

Freddie Mac



Uniform Mortgage-Backed Securities Mirror Certificates Mortgage-Backed Securities Mirror Certificates Supers Uniform Mortgage-Backed Securities Mirror Certificates Giant Mortgage-Backed Securities Mirror Certificates

The Mirror Certificates

Freddie Mac is issuing its Uniform Mortgage-Backed Securities Mirror Certificates (“UMBS Mirror Certificates”), Mortgage-Backed Securities Mirror Certificates (“MBS Mirror Certificates”), Supers Uniform Mortgage-Backed Securities Mirror Certificates (“Supers UMBS Mirror Certificates”), and Giant Mortgage-Backed Securities Mirror Certificates (“Giant MBS Mirror Certificates”) (collectively, the UMBS Mirror Certificates, MBS Mirror Certificates, Supers UMBS Mirror Certificates, and Giant MBS Mirror Certificates comprise the “Mirror Certificates”) to Holders of its eligible Mortgage Participation Certificates (“Eligible PCs”) or eligible Giant Mortgage Participation Certificates (“Eligible Giant PCs”) (collectively, the Eligible PCs and Eligible Giant PCs comprise the “Eligible Securities”) who have delivered their Eligible PCs or Eligible Giant PCs in exchange for the related UMBS Mirror Certificates, MBS Mirror Certificates, Supers UMBS Mirror Certificates, or Giant MBS Mirror Certificates, as the case may be, pursuant to our Exchange Offer, which commenced on [], 2019 (the “Exchange Offer”). The UMBS Mirror Certificates, MBS Mirror Certificates, Supers UMBS Mirror Certificates, and Giant MBS Mirror Certificates that you receive are backed by their related applicable Eligible PCs or Eligible Giant PCs and are pass-through certificates that represent interests in such Eligible PCs or Eligible Giant PCs. Multifamily securities issued by, and multifamily mortgages owned or guaranteed by, Freddie Mac are not addressed in, and are excluded from, this Offering Circular and the Exchange Offer.

Freddie Mac’s Guarantee

We guarantee the payment of interest and principal on the Mirror Certificates as described in this Offering Circular. **Principal and interest payments on the Mirror Certificates are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac.** We alone are responsible for making payments on our guarantee.

Freddie Mac Provides a Mirror Pool Supplement for Each Mirror Certificate

This Offering Circular describes the general characteristics of the Mirror Certificates. For each Mirror Certificate, we prepare a mirror pool supplement (the “Mirror Pool Supplement”). Each Mirror Pool Supplement will provide more information based on the particular Eligible PC or Eligible Giant PC that backs the related Mirror Certificate.

Tax Status and Securities Law Exemptions

The Mirror Certificates are not tax-exempt. Because of applicable securities law exemptions, we have not registered the Mirror Certificates with any federal or state securities commission. No securities commission has reviewed this Offering Circular.

You should not exchange your Eligible PCs or Eligible Giant PCs for the related Mirror Certificates unless you have carefully read and considered the terms, obligations and conditions of, and the risks associated with, the Exchange Offer, all as described in the Exchange Offer Circular dated [], 2019, as it may be amended or supplemented (the “Exchange Circular”).

We are providing this preliminary draft Offering Circular solely to help market participants adapt to the impending changes to Freddie Mac’s mortgage securities programs in connection with the Single Security Initiative. The information contained in this preliminary draft Offering Circular is not complete and may be changed. We will not sell any securities pursuant to this preliminary draft Offering Circular. This preliminary draft Offering Circular is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. Before you invest, you should read the Offering Circular, once available in final form, for more complete information about the offering. Once available, you will be able to obtain for free the final Offering Circular on Freddie Mac’s website, www.freddie.com/mbs.

If you intend to exchange your Eligible Securities for the related Mirror Certificates, you should rely on the information in the Exchange Circular, this Offering Circular, the applicable Mirror Pool Supplement, and in the disclosure documents that we incorporate by reference in this Offering Circular. We have not authorized anyone to provide you with different information.

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

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

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FREDDIE MAC

General

Freddie Mac was chartered by Congress in 1970 under the Federal Home Loan Mortgage Corporation Act (the “**Freddie Mac Act**”) with a public mission to stabilize the nation’s residential mortgage markets and expand opportunities for homeownership and affordable rental housing.

Our statutory mission is to provide liquidity, stability and affordability to the U.S. housing market. We fulfill our mission by purchasing, securitizing, and providing our credit guarantee for residential mortgages and by investing in mortgages and mortgage-related securities. We do not originate mortgage loans or lend money directly to consumers.

Although we are chartered by Congress, we alone are responsible for making payments on our securities. Payments on our Mirror Certificates are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac.

Our statutory mission, as defined in our charter, is to:

- Provide stability in the secondary market for residential mortgages;
- Respond appropriately to the private capital market;
- Provide ongoing assistance to the secondary market for residential mortgages (including activities relating to mortgages for low- and moderate-income families, involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and
- Promote access to mortgage credit throughout the U.S. (including central cities, rural areas and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

Conservatorship

We continue to operate under the conservatorship that commenced on September 6, 2008, conducting our business under the direction of the Federal Housing Finance Agency (“**FHFA**”), our conservator (the “**Conservator**”). To address deficits in our net worth, FHFA, as Conservator, entered into a senior preferred stock purchase agreement (as amended, the “**Purchase Agreement**”) with the U.S. Department of the Treasury (“**Treasury**”), and (in exchange for an initial commitment fee of senior preferred stock and warrants to purchase common stock) Treasury made a commitment to provide funding, under certain conditions. We are dependent upon the continued support of Treasury and FHFA in order to continue operating our business. Our ability to access funds from Treasury under the Purchase Agreement is critical to keeping us solvent and avoiding appointment of a receiver by FHFA under statutory mandatory receivership provisions. See the Incorporated Documents for additional information regarding our conservatorship, the Purchase Agreement and the uncertainty surrounding our future.

ADDITIONAL INFORMATION

Our common stock is registered with the Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934 (“Exchange Act”). As a result, we file reports and other information with the SEC.

As described below, we incorporate certain documents by reference in this Offering Circular, which means that we are disclosing information to you by referring you to those documents rather than by providing you with separate copies. We incorporate by reference in this Offering Circular:

- Our most recent Annual Report on Form 10-K, filed with the SEC.
- All other reports we have filed with the SEC pursuant to Section 13(a) of the Exchange Act since the end of the year covered by that Form 10-K, excluding any information “furnished” to the SEC on Form 8-K.
- All documents that we file with the SEC pursuant to Section 13(a), 13(c) or 14 of the Exchange Act after the date of this Offering Circular and prior to the termination of the offering of the Mirror Certificates, excluding any information we “furnish” to the SEC on Form 8-K.
- The Exchange Circular dated [], 2019.
- The Mirror Pool Supplement relating to each Mirror Certificate and the related Eligible Security that backs such Mirror Certificate.
- The current offering circular for our Uniform Mortgage-Backed Securities and Mortgage-Backed Securities and any related supplements (together, the “**UMBS and MBS Offering Circular**”).
- The current offering circular for our Supers Uniform Mortgage-Backed Securities and Giant Mortgage-Backed Securities and any related supplements (together, the “**Supers Offering Circular**”).
- The current offering circular for our Mortgage Participation Certificates and any related supplements (together, the “**PC Offering Circular**”).
- The current offering circular for our Giant and Other Pass-Through Certificates and any related supplements (together, the “**Giant Offering Circular**”).

These documents are collectively referred to as the “**Incorporated Documents**” and are considered part of this Offering Circular. You should read this Offering Circular and the related Mirror Pool Supplement in conjunction with the Incorporated Documents. Information that we incorporate by reference will automatically update information in this Offering Circular. Therefore, you should rely only on the most current information provided or incorporated by reference in this Offering Circular and the related supplement.

You may read and copy any document we file with the SEC at the SEC’s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. The SEC also maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding companies that file electronically with the SEC.

You can obtain, without charge, copies of this Offering Circular, the Incorporated Documents, the Mirror Certificates Trust Agreement and the related Mirror Pool Supplements under which Mirror Certificates are issued from:

Freddie Mac — Investor Inquiry
1551 Park Run Drive, Mailstop D50
McLean, Virginia 22102-3110
Telephone: 1-800-336-3672
(571-382-4000 within the Washington, D.C. area)
E-mail: Investor_Inquiry@freddiemac.com

We also make these documents available on our internet website at this address:

Internet Website*: www.freddiemac.com

* We are providing this and other internet addresses solely for the information of investors. We do not intend these internet addresses to be active links and we are not using references to these addresses to incorporate additional information into this Offering Circular or any supplement, except as specifically stated in this Offering Circular.

This Offering Circular relates to Mirror Certificates issued on and after August 1, 2018. Under the Mirror Certificates Trust Agreement described in this Offering Circular, Freddie Mac has agreed to act as Trustee for and to administer all Mirror Certificates substantially in accordance with the Mirror Certificates Trust Agreement, as described in this Offering Circular. See *The Mirror Certificates Trust Agreement*.

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SUMMARY

This summary highlights selected information about the Mirror Certificates. Before exchanging an Eligible Security for a Mirror Certificate, you should read the Exchange Circular, the remainder of this Offering Circular, the applicable Mirror Pool Supplement and the other Incorporated Documents. You should rely on the information in the applicable Mirror Pool Supplement if it is different from the information in this Offering Circular.

Depositor, Trustee, Administrator and Guarantor

Federal Home Loan Mortgage Corporation, or “Freddie Mac,” a shareholder-owned government-sponsored enterprise.

On September 6, 2008, the Director of FHFA placed Freddie Mac into conservatorship pursuant to authority granted by the Federal Housing Finance Regulatory Reform Act of 2008 (the “Reform Act”). As Conservator, FHFA immediately succeeded to all rights, titles, powers and privileges of Freddie Mac, and of any stockholder, officer or director of Freddie Mac, with respect to Freddie Mac and the assets of Freddie Mac. For additional information regarding our conservatorship, see *Freddie Mac — Conservatorship and Risk Factors — Governance Factors*.

Mirror Certificates and the Exchange Offer

As Depositor, we transfer and deposit Eligible Securities that have been delivered to us pursuant to the Exchange Offer into various “Mirror Pass-Through Pools” established pursuant to the Mirror Certificates Trust Agreement and applicable Mirror Pool Supplements. As Administrator, on behalf of the Trustee for these Mirror Pass-Through Pools, we create and issue under the Mirror Certificates Trust Agreement and applicable Mirror Pool Supplements Mirror Certificates representing beneficial ownership interests in such Mirror Pass-Through Pools, each of which pool contains an Eligible Security.

