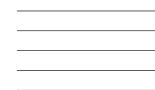


Offering Circular Supplement
(To Offering Circular
Dated January 1, 2000)

\$220,000,000

Freddie Mac
Multiclass Certificates, Series 212

**Freddie
Mac**



Offered Classes: REMIC Classes shown below
Underlying Assets: Freddie Mac ARM PCs
Payment Dates: Monthly beginning in December 2000
Tax Status: Double-Tier REMIC
Form of Classes: *Regular Classes:* Book-entry on Fed System
Residual Classes: Certificated
Offering Terms: The underwriter named below is delivering A and B to Freddie Mac for inclusion in another transaction and is offering the other Classes in negotiated transactions at varying prices
Closing Date: October 30, 2000

REMIC Classes(1)	Original Balance	Principal Type(1)	Class Coupon	Interest Type(1)	CUSIP Number	Final Payment Date
A	\$132,000,000	SEQ	(2)	W/DLY	3133TPW21	November 15, 2030
B	48,000,000	SEQ	(2)	W/DLY	3133TPW39	November 15, 2030
C	40,000,000	SEQ	(2)	W/DLY	3133TPW47	November 15, 2030
IB	48,000,000	NTL (SEQ)	(2)	W/IO/DLY	3133TPW54	November 15, 2030
IO	220,000,000	NTL (STP)	(2)	W/IO/DLY	3133TPW62	November 15, 2030
R	0	NPR	0.0%	NPR	3133TPW70	November 15, 2030
RS	0	NPR	0.0	NPR	3133TPW88	November 15, 2030

(1) See *Appendix II* to the Offering Circular.
(2) See *Terms Sheet — Interest*.

The Certificates may not be suitable investments for you. You should consider carefully the risks of investing in them. *Certain Risk Considerations* on page S-2 highlights some of these risks.

You should purchase Certificates only if you have read and understood this Supplement, the attached Offering Circular and the documents listed under *Available Information*.

We guarantee principal and interest payments on the Certificates. These payments are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac. The Certificates are not tax-exempt. Because of applicable securities law exemptions, we have not registered the Certificates with any federal or state securities commission. No securities commission has reviewed this Supplement.

Freddie Mac's
Securities Sales & Trading Group
SS&TG

September 15, 2000

CERTAIN RISK CONSIDERATIONS

Although we guarantee the payments on the Certificates, and so bear the associated credit risk, as an investor you will bear the other risks of owning mortgage securities. This section highlights some of these risks. You should also read *Risk Factors* and *Prepayment, Yield and Suitability Considerations* in the Offering Circular for further discussions of these risks.

The Certificates May Not be Suitable Investments for You. The Certificates are complex securities. You should not purchase Certificates unless you are able to understand and bear the associated prepayment, redemption, interest rate, yield and market risks.

In particular, the Interest Only and Residual Classes have special risks and are not suitable for all investors.

Prepayments Can Reduce Your Yield. The yield on your Certificates could be lower than you expect if:

- You buy your Certificates at a premium over their principal amount and principal payments are faster than you expect.
- You buy your Certificates at a discount to their principal amount and principal payments are slower than you expect.

If you buy an Interest Only Class and prepayments are fast, you may not even recover your investment.

Optional Redemption Can Reduce Your Yield. We have a 10% optional redemption right. An optional redemption would be similar in effect to a full prepayment of all the Mortgages.

Interest Rates on the Assets Can Reduce Your Yield. The yield on your Certificates could be lower than you expect if the weighted average interest rate of the Assets is lower than you expect.

The Certificates are Subject to Market Risks. You will bear all of the market risks of your investment. The market value of your Certificates will vary over time, primarily in response to changes in prevailing interest rates. If you sell your Certificates when their market value is low, you may experience significant losses. We initially will retain A and B for inclusion in our Guaranteed Maturity Pass-Through Securities, Series E004 (the “**Related Transaction**”). Subsequently, A and B may be offered for sale in the secondary market. The underwriter named on the front cover (the “**Underwriter**”) intends to make a market for the purchase and sale of the Certificates (after July 15, 2005, in the case of A and B), but has no obligation to do so. A secondary market may not develop. Even if one does develop, it may not be liquid enough to allow you to sell your Certificates easily or at your desired price.

