

Offering Circular Supplement Dated May 22, 1989  
(To ARM Giant Offering Circular Dated October 1, 1988)

**Freddie  
Mac**

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# Federal Home Loan Mortgage Corporation

## Freddie Mac ARM Giants:

- Giant Adjustable Rate Mortgage Participation Certificates (Guaranteed)**
- Giant Principal Only Adjustable Rate Mortgage Participation Certificates (Guaranteed)**
- Giant Interest Only Adjustable Rate Mortgage Participation Certificates (Guaranteed)**

The Federal Home Loan Mortgage Corporation ("Freddie Mac") offers Giant Adjustable Rate Mortgage Participation Certificates (Guaranteed) ("ARM Giant PCs"), Giant Principal Only Adjustable Rate Mortgage Participation Certificates (Guaranteed) ("ARM Giant PO PCs") and Giant Interest Only Adjustable Rate Mortgage Participation Certificates (Guaranteed) ("ARM Giant IO PCs") representing beneficial ownership interests in pools ("ARM Giant PC Pools") which are formed by Freddie Mac from time to time under the Freddie Mac ARM Giants Program. Each ARM Giant PC Pool consists of one or more Freddie Mac Adjustable Rate Mortgage Participation Certificates (Guaranteed) (the "ARM PCs"). The ARM PCs represent undivided interests in specified adjustable rate, first lien, fully amortizing, conventional, 1-4 family residential mortgages or participations therein (the "Mortgages") purchased by Freddie Mac and placed in discrete pools ("ARM PC Pools") under Freddie Mac's ARM Cash Program or its ARM Guarantor Program. The general characteristics of the ARM PCs, including Freddie Mac's guarantees thereof, are described in Freddie Mac's various offering circulars relating thereto as in effect from time to time (each, an "ARM PC Offering Circular"). The particular characteristics of ARM PC Pools are described in ARM PC Offering Circular Supplements, ARM Giant PCs, ARM Giant PO PCs and ARM Giant IO PCs are referred to collectively as "Freddie Mac ARM Giants."

The ARM Giant Offering Circular dated October 1, 1988 (the "ARM Giant Offering Circular") applies to sales of Freddie Mac ARM Giants. The ARM Giant Offering Circular incorporates by reference the applicable current ARM PC Offering Circulars, Freddie Mac's Information Statement and any supplements thereto. This Offering Circular Supplement together with the ARM Giant Offering Circular applies to sale of Freddie Mac ARM Giants representing interests in ARM Giant PC Pools which are formed on or after June 1, 1989 and provides information with respect to the "Final Payment Date" for all such Freddie Mac ARM Giants. Capitalized terms used herein and not otherwise defined have the meanings given them in the ARM Giant Offering Circular or the applicable ARM PC Offering Circular, as the case may be.

## DESCRIPTION OF FREDDIE MAC ARM GIANTS

### Final Payment Dates of Freddie Mac ARM Giants

*ARM Giant PC Pools Formed Prior to June 1, 1989.* The Final Payment Date for all Freddie Mac ARM Giants representing interests in ARM Giant PC Pools formed prior to June 1, 1989 is the Payment Date on or before which the entire principal amount (or notional principal amount) of the Freddie Mac ARM Giants of such class will be reduced to zero. The Final Payment Date for each such ARM Giant PC Pool was determined by adding 180 or 360 months, as applicable, to the first Payment Date with respect to such ARM Giant PC Pools.

*ARM Giant PC Pools Formed on or After June 1, 1989.* Unless otherwise specified in the related Offering Circular Supplement, the Final Payment Date for Freddie Mac ARM Giants representing interests in any ARM Giant PC Pools formed on or after June 1, 1989 will correspond to the latest occurring Final Payment Date of the ARM PCs included in the ARM Giant PC Pool. The Final Payment Date for each ARM PC is determined at the time of the formation of the related ARM PC Pool and is the first day of the month in which the last scheduled monthly payment on the latest maturing Mortgage included in the ARM PC Pool is scheduled to be made. See "Description of the ARM PCs—Final Payment Date" in the ARM PC Offering Circular. Any such latest maturing Mortgage may or may not have been paid in full prior to the formation of an ARM Giant PC Pool. The Final Payment Date for all ARM PCs is in the Monthly Factor Report published by *The Bond Buyer*.

Holders of Freddie Mac ARM Giants representing interests in ARM Giant PC Pools formed on or after June 1, 1989 may receive payments after the related Final Payment Date because of the up to 75 day delay in the pass through of scheduled payments on the Mortgages underlying the ARM PCs included in the ARM Giant PC Pool. Payment plans, periods of forbearance or other actions which delay the receipt of payments by Freddie Mac may also result in payments to Holders of Freddie Mac ARM Giants after the Final Payment Date. See "Description of the ARM PCs—Final Payment Date" and "Mortgage Purchase and Servicing Standards—Mortgage Servicing" in the ARM PC Offering Circular.

**AMENDMENT TO THE GIANT ADJUSTABLE RATE MORTGAGE PARTICIPATION  
CERTIFICATE AGREEMENT  
(Guaranteed)**

The Giant Adjustable Rate Mortgage Participation Certificate Agreement (Guaranteed) dated as of October 1, 1988 (the "Agreement") is hereby amended as follows:

1. The definition of "Final Payment Date" is hereby amended to read in its entirety as follows:

*Final Payment Date:* As to each Class of Freddie Mac ARM Giants representing interests in an ARM Giant PC Pool formed prior to June 1, 1989, the Payment Date, set forth as to such Class in the applicable Terms Supplement, on or before which the Original Principal Amount or Original Notional Principal Amount of such Class will be reduced to zero. As to each Class of Freddie Mac ARM Giants representing interests in an ARM Giant PC Pool formed on or after June 1, 1989, unless otherwise specified in the related Offering Circular Supplement, the latest occurring Final Payment Date for the ARM PCs included in the ARM Giant PC Pool. The final payment in respect of Freddie Mac ARM Giants representing interests in ARM Giant PC Pools formed on or after June 1, 1989 may occur prior to the Final Payment Date by virtue of prepayments of principal on the Mortgages underlying the ARM PCs included in the ARM Giant PC Pool or may occur after the Final Payment Date by virtue of the procedure for payment of principal and interest on such ARM PCs. The final payment in respect of a Freddie Mac ARM Giant may also occur after the Final Payment Date by virtue of (i) periods of forbearance or payment plans affecting any Mortgage, or (ii) the timing of payment under Freddie Mac's guarantee of ultimate collection of principal after a mortgagor default.

2. All other terms and provisions of the Agreement shall remain in full force and effect.