Freddie Mac will also pay to Holders that effect exchanges of Eligible Securities for related Mirror Certificates a one-time payment (the “Float Compensation”) to compensate those Holders for the difference in Payment Delay between the delivered Eligible Securities and the related Mirror Certificates. The Float Compensation and the other terms, obligations and conditions of, and risks associated with, the Exchange Offer are described in the Exchange Circular.

Assets and Mortgages

The assets in each Mirror Pass-Through Pool include the related applicable Eligible PC or Eligible Giant PC, all proceeds of such Eligible Security, amounts on deposit in a custodial account of collections from such Eligible Security and the right to receive payments pursuant to our guarantee. The mortgages (the “Mortgages”) underlying the Eligible Securities are secured by single-family residential properties,

and have either a fixed rate or, in the case of **“Modified Mortgages with Step Rate Increases,”** an adjustable step rate.

Payments	As Administrator, Freddie Mac passes through any payment of principal and interest due on a Mirror Certificate monthly on the applicable Payment Date. As described in more detail later, Payment Dates fall on or about the 25th of each month.
• Interest	Freddie Mac pays interest on each Mirror Certificate at its coupon. Interest payable on a Payment Date accrues during the monthly accrual period specified in this Offering Circular or the applicable Mirror Pool Supplement.
• Principal	Mirror Certificates receive principal payments in the same amounts and the same periods as their underlying Eligible Securities.
Trustee	Freddie Mac serves as Trustee for each Mirror Certificate pursuant to the terms of the Mirror Certificates Trust Agreement.
Accounting Considerations	You should consult (i) the Exchange Circular and your own accountant regarding the appropriate accounting treatment of an exchange of an Eligible Security for a Mirror Certificate and (ii) your own accountant regarding the appropriate accounting treatment for Mirror Certificates.
Form of Mirror Certificates	Mirror Certificates are issued, held and transferable on the book-entry system of the Federal Reserve Banks (the “Fed System”).
Holders	As an investor in Mirror Certificates, you are not necessarily the Holder of those Mirror Certificates. You will ordinarily hold your Mirror Certificates through one or more financial intermediaries. Your rights as an investor may be exercised only through the Holder of your Mirror Certificates, and Freddie Mac may treat the Holder as the absolute owner of your Mirror Certificates. The term “Holder” means any entity that appears on the records of a Federal Reserve Bank as a holder.
Tax Status	We will classify each Mirror Pass-Through Pool as a grantor trust. As an investor in Mirror Certificates, you will be treated as the owner of a pro rata undivided interest in the ordinary income and the principal of the related grantor trust, and will be considered the owner of a pro rata undivided interest in each of the underlying Mortgages. You should be aware that special rules may apply with respect to Mirror Certificates backed by Mortgages in which the beneficial interests in the principal and interest payments are part of a REMIC or are High LTV Mortgages, as defined below. See <i>Certain Federal Income Tax Consequences</i> .

RISK FACTORS

Before exchanging your Eligible PCs or Eligible Giant PCs for the related Mirror Certificates, you should carefully read and consider the terms, obligations and conditions of, and the risks associated with, the Exchange Offer, all as described in the Exchange Circular.

Although we guarantee the payments on Mirror 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. Investors should carefully consider the risks described below and elsewhere in this Offering Circular, the related Mirror Pool Supplement, the Exchange Circular and the other Incorporated Documents before deciding to acquire a Mirror Certificate. You should also review the *Risk Factors* section of the PC Offering Circular and the Giant Offering Circular for discussions of the risks related to the related Eligible Securities and the underlying Mortgages. However, neither this Offering Circular nor those other documents describe all the possible risks of an investment in the Mirror Certificates that may result from your particular circumstances, nor do they project how the Mirror Certificates will perform under all possible interest rate and economic scenarios.

PREPAYMENT AND YIELD FACTORS:

Principal payment rates are uncertain. Principal payment rates on the Mirror Certificates will depend on the rates of principal payments on the underlying Mortgages. Mortgage principal payments include scheduled payments and full and partial prepayments, including prepayments that result from refinancings and other voluntary payments by borrowers and from the repurchase of Mortgages due to defaults or delinquencies, inaccurate representations or warranties or other factors. Mortgage prepayment rates fluctuate continuously and in some market conditions substantially. Therefore, we cannot predict the rate of prepayments on the assets or the rate of principal payments on the related Mirror Certificates.

Substantial repurchases of seriously delinquent Mortgages could materially affect the prepayment rates of the assets backing your Mirror Certificates. We currently repurchase from our PC pools substantially all Mortgages that are 120 days or more delinquent. We effect these repurchases primarily because the cost of guarantee payments to PC holders, including advances of interest at the PC coupon, for most nonperforming Mortgages exceeds the cost of holding these nonperforming Mortgages in our mortgage-related investments portfolio as a result of the required adoption in January 2010 of certain accounting standards and changing economics. In addition, these Mortgage repurchases help us preserve capital and reduce the amount of any additional draws under our Purchase Agreement with Treasury.

We expect to continue our current repurchase practices as long as they are economically beneficial. However, we will continue to review the economics of repurchasing Mortgages that are 120 days or more delinquent in the future and may reevaluate our delinquent Mortgage repurchase practices and alter them if circumstances warrant.

Increased Mortgage refinance, modification and other loss mitigation programs could materially affect Mortgage prepayment speeds. Working with our Conservator, we have significantly increased our refinance, loan modification and foreclosure prevention efforts (such as foreclosure suspensions) since we entered into conservatorship.

Depending on the level of borrower response to our loan modification initiatives and the number of borrowers who qualify for such refinancings and modifications, the increase in prepayments on

certain Mortgages could be material. Generally, refinancings and modifications of Mortgages result in prepayments to investors in an amount equal to the unpaid principal balance of the affected Mortgages. We cannot predict the number of borrowers who will qualify for these programs or the rate of prepayments on the related Mirror Certificates. However, borrowers that take advantage of such programs may later experience difficulties refinancing their Mortgages on market terms, which may later decrease prepayments on such modified or refinanced Mortgages as a result.

Mortgage prepayments are affected by many factors and are unpredictable. The rates of prepayments of Mortgages, and therefore the rates of principal payments on the Mirror Certificates, are influenced by a variety of economic, social and other factors, including local and regional economic conditions, homeowner mobility and the availability of, and costs associated with, alternative financing.

Such factors, which may be affected by our loan modification initiatives, include but are not limited to prevailing mortgage interest rates, Mortgage characteristics, such as the geographic location of the mortgaged properties, loan size, loan-to-value (“LTV”) ratios or year of origination, borrower characteristics (such as credit scores) and equity positions in their houses, availability and convenience of refinancing, prevailing servicing fee rates and the availability of our loan modification initiatives. In addition, the rate of defaults and resulting repurchases of the Mortgages, and repurchases due to (i) breaches of representations and warranties by Mortgage sellers, (ii) servicing violations by Mortgage servicers (presently, we have a backlog of such repurchase requests to Mortgage sellers and servicers), (iii) modification, such as may occur upon a borrower’s successful completion of a trial period under one of our loan modification initiatives, or (iv) refinancing as a result of an actual or imminent default, could also affect prepayment rates and adversely affect the yield on your Mirror Certificates.

Prepayments can reduce your yield. Your yield on a Mirror Certificate will depend on (i) its price or, in the case of a Mirror Certificate acquired through the Exchange Offer, the price you paid for the related underlying Eligible Security, (ii) the rate of prepayments on its underlying Mortgages and (iii) the other characteristics of the underlying Mortgages. The Mortgages may be prepaid at any time, in most cases without penalty.

- If you acquire your Mirror Certificate or, in the case of the Exchange Offer, you acquired the related underlying Eligible Security, at a discount to its principal amount and the rate of principal payments is slower than you expect, you will receive payments over a longer period than you expect, so the yield on your investment will be lower than you expect.
- If you acquire your Mirror Certificate or, in the case of the Exchange Offer, you acquired the related underlying Eligible Security, at a premium over its principal amount and the rate of principal payments is faster than you expect, you will receive payments over a shorter period than you expect, so the yield on your investment will be lower than you expect.
- In general, the rate of prepayments early in your investment has the greatest effect on your yield to maturity. A negative effect on your yield produced by principal prepayments at a higher (or lower) rate than you expect in the period immediately following your acquisition of your Mirror Certificate is not likely to be fully offset by an equivalent reduction (or increase) in that rate in later periods.

Reinvestment of principal payments may produce lower yields; expected principal payments may not be available for reinvestment. Mortgages tend to prepay fastest when current interest rates

are low. When you receive principal payments in a low interest rate environment, you may not be able to reinvest them in comparable securities with as high a yield as your Mirror Certificates. When current interest rates are high, Mortgages tend to prepay more slowly and your ability to reinvest principal payments could be delayed. If the yield on comparable investments is higher than the yield of your Mirror Certificates at that time, you could be disadvantaged by not receiving principal for reinvestment as quickly as you expected.

General economic conditions could adversely affect your Mirror Certificates. Changes in economic conditions and the condition of the residential housing market could adversely affect your Mirror Certificates in a number of ways. The rate and number of mortgage payment delinquencies remain high. The condition of the economy and the housing market have made it difficult or impossible for many borrowers to sell their homes or refinance their mortgages.

If the U.S. economy is weak, we could experience continued high payment defaults on Mortgages. Payment defaults on Mortgages could result in accelerated prepayments of your Mirror Certificates as a result of our repurchase practices relating to seriously delinquent Mortgages and Mortgage modifications, refinancings, foreclosures or workouts. The rate of such refinancings and modifications could remain high as a result of our refinance and loan modification initiatives. These developments could adversely affect the liquidity, pricing and yield of your Mirror Certificates. Payment and recovery of principal on your Mirror Certificates could depend on our ability to honor our guarantee obligations. See *Substantial repurchases of seriously delinquent Mortgages could materially affect the prepayment rates of the assets backing your Mirror Certificates* and *Increased Mortgage refinance, modification and other loss mitigation programs could materially affect Mortgage prepayment speeds*.

INVESTMENT FACTORS:

Risks Pertaining to the Exchange Offer. Before exchanging your Eligible PCs or Eligible Giant PCs for the related Mirror Certificates, you should carefully read and consider the terms, obligations and conditions of, and the risks associated with, the Exchange Offer, all as described in the Exchange Circular.