Our Multiclass Certificates Offering Circular dated January 1, 2000 (the “**Offering Circular**”), attached to this Supplement, defines many of the terms we use in this Supplement.

TERMS SHEET

This Terms Sheet contains selected information about this Series. You should refer to the remainder of this Supplement for further information.

In this Supplement, we refer to Classes only by their letter designations. For example, “R” refers to the R Class of this Series.

Interest

The Classes bear interest as shown in the following table. As to any Payment Date, “WAC” means the weighted average interest rate of the Assets applicable to the same Payment Date. We truncate WAC to three decimal places.

Class Coupon Formulas		
Class	Class Coupon through July 2005 Payment Date	Class Coupon Thereafter
A	7.25%*	WAC – 0.364%
B	6.875%*	WAC – 0.739%
C	7.25%*	WAC – 0.364%
IB	WAC – 6.875%**	0.375%
IO	WAC – 7.25%	0.364%

* Class Coupon will not be higher than WAC.
 ** Class Coupon will not be higher than 0.375%.

See *Payments — Interest*.

Notional Classes

Class	Original Notional Principal Amount	Reduces Proportionately With
IB	\$ 48,000,000	B (SEQ)
IO	220,000,000	Underlying Assets

See *Payments — Interest — Notional Classes*.

Principal

On each Payment Date, we pay the Asset Principal Amount to A, B and C, in that order, until retired.

REMIC Status

We will form an Upper-Tier REMIC Pool and a Lower-Tier REMIC Pool for this Series. We will elect to treat each REMIC Pool as a REMIC under the Code. R and RS will be the “**Residual Classes**” and the other Classes shown on the front cover will be “**Regular Classes.**” The Residual Classes will be subject to transfer restrictions.

See *Certain Federal Income Tax Consequences* in this Supplement and the Offering Circular.

Weighted Average Lives (in years)*

	PSA Prepayment Assumption				
	0%	150%	350%	500%	700%
A	16.2	4.6	2.5	2.0	1.6
B	26.1	12.4	6.1	4.5	3.3
C	28.7	21.4	11.7	8.3	5.9
Assets	20.6	9.4	5.0	3.7	2.8

* We calculate weighted average lives based on the assumptions described in *Prepayment and Yield Analysis*. The actual weighted average lives are likely to differ from those shown, perhaps significantly.

The Assets

The Assets (the “**Assets**”) consist of \$220,000,000 of Freddie Mac ARM PCs.

The ARM PCs are backed by 30-year, adjustable rate mortgages (“**Mortgages**” or “**ARMs**”). The ARMs have fixed interest rates for their first five years, after which their interest rates and monthly payment amounts will adjust annually based on the One-Year (Weekly) Treasury Index (the “**One-Year Treasury Index**”) plus a specified percentage, or margin. Their interest rates can increase or decrease up to 3% in the sixth year after origination and can increase or decrease up to 2% each year thereafter, subject to a lifetime ceiling of 6% above their initial fixed rate.

See *General Information — Structure of Transaction* and — *The Mortgages* and *Exhibit A*.

Assumed Mortgage Characteristics (as of October 1, 2000)

Principal Balance	Remaining Term to Maturity (in months)	Loan Age (in months)	Initial Per Annum Interest Rate	Margin	Lifetime Floor	Lifetime Ceiling	Initial Per Annum Interest Rate of ARM PCs	ARM PC Lifetime Floor	ARM PC Lifetime Ceiling	ARM PC Margin	Number of Months to First Adjustment of ARM PCs
\$220,000,000	356	4	7.964%	2.756%	2.756%	13.964%	7.614%	2.406%	13.614%	2.406%	56

The actual characteristics of the Mortgages differ from those shown above, in some cases significantly.

See *General Information — The Mortgages*.

