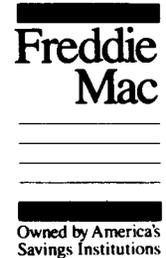


Offering Circular Supplement Dated April 15, 1988  
(To Offering Circular Dated October 15, 1987)

**Federal Home Loan  
Mortgage Corporation  
Mortgage Participation Certificates  
(Guaranteed)**



The Federal Home Loan Mortgage Corporation ("Freddie Mac") offers Mortgage Participation Certificates ("PCs") representing undivided interests in specified fixed-rate, first lien, residential mortgages or participations therein ("Mortgages") purchased by Freddie Mac. Each PC Pool is comprised entirely either of Conventional Mortgages or of Mortgages fully insured by the Federal Housing Administration and/or Mortgages guaranteed, in part, by the Veterans Administration.

The Offering Circular dated October 15, 1987 (the "Offering Circular") and this Supplement apply to sales of PCs formed under the Cash Program and Guarantor Program. This Supplement provides further information with respect to the range of interest rates on the Mortgages included in PC Pools formed under the Guarantor Program, the minimum original term to maturity of Mortgages comprising 30-year PC Pools formed under both the Cash and Guarantor Programs, the term "Record Date" as set forth in the PC Offering Circular, new limitations on the maximum original amount of Mortgages which Freddie Mac may purchase and guidelines concerning the legality of investment in mortgage-related securities by national credit unions. Capitalized terms used herein and not otherwise defined have the meanings given them in the Offering Circular.

**DESCRIPTION OF MORTGAGE PARTICIPATION CERTIFICATES**

**PC Pools**

*PC Pools formed under the Guarantor Program*

With respect to Conventional Mortgages or FHA/VA Mortgages comprising Guarantor PC Pools formed on or after May 2, 1988, the restriction will no longer apply that the range of interest rates on the Mortgages in any PC Pool may not exceed 100 basis points. The maximum interest rate of any Mortgage in a PC Pool formed on or after May 2, 1988 may be up to 250 basis points greater than the related PC Coupon.

*PC Pools formed under the Cash and Guarantor Programs*

Effective December 1, 1987, all Mortgages included in any 30-Year PC Pool shall have original terms to maturity greater than 15 years.

**Record Date**

A Holder of a PC on the books and records of a Federal Reserve Bank as of the close of business on the last business day of a month (the "Record Date") will be entitled to the payment of principal and interest on the PC for the entire month, which payment will be made on the Payment Date in the second succeeding month. Freddie Mac has agreed with the Federal Reserve Bank of New York that, for purposes of determining a Record Date, the last business day of the month means a day other than (1) a Saturday or Sunday, (2) a day on which the Federal Reserve Bank of New York (or other agent acting as Freddie Mac's fiscal agent) is authorized or obligated by law or executive order to remain closed, or (3) a day on which the Federal Reserve Bank at which the Holder's account is maintained is authorized or obligated by law or executive order to remain closed. The first and second sentences of Section 5.03 of Exhibit A to the Offering Circular are hereby amended and read as follows: "The Record Date for each month shall be the last Business

Day of the month (disregarding for this purpose clauses (iv) and (v) of the definition of "Business Day"). A Holder of a PC on the books and records of the Federal Reserve Bank as of the close of business on the Record Date shall be entitled to payment of principal and interest in respect of such PC for such month."

## **MORTGAGE PURCHASE STANDARDS**

### **Mortgage Amount**

The Freddie Mac Act establishes limitations on the maximum original mortgage amount of any Conventional Home or Multifamily Mortgage which Freddie Mac may purchase. For Home Mortgages delivered to Freddie Mac after January 1, 1988, the original mortgage amount may not exceed \$168,700 for a one-family dwelling, \$215,800 for a two-family dwelling, \$260,800 for a three-family dwelling and \$324,150 for a four-family dwelling. For Multifamily Mortgages delivered to Freddie Mac on or after February 5, 1988, the original principal amount for a Multifamily Mortgage is, for a non-elevator structure, \$31,687 per unit without separate bedroom, \$35,100 per one-bedroom unit, \$41,925 per two-bedroom unit, \$51,675 per three-bedroom unit and \$58,500 per four-bedroom unit. For elevator structures, the amounts are \$36,562, \$40,950, \$50,212, \$62,887 and \$71,106, respectively. The applicable limitation may be increased by 50 percent for properties located in Alaska, Guam, and Hawaii. In any area which has been, or may in the future be, determined to be a high cost area by the Secretary of the Department of Housing and Urban Development pursuant to Section 207(c) of the National Housing Act, the original principal amount for a Multifamily Mortgage may be increased by 92 percent.

The maximum original mortgage amount for a VA Mortgage is \$144,000.

## **LEGALITY OF INVESTMENT**

Federal credit unions may purchase PCs without regard to limitations generally applicable to investments. 12 U.S.C. §1757(7)(E). National Credit Union Administration Letter to Credit Unions No. 96 includes guidelines to assist federal credit unions in making investment decisions for mortgage-related securities.