The Mirror Certificates may not be suitable investments for you. The Mirror Certificates are complex securities. You, alone or together with your financial advisor, need to understand the risks of your investment. You need to be able to analyze the information in the related offering documents and the Incorporated Documents, as well as the economic, interest rate and other factors that may affect your investment. You also need to understand the terms of the Mirror Certificates and any investment restrictions that may apply to you. Because each investor has different investment needs and different risk tolerances, you should consult your own financial, legal, accounting and tax advisors to determine if the Mirror Certificates are suitable investments for you. If you require a definite payment stream, or a single payment on a specific date, the Mirror Certificates are not suitable investments for you. If you acquire Mirror Certificates, you need to have enough financial resources to bear all of the risks related to your investment.

The Mirror Certificates are subject to liquidity risk. Illiquidity can have a severely negative impact on the prices of the Mirror Certificates, especially those that are particularly sensitive to prepayment or interest rate risk. The Mirror Certificates are not traded on any exchange and the market price of Mirror Certificates or a benchmark price may not be readily available. A secondary market for some types of Mirror Certificates may not develop. Even if a market develops, it may not continue. As

a result, you may not be able to sell your Mirror Certificates easily or at prices that will allow you to realize your desired yield. The secondary markets for some Mirror Certificates may experience periods of illiquidity.

Assessments of the level of success of our Exchange Offer and the single security initiative, our financial condition, our conservatorship, uncertainty concerning our future structure and organization, including whether we will continue to exist, the level of governmental support for Freddie Mac and market perceptions or speculation concerning such factors could materially affect the liquidity and pricing of your Mirror Certificates. Moreover, adverse national or global financial developments may materially affect the liquidity and pricing of your Mirror Certificates. These include, among others: the disruption of international and domestic credit markets, recessionary or weak economic conditions in the U.S. and in foreign countries (including those countries that own and trade our Mirror Certificates and other mortgage-backed securities), severe contraction in the residential mortgage credit market and the demise and consolidation of several major securities broker-dealers and financial institutions (including substantial mortgage originators). See *Prepayment and Yield Factors — General economic conditions could adversely affect your Mirror Certificates.*

The Mirror Certificates are subject to market risk. The market value of your Mirror Certificates will vary over time, primarily in response to changes in prevailing interest rates. Financial, regulatory and legislative developments concerning Freddie Mac generally, including whether we are in conservatorship or receivership, could affect prices for your Mirror Certificates. In addition, any adverse change in the market perception of our level of governmental support or credit standing could reduce the market price of the Mirror Certificates. If you sell your Mirror Certificates when their market values are low, you may experience significant losses.

You may not be allowed to acquire Mirror Certificates. If you are subject to investment laws and regulations or to review by regulatory authorities, you may not be allowed to invest in some types of Mirror Certificates. If you acquire Mirror Certificates in violation of such laws or regulations, you may be compelled to divest such Mirror Certificates. See *Legal Investment Considerations.*

Potential conflicts of interest. In connection with the Mirror Certificates that we issue, we act in multiple roles — Trustee, Depositor, Administrator and Guarantor. Further, we act in these same roles with respect to the Eligible Securities that we issue. The master trust agreements pursuant to which our Eligible Securities are issued provide that in determining whether a Mortgage shall be repurchased from the related PC pool, we may in our capacities as the Administrator and Guarantor of our PCs consider factors as we deem appropriate, including the reduction of administrative costs (in the case of the Administrator) and possible exposure under our guarantee (in the case of the Guarantor). There is no independent third party engaged with respect to the Eligible Securities or Mirror Certificates to monitor and supervise our activities in our various roles. In connection with our roles as the Administrator and Guarantor of the Eligible Securities that we issue, we may take certain actions with respect to Mortgages that may adversely affect Mirror Certificate Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages backing Eligible Securities in certain situations. A Mortgage repurchase will be treated as a prepayment in full of the Mortgage being repurchased and will increase the prepayment speed of the related Mirror Certificate. See *Prepayment and Yield Factors — Substantial repurchases of seriously delinquent Mortgages could materially affect the prepayment rates of the assets backing your Mirror Certificates.*

FACTORS RELATED TO ALIGNMENT WITH FANNIE MAE AND THE SINGLE SECURITY INITIATIVE:

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COMMINGLING FACTORS:

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GOVERNANCE FACTORS:

The Conservator may repudiate our contracts, including our guarantee. As Conservator, FHFA may disaffirm or repudiate contracts (subject to certain limitations for qualified financial contracts) that we entered into prior to its appointment as Conservator if it determines, in its sole discretion, that performance of the contract is burdensome and that disaffirmation or repudiation of the contract promotes the orderly administration of our affairs. The Reform Act requires FHFA to exercise its right to disaffirm or repudiate most contracts within a reasonable period of time after its appointment as Conservator. In a final rule published in June 2011, FHFA defines a reasonable period of time to disaffirm or repudiate a contract following the appointment of a conservator or receiver to be 18 months.

The Conservator has advised us that it has no intention of repudiating any guarantee obligation relating to Freddie Mac's mortgage-related securities, including the Mirror Certificates, because it views repudiation as incompatible with the goals of the conservatorship. In addition, the Reform Act provides that mortgage loans and mortgage-related assets that have been transferred to a Freddie Mac securitization trust must be held for the beneficial owners of the related Freddie Mac mortgage-related securities, including the Mirror Certificates, and cannot be used to satisfy our general creditors.

If our guarantee obligations were repudiated, payments of principal and/or interest to Holders would be reduced in the event of any borrowers' late payments or failure to pay or a servicer's failure to remit borrower payments to the trust. In that case, trust administration and servicing fees could be paid from payments on the assets prior to distributions to Holders. Any actual direct compensatory damages owed due to the repudiation of our guarantee obligations may not be sufficient to offset any shortfalls experienced by Holders.

The Conservator also has the right to transfer or sell any asset or liability of Freddie Mac, including our guarantee obligation, without our approval, assignment or consent. If the Conservator were to transfer our guarantee obligation to another party, Holders would have to rely on that party for satisfaction of the guarantee obligation and would be exposed to the credit risk of that party.

Damages in event of the Conservator's repudiation of our guarantee are limited. In general, the liability of the Conservator for the disaffirmance or repudiation of any contract, including our guarantee, is limited to actual direct compensatory damages determined as of September 6, 2008, which is the date we were placed into conservatorship.

FHFA could terminate our conservatorship by placing us into receivership, which could adversely affect our guarantee, and restrict or eliminate certain rights of Holders. Under the Reform Act, FHFA must place us into receivership if the Director of FHFA determines in writing that our assets are, and for a period of 60 days have been, less than our obligations. FHFA has notified us that the measurement period for any mandatory receivership determination with respect to our assets and obligations would commence no earlier than the SEC public filing deadline for our quarterly or annual financial statements and would continue for 60 calendar days after that date. FHFA has also advised us that, if, during that 60-day period, we receive funds from Treasury in an amount at least equal to the deficiency amount under the Purchase Agreement, the Director of FHFA will not make a mandatory receivership determination.

In addition, we could be put into receivership at the discretion of the Director of FHFA at any time for a number of reasons as set forth under the Reform Act. In addition, FHFA could be required to place us into receivership if Treasury is unable to provide us with funding requested under the

Purchase Agreement to address a deficit in our net worth. Treasury might not be able to provide the requested funding if, for example, the U.S. government were not fully operational because Congress had failed to approve funding or if the U.S. government reached its borrowing limit and, as a result, Treasury was unable to obtain funds sufficient to cover the request.

Being placed into a receivership would terminate the current conservatorship. The appointment of FHFA as our receiver would terminate all rights and claims that our stockholders and creditors may have against our assets or under our charter arising as a result of their status as stockholders or creditors, other than the potential ability to be paid upon our liquidation. Unlike conservatorship, the purpose of which is to conserve our assets and return us to a sound and solvent condition, the purpose of receivership is to liquidate our assets and resolve claims against us. Several bills considered by Congress in the past several years provided for Freddie Mac to eventually be placed into receivership.

If FHFA were to become our receiver, it could exercise certain powers that could adversely affect Holders. As receiver, FHFA could repudiate any contract entered into by us prior to its appointment as receiver if FHFA determines, in its sole discretion, that performance of the contract is burdensome and that repudiation of the contract promotes the orderly administration of our affairs. The Reform Act requires that any exercise by FHFA of its right to repudiate any contract occur within a reasonable period following its appointment as receiver.

If FHFA, as receiver, were to repudiate our guarantee obligations, the receivership estate would be liable for actual direct compensatory damages as of the date of receivership under the Reform Act. Any such liability could be satisfied only to the extent our assets were available for that purpose. Moreover, if our guarantee obligations were repudiated, payments of principal and/or interest to Holders would be reduced in the event of any borrowers' late payments or failure to pay or a servicer's failure to remit borrower payments to the trust. In that case, trust administration and servicing fees could be paid from payments on the assets prior to distributions to Holders of Mirror Certificates. Any actual direct compensatory damages owed due to the repudiation of our guarantee obligations may not be sufficient to offset any shortfalls experienced by Holders.

In its capacity as receiver, FHFA would have the right to transfer or sell any asset or liability of Freddie Mac, including our guarantee obligation, without any approval, assignment or consent of any party. If FHFA, as receiver, were to transfer our guarantee obligation to another party, Holders would have to rely on that party for satisfaction of the guarantee obligation and would be exposed to the credit risk of that party.

During a receivership, certain rights of Holders of Mirror Certificates under the Mirror Certificates Trust Agreement may not be enforceable against FHFA, or enforcement of such rights may be delayed. The Mirror Certificates Trust Agreement provides that upon the occurrence of a Guarantor event of default, which includes the appointment of a receiver, Holders have the right to replace Freddie Mac as Trustee and Administrator if the requisite percentage of Holders consent. Pursuant to the Reform Act, FHFA, as receiver, may prevent Holders from enforcing their rights to replace Freddie Mac as Trustee and Administrator if the event of default arises solely because a receiver has been appointed.

The Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Freddie Mac is a party, or obtain possession of or exercise control over any property of Freddie Mac, or affect any contractual rights of Freddie Mac, without the approval of FHFA as receiver, for a period of 90 days following the appointment of FHFA as receiver.

If we are placed into receivership and do not or cannot fulfill our guarantee obligation to Holders of Mirror Certificates, Holders could become unsecured creditors of Freddie Mac with respect to claims made under our guarantee. For a description of certain rights of Holders to proceed against the Treasury if we fail to pay under our guarantee, see *The Mirror Certificates Trust Agreement — Rights Upon Event of Default*.