AVAILABLE INFORMATION

You should purchase Certificates only if you have read and understood this Supplement, the Offering Circular and the following documents:

- Our Mortgage Participation Certificates Offering Circular dated February 1, 1998, which describes Gold PCs generally.
- Our Information Statement dated March 31, 2000, our Information Statement Supplements dated May 15, 2000 and August 14, 2000 and any other Information Statement Supplements we publish through the time of purchase.

This Supplement incorporates by reference the documents listed above. We will also publish a Supplemental Statement applicable to this Series shortly after the Closing Date. The Supplemental Statement will contain schedules of the Assets and other information.

You can obtain the documents listed above, the Agreement and current information concerning the Assets and the Certificates from our Investor Inquiry Department or our Internet Web-Site as described on page 3 of the Offering Circular.

GENERAL INFORMATION

The Agreement

We will create the Certificates under the Multiclass Certificates Agreement dated January 1, 2000 and a Terms Supplement dated the Closing Date (together, the “**Agreement**”).

You should refer to the Agreement for a complete description of your rights and obligations and those of Freddie Mac. You will acquire your Certificates subject to the terms and conditions of the Agreement, including the Terms Supplement.

Form of Certificates

The Regular Classes are issued, held and transferable on the Fed System. The Residual Classes are issued and held in certificated form and are transferable at the office of the Registrar.

Only a Fed Participant can be a Holder of a Regular Class. As an investor in Certificates, you are not necessarily the Holder.

See *Description of Certificates — Form, Holders and Payment Procedures* in the Offering Circular.

Structure of Transaction

General

This Series is a Double-Tier Series, structured as follows:

<u>REMIC Pool</u>	<u>Classes Offered from REMIC Pool</u>	<u>REMIC Pool Assets</u>
Upper-Tier	All Regular Classes (other than IO) and R	All Lower-Tier regular interests (other than IO)
Lower-Tier	IO and RS	The Assets

See *Description of Certificates — REMIC Pool Structures* in the Offering Circular.

The Assets

The Assets are ARM PCs. Each ARM PC bears interest at an annual rate which is based on the applicable level of the One-Year Treasury Index plus a margin. The interest rate applicable to a given payment on an ARM PC is the rate in effect for the second month preceding the month in which that payment is made. In general, all principal payments (including prepayments) and scheduled interest payments (less servicing fees and Freddie Mac’s management and guarantee fee) on the underlying Mortgages are passed through on the related ARM PC, in each case monthly. See *Payments on PCs — Non-Gold PCs* in the PC Offering Circular.

The Mortgages

The ARMs underlying the ARM PCs are first-lien residential mortgages and mortgage participations. For purposes of this Supplement, we have made certain assumptions regarding the characteristics of the ARMs. See *Terms Sheet — Assumed Mortgage Characteristics*. However, the actual characteristics of most of the ARMs differ from those assumed, perhaps significantly. This is the case even if the *weighted average* characteristics of the ARMs are the same as those of mortgages having the characteristics assumed.

PAYMENTS

Payment Dates; Record Dates

We make payments of principal and interest on the Certificates on each Payment Date, beginning in the second month following the Closing Date. A “**Payment Date**” is the 15th of each month or, if the 15th is not a Business Day, the next Business Day.

On each Payment Date, any payment on a Certificate is made to the Holder of record as of the 14th of the preceding calendar month (a “**Record Date**”).

Method of Payment

You will receive payments on your Certificates in the manner described under *Description of Certificates — Form, Holders and Payment Procedures* in the Offering Circular.

Categories of Classes

For purposes of principal and interest payments, we have categorized the Classes as shown under “Principal Type” and “Interest Type” on the front cover. *Appendix II* to the Offering Circular explains the abbreviations used for these categories.

Interest

We pay 30 days’ interest on each Payment Date to the Holders of each Class on which interest has accrued. We calculate each interest payment on the outstanding balance of the Class immediately before that Payment Date and on the basis of a 360-day year of twelve 30-day months.

Accrual Period

The “**Accrual Period**” for each Payment Date is the second calendar month preceding that Payment Date.

