ (1,476)		\$ 2,691
32	Changes in other comprehensive income, net of taxes, net of reclassification adjustments		(954)		769
33	<i>Total comprehensive income (loss)</i>		\$ (2,430)		\$ 3,460

See our unaudited Consolidated Financial Statements as presented in our Information Statement Supplement dated November 20, 2007.

FREDDIE MAC
SUMMARY OF SELECTED FINANCIAL INFORMATION
TABLE 1
THIRD QUARTER 2007
(unaudited)

Line:		2006				2007			Nine Months Ended September 30,	
		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	2006	2007
	<u>Net Income (dollars in millions, except share-related amounts)</u>									
1	Net interest income	\$ 1,131	\$ 1,172	\$ 959	\$ 973	\$ 978	\$ 973	\$ 987	\$ 3,262	\$ 2,938
2	Non-interest income (loss)	1,347	979	(868)	(543)	(554)	1,282	(1,665)	1,458	(937)
3	Non-interest expense	(584)	(714)	(827)	(922)	(1,074)	(1,378)	(2,731)	(2,125)	(5,183)
4	Income (loss) before income tax (expense) benefit	1,894	1,437	(736)	(492)	(650)	877	(3,409)	2,595	(3,182)
5	Income tax (expense) benefit ⁽¹⁾	115	(40)	21	12	439	(113)	1,380	96	1,706
6	Net income (loss)	\$ 2,009	\$ 1,397	\$ (715)	\$ (480)	\$ (211)	\$ 764	\$ (2,029)	\$ 2,691	\$ (1,476)
7	Net income (loss) available to common stockholders⁽²⁾	\$ 1,949	\$ 1,335	\$ (787)	\$ (561)	\$ (306)	\$ 667	\$ (2,131)	\$ 2,496	\$ (1,768)
8	Weighted average common shares outstanding - Diluted (in thousands)	694,596	693,026	675,556	663,661	661,376	655,784	647,377	688,130	653,825
9	Diluted earnings (loss) per common share⁽²⁾	\$ 2.80	\$ 1.93	\$ (1.17)	\$ (0.85)	\$ (0.46)	\$ 1.02	\$ (3.29)	\$ 3.63	\$ (2.70)
10	Common stock dividends declared	\$ 328	\$ 329	\$ 318	\$ 335	\$ 335	\$ 328	\$ 326	\$ 975	\$ 989
11	Common stock shares outstanding, at period end (in thousands)	692,932	684,749	668,160	661,254	661,554	650,138	646,065	668,160	646,065
12	Effective tax rate ⁽¹⁾	(6%)	3%	3%	2%	68%	13%	40%	(4%)	54%
	<u>Regulatory Capital (period end, dollars in millions):</u>									
13	Total stockholders' equity	\$ 25,386	\$ 23,735	\$ 29,031	\$ 28,301	\$ 29,774	\$ 25,810	\$ 25,820		
14	Less: Accumulated other comprehensive income (loss), net of taxes	(12,205)	(14,388)	(8,004)	(7,869)	(6,456)	(10,524)	(8,823)		
15	Regulatory core capital ⁽³⁾	37,591	38,123	37,035	36,170	36,230	36,334	34,643		
16	Less: Estimated regulatory minimum capital requirement ⁽⁴⁾	25,488	26,485	25,979	25,844	26,304	26,580	26,190		
17	Estimated regulatory minimum capital surplus ⁽⁴⁾	\$ 12,103	\$ 11,638	\$ 11,056	\$ 10,326	\$ 9,926	\$ 9,754	\$ 8,453		

(1) For additional information about effective tax rates and our provision for income taxes see the "Consolidated Results of Operations" in our Information Statement Supplement, dated November 20, 2007.

(2) Net income (loss) available to common stockholders and diluted earnings (loss) per common share are computed independently for each of the quarters presented; therefore, cumulative amounts will not equal the aggregate of quarterly amounts.

(3) Core capital consists of the par value of outstanding common stock (common stock issued less common stock held in treasury), par value of outstanding noncumulative perpetual preferred stock, additional paid-in capital and retained earnings, as determined in accordance with GAAP.

(4) In January 2004, OFHEO directed us to maintain a mandatory target capital surplus of 30% of our minimum capital requirement. At March 31, June 30, September 30, December 31, 2006, and March 31, June 30, September 30, 2007, our estimated surplus in excess of the 30% mandatory target capital surplus was approximately \$4.5 billion, \$3.7 billion, \$3.3 billion, \$2.6 billion, \$2.0 billion, \$1.8 billion and \$0.6 billion, respectively.

FREDDIE MAC
NET INTEREST YIELD ANALYSIS
TABLE 2A
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:

	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended September 30,	
								2006	2007
Net Interest Income:									
Interest income:									
1 Mortgage loans	\$ 1,040	\$ 1,040	\$ 1,012	\$ 1,060	\$ 1,061	\$ 1,079	\$ 1,102	\$ 3,092	\$ 3,242
2 Mortgage-related securities	8,245	8,878	8,782	8,768	8,763	8,960	9,170	25,905	26,893
3 Total retained portfolio	9,285	9,918	9,794	9,828	9,824	10,039	10,272	28,997	30,135
4 Investments ⁽¹⁾	592	707	761	729	623	634	592	2,060	1,849
5 Securities purchased under agreements to resell and Federal funds sold	182	412	502	377	349	332	367	1,096	1,048
6 Total income on interest-earning assets	10,059	11,037	11,057	10,934	10,796	11,005	11,231	32,153	33,032
Interest expense:									
7 Short-term debt	(2,015)	(2,241)	(2,183)	(2,226)	(2,208)	(2,249)	(2,292)	(6,439)	(6,749)
8 Long-term debt	(6,433)	(7,110)	(7,418)	(7,257)	(7,176)	(7,331)	(7,521)	(20,961)	(22,028)
9 Total interest expense on debt securities	(8,448)	(9,351)	(9,601)	(9,483)	(9,384)	(9,580)	(9,813)	(27,400)	(28,777)
10 Due to Participation Certificate investors	(91)	(104)	(91)	(101)	(103)	(121)	(98)	(286)	(322)
11 Total expense on interest-bearing liabilities	(8,539)	(9,455)	(9,692)	(9,584)	(9,487)	(9,701)	(9,911)	(27,686)	(29,099)
12 Expense related to derivatives	(389)	(410)	(406)	(377)	(331)	(331)	(333)	(1,205)	(995)
13 Total funding of interest-earning assets	(8,928)	(9,865)	(10,098)	(9,961)	(9,818)	(10,032)	(10,244)	(28,891)	(30,094)
14 Net interest income	1,131	1,172	959	973	978	973	987	3,262	2,938
15 Fully taxable-equivalent adjustments ⁽²⁾	92	98	105	97	95	99	98	295	292
16 Net interest income (fully taxable-equivalent basis)	\$ 1,223	\$ 1,270	\$ 1,064	\$ 1,070	\$ 1,073	\$ 1,072	\$ 1,085	\$ 3,557	\$ 3,230
Average Balances:									
17 Mortgage loans ⁽³⁾	\$ 62,777	\$ 63,211	\$ 64,129	\$ 65,362	\$ 66,583	\$ 67,994	\$ 71,163	\$ 63,373	\$ 68,580
18 Mortgage-related securities ⁽⁴⁾	647,732	661,747	649,310	641,446	642,925	647,094	654,109	652,929	648,043
19 Total retained portfolio	710,509	724,958	713,439	706,808	709,508	715,088	725,272	716,302	716,623
20 Investments ⁽¹⁾⁽⁴⁾	54,770	59,576	60,020	56,455	48,741	49,106	44,135	58,122	47,327
21 Securities purchased under agreements to resell and Federal funds sold	16,208	32,840	37,305	27,954	26,482	24,887	27,046	28,784	26,138
22 Total interest-earning assets	781,487	817,374	810,764	791,217	784,731	789,081	796,453	803,208	790,088
23 Short-term debt	188,758	189,120	171,331	170,319	171,249	172,592	175,407	183,069	173,083
24 Long-term debt	560,244	595,030	607,538	589,101	580,146	581,482	588,936	587,604	583,521
25 Total debt securities	749,002	784,150	778,869	759,420	751,395	754,074	764,343	770,673	756,604
26 Due to Participation Certificate investors	6,979	8,082	7,170	7,668	7,667	9,061	7,401	7,411	8,043
27 Total interest-bearing liabilities	755,981	792,232	786,039	767,088	759,062	763,135	771,744	778,084	764,647
28 Net non-interest-bearing funding	25,506	25,142	24,725	24,129	25,669	25,946	24,709	25,124	25,441
29 Total funding of interest-earning assets	\$ 781,487	\$ 817,374	\$ 810,764	\$ 791,217	\$ 784,731	\$ 789,081	\$ 796,453	\$ 803,208	\$ 790,088
Yield/Cost:									
30 Mortgage loans	6.62 %	6.58 %	6.31 %	6.49 %	6.37 %	6.35 %	6.20 %	6.51 %	6.30 %
31 Mortgage-related securities	5.09	5.37	5.41	5.47	5.45	5.54	5.61	5.29	5.53
32 Total retained portfolio	5.23	5.47	5.49	5.56	5.54	5.62	5.67	5.40	5.61
33 Investments	4.32	4.69	4.96	5.05	5.11	5.11	5.25	4.67	5.15
34 Securities purchased under agreements to resell and Federal funds sold	4.49	5.02	5.38	5.39	5.28	5.33	5.42	5.08	5.34
35 Yield on total interest-earning assets	5.15	5.40	5.45	5.52	5.50	5.58	5.63	5.33	5.57
36 Short-term debt	(4.27)	(4.69)	(4.99)	(5.12)	(5.16)	(5.16)	(5.12)	(4.64)	(5.14)
37 Long-term debt	(4.59)	(4.78)	(4.87)	(4.92)	(4.95)	(5.04)	(5.10)	(4.75)	(5.03)
38 Total debt securities	(4.51)	(4.75)	(4.90)	(4.96)	(5.00)	(5.07)	(5.10)	(4.72)	(5.05)
39 Due to Participation Certificate investors	(5.19)	(5.13)	(5.10)	(5.30)	(5.37)	(5.32)	(5.31)	(5.14)	(5.33)
40 Cost of interest-bearing liabilities	(4.52)	(4.76)	(4.90)	(4.97)	(5.00)	(5.07)	(5.10)	(4.73)	(5.06)
41 Expense related to derivatives	(0.20)	(0.21)	(0.21)	(0.19)	(0.17)	(0.17)	(0.17)	(0.21)	(0.17)
42 Impact of net non-interest-bearing funding	0.15	0.15	0.16	0.16	0.17	0.17	0.16	0.16	0.17
43 Total funding of interest-earning assets	(4.57)	(4.82)	(4.95)	(5.00)	(5.00)	(5.07)	(5.11)	(4.78)	(5.06)
44 Net interest yield	0.58	0.58	0.50	0.52	0.50	0.51	0.52	0.55	0.51
45 Fully taxable-equivalent adjustments ⁽²⁾	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
46 Net interest yield (fully taxable-equivalent basis)	0.63 %	0.63 %	0.55 %	0.57 %	0.55 %	0.56 %	0.57 %	0.60 %	0.56 %

(1) Consists of cash and cash equivalents and non-mortgage-related securities.

(2) The determination of Net interest income/yield (fully taxable-equivalent basis), which reflects fully taxable-equivalent adjustments to interest income, involves the conversion of tax-exempt sources of interest income to the equivalent amounts of interest income that would be necessary to derive the same net return if the investments had been subject to income taxes using our statutory tax rate of 35%.

(3) Non-performing loans, where interest income is recognized when collected, are included in average balances.

(4) For securities classified as available-for-sale, we calculate average balances based on their unpaid principal balance plus their associated deferred fees and costs (e.g., premiums and discounts), but exclude the effects of mark-to-fair-value changes. For securities in the retained portfolio classified as trading, we calculate average balances excluding the effects of mark-to-fair-value adjustments.