See the Incorporated Documents for additional information regarding the possible implications of a receivership.

APPLICATION OF PROCEEDS

Mirror Certificates are issued in exchange for the underlying Eligible Securities, so we do not receive cash proceeds.

CREDIT RISK RETENTION

Freddie Mac, as the sponsor of the securitizations in which the Mirror Certificates are to be issued, will satisfy its credit risk retention requirement under the FHFA's Credit Risk Retention Rule at 12 C.F.R. Part 1234 pursuant to Section 1234.8 thereof. Freddie Mac is currently operating under the conservatorship of the FHFA with capital support from the United States and will fully guarantee the timely payment of principal and interest on all the Mirror Certificates.

DESCRIPTION OF MIRROR CERTIFICATES

GENERAL

As Depositor, we transfer and deposit applicable Eligible Securities into Mirror Pass-Through Pools. As Administrator, on behalf of the Trustee, we create and issue Mirror Certificates under the Mirror Certificates Trust Agreement and applicable Mirror Pool Supplements representing interests in those pools. Each Mirror Pass-Through Pool has its own identification number assigned by us, as Administrator. The Eligible Securities in the Mirror Pass-Through Pools are backed by Mortgages that we have purchased.

As Trustee, we hold legal title to the Eligible Security in each related Mirror Pass-Through Pool for the benefit of the investors in the related Mirror Certificate.

MIRROR CERTIFICATES

Each Mirror Certificate is a single-class security entitled to payments of both principal and interest received on the related Eligible Security. When we issue a Mirror Certificate, we form a Mirror Pass-Through Pool that consists of the related Eligible Security.

Mirror Certificates bear interest at a fixed rate or a step rate. A fixed rate Mirror Certificate has the same fixed interest rate as the related underlying Eligible Security. The interest rate of a step rate Mirror Certificate adjusts annually based on the weighted average of the interest rates of the Modified Mortgages with Step Rate Increases backing the related Eligible Security when such Mortgages are in their adjustment period. The interest rates on all of the Modified Mortgages with Step Rate Increases backing a step rate Mirror Certificate adjust based on the same means of adjustment, but do not necessarily adjust on the same date.

MIRROR PASS-THROUGH POOL ASSETS

General

Each Mirror Pass-Through Pool will contain an Eligible Security. This section describes the general characteristics of Eligible Securities, which directly or indirectly back our Mirror Certificates.

The Mirror Certificates consist of the following four types of pass-through securities: UMBS Mirror Certificates, Supers UMBS Mirror Certificates, MBS Mirror Certificates, and Giant MBS Mirror Certificates. For all of these securities, there is a delay of [approximately] 55 days between the time interest begins to accrue and the time the securityholder receives its interest payment. This time period is a **“Payment Delay.”** As indicated below, Mirror Certificates can be distinguished by, among other features, whether they represent undivided beneficial interests in pools of residential fixed-rate Mortgages that are eligible for the to-be-announced (**“TBA”**) market.

TBA-Eligible Mirror Certificates

UMBS Mirror Certificates. Each UMBS Mirror Certificate is backed by an Eligible PC, is a single-class security, and is guaranteed by Freddie Mac. These Eligible PCs have a 45-day Payment Delay and represent undivided beneficial interests in pools of residential fixed-rate Mortgages that are eligible for the TBA market. All Mortgages that back these Eligible PCs are conventional mortgages, which means that neither the United States nor any federal agency or instrumentality guarantees or insures them.

Supers UMBS Mirror Certificates. Each Supers UMBS Mirror Certificate is backed by an Eligible Giant PC, is a single-class security, and is guaranteed by Freddie Mac. These Eligible Giant PCs have a 45-day Payment Delay and are backed by other Eligible Giant PCs or Eligible PCs that represent undivided beneficial interests in pools of residential fixed-rate Mortgages that are eligible for the TBA market. All Mortgages that back these Eligible Giant PCs are conventional mortgages.

Non-TBA-Eligible Mirror Certificates

MBS Mirror Certificates. Each MBS Mirror Certificate is backed by an Eligible PC, is a single-class security, and is guaranteed by Freddie Mac. These Eligible PCs have a 45-day Payment Delay and represent undivided beneficial interests in special types of Mortgages that do not qualify for the TBA market, such as Relocation Mortgages, Cooperative Share Mortgages, Extended Buydown Mortgages, Modified Mortgages, Modified Mortgages with Step Rate Increases, High LTV Mortgages, and Super-Conforming Mortgages, each as defined in the PC Offering Circular. These types of Mortgages may prepay differently than standard Mortgages. Nearly all Mortgages that back these Eligible PCs are conventional mortgages. Certain of these Eligible PCs represent interests in other special types of Mortgages that we no longer purchase, such as Initial Interest Mortgages or Prepayment Penalty Mortgages, each as defined in PC Offering Circular.

Giant MBS Mirror Certificates. Each Giant MBS Mirror Certificate is backed by an Eligible Giant PC, is a single-class security, and is guaranteed by Freddie Mac. These Eligible Giant PCs have a 45-day Payment Delay and are backed by other Giant PCs or PCs that represent undivided beneficial interests in special types of Mortgages that do not qualify for the TBA market, such as Relocation Mortgages, Cooperative Share Mortgages, Extended Buydown Mortgages, Modified Mortgages, Modified Mortgages with Step Rate Increases, High LTV Mortgages, and Super-Conforming Mortgages, each as defined in the PC Offering Circular. These types of Mortgages may prepay

differently than standard Mortgages. Nearly all Mortgages that back these Eligible Giant PCs are conventional mortgages. Certain of these Eligible Giant PCs represent interests in other special types of Mortgages that we no longer purchase, such as Initial Interest Mortgages or Prepayment Penalty Mortgages, each as defined in PC Offering Circular.

See the prefix library on our internet website for information on how Mirror Certificate pool numbers and prefixes indicate the general type of Mortgages backing a particular Mirror Certificate.

In connection with the Mirror Certificates that we issue, we are acting in multiple roles. See *The Mirror Certificates Trust Agreement — Various Matters Regarding Freddie Mac — Potential Conflicts of Interest* in this Offering Circular and *Risk Factors — Investment Factors — Potential conflicts of interest* in the PC Offering Circular for information regarding possible conflicts of interest pertaining to the various roles fulfilled by Freddie Mac as the trustee, depositor, administrator and guarantor of the Mirror Certificates and the PCs. Our PC Offering Circular describes the characteristics of the various types of PCs.

Single Security Initiative

Under the direction of our conservator and regulator, the FHFA, we are offering the Mirror Certificates in exchange for the related Eligible Securities in furtherance of the single security initiative, which is intended to increase the liquidity of the TBA market and to reduce the disparities in trading value between our and Fannie Mae's single-class mortgage-related securities. In March 2017, FHFA published "An Update on Implementation of the Single Security and the Common Securitization Platform," which included the timeframe for implementation of Release 2 of the common securitization platform, planned for the second quarter of 2019. Release 2 will allow Freddie Mac and Fannie Mae to issue a single (common) mortgage-related security, to be called the Uniform Mortgage-Backed Security or "UMBS". Release 2 will add to the functionality of the platform by, among other things, enabling commingling of Freddie Mac UMBS, Supers (issued under the Supers Offering Circular), UMBS Mirror Certificates and Supers UMBS Mirror Certificates and Fannie Mae UMBS, Supers and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae in its securitization transactions. Pursuant to the Exchange Offer, Freddie Mac intends to offer an optional exchange program to enable holders to exchange existing 45-day Payment Delay Eligible Securities for (i) the applicable 55-day Payment Delay Mirror Certificates and (ii) the related Float Compensation.

With respect to the Mirror Certificates, UMBS Mirror Certificates and Supers UMBS Mirror Certificates can be commingled in resecuritizations with corresponding similar Fannie Mae UMBS, Supers, and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae. However, MBS Mirror Certificates and Giant MBS Mirror Certificates cannot be commingled with Fannie Mae securities.

Before exchanging your Eligible PCs or Eligible Giant PCs for the related Mirror Certificates, you should carefully read and consider the terms, obligations and conditions of, and the risks associated with, the Exchange Offer, all as described in the Exchange Circular.

PAYMENTS

Factors

As Administrator, we calculate and make available each month (including on our internet website) the Factor for each Mirror Certificate.

The **“Factor”** for any Mirror Certificate for any month is an exact decimal rounded to eight places which, when multiplied by the original principal amount of such Mirror Certificate (which is the same as the original principal amount of the related Eligible Security), will equal its remaining principal amount. The Factor for any month reflects payments of principal to be made on the Payment Date in the same month.

Factors will be available on or about the fifth Business Day (as defined below) of each month.

Payment Dates

As Administrator, we will make payments to the Holders of Mirror Certificates on each applicable Payment Date. The **“Payment Date”** will be the 25th of each month or, if the 25th is not a Business Day, the next Business Day.

For this purpose, **“Business Day”** means a day other than:

- A Saturday or Sunday.
- A day when the Federal Reserve Bank of New York (or other agent acting as Freddie Mac’s fiscal agent) is closed or, as to any Holder, a day when the Federal Reserve Bank that maintains the Holder’s account is closed.

Payments of Principal

On each Payment Date, we will pay principal to the Holders of Mirror Certificates. The Holders of a Mirror Certificate will receive principal payments on a pro rata basis.

For any Payment Date, you can calculate the amount of principal to be paid on a Mirror Certificate by multiplying its original principal amount (which is the same as the original principal amount of the related underlying Eligible Security) by the difference between its Factors for the preceding and current months.

Payments of Interest

Interest will accrue on each Mirror Certificate during each Accrual Period at the coupon of the Eligible Security backing such Mirror Certificate. Generally, we compute interest on the basis of a 360-day year of twelve 30-day months.

Interest will accrue on the principal amount of a Mirror Certificate as determined by its Factor for the month preceding the related Payment Date.

Unless otherwise provided in the applicable Mirror Pool Supplement, the **“Accrual Period”** relating to any Payment Date will be the calendar month preceding the month of such Payment Date.

Record Dates

As Administrator, we pass through payments on each Payment Date to Holders as of the related Record Date. The **“Record Date”** for any Payment Date is the close of business on the last day of the preceding month.

Final Payment Date

The **“Final Payment Date”** for each Mirror Certificate will be the Payment Date that occurs in the same month of the final payment date of the related underlying Eligible Security.