Notional Classes

The Notional Classes do not receive principal payments. For calculating interest payments, the Notional Classes have notional principal amounts that will reduce as shown under *Terms Sheet — Notional Classes*.

Weighted Average Coupon Classes

The Weighted Average Coupon Classes will receive interest as described under *Terms Sheet — Interest*.

Principal

We pay principal on each Payment Date to the Holders of the Classes on which principal is then due. Holders receive principal payments on a pro rata basis among the Certificates of their Class.

Amount of Payments

The principal payments on the Certificates on each Payment Date equal the amount of principal required to be paid in the same month on the Assets (the “**Asset Principal Amount**”).

Allocation of Payments

On each Payment Date, we pay the Asset Principal Amount for that Payment Date as described under *Terms Sheet — Principal*.

Class Factors

General

We make Class Factors available on or about the seventh business day of each month after the Closing Date. See *Description of Certificates — Payments — Class Factors* in the Offering Circular.

Use of Factors

You can calculate principal and interest payments by using the Class Factors.

For example, the reduction in the balance of a Certificate in March will equal its original balance times the difference between its January and February Class Factors. The amount of interest to be paid on a Certificate in March will equal 30 days' interest at its Class Coupon, accrued during the related Accrual Period, on the balance of that Certificate determined by its January Class Factor.

Guarantees

We guarantee to each Holder of a Certificate the timely payment of interest at its Class Coupon and the payment of its principal amount as described in this Supplement. See *Description of Certificates — Payments — Guarantees* in the Offering Circular.

10% Optional Redemption

We will have the right to redeem all the remaining interests in the Lower-Tier REMIC Pool (including IO) on any Payment Date when their aggregate remaining principal amount would be less than 10% of their aggregate original principal amount. The aggregate remaining principal amount gives effect to any principal payments that would be made on that Payment Date in the absence of a redemption.

For each redemption, we will pay a redemption price equal to 100% of the unpaid principal amount of the interests redeemed, plus interest for the related Accrual Period. This price (except in the case of IO) will be applied to retire the related Upper-Tier Classes. An exercise of our redemption right will result in the retirement of all outstanding Classes. We will give notice of any redemption to the affected Holders 30 to 60 days before the redemption date.

All decisions regarding the exercise of our redemption right, including its timing, will be at our discretion. We will be under no obligation to any Holder to make or not make an optional redemption, even if it would be in that Holder's interest.

Residual Proceeds

Upon surrender of their Certificates to the Registrar, the Holders of each Residual Class will receive the proceeds of any remaining assets of the related REMIC Pool after all required principal and interest payments on the Classes have been made. Any remaining assets are likely to be insignificant. See *Description of Certificates — Payments — Residual Classes* in the Offering Circular.

PREPAYMENT AND YIELD ANALYSIS

General

Mortgage Prepayments

The rates of principal payments on the Assets and the Certificates will depend on the rates of principal payments, including prepayments, on the underlying Mortgages. The Mortgages are subject to prepayment at any time without penalty. Mortgage prepayment rates fluctuate continu-

ously and, in some market conditions, substantially. See *Prepayment, Yield and Suitability Considerations — Prepayments* in the Offering Circular for a discussion of Mortgage prepayment considerations and risks.

Yield

As an investor in the Certificates, your yield will depend on:

- Your purchase price.
- The rate of principal payments on the underlying Mortgages.
- The actual characteristics of the underlying Mortgages.
- The delay between the Accrual Period and the related Payment Date.
- The level of the One-Year Treasury Index.
- The effects of periodic interest rate adjustments (and associated interest rate adjustment caps and lifetime ceilings) on the levels of Mortgage payments.

See *Prepayment, Yield and Suitability Considerations — Yields* in the Offering Circular for a discussion of yield considerations and risks.

Suitability

The Certificates may not be suitable investments for you. See *Prepayment, Yield and Suitability Considerations — Suitability* in the Offering Circular for a discussion of suitability considerations and risks.