FREDDIE MAC
NET INTEREST INCOME
TABLE 2B
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended September 30,	
								2006	2007
	Net Interest Income:								
1	\$ 2,155	\$ 2,078	\$ 1,983	\$ 1,843	\$ 1,722	\$ 1,640	\$ 1,689	\$ 6,216	\$ 5,051
	Amortization expense, net: ⁽¹⁾								
2	(270)	(64)	(196)	(109)	(90)	6	(18)	(530)	(102)
3	(365)	(432)	(422)	(384)	(323)	(342)	(351)	(1,219)	(1,016)
4	(635)	(496)	(618)	(493)	(413)	(336)	(369)	(1,749)	(1,118)
	Expense related to derivatives:								
5	(445)	(417)	(389)	(369)	(331)	(331)	(333)	(1,251)	(995)
	Amortization of deferred balances in AOCI ⁽²⁾								
	Accrual of periodic settlements of derivatives: ⁽³⁾								
6	191	138	116	57	-	-	-	445	-
7	(135)	(131)	(133)	(65)	-	-	-	(399)	-
8	56	7	(17)	(8)	-	-	-	46	-
9	(389)	(410)	(406)	(377)	(331)	(331)	(333)	(1,205)	(995)
	Total expense related to derivatives								
10	1,131	1,172	959	973	978	973	987	3,262	2,938
11	92	98	105	97	95	99	98	295	292
12	\$ 1,223	\$ 1,270	\$ 1,064	\$ 1,070	\$ 1,073	\$ 1,072	\$ 1,085	\$ 3,557	\$ 3,230

- (1) Represents amortization related to premiums, discounts, deferred fees and other adjustments to the carrying value of our financial instruments and the reclassification of previously deferred balances from AOCI for certain derivatives in cash flow hedge relationships related to individual debt issuances and mortgage purchase transactions.
- (2) Represents changes in fair value of derivatives in cash flow hedge relationships that were previously deferred in AOCI and have been reclassified to earnings as the associated hedged forecasted issuance of debt and mortgage purchase transactions affect earnings.
- (3) Reflects the accrual of periodic cash settlements of all derivatives in qualifying hedge accounting relationships.
- (4) Includes imputed interest on zero-coupon swaps.

FREDDIE MAC
NON-INTEREST INCOME (LOSS)
TABLE 3
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended	
								September 30,	
								2006	2007
	<u>Non-Interest Income (Loss):</u>								
1	\$ 413	\$ 389	\$ 427	\$ 443	\$ 460	\$ 474	\$ 520	\$ 1,229	\$ 1,454
2	160	61	(690)	(331)	(410)	739	(420)	(469)	(91)
3	195	217	217	238	212	281	231	629	724
4	273	355	(783)	(1,009)	(528)	281	(150)	(155)	(397)
	Gains (losses) on investment activity:								
5									
5	(46)	(26)	31	38	31	62	233	(41)	326
6	186	103	(230)	(78)	(180)	114	(1,136)	59	(1,202)
7	21	13	36	16	20	2	16	70	38
8	146	(180)	(29)	85	51	(201)	294	(63)	144
9	(5)	(3)	(48)	(91)	(2)	(2)	(14)	(56)	(18)
10	(128)	(215)	(20)	(30)	(101)	(323)	(300)	(363)	(724)
11	(8)	(4)	3	(11)	(2)	(20)	(25)	(9)	(47)
12	166	(312)	(257)	(71)	(183)	(368)	(932)	(403)	(1,483)
13	64	244	155	3	7	89	91	463	187
14	48	31	30	20	19	35	22	109	76
15	(3)	(30)	8	121	(197)	(333)	(1,162)	(25)	(1,692)
16	31	24	25	43	66	84	135	80	285
17	\$ 1,347	\$ 979	\$ (868)	\$ (543)	\$ (554)	\$ 1,282	\$ (1,665)	\$ 1,458	\$ (937)

FREDDIE MAC
MANAGEMENT AND GUARANTEE INCOME & RELATED INFORMATION
TABLE 4
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:

	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended September 30,		
								2006	2007	
Management and Guarantee Income: ⁽¹⁾										
1	\$ 387	\$ 393	\$ 406	\$ 427	\$ 451	\$ 483	\$ 503	\$ 1,186	\$ 1,437	
2	26	(4)	21	16	9	(9)	17	43	17	
3	\$ 413	\$ 389	\$ 427	\$ 443	\$ 460	\$ 474	\$ 520	\$ 1,229	\$ 1,454	
4	15.5 bp	15.4 bp	15.3 bp	15.5 bp	15.8 bp	16.0 bp	16.0 bp	15.4 bp	15.9 bp	
5	1.0	(0.1)	0.8	0.6	0.3	(0.3)	0.6	0.6	0.2	
6	16.5 bp	15.3 bp	16.1 bp	16.1 bp	16.1 bp	15.7 bp	16.6 bp	16.0 bp	16.1 bp	
7	\$ 176	\$ 172	\$ 151	\$ 136	\$ 128	\$ 138	\$ 121	\$ 151	\$ 121	
Gains (Losses) on Guarantee Asset:										
8	\$ (351)	\$ (359)	\$ (372)	\$ (393)	\$ (419)	\$ (448)	\$ (468)	\$ (1,082)	\$ (1,335)	
9	107	125	115	119	107	111	115	347	333	
10	(244)	(234)	(257)	(274)	(312)	(337)	(353)	(735)	(1,002)	
11	364	295	(433)	(57)	(73)	1,021	(67)	226	881	
12	40	-	-	-	(25)	55	-	40	30	
13	\$ 160	\$ 61	\$ (690)	\$ (331)	\$ (410)	\$ 739	\$ (420)	\$ (469)	\$ (91)	
Changes in Guarantee Asset, at Fair Value:										
14	\$ 5,083	\$ 5,660	\$ 6,089	\$ 5,860	\$ 6,070	\$ 6,280	\$ 7,777	\$ 5,083	\$ 6,070	
15	417	368	461	541	620	758	886	1,246	2,264	
16	160	61	(690)	(331)	(410)	739	(420)	(469)	(91)	
17	\$ 5,660	\$ 6,089	\$ 5,860	\$ 6,070	\$ 6,280	\$ 7,777	\$ 8,243	\$ 5,860	\$ 8,243	
Guarantee Obligation:										
18	\$ 5,541	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 7,760	\$ 8,574	\$ 5,541	\$ 7,117	
19	(3)	-	(2)	(4)	(2)	(14)	(18)	(5)	(34)	
Additions, net of repurchases:										
20	277	353	542	547	649	847	1,178	1,172	2,674	
21	284	133	168	148	208	262	70	585	540	
Amortization income:										
22	(133)	(143)	(148)	(160)	(140)	(192)	(157)	(424)	(489)	
23	(62)	(74)	(69)	(78)	(72)	(89)	(74)	(205)	(235)	
24	(195)	(217)	(217)	(238)	(212)	(281)	(231)	(629)	(724)	
25	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 7,760	\$ 8,574	\$ 9,573	\$ 6,664	\$ 9,573	
Components of guarantee obligation, at period end:										
26	\$ 3,885	\$ 4,094	\$ 4,486	\$ 4,869	\$ 5,376	\$ 6,016	\$ 7,020	\$ 4,486	\$ 7,020	
27	2,019	2,079	2,178	2,248	2,384	2,558	2,553	2,178	2,553	
28	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 7,760	\$ 8,574	\$ 9,573	\$ 6,664	\$ 9,573	
29	89%	90%	90%	91%	91%	92%	93%	90%	93%	
30	94%	94%	95%	95%	96%	96%	97%	95%	97%	