GUARANTEES

With respect to each Mirror Certificate, as Guarantor, we guarantee to the Trustee and to the Holders of such Mirror Certificate:

- The timely payment of interest at the applicable coupon.
- The payment of the principal amount of such Mirror Certificate as payments are made on the related underlying Eligible Security.
- The payment of the entire principal amount of such Mirror Certificate by the Final Payment Date for such Mirror Certificate.

We also guarantee the timely payment of interest and scheduled principal and the full and final payment of principal on the underlying Eligible Securities and the underlying Mortgages.

Principal and interest payments on the Mirror Certificates are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac.

FORM, HOLDERS AND PAYMENT PROCEDURES

Form and Denominations

Investors who own Mirror Certificates typically are not the Holders of those Mirror Certificates. Only banks and other entities eligible to maintain book-entry accounts with a Federal Reserve Bank (“**Fed Participants**”) may be Holders of Mirror Certificates held on the Fed System.

Mirror Certificates are subject to the regulations governing Freddie Mac’s book-entry securities and any procedures that Freddie Mac and a Federal Reserve Bank may agree to. These regulations and procedures relate to the issuance and recordation of, and transfers of interests (including security interests) in, all of Freddie Mac’s book-entry securities held on the Fed System, regardless of when the securities were issued. Fed Participants’ individual accounts are governed by operating circulars and letters of the Federal Reserve Banks.

CUSIP Number. Each Mirror Certificate will have a unique nine-character designation, known as a “**CUSIP Number**,” used to identify that Mirror Certificate.

Denominations. Holders must hold and transfer their ownership interests in Mirror Certificates in minimum original principal amounts of \$1,000 and additional increments of \$1. A Holder may not transfer an ownership interest in a Mirror Certificate if, as a result of the transfer, the Holder would have remaining in its account an ownership interest in such Mirror Certificate having an original principal amount of less than \$1,000. A Holder of Mirror Certificates will also have to comply with any Federal Reserve Bank minimum wire transfer requirements.

Holders

A Holder of a Mirror Certificate is not necessarily its beneficial owner. Beneficial owners ordinarily will hold Mirror Certificates through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. For example, as an investor, you may hold a Mirror Certificate through a brokerage firm which, in turn, holds through a Fed Participant. In that case, you would be the beneficial owner and the participant would be the Holder.

A Holder that is not also the beneficial owner of a Mirror Certificate, and each other financial intermediary in the chain between the Holder and the beneficial owner, will be responsible for establishing and maintaining accounts for their customers. Freddie Mac and any Federal Reserve Bank will not have a direct obligation to a beneficial owner of a Mirror Certificate that is not also the Holder. A Federal Reserve Bank will act only upon the instructions of the Fed Participant in recording transfers of a Mirror Certificate.

Payment Procedures

Federal Reserve Banks will credit payments on Mirror Certificates to the appropriate Fed Participants.

Each Holder and each other financial intermediary will be responsible for remitting payments to the beneficial owners of a Mirror Certificate that it represents.

If a principal or interest payment error occurs, we may correct it by adjusting payments to be made on future Payment Dates or in any other manner we consider appropriate.

PREPAYMENT, YIELD AND SUITABILITY CONSIDERATIONS

PREPAYMENTS

The rates of principal payments on the Eligible Securities and the Mirror Certificates will depend on the rates of principal payments on the related Mortgages. Mortgage principal payments may be in the form of scheduled amortization or partial or full prepayments. Prepayments include:

- Voluntary prepayments by the borrower, as well as prepayments due to refinancings and modifications (including under our refinance and loan modification initiatives).
- Prepayments resulting from the repurchase or liquidation of Mortgages due to default, delinquency, inaccurate representations and warranties made by sellers or other factors.
- Liquidations resulting from casualty or condemnation.
- Payments made by Freddie Mac, as Guarantor, under its guarantee of principal (other than payments of scheduled principal).

Mortgages may be voluntarily prepaid in full or in part at any time, in most cases without payment of a penalty. We cannot make any representation regarding the likely prepayment experience of the Mortgages underlying any Eligible Securities and Mirror Certificates.

Mortgage prepayment rates are likely to fluctuate significantly over time. Prepayment rates are influenced by a variety of economic, social and other factors, including local and regional economic conditions, homeowner mobility and the availability of, and costs associated with, alternative financing.

Such factors, which may be affected by our loan modification initiatives, include but are not limited to prevailing mortgage interest rates, Mortgage characteristics, such as the geographic location of the mortgaged properties, loan size, LTV ratios or year of origination, borrower characteristics (such as credit scores) and equity positions in their houses, availability and convenience of refinancing, prevailing servicing fee rates and the availability of our loan modification initiatives. In addition, the rate of defaults and resulting repurchases of the Mortgages, and repurchases due to (i) breaches of

representations and warranties by Mortgage sellers. (ii) servicing violations by Mortgage servicers (presently, we have a backlog of such repurchase requests to Mortgage sellers and servicers), (iii) modification, such as may occur upon a borrower's successful completion of a trial period under one of our loan modification initiatives, or (iv) refinancing as a result of an actual or imminent default could also affect prepayment rates and adversely affect the yield on the Mirror Certificates.

Transfers of mortgaged properties also influence prepayment rates. The Mortgages underlying Eligible Securities generally include "due-on-transfer" clauses which provide that the holder of the Mortgage may demand full payment of the Mortgage upon the transfer of the mortgaged property. Freddie Mac, in most cases, requires mortgage servicers to enforce these clauses where permitted by applicable law.

The PC Offering Circular discusses additional features that can affect Mortgage prepayment rates and you should review the discussion of prepayments and yields in the PC Offering Circular.

YIELDS

In general, your yield on a Mirror Certificate will depend on several variables, including:

- The price you paid for the Mirror Certificate or, in the case of a Mirror Certificate acquired through the Exchange Offer, the price you paid for the related underlying Eligible Security.
- The rate of principal prepayments on the underlying Mortgages.
- The actual characteristics of the underlying Mortgages.
- In the case of a Mirror Certificate backed by an Eligible Security that in turn is backed by Modified Mortgages with Step Rate Increases, the levels of the interest rates on the underlying Eligible Security, as it may adjust from time to time.

You should carefully consider the yield risks associated with Mirror Certificates, including these:

- If you acquire a Mirror Certificate or, in the case of the Exchange Offer, you acquired the related underlying Eligible Security, at a discount to its principal amount and the rate of principal payments on the underlying Mortgages is slower than you expect, you will receive payments over a longer period than you expect, so the yield on your investment will be lower than you expect.
- If you acquire a Mirror Certificate or, in the case of the Exchange Offer, you acquired the related underlying Eligible Security, at a premium over its principal amount and the rate of principal payments on the underlying Mortgages is faster than you expect, you will receive payments over a shorter period than you expect, so the yield on your investment will be lower than you expect.
- In general, the rate of Mortgage prepayments early in your investment has the greatest effect on your yield to maturity. As a result, a negative effect on your yield produced by principal prepayments at a higher (or lower) rate than you expect in the period immediately following your acquisition of a Mirror Certificate is not likely to be offset by an equivalent reduction (or increase) in that rate in later periods.
- Mortgages tend to prepay fastest when prevailing interest rates are low. When this happens, you may not be able to reinvest your principal payments in comparable securities at as high a yield.

SUITABILITY

Mirror Certificates may not be suitable investments for you. You should review the Exchange Circular and the other Incorporated Documents and consider the following before you invest in Mirror Certificates.

- Mirror Certificates are not appropriate investments if you require a single lump sum payment on a date certain, or if you require an otherwise definite payment stream.
- You may not be able to sell your Mirror Certificates easily or at prices that will allow you to realize your desired yield.
- The market values of your Mirror Certificates are likely to fluctuate, primarily in response to changes in prevailing interest rates. Such fluctuations may result in significant losses to you.
- The secondary markets for mortgage-related securities have experienced periods of illiquidity in the past and can be expected to do so in the future, which could affect the secondary market for Mirror Certificates. Illiquidity can have a severely negative effect on the prices of Mirror Certificates, especially those backed by Eligible Securities that are particularly sensitive to prepayment, redemption [or interest rate risk] or that have been structured to meet the investment needs of limited categories of investors. In addition, illiquidity could result from the number of investors who decide to accept our Exchange Offer, our financial condition, the conservatorship, uncertainty concerning our future structure, organization, or level of government support and market perceptions or speculation.
- Only certain TBA-eligible Mirror Certificates may be eligible to back certain Freddie Mac REMIC classes or other Freddie Mac structured transactions. This may impair the liquidity of Mirror Certificates that are ineligible in that respect.
- Mirror Certificates are complex securities. Before investing in a Mirror Certificate, you should be able, either alone or with a financial advisor, to evaluate the information contained and incorporated in the Exchange Circular, this Offering Circular and the related Mirror Pool Supplement. You should evaluate the information in the context of your personal financial situation and your views on possible and likely interest rate and economic scenarios.

The Exchange Circular and this Offering Circular do not describe all the possible risks of accepting our Exchange Offer and exchanging your Eligible Securities for related Mirror Certificates that may result from your particular circumstances, nor does it project how Mirror Certificates will perform under all possible interest rate and economic scenarios. You should exchange your Eligible Securities for Mirror Certificates only if you understand and can bear the risks associated with Mirror Certificates under a variety of interest rate and economic scenarios. If you exchange your Eligible Securities for Mirror Certificates, you need to have enough financial resources to bear all the risks related to your Mirror Certificates.

THE MIRROR CERTIFICATES TRUST AGREEMENT

Under the Mirror Certificates Master Trust Agreement dated [] (the “**Mirror Certificates Trust Agreement**”), as Depositor, we transfer and deposit Eligible Securities that have been transferred to us pursuant to the Exchange Offer into corresponding Mirror Pass-Through Pools. As Administrator, on behalf of the Trustee, we create and issue Mirror Certificates under the Mirror Certificates Trust Agreement.

The following summary describes various provisions of the Mirror Certificates Trust Agreement. This summary is not complete. You should refer to the Mirror Certificates Trust Agreement if you would like further information about its provisions. You can obtain copies of the Mirror Certificates Trust Agreement from our Investor Inquiry Department as shown under *Additional Information*. Your receipt and acceptance of a Mirror Certificate constitutes your unconditional acceptance of all the terms of the Mirror Certificates Trust Agreement.

TRANSFER OF ASSETS TO MIRROR PASS-THROUGH POOL

The Eligible Security deposited in each Mirror Pass-Through Pool will be identified to that Mirror Pass-Through Pool in our corporate records. As Trustee, we will hold legal title to these Eligible Securities for the benefit of each Mirror Pass-Through Pool and the Holders of the related Mirror Certificates.