Modeling Assumptions

To prepare the tables in this Supplement, we have made several assumptions. Unless otherwise noted, each table employs the following assumptions (the “**Modeling Assumptions**”), among others:

- The Mortgages have the characteristics shown under *Terms Sheet — Assumed Mortgage Characteristics*.
- Each Mortgage has an interest rate of 7.964% per annum through the period relating to the July 2005 Payment Date and thereafter has an interest rate of 8.846% per annum.
- The Classes and Assets always receive payments on the 15th of the month, whether or not a Business Day.
- We do not exercise our 10% optional redemption right.

The Modeling Assumptions, like any other stated assumptions, are likely to differ from actual experience in many cases. For example, the Mortgages have characteristics more diverse than those assumed, the interest rates on the Mortgages will adjust periodically, many Payment Dates will occur on a Business Day after the dates assumed and we may exercise our 10% optional redemption right. Moreover, Mortgage prepayment rates will differ from the percentages of PSA shown in the tables. These differences will affect the actual payment behavior, weighted average lives and yields of the Classes, perhaps significantly.

See *Prepayment, Yield and Suitability Considerations — Tabular Information in Supplements* in the Offering Circular for descriptions of weighted average life and yield calculations and the PSA prepayment model.

Prepayment and Weighted Average Life Considerations

Sequential Pay Classes

The Sequential Pay Classes receive principal payments from the Assets in a prescribed sequence. While it is receiving principal payments, the sensitivity of each Sequential Pay Class to prepayments on the underlying Mortgages is approximately the same as that of the Assets.

Declining Balances Table

The following table shows:

- Percentages of principal amounts (as of the Closing Date) that would be outstanding after each of the Payment Dates shown at various percentages of PSA.
- Corresponding weighted average lives.

We have prepared this table using the Modeling Assumptions.

Percentages of Original Principal Amounts Outstanding* and Weighted Average Lives

Date	A					B					C					Assets				
	PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption					PSA Prepayment Assumption				
	0%	150%	350%	500%	700%	0%	150%	350%	500%	700%	0%	150%	350%	500%	700%	0%	150%	350%	500%	700%
Closing Date	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
November 15, 2001	99	93	86	81	74	100	100	100	100	100	100	100	100	100	100	99	96	92	89	84
November 15, 2002	97	81	61	47	29	100	100	100	100	100	100	100	100	100	100	98	89	77	68	57
November 15, 2003	95	66	33	12	0	100	100	100	100	67	100	100	100	100	100	97	80	60	47	33
November 15, 2004	93	53	11	0	0	100	100	100	66	3	100	100	100	100	100	96	72	47	33	19
November 15, 2005	92	41	0	0	0	100	100	84	20	0	100	100	100	100	59	95	65	37	23	11
November 15, 2006	90	30	0	0	0	100	100	47	0	0	100	100	100	86	34	94	58	29	16	6
November 15, 2007	88	20	0	0	0	100	100	19	0	0	100	100	100	59	19	93	52	22	11	4
November 15, 2008	85	11	0	0	0	100	100	0	0	0	100	100	95	41	11	91	47	17	7	2
November 15, 2009	83	3	0	0	0	100	100	0	0	0	100	100	74	28	6	90	42	13	5	1
November 15, 2010	80	0	0	0	0	100	88	0	0	0	100	100	57	19	4	88	37	10	4	1
November 15, 2011	77	0	0	0	0	100	70	0	0	0	100	100	44	13	2	86	33	8	2	0
November 15, 2012	74	0	0	0	0	100	53	0	0	0	100	100	34	9	1	85	30	6	2	0
November 15, 2013	71	0	0	0	0	100	38	0	0	0	100	100	26	6	1	82	26	5	1	0
November 15, 2014	67	0	0	0	0	100	24	0	0	0	100	100	20	4	0	80	23	4	1	0
November 15, 2015	63	0	0	0	0	100	11	0	0	0	100	100	16	3	0	78	21	3	1	0
November 15, 2016	58	0	0	0	0	100	0	0	0	0	100	100	12	2	0	75	18	2	0	0
November 15, 2017	53	0	0	0	0	100	0	0	0	0	100	87	9	1	0	72	16	2	0	0
November 15, 2018	48	0	0	0	0	100	0	0	0	0	100	76	7	1	0	69	14	1	0	0
November 15, 2019	42	0	0	0	0	100	0	0	0	0	100	65	5	1	0	65	12	1	0	0
November 15, 2020	36	0	0	0	0	100	0	0	0	0	100	56	4	0	0	61	10	1	0	0
November 15, 2021	29	0	0	0	0	100	0	0	0	0	100	47	3	0	0	57	9	1	0	0
November 15, 2022	21	0	0	0	0	100	0	0	0	0	100	40	2	0	0	53	7	0	0	0
November 15, 2023	13	0	0	0	0	100	0	0	0	0	100	33	1	0	0	48	6	0	0	0
November 15, 2024	4	0	0	0	0	100	0	0	0	0	100	26	1	0	0	42	5	0	0	0
November 15, 2025	0	0	0	0	0	82	0	0	0	0	100	21	1	0	0	36	4	0	0	0
November 15, 2026	0	0	0	0	0	52	0	0	0	0	100	15	0	0	0	30	3	0	0	0
November 15, 2027	0	0	0	0	0	20	0	0	0	0	100	11	0	0	0	22	2	0	0	0
November 15, 2028	0	0	0	0	0	0	0	0	0	0	80	6	0	0	0	15	1	0	0	0
November 15, 2029	0	0	0	0	0	0	0	0	0	0	34	2	0	0	0	6	0	0	0	0
November 15, 2030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Weighted Average Life (Years)	16.2	4.6	2.5	2.0	1.6	26.1	12.4	6.1	4.5	3.3	28.7	21.4	11.7	8.3	5.9	20.6	9.4	5.0	3.7	2.8