- (1) Excludes amounts related to Participation Certificates, or PCs, we held in our retained portfolio, which are reported in net interest income.
- (2) Credit and buy-down fees are amortized over the estimated lives of the underlying mortgages using the retrospective effective interest method. Amortization of credit and buy-down fees incurred since 2003 is recorded in Income on guarantee obligation.
- (3) Represent changes in estimate resulting from enhancing our approach for determining the fair value of the guarantee asset.
- (4) Represents portions of the guarantee obligation that correspond to incurred credit losses reclassified to reserve for guarantee losses on PCs.
- (5) Includes amortizations related to deferred credit and buy-down fees received from counterparties in Guarantor Swap and similar transactions ("upfront fees") of \$42 million and \$44 million for the third quarters of 2006 and 2007, respectively. For the nine months ended September 30, 2006 and 2007, amortization related to upfront fees was \$122 million and \$144 million, respectively.
- (6) Includes unamortized upfront fees of \$1,370 million and \$1,537 million at September 30, 2006 and 2007, respectively.

FREDDIE MAC
DERIVATIVES NOT IN HEDGE ACCOUNTING RELATIONSHIPS
TABLE 5A
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:		2006				2007			September 30,	
		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	2006	2007
	<u>Derivative Gains (Losses):</u>									
1	Purchased call swaptions	\$ (1,313)	\$ (667)	\$ 1,376	\$ (524)	\$ (553)	\$ (1,168)	\$ 1,657	\$ (604)	\$ (64)
2	Written call swaptions	-	-	-	-	2	48	(16)	-	34
3	Purchased put swaptions	237	207	(398)	(146)	(8)	244	(70)	46	166
4	Written put swaptions	-	-	-	-	(2)	(144)	27	-	(119)
5	Receive-fixed swaps	(1,220)	(1,270)	2,545	(345)	259	(3,500)	3,183	55	(58)
6	Pay-fixed swaps	2,881	2,266	(4,551)	53	(478)	4,531	(6,513)	596	(2,460)
7	Futures	(266)	(212)	189	41	19	(70)	105	(289)	54
8	Foreign-currency swaps	4	30	(7)	(119)	198	332	1,155	27	1,685
9	Forward purchase and sale commitments	(82)	(71)	71	(4)	(9)	(103)	223	(82)	111
10	Other ⁽¹⁾	35	42	(54)	16	5	17	(13)	23	9
11	Subtotal	276	325	(829)	(1,028)	(567)	187	(262)	(228)	(642)
	Accrual of periodic settlements:									
12	Receive-fixed swaps ⁽²⁾	(6)	(73)	(189)	(150)	(58)	(37)	(66)	(268)	(161)
13	Pay-fixed swaps	3	106	238	194	148	155	182	347	485
14	Foreign-currency swaps	-	(4)	(4)	(26)	(52)	(25)	(5)	(8)	(82)
15	Other	-	1	1	1	1	1	1	2	3
16	Total accrual of periodic settlements	(3)	30	46	19	39	94	112	73	245
17	Total derivative gains (losses)	\$ 273	\$ 355	\$ (783)	\$ (1,009)	\$ (528)	\$ 281	\$ (150)	\$ (155)	\$ (397)
	<u>Notional Amounts (period end):</u>									
18	Purchased call swaptions	\$ 139,165	\$ 166,000	\$ 178,700	\$ 194,200	\$ 194,772	\$ 236,752	\$ 262,802		
19	Written call swaptions	-	-	-	-	7,500	3,400	1,000		
20	Purchased put swaptions	36,925	39,725	33,225	29,725	19,325	19,325	18,325		
21	Written put swaptions	-	-	-	-	500	2,600	1,000		
22	Receive-fixed swaps	134,830	179,076	179,689	222,631	270,053	214,657	282,070		
23	Pay-fixed swaps	175,005	206,305	200,297	217,565	251,391	284,927	380,370		
24	Futures	103,780	103,934	90,000	22,400	95,140	113,000	109,848		
25	Foreign-currency swaps	748	782	774	29,234	23,854	22,709	23,842		
26	Forward purchase and sale commitments	22,135	22,928	13,432	9,942	8,915	54,783	61,800		
27	Other ⁽¹⁾	27,084	38,762	30,115	31,430	33,751	34,749	61,234		
28	Total notional amounts	\$ 639,672	\$ 757,512	\$ 726,232	\$ 757,127	\$ 905,201	\$ 986,902	\$ 1,202,291		

(1) Consists of basis swaps, certain option-based contracts (including written options), interest-rate caps, swap guarantee derivatives and credit derivatives.

(2) Includes imputed interest on zero-coupon swaps.