VARIOUS MATTERS REGARDING FREDDIE MAC

Freddie Mac in its Corporate Capacity

Freddie Mac, in its corporate capacity, and its directors, officers, employees and agents will not be liable to Holders for any action taken or omitted in good faith or for errors in judgment. However, they will not be protected against any liability that results from their willful misfeasance, bad faith, gross negligence or reckless disregard of their obligations.

The Mirror Certificates Trust Agreement requires Freddie Mac, as Administrator, to administer Mirror Pass-Through Pool assets using the same standards as for similar assets that it owns. Holders will not be able to direct or control Freddie Mac’s actions under the Mirror Certificates Trust Agreement, unless an Event of Default occurs.

Except with regard to its guarantee obligations or other payment obligations, Freddie Mac will not be liable for any Holder’s direct damages unless Freddie Mac has failed to exercise the same degree of ordinary care that it exercises in the conduct of its own affairs. Freddie Mac will not be liable for any Holder’s consequential damages.

In addition, Freddie Mac need not appear in any legal action that is not incidental to its responsibilities under the Mirror Certificates Trust Agreement and that we believe may result in any expense or liability. However, Freddie Mac may undertake any legal action that we believe is necessary or desirable in the interests of the Holders. Freddie Mac will bear the legal costs of any such action.

Freddie Mac may acquire all or part of the Mirror Certificates issued pursuant to the Exchange Offer. Except as described under *Rights Upon Event of Default* and *Voting Rights* below, Mirror Certificates we hold will be treated the same as Mirror Certificates [of the same class] held by other Holders.

The Mirror Certificates Trust Agreement will be binding upon any successor to Freddie Mac.

Custodial Account

We are responsible as the Administrator under the Mirror Certificates Trust Agreement for certain duties.

As Administrator, we hold funds that are received from the Eligible Securities and used to pay Holders in an account or accounts separate from our own corporate funds. Such separate account(s), collectively, are called the custodial account and funds held in the custodial account are held in trust for the benefit of Holders of Mirror Certificates. The custodial account is the account from which Holders are paid. Amounts on deposit in the custodial account may be commingled with funds for all Mirror Pass-Through Pools and for other Freddie Mac mortgage securities (and temporarily with other collections on Mortgages) and are not separated on a Mirror Pass-Through Pool by Mirror Pass-Through Pool basis. As Administrator, we are entitled to investment earnings on funds on deposit in the custodial account and we are responsible for any losses. Holders are not entitled to any investment earnings from the custodial account. We may invest funds in the custodial account in eligible investments set forth in the Mirror Certificates Trust Agreement prior to distribution to Holders.

Certain Matters Regarding Our Duties as Trustee

We serve as Trustee under the Mirror Certificates Trust Agreement. We may resign from our duties as Trustee under the Mirror Certificates Trust Agreement upon providing 90 days' advance written notice. Our resignation would not become effective until a successor has assumed our duties. Even if our duties as Trustee under the Mirror Certificates Trust Agreement terminate, we still would be obligated under our guarantee.

Under the Mirror Certificates Trust Agreement, the Trustee may consult with and rely on the advice of counsel, accountants and other advisors, and the Trustee will not be responsible for errors in judgment or for anything it does or does not do in good faith if it so relies. This standard of care also applies to our directors, officers, employees and agents. We are not required, in our capacity as Trustee, to risk our funds or incur any liability if we do not believe those funds are recoverable or we do not believe adequate indemnity exists against a particular risk. This does not affect our obligations as Guarantor.

We are indemnified by each Mirror Pass-Through Pool for actions we take in our capacity as Trustee in connection with the administration of that Mirror Pass-Through Pool. Officers, directors, employees and agents of the Trustee are also indemnified by each Mirror Pass-Through Pool with respect to that Mirror Pass-Through Pool. Nevertheless, neither we nor they will be protected against any liability if it results from willful misfeasance, bad faith or gross negligence or as a result of reckless disregard of our duties. The Trustee is not liable for consequential damages.

The Mirror Certificates Trust Agreement provides that the Trustee or the Administrator, on its behalf, may, but is not obligated to, undertake any legal action that it deems necessary or desirable in the interests of Holders. The Trustee or the Administrator, on its behalf, may be reimbursed for the legal expenses and costs of the action from the assets of the Mirror Pass-Through Pool. Any such reimbursement will not affect our guarantee obligations.

Potential Conflicts of Interest

In connection with the Mirror Certificates that we issue, we are acting in multiple roles — Trustee, Depositor, Administrator and Guarantor. Further, we act in these same roles with respect to the Eligible Securities. The PC Master Trust Agreement dated as of _____, 2019, as amended, modified or supplemented (the “**PC Trust Agreement**”) provides that in determining whether a Mortgage shall be repurchased from the related Eligible PC pool, we may in our capacities as Administrator and Guarantor of our Eligible PCs consider factors as we deem appropriate, including the reduction of administrative costs (in the case of the Administrator) and possible exposure under our guarantee (in the case of the Guarantor). There is no independent third party engaged with respect to the Eligible Securities or Mirror Certificates to monitor and supervise our activities in our various roles. In connection with our roles as Administrator and Guarantor of the Eligible Securities that we issue, we may take certain actions with respect to Mortgages that may adversely affect Mirror Certificate Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages from Eligible PC pools in certain situations. A Mortgage repurchase will be treated as a prepayment in full of the Mortgage being repurchased and will increase the prepayment speed of the related Eligible Security and Mirror Certificate. See *Risk Factors — Prepayment and Yield Factors — Substantial repurchases of seriously delinquent Mortgages could materially affect the prepayment rates of the assets backing your Mirror Certificates.*

EVENTS OF DEFAULT

“**Events of Default**” under the Mirror Certificates Trust Agreement are:

- Any failure by Freddie Mac, as Guarantor or Administrator, to pay principal or interest that lasts for 30 days.
- Any failure by Freddie Mac, as Guarantor or Administrator, to perform in any material way any other obligation under the Mirror Certificates Trust Agreement, if the failure lasts for 60 days after Freddie Mac receives written notice from the Holders of at least 60% of the outstanding principal amount of an affected Mirror Certificate.
- Specified events of bankruptcy, insolvency or similar proceedings involving Freddie Mac, including the appointment of a receiver, liquidator, assignee, custodian or sequestrator or similar official for Freddie Mac (but not including the appointment of a conservator or similar official for Freddie Mac).

RIGHTS UPON EVENT OF DEFAULT

If an Event of Default under the Mirror Certificates Trust Agreement is not remedied, the Holders of at least 50% of the then outstanding principal amount of any affected Mirror Certificate may remove Freddie Mac as Administrator and nominate a successor as to that Mirror Pass-Through Pool. That nominee will replace Freddie Mac as Administrator unless Freddie Mac objects within ten days after the nomination. In that event, either Freddie Mac or anyone who has been a bona fide Holder of such affected Mirror Certificate for at least six months may ask a court to appoint a successor. The court may then appoint a successor administrator. Any such removal will not affect Freddie Mac’s guarantee obligations.

In addition, Freddie Mac may be removed as Trustee if an Event of Default has occurred with respect to a Mirror Pass-Through Pool. In that case, we can be removed and replaced by a successor

trustee as to such affected Mirror Pass-Through Pool by Holders owning not less than 50% of the outstanding principal amount of the related Mirror Certificate.

For these purposes the ownership interests in Mirror Certificates held by Freddie Mac will be disregarded.

The rights provided to Holders of Mirror Certificates under the Mirror Certificates Trust Agreement as described above may not be enforced against FHFA, or enforcement of such rights may be delayed, if we are placed into receivership. The Mirror Certificates Trust Agreement provides that upon the occurrence of an Event of Default, which includes the appointment of a receiver, Holders of an affected Mirror Certificate have the right to replace Freddie Mac as Trustee and Administrator if the requisite percentage of Holders of such affected Mirror Certificate consent. The Reform Act prevents Holders of an affected Mirror Certificate from enforcing their rights to replace Freddie Mac as Trustee and Administrator if the Event of Default arises solely because a receiver has been appointed. The Reform Act also provides that no person may exercise any right or power to terminate, accelerate or declare an event of default under certain contracts to which Freddie Mac is a party, or obtain possession of or exercise control over any property of Freddie Mac, or affect any contractual rights of Freddie Mac, without the approval of FHFA, as receiver, for a period of 90 days following the appointment of FHFA as receiver.

Under the Purchase Agreement between Treasury and us, Holders of Mirror Certificates are given certain limited rights against Treasury under the following circumstances: (i) we default on our guarantee payments, (ii) Treasury fails to perform its obligations under its funding commitment, and (iii) we and/or the Conservator are not diligently pursuing remedies in respect of that failure. In that case, the Holders of an affected Mirror Certificate may file a claim in the U.S. Court of Federal Claims for relief requiring Treasury to fund to us up to the lesser of (1) the amount necessary to cure the payment default and (2) the lesser of (a) the amount by which our total liabilities exceed our total assets, as reflected on our balance sheet prepared in accordance with generally accepted accounting principles, and (b) the maximum amount of Treasury's funding commitment under the Purchase Agreement less the aggregate amount of funding previously provided under this commitment. The enforceability of such rights has been confirmed by the Office of Legal Counsel of the U.S. Department of Justice in an opinion dated September 26, 2008.

VOTING RIGHTS

Except in limited circumstances following an Event of Default, no Holder of a Mirror Certificate has any right to vote or to otherwise control in any manner the management and operation of any Mirror Pass-Through Pool. In addition, Holders may institute legal actions and proceedings with respect to the Mirror Certificates Trust Agreement or the Mirror Certificates only in limited circumstances, and no Holder has the right to prejudice the rights of any other Holder under the Mirror Certificates Trust Agreement or to seek preference or priority over any other Holder.

VOTING UNDER ANY AGREEMENT RELATING TO ELIGIBLE SECURITIES

Holders of Eligible Securities have various rights under the agreements governing their securities. If a default occurs under one of these agreements, holders of a specified percentage of the affected Eligible Securities may seek to remove Freddie Mac under that agreement. As Trustee, we will hold the Eligible Securities that back Mirror Certificates. However, the Mirror Certificates Trust Agreement generally allows the Holders of the Mirror Certificates, rather than Freddie Mac, to act if an event of

default occurs under an agreement relating to the Eligible Securities. For this purpose, the Holders of each Mirror Certificate will be treated as the holders of the affected Eligible Security in proportion to the outstanding principal amounts of their ownership interests in such Mirror Certificate.

