

Monthly Volume Summary: March 2005

(unaudited & subject to change)

(dollars in millions)

Introductory Note:

We have completed the release of our 2004 financial results (see our Information Statement Supplement ("ISS") dated March 31, 2005, available on our website, www.FreddieMac.com/investors, for additional information). Quarterly 2004 balances and activity for the Total Mortgage Portfolio (Table 1), Retained Portfolio (Table 2), Total PCs and Structured Securities Issued (Table 3), Retained Portfolio Components (Table 4) and Outstanding PCs (Table 6) have been revised in our ISS dated March 31, 2005, specifically in Tables 7A and 7B, "Mortgage Portfolio Activity Based on Unpaid Principal Balances." For this Monthly Volume Summary, we calculated monthly 2005 balances using the revised December 31, 2004 ending balances and 2005 activity. See Endnote 3 for a further explanation of these revisions.

TABLE 1 - TOTAL MORTGAGE PORTFOLIO^{1, 2, 3}

	New Business Purchases ⁴	Non-Freddie Mac Mortgage-Related Securities Sales and Other Activity	Liquidations	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate
Full Year 2004	\$494,588	(\$2,752)	(\$401,029)	\$90,807	\$1,505,206	6.4%	28.4%
Jan 2005	\$35,888	(\$59)	(\$25,981)	\$9,848	\$1,515,054	7.9%	20.7%
Feb	36,600	(1,742)	(25,940)	8,918	1,523,972	7.1%	20.5%
Mar	39,077	(223)	(32,789)	6,065	1,530,037	4.8%	25.8%
YTD 2005	\$111,565	(\$2,024)	(\$84,710)	\$24,831	\$1,530,037	6.6%	22.5%

TABLE 2 - RETAINED PORTFOLIO^{1, 3}

	Retained Purchases	Sales, net of Other Activity ⁵	Liquidations	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate	Annualized Liquidation Rate	Mortgage Purchase Agreements, net ⁶
Full Year 2004	\$225,715 ⁷	(\$36,515)	(\$181,730) ⁷	\$7,470	\$652,936	1.2%	28.2%	N/A
Jan 2005	\$14,488	(\$7,042)	(\$13,457)	(\$6,011)	\$646,925	(11.0%)	24.7%	\$11,988
Feb	22,441	(2,730)	(12,454)	7,257	654,182	13.5%	23.1%	13,291
Mar	20,755	(4,095)	(14,122)	2,538	656,720	4.7%	25.9%	31,998
YTD 2005	\$57,684	(\$13,867)	(\$40,033)	\$3,784	\$656,720	2.3%	24.5%	\$57,277

TABLE 3 - TOTAL PCs and Structured Securities Issued^{1, 3, 8, 9}

	Issuances	Liquidations ¹⁰	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate
Full Year 2004	\$365,108	(\$318,208)	\$46,900	\$1,208,968	4.0%
Jan 2005	\$26,135	(\$17,850)	\$8,285	\$1,217,253	8.2%
Feb	25,081	(19,069)	6,012	1,223,265	5.9%
Mar	25,912	(25,470)	442	1,223,707	0.4%
YTD 2005	\$77,128	(\$62,389)	\$14,739	\$1,223,707 ¹¹	4.9%

March 2005 Highlights:

- ▶ Total mortgage portfolio grew at an annualized rate of 4.8% in March.
- ▶ Retained portfolio increased at an annualized rate of 4.7% in March.
- ▶ Retained portfolio purchases decreased to \$20.8 billion in March, from \$22.4 billion in February.
- ▶ Retained portfolio mortgage purchase agreements, net were \$32.0 billion in March, up from \$13.3 billion in February.

The majority of this month's increase in Mortgage Purchase Agreements, net, was due to certain transaction activity that will settle over the course of the remainder of the year.

- ▶ Total PCs and Structured Securities Issued increased at an annualized rate of 0.4% in March.
- ▶ Beginning with March, we have revised the presentation of Retained Portfolio Components (Table 4) to separately disclose the agency and non-agency components of non-Freddie Mac mortgage-related securities.
- ▶ Structured securitizations were \$16.8 billion in March, down from \$23.0 billion in February.
- ▶ Single-family non-credit enhanced delinquency rate was 24 basis points in February, unchanged from the prior month.
- ▶ Portfolio market value sensitivity (PMVS-L) averaged 1% in March, unchanged from February; Freddie Mac's duration gap averaged 0 months in March, unchanged from February.

Please see endnotes on page 3.