FREDDIE MAC
TOTAL DERIVATIVE PORTFOLIO
TABLE 5B
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:	December 31, 2006		September 30, 2007	
	Notional	Fair Value ⁽¹⁾	Notional	Fair Value ⁽¹⁾
	Interest-rate swaps:			
1	\$ 222,631	\$ (334)	\$ 282,070	\$ 523
2	217,565	(1,352)	380,370	(4,040)
3	683	-	1,093	(2)
4	440,879	(1,686)	663,533	(3,519)
	Option-based:			
5	194,200	4,034	262,802	4,525
6	-	-	1,000	(33)
7	29,725	958	18,325	796
8	-	-	1,000	(28)
9	27,185	(15)	53,543	(32)
10	251,110	4,977	336,670	5,228
11	22,400	28	109,848	(5)
12	29,234	4,399	23,842	5,049
13	743,623	7,718	1,133,893	6,753
14	10,012	15	62,938	182
15	2,605	(1)	5,445	2
16	957	(3)	1,153	(3)
17	\$ 757,197	\$ 7,729	\$ 1,203,429	\$ 6,934

(1) The fair value by derivative type presented on this table is shown prior to netting by counterparty. The fair value of derivatives presented on the consolidated balance sheets, however, is netted by counterparty, and is reported in the Derivative assets, net at fair value and Derivative liabilities, net at fair value captions. The fair values for futures are directly derived from quoted market prices. Fair values of other derivatives are derived primarily from valuation models using market data inputs.

FREDDIE MAC
NON-INTEREST EXPENSE
TABLE 6
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended September 30,	
									2006	2007
	<u>Non-Interest Expense:</u>									
	Administrative expenses:									
1	Salaries and employee benefits	\$ 191	\$ 203	\$ 207	\$ 229	\$ 228	\$ 243	\$ 234	\$ 601	\$ 705
2	Professional services	100	118	120	122	108	117	113	338	338
3	Occupancy expense	14	15	15	17	14	16	17	44	47
4	Other administrative expenses ⁽¹⁾	68	69	76	77	53	66	64	213	183
5	Total administrative expenses	373	405	418	445	403	442	428	1,196	1,273
6	Provision (benefit) for credit losses	(36)	56	93	102	179	320	1,197	113	1,696
7	REO operations expense	12	7	19	22	14	16	51	38	81
8	Losses on certain credit guarantees ⁽²⁾	46	52	103	149	144	187	396	201	727
9	Losses on loans purchased ⁽³⁾	21	21	30	54	170	205	483	72	858
10	Low-income housing tax credit partnerships	115	104	98	90	108	135	111	317	354
11	Minority interests in earnings of consolidated subsidiaries	18	16	13	11	9	8	4	47	21
12	Other expenses	35	53	53	49	47	65	61	141	173
13	Total non-interest expense	\$ 584	\$ 714	\$ 827	\$ 922	\$ 1,074	\$ 1,378	\$ 2,731	\$ 2,125	\$ 5,183

(1) Other administrative expenses are presented net of deferred expenses, including those relating to capitalized software development activities.

(2) When the fair value of the guarantee obligation exceeds the fair value of the guarantee asset (including upfront fees paid or received), at the issuance of a Participation Certificate, the excess is recorded as losses on certain credit guarantees.

(3) Represent losses on non-performing loans purchased out of our guaranteed PC and Structured Securities, when the unpaid principal balance, net of specific loan loss reserve exceeds the estimated fair market value of the loan purchased.

FREDDIE MAC
CONSOLIDATED FAIR VALUE BALANCE SHEETS ⁽¹⁾
TABLE 7
THIRD QUARTER 2007
(unaudited)
(dollars in billions)

Line:	2006								2007					
	March 31,		June 30,		September 30,		December 31,		March 31,		June 30,		September 30,	
	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾
	Assets:													
1	\$ 62.8	\$ 62.3	\$ 63.6	\$ 62.1	\$ 63.9	\$ 63.8	\$ 65.6	\$ 65.4	\$ 66.7	\$ 65.6	\$ 68.4	\$ 66.1	\$ 71.7	\$ 68.8
2	644.7	644.7	646.0	646.0	635.0	635.0	634.3	634.3	645.0	645.0	634.4	634.4	634.3	634.3
3	0.8	0.8	1.0	1.0	0.8	0.8	0.6	0.6	0.3	0.3	0.5	0.5	(1.1)	(1.1)
4	708.3	707.8	710.6	709.1	699.7	699.6	700.5	700.3	712.0	710.9	703.3	701.0	704.9	702.0
5	8.5	8.5	12.5	12.5	12.2	12.2	11.4	11.4	10.0	10.0	11.8	11.8	12.2	12.2
6	47.0	47.0	49.5	49.5	47.5	47.5	45.6	45.6	31.9	31.9	41.7	41.7	21.3	21.3
7														
	23.4	23.4	45.8	45.8	35.5	35.5	23.0	23.0	34.2	34.2	27.5	27.5	17.3	17.3
8	7.3	7.3	9.8	9.8	8.5	8.5	7.9	7.9	6.2	6.2	7.2	7.2	7.3	7.3
9	5.7	6.1	6.1	6.5	5.9	6.2	6.1	6.4	6.3	6.6	7.8	8.1	8.2	8.6
10	18.9	15.2	21.4	15.6	17.9	15.7	18.6	16.7	19.2	18.4	22.4	19.2	21.7	23.0
11	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3	\$ 819.8	\$ 818.2	\$ 821.7	\$ 816.5	\$ 792.9	\$ 791.7
	Liabilities and Minority Interests:													
12	\$ 765.3	\$ 758.3	\$ 801.4	\$ 790.1	\$ 769.9	\$ 768.4	\$ 753.9	\$ 752.3	\$ 758.1	\$ 757.8	\$ 760.5	\$ 753.5	\$ 735.3	\$ 737.3
13	5.9	3.7	6.2	3.5	6.7	4.2	7.1	4.7	7.8	5.7	8.6	6.0	9.6	10.9
14	0.7	0.7	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3
15	0.2	-	0.2	-	0.3	-	0.4	-	0.5	-	0.7	-	1.6	-
16	20.8	20.1	23.2	22.1	20.5	19.6	22.7	21.8	22.9	22.1	25.5	24.6	20.0	19.1
17	0.8	0.9	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.5	0.3	0.2	0.3	0.3
18	793.7	783.7	832.0	816.7	798.2	793.0	784.8	779.5	790.0	786.3	795.9	784.6	767.1	767.9
	Net Assets Attributable to Stockholders:													
19	4.6	4.2	4.6	4.0	5.6	5.2	6.1	5.8	6.6	6.5	7.1	6.8	8.1	7.4
20	20.8	27.4	19.1	28.1	23.4	27.0	22.2	26.0	23.2	25.4	18.7	25.1	17.7	16.4
21	25.4	31.6	23.7	32.1	29.0	32.2	28.3	31.8	29.8	31.9	25.8	31.9	25.8	23.8
22	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3	\$ 819.8	\$ 818.2	\$ 821.7	\$ 816.5	\$ 792.9	\$ 791.7