The rights provided to holders of Eligible Securities under the agreements governing those Eligible Securities and the rights of Holders of the Mirror Certificates under the underlying agreements are also subject to the limitations of the Reform Act, as described above.

Holders of Eligible Securities also have the right to consent to certain amendments to their governing agreements. The Mirror Certificates Trust Agreement provides that, as the holder of Eligible Securities that back Mirror Certificates, Freddie Mac, as Trustee, may consent to such an amendment. However, if the amendment would adversely affect in any material way the interests of the Holders of a Mirror Certificate, Freddie Mac may not agree to it unless Holders of at least 50% of the outstanding principal amount of such affected Mirror Certificate consent in writing. Despite this rule, Freddie Mac may amend an agreement governing Eligible Securities, without the consent of Holders, if the amendment changes Freddie Mac's procedures for calculating payments or passing through prepayments on Eligible Securities that are included in Mirror Pass-Through Pools. See the PC Offering Circular and Giant Offering Circular for information about payments on Eligible Securities.

AMENDMENT

Freddie Mac and the Trustee may amend the Mirror Certificates Trust Agreement without the consent of any Holder or Holders to:

- Cure any ambiguity or to correct or add to any provision in the Mirror Certificates Trust Agreement, if the amendment does not adversely affect Holders in any material way.
- Maintain the qualification of any Mirror Pass-Through Pool as a grantor trust under the Internal Revenue Code of 1986 (the "Code").
- Avoid the imposition of any state or federal tax on a Mirror Pass-Through Pool.

With the written consent of the Holders of at least 50% of the then outstanding principal amount of any affected Mirror Certificate, Freddie Mac and the Trustee also may amend the Mirror Certificates Trust Agreement in any other way with respect to the related Mirror Pass-Through Pool.

However, unless an affected Holder consents, Freddie Mac and the Trustee may not amend the Mirror Certificates Trust Agreement to impair the rights of such Holder to receive payments (including guarantee payments) when due or to sue for any payment that is overdue.

GOVERNING LAW

The Mirror Certificates Trust Agreement is to be interpreted in accordance with federal law. If there is no applicable federal precedent and if the application of New York law would not frustrate the purposes of the Freddie Mac Act, the Mirror Certificates Trust Agreement or any Mirror Certificate transaction, then New York law will be deemed to reflect federal law.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

GENERAL

Before you exchange your Eligible Securities for the related Mirror Certificates pursuant to the Exchange Offer, you should carefully read and consider *Certain Federal Income Tax Consequences of the Exchange Offer* in the Exchange Circular.

The following is a general discussion of the material federal income tax consequences relating to the acquisition, ownership and transfer of Mirror Certificates. It does not address all the federal income tax consequences that may apply to particular categories of investors. Some investors may be subject to special rules. **The tax laws and other authorities for this discussion are subject to change or differing interpretations, and any change or interpretation may apply retroactively. You should consult your own tax advisors to determine the federal, state, local and any other tax consequences that may be relevant to you.**

Although Freddie Mac is a government-sponsored enterprise, neither the Mirror Certificates nor the income received from them is exempt from federal income, estate or gift taxes under the Code. Further, neither the Code nor the Freddie Mac Act exempts the Mirror Certificates or income on them from taxation by any state, any United States possession or any local taxing authority.

We will report income on the Mirror Certificates to the Internal Revenue Service (the “**Service**”) and to Holders of Mirror Certificates based, in part, on the final Treasury Regulations under Sections 1271-1275 of the Code (the “**OID Regulations**”).

The arrangements under which Mirror Certificates are created and sold and the related Mirror Pass-Through Pools are administered will be classified as grantor trusts under subpart E, part I of subchapter J of the Code and not as associations taxable as corporations.

If you own a Mirror Certificate, you will be treated for federal income tax purposes as the owner of a pro rata undivided interest in each of the Eligible Securities backing the related Mirror Pass-Through Pool, subject to the discussion below under *Mirror Certificates — Application of the Stripped Bond Rules*.

Tax Status

Mirror Certificates generally will be considered to represent “loans . . . secured by an interest in real property” within the meaning of Section 7701(a)(19)(C)(v) of the Code and “real estate assets” within the meaning of Section 856(c)(5)(B) of the Code. Interest income from the Mirror Certificates generally will be considered to represent “interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code. In the event that any Mortgage has an LTV ratio in excess of 100 percent (that is, the principal amount of any Mortgage exceeds the fair market value of the real property securing it), it is not certain whether or to what extent such Mortgages would qualify as loans secured by an interest in real property for purposes of Section 7701(a)(19)(C)(v) of the Code. Even if the property securing the Mortgage does not meet this test, the Mirror Certificates will be treated as “obligations of a corporation which is an instrumentality of the United States” within the meaning of Section 7701(a)(19)(C)(ii) of the Code. Thus, the Mirror Certificates will be a qualifying asset for a domestic building and loan association. Additionally, if any Mortgage has an LTV ratio in excess of 100%, interest income on the excess portion of the Mortgage

will not be “interest on obligations secured by mortgages on real property” within the meaning of Section 856(c)(3)(B) of the Code and such excess portion of the Mortgage will not be a “real estate asset” within the meaning of Section 856(c)(5)(B) of the Code. The excess portion will represent a “Government security” within the meaning of Section 856(c)(4)(A) of the Code. If a Mirror Certificate contains a Mortgage with an LTV ratio in excess of 100%, a holder that is a real estate investment trust should consult its tax advisor concerning the appropriate tax treatment of such excess portion.

Certain Mirror Certificates may be backed by Mortgages for which we have made an election to treat the beneficial interests in the principal and interest payments on such Mortgages as part of a “real estate mortgage investment conduit” (“REMIC”). See *Certain Federal Income Tax Consequences* in the UMBS and MBS Offering Circular. You should consult your tax advisor concerning the tax consequences of owning such Mirror Certificates.

MIRROR CERTIFICATES

General

If you own Mirror Certificates, you generally must report on your federal income tax return your pro rata share of the entire income from the Mortgages underlying the assets in the related Mirror Pass-Through Pool, in accordance with your method of accounting. Income generally will include gross interest income at the interest rates on the Mortgages and incidental fees, if any.

You may be able to deduct, under Section 162 or 212 of the Code, your pro rata share of servicers’ fees or any Freddie Mac or GNMA guarantee fees, including incidental fees paid by the borrowers and retained by the servicers, Freddie Mac or GNMA, and all administrative and other expenses of the Mirror Pass-Through Pool in accordance with your method of accounting. Notwithstanding the foregoing, miscellaneous itemized deductions described in Section 67 of the Code, which were previously available (subject to certain limitations) to investors who are individuals, estates or trusts, have been suspended for taxable years beginning after December 31, 2017 and before January 1, 2026, and continue to not be deductible for computing alternative minimum tax liability. If you are an individual, estate or trust, you should consult your tax advisor regarding the limitations on the deductibility of such items.

Discount and Premium

If you exchange an Eligible Security for a Mirror Certificate, you will be treated as continuing to own an interest in the Mortgages underlying such Eligible Security in the related Mirror Pass-Through Pool. To the extent you acquired such Eligible Security with discount or premium with respect to underlying Mortgages, you must continue to account for such discount or premium with respect to such Mortgages underlying your Mirror Certificate.

If you purchase a Mirror Certificate, you will be treated as purchasing an interest in each of the underlying Mortgages at a price determined by allocating the purchase price paid for that Mirror Certificate among the Mortgages in proportion to their fair market values at the time of purchase. To the extent that the portion of the purchase price allocated to a Mortgage is less than or greater than the portion of the principal balance of the Mortgage allocated to the Mirror Certificate, the interest in the Mortgage will be deemed to have been acquired with discount or premium, respectively. The treatment of any discount will depend on whether the discount represents original issue discount or market discount.

You should consult your own tax advisors to determine whether Section 1272(a)(6) of the Code, as expanded by the Taxpayer Reform Act of 1997, could affect the accrual of discount or amortization of premium on your Mirror Certificates or otherwise affect the tax accounting for your Mirror Certificates.

If you recognize gain or loss attributable to discount or premium that is not characterized as original issue discount, market discount or amortizable bond premium (described below), your gain or loss will be treated as capital gain or loss if the Mirror Certificate is held as a capital asset.

Notwithstanding the following, if you use an accrual method of accounting for federal income tax purposes and prepare an “applicable financial statement” (as defined in Section 451 of the Code), you may be required to include original issue discount (with respect to taxable years beginning after December 31, 2018) and other items of income (with respect to taxable years beginning after December 31, 2017) no later than at the time such amounts are reflected on such a financial statement.

Original Issue Discount. You will be required to report as ordinary income your pro rata share of any original issue discount related to the Mortgages underlying the Mirror Certificate pursuant to Sections 1271-1273 and 1275 of the Code. You will be required to accrue original issue discount into current income only if it exceeds a *de minimis* amount. The Mortgages also would be subject to the original issue discount rules if, as discussed below, the “stripped bond” provisions of the Code were determined to be applicable.

Market Discount. The market discount rules of Sections 1276-1278 of the Code will apply to treat market discount in excess of a *de minimis* amount as ordinary income. You must recognize accrued market discount to the extent of gain realized on disposition or to the extent of principal payments that you receive. The market discount rules provide that:

- Market discount will be considered to accrue under a straight-line method unless you elect to calculate it under a constant yield method.
- Interest that you paid or that accrues on indebtedness that you incurred or continued to purchase or carry Mortgages acquired at a market discount will be allowed as a deduction only to the extent that such interest, reduced by the interest on the Mortgages includible in income, including original issue discount, is greater than the market discount that accrued but was not taken into account during the taxable year such interest was paid or accrued. Any such interest expense that is deferred will, in general, be allowed as a deduction when the related market discount income is recognized.
- Alternatively, you may elect to include market discount in income currently, under either a straight-line method or a constant yield method, on all market discount obligations you hold except those acquired in taxable years before the year of the election. An election to include market discount as income currently can be revoked only with the Service’s consent. In this event, the rules about ordinary income on disposition and interest deferral discussed above will not apply.

The exact application of the market discount rules is not clear.

Premium. If you have purchased your interest in any Mortgage at a premium, the premium may be amortizable under a constant yield method at your election under Section 171 of the Code. The premium is treated as an offset to interest income includable with respect to the Mortgage. An election to amortize premium will apply to all debt instruments you hold at the beginning of the tax year for

which you make the election and to all such instruments acquired after the election. An election to amortize premium can be revoked only with the Service's consent.