TABLE 4 - RETAINED PORTFOLIO COMPONENTS^{1, 3}

	Freddie Mac PCs	Non-Freddie Mac Mortgage-Related Securities		Mortgage Loans	Retained Portfolio Ending Balance
		Agency	Non-Agency		
		Full Year 2004	\$356,698		
Jan 2005	\$349,124	\$58,525	\$177,493	\$61,783	\$646,925
Feb	353,475	57,644	181,664	61,399	654,182
Mar	350,390	56,381	188,213	61,736	656,720
YTD 2005	\$350,390	\$56,381	\$188,213	\$61,736	\$656,720

TABLE 5 - Multi-Class Structured Securitization Activity¹²

	Structured Securitizations Activity
Full Year 2004	\$215,430
Jan 2005	\$16,171
Feb	22,993
Mar	16,816
YTD 2005	\$55,980

TABLE 6 - OUTSTANDING PCs^{1, 3, 13}

	PC Issuances	PC Purchases Into Retained Portfolio	PC Sales From Retained Portfolio	Liquidations ¹⁴	Net Increase/ (Decrease)	Ending Balance	Annualized Growth Rate on Total PCs, net	Annualized Liquidation Rate
Full Year 2004	\$365,108	(\$96,235) ⁷	\$38,601	(\$224,137) ⁷	\$83,337	\$852,270	10.8%	29.1%
Jan 2005	\$26,135	(\$4,735)	\$7,390	(\$12,931)	\$15,859	\$868,129	22.3%	18.2%
Feb	25,081	(10,921)	1,401	(13,900)	1,661	869,790	2.3%	19.2%
Mar	25,912	(7,590)	4,281	(19,076)	3,527	873,317	4.9%	26.3%
YTD 2005	\$77,128	(\$23,246)	\$13,072	(\$45,907)	\$21,047	\$873,317	9.9%	21.5%

TABLE 7 - DELINQUENCIES¹⁵

	Single-Family (90 days or more delinquent)			Multifamily (60 days or more delinquent)
	Non Credit Enhanced	Credit Enhanced	All Loans	
	Dec 2004	0.24%	2.75%	
Jan 2005	0.24%	2.71%	0.72%	0.09%
Feb	0.24%	2.70%	0.72%	0.09%

TABLE 8 - INTEREST-RATE RISK SENSITIVITY DISCLOSURES^{16, 17}

	Portfolio Market Value Level (PMVS-L) (50bp) ¹⁸		Portfolio Market Value Yield Curve (PMVS-YC) (25 bp) ¹⁸		Duration Gap (in months) ¹⁹	
	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average	Monthly Average	Quarterly Average
	Full Year 2004	2%	--	0%	--	0
Jan 2005	2%	--	0%	--	0	--
Feb	1%	--	0%	--	0	--
Mar	1%	1%	0%	0%	0	0
YTD 2005	1%	--	0%	--	0	--

A glossary of selected Monthly Volume Summary terms is available on the Investor Relations page of our website, www.FreddieMac.com/investors.

The Monthly Volume Summary includes volume and statistical data pertaining to our portfolios. Inquiries should be addressed to our Investor Relations Department, which can be reached by calling (571) 382-4732 or writing to:
1551 Park Run Drive, Mail stop D40,
McLean, VA 22102-3110.



Please see endnotes on page 3.