- (1) The consolidated fair value balance sheets do not purport to present our net realizable, liquidation or market value as a whole. Furthermore, amounts we ultimately realize from the disposition of assets or settlement of liabilities may vary significantly from the fair values presented.
- (2) Carrying amounts equal the amounts reported on our GAAP consolidated balance sheets.
- (3) Methodologies employed to calculate fair values are periodically changed on a prospective basis to reflect improvements in the underlying estimation processes. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets of approximately \$0.1 billion at March 31, 2006. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets that rounded to zero at September 30, 2006 and December 31, 2006. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets of approximately \$0.1 billion, \$0.2 billion and \$(0.2) billion at March 31, 2007, June 30, 2007 and September 30, 2007, respectively.
- (4) The fair value of the guarantee asset reported exceeds the carrying value primarily because the fair value includes the guarantee asset related to some PCs held by third parties that are not recognized on our GAAP consolidated balance sheets because such PCs were issued prior to the implementation of FIN 45 in 2003.
- (5) Fair values include estimated income taxes calculated using the 35% statutory rate on the difference between the consolidated fair value balance sheets net assets, including deferred taxes from our GAAP consolidated balance sheets, and the GAAP consolidated balance sheets equity attributable to common stockholders.

FREDDIE MAC
MORTGAGE PORTFOLIO ACTIVITY BASED ON UNPAID PRINCIPAL BALANCES^{(1) (2)}
TABLE 8A
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended	
								September 30,	
								2006	2007
<u>Total Mortgage Portfolio:</u>									
1	\$ 1,684,546	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,826,720	\$ 1,892,132	\$ 1,952,949	\$ 1,684,546	\$ 1,826,720
2	131,874	121,730	122,475	125,903	146,463	149,401	145,185	376,079	441,049
3	(8,401)	(5,442)	(6,041)	(110)	10	(893)	(2,725)	(19,884)	(3,608)
4	(77,015)	(87,525)	(89,447)	(85,827)	(81,061)	(87,691)	(73,474)	(253,987)	(242,226)
5	46,458	28,763	26,987	39,966	65,412	60,817	68,986	102,208	195,215
6	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,826,720	\$ 1,892,132	\$ 1,952,949	\$ 2,021,935	\$ 1,786,754	\$ 2,021,935
7	11%	7%	6%	9%	14%	13%	14%	8%	14%
8	18%	20%	20%	19%	18%	19%	15%	20%	18%
<u>Total Guaranteed PCs and Structured Securities Issued:</u>									
9	\$ 1,335,524	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,477,023	\$ 1,536,525	\$ 1,592,524	\$ 1,335,524	\$ 1,477,023
10	93,669	80,973	93,334	92,047	114,365	118,008	125,093	267,976	357,466
11	(49,316)	(55,166)	(57,764)	(56,278)	(54,863)	(62,009)	(52,841)	(162,246)	(169,713)
12	44,353	25,807	35,570	35,769	59,502	55,999	72,252	105,730	187,753
13	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,477,023	\$ 1,536,525	\$ 1,592,524	\$ 1,664,776	\$ 1,441,254	\$ 1,664,776
14	13%	7%	10%	10%	16%	15%	18%	11%	17%
15	15%	16%	16%	16%	15%	16%	13%	16%	15%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. Also excludes credit-related impairments on mortgage-related securities within our retained portfolio.

(2) See our Monthly Volume Summary, or MVS, in the Investor Relations section of our website for definitions of certain captions used in this table.

FREDDIE MAC
MORTGAGE PORTFOLIO ACTIVITY BASED ON UNPAID PRINCIPAL BALANCES ^{(1) (2)}
TABLE 8B
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	Nine Months Ended	
									September 30,	
									2006	2007
<u>Retained Portfolio:</u>										
1	Beginning balance	\$ 710,346	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 714,454	\$ 712,136	\$ 710,346	\$ 703,959
2	Retained purchases	65,432	79,580	46,178	54,293	59,173	60,632	67,201	191,190	187,006
3	Sales, net of other activity	(17,876)	(24,317)	(19,441)	(7,440)	(8,255)	(19,490)	(29,402)	(61,634)	(57,147)
4	Liquidations	(42,166)	(48,461)	(46,497)	(45,672)	(40,423)	(43,460)	(36,771)	(137,124)	(120,654)
5	Net additions (reductions)	5,390	6,802	(19,760)	1,181	10,495	(2,318)	1,028	(7,568)	9,205
6	Ending balance	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 714,454	\$ 712,136	\$ 713,164	\$ 702,778	\$ 713,164
7	Percent growth (annualized)	3%	4%	(11%)	1%	6%	(1%)	1%	(1%)	2%
8	Liquidation rate (annualized)	24%	27%	26%	26%	23%	24%	21%	26%	23%
9	Retained portfolio as percentage of total mortgage portfolio (at period end)	41%	41%	39%	39%	38%	36%	35%	39%	35%
<u>Retained Portfolio Components (at period end):</u>										
10	Freddie Mac securities held in retained portfolio	\$ 364,609	\$ 368,455	\$ 357,278	\$ 354,262	\$ 358,847	\$ 351,711	\$ 356,005	\$ 357,278	\$ 356,005
11	Non-Freddie Mac mortgage-related securities	288,192	290,379	281,423	283,850	288,471	291,382	284,132	281,423	284,132
12	Mortgage loans	62,935	63,704	64,077	65,847	67,136	69,043	73,027	64,077	73,027
13	Total retained portfolio	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 714,454	\$ 712,136	\$ 713,164	\$ 702,778	\$ 713,164
<u>Outstanding Guaranteed PCs and Structured Securities:</u>										
14	Beginning balance	\$ 974,200	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 1,122,761	\$ 1,177,678	\$ 1,240,813	\$ 974,200	\$ 1,122,761
15	Original issuances	93,669	80,973	93,334	92,047	114,365	118,008	125,093	267,976	357,466
16	Purchases into retained portfolio	(27,227)	(38,823)	(17,037)	(20,437)	(27,075)	(29,239)	(47,109)	(83,087)	(103,423)
17	Sales from retained portfolio	10,712	19,819	14,613	8,986	9,638	20,565	29,423	45,144	59,626
18	Liquidations	(36,086)	(40,008)	(44,163)	(41,811)	(42,011)	(46,199)	(39,449)	(120,257)	(127,659)
19	Net additions	41,068	21,961	46,747	38,785	54,917	63,135	67,958	109,776	186,010
20	Ending balance	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 1,122,761	\$ 1,177,678	\$ 1,240,813	\$ 1,308,771	\$ 1,083,976	\$ 1,308,771
21	Percent growth (annualized)	17%	9%	18%	14%	20%	21%	22%	15%	22%
22	Liquidation rate (annualized)	15%	16%	17%	15%	15%	16%	13%	16%	15%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. Also excludes credit-related impairments on mortgage-related securities within our retained portfolio.