* Rounded to nearest whole percentage.

Yield Tables

The following tables show pre-tax yields to maturity (corporate bond equivalent) and annual and total interest payments of specified Classes at various percentages of PSA.

We have prepared these tables using the Modeling Assumptions and the assumed prices in the table captions, which include accrued interest. Actual sales will not necessarily occur at the assumed prices.

Pre-Tax Yields

IB Class
 (Assumed Price: \$554,500.00)
 (Payments in Thousands)

Twelve Consecutive Months Through	PSA Prepayment Assumption				
	150%	350%	500%	700%	761%
November 15, 2001	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180
November 15, 2002	180	180	180	180	180
November 15, 2003	180	180	180	172	159
November 15, 2004	180	180	165	63	35
November 15, 2005	180	176	79	0	0
November 15, 2006	180	120	12	0	0
November 15, 2007	180	61	0	0	0
November 15, 2008	180	14	0	0	0
November 15, 2009	180	0	0	0	0
November 15, 2010	175	0	0	0	0
November 15, 2011	144	0	0	0	0
November 15, 2012	112	0	0	0	0
November 15, 2013	83	0	0	0	0
November 15, 2014	56	0	0	0	0
November 15, 2015	32	0	0	0	0
November 15, 2016	10	0	0	0	0
November 15, 2017 and after	0	0	0	0	0
Total Payments*	<u>\$2,231</u>	<u>\$1,091</u>	<u>\$ 796</u>	<u>\$ 595</u>	<u>\$ 555</u>
Pre-Tax Yield	33.3%	25.9%	17.2%	4.1%	0.0%

* Total payments may not equal sums of columns due to rounding.

