

**Offering Circular Supplement
(To Offering Circular
Dated October 14, 2005)**

Freddie Mac Mortgage Participation Certificates

The Offering Circular is being amended as follows, effective immediately:

Under “**PREPAYMENT, YIELD AND SUITABILITY CONSIDERATIONS—Prepayments,**” the following is inserted at the end of the seventh paragraph: “The timing and rate of defaults may be also be affected by “debt cancellation” arrangements that borrowers may enter into at origination with certain lenders. These arrangements relieve the borrower of making Mortgage payments under certain circumstances involving interruption of income, including involuntary unemployment, disability and death. Under such arrangements, Mortgage payments will be made on behalf of the borrower for a certain time period or, in rare circumstances, the remaining principal balance of the Mortgage will be paid off on behalf of the borrower. As a result, the timing and rate of prepayments on the related PCs could be affected.”

Capitalized terms used in this Supplement have the meanings given to them in the Offering Circular.

Offering Circular Supplement dated August 10, 2006