(2) See our MVS in the Investor Relations section of our website for definitions of certain captions used in this table.

FREDDIE MAC
CHARACTERISTICS OF MORTGAGE LOANS AND MORTGAGE-RELATED SECURITIES IN THE RETAINED PORTFOLIO
TABLE 9
THIRD QUARTER 2007
(unaudited)
(dollars in millions)

Line:	December 31, 2006			September 30, 2007		
	Fixed-Rate	Variable-Rate	Total	Fixed-Rate	Variable-Rate	Total
Mortgage loans :						
1 Single-family ⁽¹⁾	\$ 19,407	\$ 1,233	\$ 20,640	\$ 21,162	\$ 2,215	\$ 23,377
2 Multifamily ⁽²⁾	41,866	3,341	45,207	46,860	2,790	49,650
3 Total mortgage loans	61,273	4,574	65,847	68,022	5,005	73,027
Guaranteed PCs and Structured Securities: ⁽¹⁾⁽³⁾						
4 Single-family	282,052	71,828	353,880	270,629	84,999	355,628
5 Multifamily	241	141	382	240	137	377
6 Total guaranteed PCs and Structured Securities	282,293	71,969	354,262	270,869	85,136	356,005
Non-Freddie Mac mortgage-related securities: ⁽¹⁾						
Agency mortgage-related securities: ⁽⁴⁾						
Fannie Mae:						
7 Single-family	25,805	17,640	43,445	23,873	22,658	46,531
8 Multifamily	987	2	989	808	166	974
Ginnie Mae:						
9 Single-family	707	231	938	572	191	763
10 Multifamily	13	-	13	13	-	13
11 Total agency mortgage-related securities	27,512	17,873	45,385	25,266	23,015	48,281
Non-agency mortgage-related securities:						
12 Single-family ⁽⁵⁾	4,280	174,081	178,361	4,056	153,649	157,705
13 Commercial mortgage backed securities	23,768	20,992	44,760	26,102	35,953	62,055
14 Mortgage revenue bonds ⁽⁶⁾	13,760	74	13,834	14,640	68	14,708
15 Manufactured housing ⁽⁷⁾	1,381	129	1,510	1,280	103	1,383
16 Total non-agency mortgage-related securities ⁽⁸⁾	43,189	195,276	238,465	46,078	189,773	235,851
17 Total unpaid principal balance of retained portfolio	\$ 414,267	\$ 289,692	703,959	\$ 410,235	\$ 302,929	713,164
18 Premiums, discounts, deferred fees, impairments of unpaid principal balances and other basis adjustments			103			(1,262)
19 Net unrealized gains (losses) on mortgage-related securities, pre-tax			(4,046)			(5,689)
20 PC residuals, at fair value			597			(1,064)
21 Reserve for losses on mortgage loans held-for-investment			(70)			(250)
22 Total retained portfolio per consolidated balance sheets			\$ 700,543			\$ 704,899

- (1) Variable-rate single-family mortgage loans and mortgage-related securities include those with a contractual coupon rate that, prior to contractual maturity, is either scheduled to change or is subject to change based on changes in the composition of the underlying collateral. Single-family mortgage loans also include mortgages with balloon/reset provisions.
- (2) Variable-rate multifamily mortgage loans include only those loans that, as of the reporting date, have a contractual coupon rate that is subject to change.
- (3) For guaranteed PCs and Structured Securities we issue, we are subject to the credit risk associated with the underlying mortgage loan collateral.
- (4) Agency mortgage-related securities are generally not separately rated by nationally recognized statistical rating organizations, but are viewed as having a level of credit quality at least equivalent to non-agency mortgage-related securities AAA-rated or equivalent.
- (5) At December 31, 2006 and September 30, 2007, we held investments of approximately \$124 billion and \$105 billion, respectively, of single-family non-agency mortgage-related securities backed by subprime loans. These securities backed by subprime loans include significant credit enhancements, particularly through subordination, and approximately 97.6% of these securities held at September 30, 2007 were AAA-rated at November 15, 2007. At December 31, 2006 and September 30, 2007, we believe that \$54 billion and \$53 billion, respectively, of our single-family non-agency mortgage-related securities that are not backed by subprime loans are generally backed by Alt-A mortgage loans. These securities backed by Alt-A mortgage loans include significant credit enhancements, particularly through subordination, and approximately 99.9% of these securities held at September 30, 2007 were AAA-rated at November 15, 2007.
- (6) Consist of obligations of states and political subdivisions. Approximately 67% of these securities were AAA-rated at both December 31, 2006 and September 30, 2007, respectively.
- (7) At December 31, 2006 and September 30, 2007, 38% and 36%, respectively, of mortgage-related securities backed by manufactured housing were rated BBB- or above. For the same dates, 97% of these securities were supported by third-party credit enhancements (e.g., bond insurance) and other credit enhancements (e.g., deal structure through subordination). Approximately 30% and 28% of these securities were AAA-rated at December 31, 2006 and September 30, 2007, respectively.
- (8) Credit ratings for most non-agency mortgage-related securities are designated by at least two nationally recognized statistical rating organizations. At December 31, 2006 and September 30, 2007, approximately 96% and 97%, respectively, of total non-agency mortgage-related securities were AAA-rated.