IO Class
 (Assumed Price: \$1,852,008.89)
 (Payments in Thousands)

<u>Twelve Consecutive Months Through</u>	<u>PSA Prepayment Assumption</u>				
	<u>150%</u>	<u>350%</u>	<u>500%</u>	<u>700%</u>	<u>847%</u>
November 15, 2001	\$ 788	\$ 776	\$ 767	\$ 754	\$ 745
November 15, 2002	744	683	639	580	539
November 15, 2003	677	550	463	360	293
November 15, 2004	610	430	321	207	142
November 15, 2005	548	335	222	118	69
November 15, 2006	493	262	154	68	34
November 15, 2007	443	204	106	39	16
November 15, 2008	398	159	73	22	8
November 15, 2009	357	124	51	13	4
November 15, 2010	319	96	35	7	2
November 15, 2011	285	75	24	4	1
November 15, 2012	254	58	16	2	0
November 15, 2013	226	45	11	1	0
November 15, 2014	200	34	8	1	0
November 15, 2015	177	26	5	0	0
November 15, 2016	156	20	4	0	0
November 15, 2017	136	15	2	0	0
November 15, 2018	119	12	2	0	0
November 15, 2019	103	9	1	0	0
November 15, 2020	89	7	1	0	0
November 15, 2021	76	5	0	0	0
November 15, 2022	64	4	0	0	0
November 15, 2023	53	3	0	0	0
November 15, 2024	43	2	0	0	0
November 15, 2025	34	1	0	0	0
November 15, 2026	26	1	0	0	0
November 15, 2027	19	1	0	0	0
November 15, 2028	12	0	0	0	0
November 15, 2029	6	0	0	0	0
November 15, 2030	1	0	0	0	0
Total Payments*	<u>\$7,457</u>	<u>\$3,935</u>	<u>\$2,905</u>	<u>\$2,178</u>	<u>\$1,853</u>
Pre-Tax Yield	37.7%	27.3%	19.3%	8.3%	0.0%

* Total payments may not equal sums of columns due to rounding.

FINAL PAYMENT DATES

The Final Payment Date for each Class is the latest date by which it will be paid in full and will retire. We calculate Final Payment Dates using highly conservative assumptions, and the actual retirement of each Class may occur earlier than its Final Payment Date.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

Subject to the assumptions described under *Certain Federal Income Tax Consequences — REMIC Election* in the Offering Circular, the Upper-Tier REMIC Pool and the Lower-Tier REMIC Pool will each qualify as a REMIC for federal income tax purposes.

Regular Classes

The Regular Classes (other than IO) are the “regular interests” in the Upper-Tier REMIC Pool and IO is a “regular interest” in the Lower-Tier REMIC Pool. The Regular Classes are treated as debt instruments for federal income tax purposes and may be issued with original issue discount (“OID”) or at a premium. Based in part on information provided by the Underwriter regarding the initial prices at which it will sell substantial portions of the Regular Classes, we expect to report income to the Internal Revenue Service and to Holders of the Regular Classes assuming they are issued as follows:

- *OID:* IB and IO.
- *Premium:* A, B and C.

OID generally results in recognition of taxable income in advance of the receipt of cash attributable to that income. The Pricing Speed used for OID and premium calculations is 350% PSA.

See *Certain Federal Income Tax Consequences — Taxation of Regular Classes — Original Issue Discount* and *— Premium* in the Offering Circular.

We intend to report market discount or premium on A, B or C based on the ratio of the stated interest distributable in the relevant period over the total stated interest remaining to be distributed from the beginning of that period (computed taking into account the Pricing Speed). See *Certain Federal Income Tax Consequences — Taxation of Regular Classes — Market Discount, — Premium* and *— Floating Rate and Inverse Floating Rate Classes* in the Offering Circular. That approach may result in the accrual of market discount or amortization of premium that is slower than the economic accrual or amortization, which would require the accrual of market discount or amortization of premium over the period ending on the date the interest rate on the Mortgages first adjusts. You should consult your tax advisors as to the appropriate rate of accrual or amortization in this regard.

Residual Classes

Each Residual Class is the “residual interest” in its related REMIC Pool. Special tax considerations apply to the Residual Classes. The taxation of the Residual Classes can produce a significantly less favorable after-tax return than if (a) the Residual Classes were taxable as debt instruments or (b) no portion of the taxable income on the Residual Classes were treated as “excess

inclusions.” In certain periods, taxable income and the resulting tax liability on R and RS may exceed any payments on these Classes. See *Certain Federal Income Tax Consequences — Taxation of Residual Classes* in the Offering Circular.