ENDNOTES

- (1) Ending balances and activity are based on unpaid principal balances and exclude mortgage loans and mortgage-related securities traded, but not yet settled.
- (2) Total mortgage portfolio (Table 1) is defined as Total PCs issued (Table 3) plus the sum of mortgage loans (within Table 4) and non-Freddie Mac mortgage-related securities (Agency and Non-Agency) (within Table 4).
- (3) The effect of the revisions in connection with the release of our 2004 financial results to Tables 1, 2, 3, 4 and 6 was to change the previously reported ending balance of the Total Mortgage Portfolio, Retained Portfolio, Total PCs and Structured Securities Issued, Retained Portfolio Components and Outstanding PCs for December 2004, January 2005 and February 2005. The effect of the revisions includes a small adjustment in January and had an impact on January and February 2005 balances as follows: a decrease of \$0.4 billion in the Total Mortgage Portfolio, a decrease of \$0.7 billion in the Retained Portfolio, a decrease of \$0.2 billion in Total PCs and Structured Securities Issued and an increase of \$0.2 billion in Outstanding PCs. The effect on the annualized growth rates and liquidation rates reflected on Tables 1, 2, 3 and 6 was no more than 0.1 percentage point for all periods presented. Furthermore, the composition of the ending balances of the Retained Portfolio (Table 4) changed as follows: a decrease of \$0.5 billion in Freddie Mac PCs, an increase of \$0.3 billion in Non-Freddie Mac Mortgage-Related Securities (Agency and Non-Agency) and a decrease of \$0.5 billion in Mortgage Loans.
- (4) Total mortgage portfolio New Business Purchases (Table 1) is defined as Retained Portfolio Purchases (Table 2) plus PC Issuances (Table 3) less PC Purchases Into Retained Portfolio (Table 6).
- (5) Includes a reduction in the Retained portfolio for mortgage-related securities that have been sold and credit-related impairments net of additions to the Retained portfolio for delinquent mortgage loans and balloon reset mortgage loans that have been purchased out of PC pools.
- (6) Mortgage Purchase Agreements, net includes: a) monthly purchase commitments of mortgage-related securities for the Retained portfolio offset by monthly sales commitments of mortgage-related securities out of the Retained portfolio, b) mortgage-related securities that we expect to purchase pursuant to options written by us and held by certain counterparties, and c) the net amount of monthly mortgage loan purchases and sales. In some instances, commitments may settle during the same period in which we have entered into the related commitment. Substantially all of these commitments are settled by delivery of a mortgage-related security; the rest are net settled for cash. For all periods presented, we have purchased all of the mortgage-related securities associated with written options in accordance with their contractual terms. Beginning with our March 2005 Monthly Volume Summary, monthly mortgage loan purchases and sales have been revised to present mortgage data based upon trade date as we removed certain data constraints.
- (7) Subsequent to the issuance of our ISS dated March 31, 2005, we revised Retained Purchases and Liquidations on Table 2 and PC Purchases Into Retained Portfolio and Liquidations on Table 6. The revised full year 2004 amount for Retained Purchases on Table 2 increased by \$146 million to \$225,715 million from \$225,569 million and the revised full year 2004 amount for Liquidations on Table 2 increased by \$146 million to \$181,730 million from \$181,584 million. The revised full year 2004 amount for PC Purchases Into Retained Portfolio on Table 6 increased by \$146 million to \$96,235 million from \$96,089 million and the revised full year 2004 amount for Liquidations on Table 6 decreased by \$146 million to \$224,137 million from \$224,283 million.
- (8) Represents (a) PCs, (b) Structured Securities backed by non-Freddie Mac mortgage-related securities and (c) other credit guarantees (as described in Endnote 11 below).
- (9) Total PCs issued and Structured Securities exclude Structured Securities where we have resecuritized PCs and other previously issued Structured Securities. These excluded Structured Securities do not increase our credit-related exposure and consist of single class Structured Securities backed by PCs, Real Estate Mortgage Investment Conduits (REMICs) and principal-only strips. The notional balance of interest-only strips is excluded because this table is based on unpaid principal balance. Also excluded are modifiable and combinable REMIC tranches and Interest and Principal classes, where the holder has the option to exchange the security tranches for other pre-defined security tranches. Additional information concerning "Resecuritization" can be found in our Information Statement dated September 24, 2004.
- (10) Represents liquidations of all PCs and Structured Securities backed by non-Freddie Mac mortgage-related securities and other credit guarantees of mortgage loans held by third parties. Includes prepayment activity and delinquent mortgage loans and balloon reset mortgage loans purchased out of PC pools.
- (11) Includes, as of March 31, 2005, a) \$5 billion that pertain to our guarantee of the payment of P&I on tax exempt multifamily housing revenue bonds that support pass-through certificates issued by third parties and multifamily mortgage loans that are originated and held by state and municipal agencies to support tax exempt multifamily housing revenue bonds and b) \$2 billion of single family mortgage loans held by third parties for which we provide a guarantee.
- (12) Includes activity where we have resecuritized PCs and other previously issued Structured Securities related to multi-class Structured Securities, primarily REMICs as well as principal-only stripped securities and other Structured Securities backed by non-Freddie Mac mortgage-related securities. These amounts exclude resecuritized PCs into single-class securities.
- (13) Represents (a) PCs, (b) Structured Securities backed by non-Freddie Mac mortgage-related securities and (c) other credit guarantees (as described in Endnote 11 above) held by third parties. In our March 2005 Monthly Volume Summary, we revised the format of Table 6 to reflect the discontinuation of the PC market-making and support activities accomplished through our Securities Sales & Trading Group business unit and our external Money Manager program during the fourth quarter of 2004.
- (14) Liquidations include prepayment activity and delinquent mortgage loans and balloon reset mortgage loans purchased out of PC pools and exclude liquidations on PCs and Structured Securities backed by non-Freddie Mac mortgage-related securities held in the Retained portfolio.
- (15) Includes delinquencies on mortgage loans where Freddie Mac has transferred primary or full default risk to various third parties, as well as Structured Securities backed by alternative collateral deals. Previously reported delinquency data is subject to change to reflect currently available information. For example, delinquency data reported for some Structured Securities may be omitted or subsequently revised by servicers of the underlying loans, which may require revision to previously reported numbers. For periods presented in this report, revisions to previously reported delinquency rates have not been significant nor have they significantly affected the overall trend of our Single-Family "Credit Enhanced" and "All Loans" delinquency rates. Delinquencies on mortgage loans underlying alternative collateral deals may be categorized as delinquent on a different schedule than other mortgage loans due to variances in industry practice.
- (16) Our PMVS and Duration Gap measures provide useful estimates of key interest-rate risk exposures. While we believe that PMVS and Duration Gap are useful risk management tools, they should be understood as estimates rather than precise measurements. Methodologies employed to calculate Interest-Rate Risk Sensitivity Disclosures are periodically changed on a prospective basis to reflect improvements in underlying estimation processes.
- (17) We do not expect previously reported PMVS to change by more than 2 percentage points and previously reported duration gap to change by more than 1 month and will report any changes to previously reported amounts that exceed these levels.
- (18) Rounded to the nearest percent.
- (19) Rounded to the nearest month.