

➤ Product Overview: **Reference REMIC® Securities**

Demonstrating an ongoing commitment to product innovations, Freddie Mac created the Reference REMIC® security in 2005. Reference REMIC securities offer investors a structured alternative to a traditional 30- or 15-year mortgage-backed security and build on the success of Freddie Mac’s Guaranteed Maturity Class (GMC) product.

Reference REMIC securities provide many of the key features that have become the hallmark of Freddie Mac’s Reference suite of products. At the core of the Reference REMIC security are attributes that promote liquidity, transparency and calendar-based predictability.

Benefits

More Liquid than Other Structured Securities

Reference REMIC securities provide more liquidity than traditional structured securities. Subject to market conditions, Freddie Mac intends to issue at least one Reference REMIC security per quarter. Each Reference REMIC security will contain at least one Guaranteed Maturity Class (GMC) with a minimum GMC tranche size of \$1 billion. GMC securities will be distributed through an underwriting syndicate selected from Freddie Mac’s REMIC dealer group. The syndication process ensures broad dealer sponsorship and secondary market support. Reference REMIC securities are supported on the TradeWeb® platform.

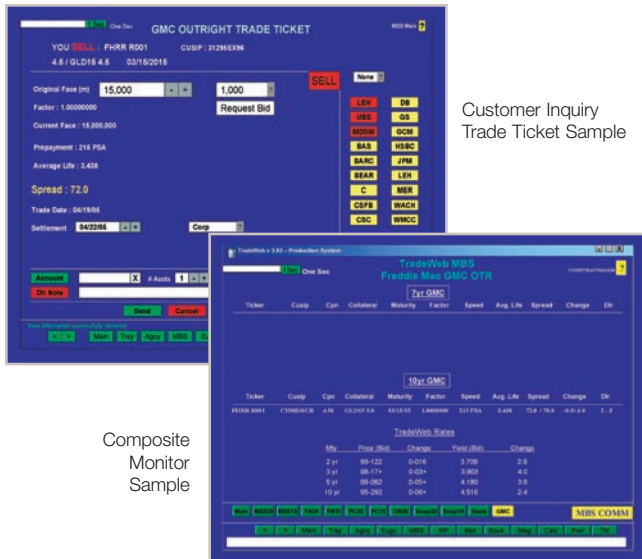
Reference REMIC securities offer an unmatched array of attractive features

	Freddie Mac Reference REMIC	Prepayment Linked Notes	Syndicated Callables	ABS
TradeWeb Eligibility	✓	Some	✓	
Daily Closing Prices	✓	Some	✓	
Guaranteed Shortened Final Maturity	✓	✓		
Syndicate Led	✓	Some	✓	✓
Issuance Calendar	✓			
Fully Collateralized by Mortgages/MBS	✓			✓
Collateral Disclosed Pre-Pricing	✓			
Re-REMIC/MACR Eligible	✓			✓
No Upsize (or “Tapping”) Post-Pricing	✓			✓

Transparent Structures and Pricing

Reference REMIC securities are backed by PCs with pre-disclosed characteristics, making performance analysis more straightforward. Primary market support through syndicated offerings is a major contributor towards enhanced transparency of the Reference REMIC security. Intraday and daily dealer bid/ask levels available on TradeWeb and daily closing prices available on Bloomberg offer the market a more transparent structured product.

Sample TradeWeb screens of Reference REMIC securities



Customer Inquiry Trade Ticket Sample

Composite Monitor Sample

More Predictable Securities

Freddie Mac's funding calendar, which is available on the Mortgage Securities section of Freddie Mac's Web site, includes optional monthly issuance windows for its Reference REMIC securities. At the beginning of each month, Freddie Mac will announce whether it plans to use the optional issuance window and, when relevant, confirm the timing of when it expects to issue a Reference REMIC security. Each Reference REMIC is backed by Freddie Mac Gold PCs, the details of which will be disclosed prior to pricing the GMC offering. All Reference REMIC GMC tranches have limited average life extension risk as a result of the GMC feature that states a maximum final maturity date.

Details about Reference REMIC securities issuance can be found in the table at the bottom of this page:

Key features of Reference REMIC securities

Reference REMIC Product Details	
Underlying PCs	PCs underlying the offered GMC are disclosed prior to pricing
Guaranteed Maturity Class (GMC)	Varying maturities based on market conditions and collateral
Structure	Announced during pre-marketing period
Par Coupon	Issued with the closest coupon that trades at a discount to par
GMC Tranche Size	Minimum of \$1 billion*
Offering Frequency	Calendar-based monthly optional issuance windows
Re-REMIC Eligibility	Offering dependent
MACR Eligibility	Offering dependent
TradeWeb Eligibility	Yes

* From time to time, market conditions may warrant a minimum tranche size below \$1 billion.

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Investor Tools

Freddie Mac takes pride in providing timely customer support. A variety of resources are available to provide investors with the most comprehensive information about Reference REMICs.

- **Transaction Managers**

To speak with a transaction manager about Freddie Mac’s Reference REMIC program, call toll-free at (866) 903-2767.

- **Investor Inquiry (800) 336-3672 or Investor_Inquiry@freddiemac.com**

Speak with a knowledgeable securities information specialist available from 9:00 a.m. to 5:00 p.m., EST, Monday through Friday.

- **www.FreddieMac.com/mbs**

Log on to our Web site for additional information about Reference REMICs.

- **Bloomberg (FMAC <GO>)**

Experience the wide range of information available on Freddie Mac’s Bloomberg site including recently priced REMICs, collateral availability, reference pools, estimated REMIC production and other mortgage securities issuance reports.

➤ What is a Freddie Mac Guaranteed Maturity Class?

Freddie Mac Guaranteed Maturity Classes (GMCs) are structured mortgage-backed securities with a shortened stated final maturity. Backed by either Gold PCs or hybrid ARMs, Freddie Mac GMCs are generally issued with guaranteed final payment dates ranging from three to 12 years.

The GMC feature is available on a variety of tranche types. At the guaranteed final date, the investor is paid any outstanding principal on the tranche, plus 30 days accrued interest.

For additional information about Freddie Mac Reference REMIC securities, visit Freddie Mac’s Web site at www.FreddieMac.com/mbs/html/product/reference_remic.html or contact Investor Inquiry at (800) 336-3672.

This product overview is not an offer to sell nor a solicitation of an offer to buy any Freddie Mac securities. Offers for any given security are made only through applicable offering circulars and related supplements, which incorporate Freddie Mac’s Information Statement and related supplements. Freddie Mac is not responsible for pricing and other information about its securities posed on TradeWeb.