**FREDDIE MAC
CREDIT QUALITY INDICATORS
TABLE 10
THIRD QUARTER 2007
(unaudited)
(dollars in millions)**

Line:	2006				2007			September 30,	
	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	2Q 2007	3Q 2007	2006	2007
Credit Enhancements:									
1	17 %	15 %	18 %	17 %	14 %	18 %	22 %	17 %	19 %
2	17 %	17 %	16 %	16 %	16 %	16 %	16 %	16 %	16 %
Delinquencies (at period end):^{(1) (2)}									
Single-family:									
<i>Non-credit-enhanced portfolio - excluding Structured Transactions</i>									
3	0.25 %	0.22 %	0.23 %	0.25 %	0.25 %	0.26 %	0.34 %	0.23 %	0.34 %
4	22,230	19,725	20,411	22,671	23,173	25,307	32,823	20,411	32,823
<i>Credit-enhanced portfolio - excluding Structured Transactions</i>									
5	1.36 %	1.23 %	1.25 %	1.30 %	1.18 %	1.17 %	1.34 %	1.25 %	1.34 %
6	24,876	22,232	23,016	24,106	22,285	22,602	27,123	23,016	27,123
<i>Total Portfolio-excluding Structured Transactions</i>									
7	0.44 %	0.39 %	0.40 %	0.42 %	0.40 %	0.42 %	0.51 %	0.40 %	0.51 %
8	47,106	41,957	43,427	46,777	45,458	47,909	59,946	43,427	59,946
Multifamily:									
9	- %	0.01 %	- %	0.05 %	0.06 %	0.05 %	0.06 %	- %	0.06 %
10	\$ 3	\$ 5	\$ 1	\$ 30	\$ 32	\$ 30	\$ 32	\$ 1	\$ 32
REO Balances (at period end):									
11	\$ 636	\$ 646	\$ 665	\$ 734	\$ 871	\$ 1,014	\$ 1,321	\$ 665	\$ 1,321
12	18	18	10	9	7	6	-	10	-
13	\$ 654	\$ 664	\$ 675	\$ 743	\$ 878	\$ 1,020	\$ 1,321	\$ 675	\$ 1,321
REO Inventory (number of units):									
14	8,070	8,263	8,302	8,333	8,785	9,650	10,260	8,070	8,785
15	4,051	4,163	4,007	4,166	4,638	5,013	5,905	12,221	15,556
16	(3,858)	(4,124)	(3,976)	(3,714)	(3,773)	(4,403)	(4,249)	(11,958)	(12,425)
17	8,263	8,302	8,333	8,785	9,650	10,260	11,916	8,333	11,916
REO Operations Income (Expense):									
18	\$ (12)	\$ (7)	\$ (20)	\$ (22)	\$ (14)	\$ (16)	\$ (50)	\$ (39)	\$ (80)
19	-	-	1	-	-	-	(1)	1	(1)
20	\$ (12)	\$ (7)	\$ (19)	\$ (22)	\$ (14)	\$ (16)	\$ (51)	\$ (38)	\$ (81)
Loan Loss Reserves:⁽³⁾									
21	\$ 414	\$ 345	\$ 351	\$ 389	\$ 420	\$ 545	\$ 790	\$ 414	\$ 420
22	(36)	56	93	102	179	320	1,197	113	1,696
23	(30)	(40)	(35)	(37)	(33)	(36)	(36)	(105)	(105)
24	-	-	(5)	-	-	-	(3)	(5)	(3)
25	(6)	(10)	(17)	(38)	(23)	(53)	(127)	(33)	(203)
26	3	-	2	4	2	14	18	5	34
27	\$ 345	\$ 351	\$ 389	\$ 420	\$ 545	\$ 790	\$ 1,839	\$ 389	\$ 1,839
Total Credit Losses:⁽⁶⁾									
28	\$ 42	\$ 47	\$ 59	\$ 59	\$ 58	\$ 79	\$ 126	\$ 148	\$ 263
29	1.2 bp	1.3 bp	1.6 bp	1.6 bp	1.5 bp	2.0 bp	3.0 bp	1.4 bp	2.2 bp

(1) Based on the total mortgage portfolio, excluding both non-Freddie Mac mortgage-related securities and that portion of Structured Securities that is backed by Ginnie Mae Certificates.

(2) Single-family delinquencies are based on the number of mortgages 90 days or more delinquent or in foreclosure while multifamily delinquencies are based on net carrying value of mortgages 60 days or more delinquent or in foreclosure. Includes delinquencies on mortgage loans where the lender or third party retains the largest portion of the default risk. Excludes mortgage loans whose original contractual terms have been modified under an agreement with the borrower as long as the borrower complies with the modified contractual terms. Also excludes securities we classified as Structured Transactions and that portion of Structured Securities that is backed by Ginnie Mae Certificates.

(3) Loan loss reserves equals the sum of reserve for losses on mortgage loans held-for-investment (consolidated balance sheets - Line 2) and reserve for guarantee losses on Participation Certificates (consolidated balance sheets - Line 28).

(4) Provision (benefit) for credit losses includes our provision for losses incurred on our mortgage loans held for investment, which are a component of our retained portfolio, and our provision for guarantee losses incurred on mortgage loans underlying PCs held by third parties.

(5) Represents transfers of a portion of the guarantee obligation associated with credit losses reclassified to the reserve for guaranteed losses on PCs.

(6) Equal to REO operations income (expense) (Line 20) plus Charge-offs, net (Lines 23 and 24) plus amounts previously transferred to reduce the carrying value of loans purchased under financial guarantees. The previously transferred reserves totaled \$— million and \$36 million for the three months ended September 30, 2006 and 2007, respectively; and \$— million and \$74 million for the nine months ended September 30, 2006 and 2007, respectively.

(7) Calculated using the average total mortgage portfolio, excluding non-Freddie Mac mortgage-related securities and that portion of Structured Securities that is backed by Ginnie Mae Certificates.