A substantial tax may be imposed on certain transferors of a Residual Class and certain beneficial owners of a Residual Class that are “pass-through entities.” See *Certain Federal Income Tax Consequences — Transfers of Interests in a Residual Class — Disqualified Organizations* in the Offering Circular. You should not purchase a Residual Class before consulting your tax advisor.

Certain Transfers of Residual Classes

The REMIC Regulations disregard:

- A transfer of a “noneconomic residual” unless no significant purpose of the transfer is to impede the assessment or collection of tax. The Treasury recently proposed regulations that would modify a safe harbor relating to transfers of noneconomic residuals. In order to comply with the safe harbor, the proposed regulations would impose an additional requirement that the present value of the anticipated tax liabilities associated with holding the residual interest not exceed the sum of (a) the present value of any consideration given to the transferee to acquire the residual interest, (b) the present value of the expected future distributions on the residual interest and (c) the present value of the anticipated tax savings associated with holding the interest as the REMIC generates losses. The regulations are proposed to be effective for transfers of noneconomic residuals on or after February 4, 2000.
- Except in certain cases, a transfer of a residual interest to a foreign investor or a transfer of a residual interest from a foreign investor to a U.S. investor. Accordingly, the Agreement prohibits the transfer of an interest in a Residual Class to or from a foreign investor without our written consent.

In these cases, the transferor would continue to be treated as the owner of the residual interest and thus would continue to be subject to tax on its allocable portion of the net income of the REMIC. See *Certain Federal Income Tax Consequences — Transfers of Interests in a Residual Class — Additional Transfer Restrictions* in the Offering Circular.

Residual Classes with Negative Fair Market Values

The federal income tax consequences of any consideration paid to a transferee on a transfer of a Residual Class are unclear. The REMIC Regulations do not address whether a residual interest could have a negative basis and a negative issue price. The preamble to the REMIC Regulations indicates that the Internal Revenue Service is considering the tax treatment of these types of residual interests. If you receive consideration for a Residual Class, you should consult your tax advisor.

Reporting and Administrative Matters

We will provide Holders of the Residual Classes information to enable them to prepare reports required under the Code or applicable Treasury regulations. Because we do not intend to hold the Residual Classes, applicable law may not allow us to perform tax administrative functions for the REMIC Pools. Therefore, if you own a Residual Class, you may have certain tax administrative

obligations, for which we will act as your attorney-in-fact and agent. See *Certain Federal Income Tax Consequences — Reporting and Administrative Matters* in the Offering Circular.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your legal advisor to determine whether the Certificates are a legal investment for you and whether you can use the Certificates as collateral for borrowings. See *Legal Investment Considerations* in the Offering Circular.

ERISA CONSIDERATIONS

Fiduciaries of ERISA plans should review *ERISA Considerations* in the Offering Circular.

PLAN OF DISTRIBUTION

The Underwriter intends to:

- Redeliver A and B to us for inclusion in the Related Transaction.
- Offer the other Classes in negotiated transactions at varying prices to be determined at the time of sale, plus accrued interest on each interest-bearing Class from the first day of its initial Accrual Period.

The Underwriter is offering the Certificates subject to its right to reject any order. The Underwriter may make sales to or through securities dealers. The dealers may receive compensation in the form of discounts, concessions or commissions from the Underwriter and commissions from any purchasers for which they act as agents.

LEGAL MATTERS

Maud Mater, Esq., Executive Vice President — General Counsel and Secretary of Freddie Mac, will render an opinion on the legality of the Certificates.

If you intend to purchase Certificates, you should rely only on the information in this Supplement and the Offering Circular, including the information in the disclosure documents that we have incorporated by reference. We have not authorized anyone to provide you with different information.

This Supplement, the Offering Circular and the incorporated documents may not be correct after their dates.

We are not offering the Certificates in any jurisdiction that prohibits their offer.

\$220,000,000

Freddie Mac

Multiclass Certificates, Series 212

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September 15, 2000