Constant Yield Election. You may elect to include in gross income all interest that accrues on a Mortgage by using the constant yield method. For purposes of this election, interest would include stated interest, *de minimis* original issue discount, original issue discount, *de minimis* market discount and market discount, as adjusted by any premium. You should consider the relationship between this election and the elections described above under *Market Discount* and *Premium*.

Sale or Exchange of a Mirror Certificate

If you sell a Mirror Certificate, you will recognize gain or loss equal to the difference between your adjusted tax basis in the Mirror Certificate and the amount you realized in the sale (not including amounts attributable to accrued and unpaid interest, which will be treated as ordinary interest income).

In general, your adjusted tax basis in the Mirror Certificate will equal what you paid for the Mirror Certificate, plus the amount of any discount income you previously reported on the Mirror Certificate, less the amount of any premium you previously offset against interest income on the Mirror Certificate and the amount of any principal payments you received on it. If you exchange an Eligible Security for a Mirror Certificate, your adjusted tax basis in the Mirror Certificate will equal what you paid for such Eligible Security, plus the amount of any discount income you previously reported on the Mirror Certificate or such Eligible Security, less the amount of any premium you previously offset against interest income on the Mirror Certificate or such Eligible Security and the amount of any principal payments you received on the Mirror Certificate or such Eligible Security.

You must report accrued but unrecognized market discount as ordinary income, but your gain or loss otherwise will be a capital gain or loss if you held the Mirror Certificate as a capital asset. The capital gain or loss will be long-term or short-term, depending on whether you owned the Mirror Certificate for the long-term capital gain holding period (currently more than one year). Capital gains of individuals with respect to capital assets held for more than one year may be eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Application of the Stripped Bond Rules

When we issue a class of Mirror Certificates, Revenue Ruling 71-399, 1971-2 C.B. 433, issued to us by the Service, indicates that any difference between interest payable at the mortgage interest rate and the sum of (a) interest payable at the class coupon plus (b) fees applicable to the Mortgages (servicers' fees or any Freddie Mac or GNMA guarantee fees) should be accounted for as discount income or premium expense. If such sum exceeds the mortgage interest rate, the difference is characterized as "discount" and considered additional gross income. If such sum is less than the mortgage interest rate, the net difference is characterized as "premium expense."

In Revenue Ruling 71-399, the Service ruled that discount income is to be included as ordinary income in accordance with the beneficial owner's method of accounting, and that premium expense may be deductible in accordance with applicable rules. The Service, however, may contend that by reason of enactment of the stripped bond rules of Section 1286 of the Code (or its predecessor, Section 1232B), Revenue Ruling 71-399 is no longer applicable in characterizing such difference.

The Service has issued guidance taking the position that, when mortgages are sold and the servicer is entitled to receive amounts that exceed reasonable compensation for the mortgage servicing to be performed, the mortgages are treated as stripped bonds within the meaning of Section 1286 of the

Code. If this treatment applies, you would not be treated as having a pro rata undivided interest in the underlying Mortgages, but rather you would be treated as owning “stripped bonds” to the extent of your share of principal payments and “stripped coupons” to the extent of the class coupon plus reasonable servicing fees and guarantee fees. You should consult your tax advisor concerning the consequences of this characterization.

The Service has also issued guidance providing that a purchaser of a mortgage that is a stripped bond must treat it as a market discount bond if the amount of original issue discount on the stripped bond is considered to be zero after application of the *de minimis* rule of Section 1273(a)(3) of the Code or if the annual stated rate of interest payable on the stripped bond is 100 basis points or less below the annual stated rate of interest payable on the mortgage. These conditions apparently are based on the premise that the interest payments which remain associated with the stripped bond are treated, for purposes of the original issue and market discount provisions of the Code, as stated interest payable with respect to the stripped bond. If these conditions are met, you would be required to account for any market discount in accordance with the rules for market discount as described above under *Discount and Premium*.

It is unclear whether the position taken by the Service in the guidance would be upheld if challenged.

BACKUP WITHHOLDING, FOREIGN WITHHOLDING AND INFORMATION REPORTING

If you are a U.S. Person, you may be subject to federal backup withholding tax under Section 3406 of the Code on payments on your Mirror Certificate, unless you comply with applicable information reporting procedures or are an exempt recipient. Any such amounts withheld would be allowed as a credit against your federal income tax liability.

Payments made to an investor who is an individual, a corporation, an estate or a trust that is not a U.S. Person, or to a Holder on behalf of such an investor, generally will not be subject to federal income or withholding tax if:

- The Mortgages underlying the investor’s Mirror Certificates all were originated after July 18, 1984;
- The Mirror Certificate is not held by the investor in connection with a trade or business in the United States (or if an income tax treaty applies, is not attributable to a U.S. permanent establishment);
- The investor is not with respect to the United States a corporation that accumulates earnings in order to avoid United States federal income tax;
- The investor is not a U.S. expatriate or former U.S. resident who is taxable in the manner provided in Section 877(b) of the Code; and
- The investor provides a statement (on Internal Revenue Service Form W-8BEN or W-8BEN-E (or similar substitute forms)) signed under penalties of perjury that includes its name and address and certifies that it is not a U.S. Person in accordance with applicable requirements.

Payments to an investor who is not a U.S. Person that represent interest on Mortgages originated before July 19, 1984 may be subject to federal withholding tax at the rate of 30% or any lower rate provided by an applicable tax treaty.

Regardless of the date of origination of the Mortgages, federal backup withholding tax will not apply to payments on a Mirror Certificate made to an investor who is not a U.S. Person if the investor furnishes an appropriate statement of non-U.S. status.

We will make available to each Holder of a Mirror Certificate, within a reasonable time after the end of each calendar year, information to assist Holders and investors in preparing their federal income tax returns. The information made available to you may not be correct for your particular circumstances.

For these purposes, the term “**U.S. Person**” means one of the following:

- An individual who, for federal income tax purposes, is a citizen or resident of the United States.
- A corporation (or other business entity treated as a corporation for federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia.
- An estate whose income is subject to federal income tax, regardless of its source.
- A trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have the authority to control all substantial decisions of the trust.
- To the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as U.S. Persons prior to such date, that elect to be treated as U.S. Persons.

If a partnership (or other entity treated as a partnership for federal income tax purposes) holds Mirror Certificates, the treatment of a partner will generally depend upon the status of the particular partner and the activities of the partnership. If you are a partner in such a partnership, you should consult your own tax advisors.

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Investors should be aware that under legislation and related administrative guidance (commonly known as “**FATCA**”), certain payments in respect of the Mirror Certificates after June 30, 2014 and payments of the gross proceeds from the sale or other disposition of such Mirror Certificates after December 31, 2018 received by a non-U.S. entity may be subject to withholding of U.S. federal income tax at a rate of 30% if such non-U.S. entity fails to take the required steps to provide certain information regarding its “United States accounts” or its direct or indirect “substantial U.S. owners.” The required steps and the information to be provided will depend on whether the non-U.S. entity is considered a “foreign financial institution” for this purpose, and if an intergovernmental agreement exists between the United States and an applicable foreign country that may modify the applicable requirements. Investors should consult their tax advisors regarding the potential application and impact of the FATCA withholding rules based on their particular circumstances, including the applicability of any intergovernmental agreement modifying these rules.

ERISA CONSIDERATIONS

A Department of Labor regulation provides that a plan subject to Part 4, Subtitle B of Title I of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) and/or Section 4975 of the Code (each, a “**Plan**”) acquires a “guaranteed governmental mortgage pool certificate,” then, for purposes of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code, the Plan’s assets include the certificate and all of its rights in the certificate, but do not, solely by reason of the Plan’s holding of the certificate, include any of the mortgages underlying the certificate. Under this regulation, the term “guaranteed governmental mortgage pool certificate” includes a certificate “backed by, or evidencing an interest in, specified mortgages or participation interests therein” if Freddie Mac guarantees the interest and principal payable on the certificate.

The regulation makes it clear that Freddie Mac and other persons, in providing services for the assets in the pool, would not be subject to the fiduciary responsibility provisions of Title I of ERISA, or the prohibited transaction provisions of Section 406 of ERISA or Code Section 4975, merely by reason of the Plan’s investment in a Mirror Certificate.

The Mirror Certificates should qualify as “guaranteed governmental mortgage pool certificates.”

Governmental plans and certain church plans, while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of ERISA and the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their own legal advisors before purchasing Mirror Certificates.

In addition, because Freddie Mac, any Dealer, any originator (the “**Transaction Parties**”), or their respective affiliates, may receive certain benefits in connection with the sale or holding of the Mirror Certificates, the purchase or holding of the Mirror Certificates using “plan assets” of any Plan over which any of these parties or their affiliates has discretionary authority or control, or renders “investment advice” (within the meaning of Section 3(21) of ERISA and/or Section 4975 of the Code and applicable regulations) for a fee (direct or indirect) with respect to the assets of a Plan, or is the employer or other sponsor of a Plan, might be deemed to be a violation of the prohibited transaction provisions of Part 4, Subtitle B, Title I of ERISA or Section 4975 of the Code (or could otherwise constitute a violation of fiduciary responsibilities under Title I of ERISA). Accordingly, the Mirror Certificates may not be purchased using the assets of any Plan if any Transaction Party or any of their respective affiliates has discretionary authority or control or renders investment advice for a fee with respect to the assets of the Plan, or is the employer or other sponsor of the Plan, unless an applicable prohibited transaction exemption is available (all of the conditions of which are satisfied) to cover the purchase and holding of the Mirror Certificates or the transaction is not otherwise prohibited.

All Plan investors should consult with their legal advisors to determine whether the purchase, [acquisition,] holding or resale of a Mirror Certificate could give rise to a transaction that is prohibited or is not otherwise permissible under either ERISA or the Code.

ACCOUNTING CONSIDERATIONS

Various factors may influence the accounting treatment applicable to an investor’s acquisition and holding of mortgage-related securities. Accounting standards, and the application and interpretation of such standards, are subject to change from time to time. Before making an investment in the Mirror Certificates or exchanging your Eligible Securities for Mirror Certificates, investors should carefully

review the Exchange Circular and consult their own accountant for advice on the appropriate accounting treatment for Mirror Certificates.

LEGAL INVESTMENT CONSIDERATIONS

You should consult your own legal advisors to determine whether Mirror Certificates are legal investments for you and whether you can use Mirror Certificates as collateral for borrowings. In addition, financial institutions should consult their legal advisors or regulators to determine the appropriate treatment of Mirror Certificates under risk-based capital and similar rules.

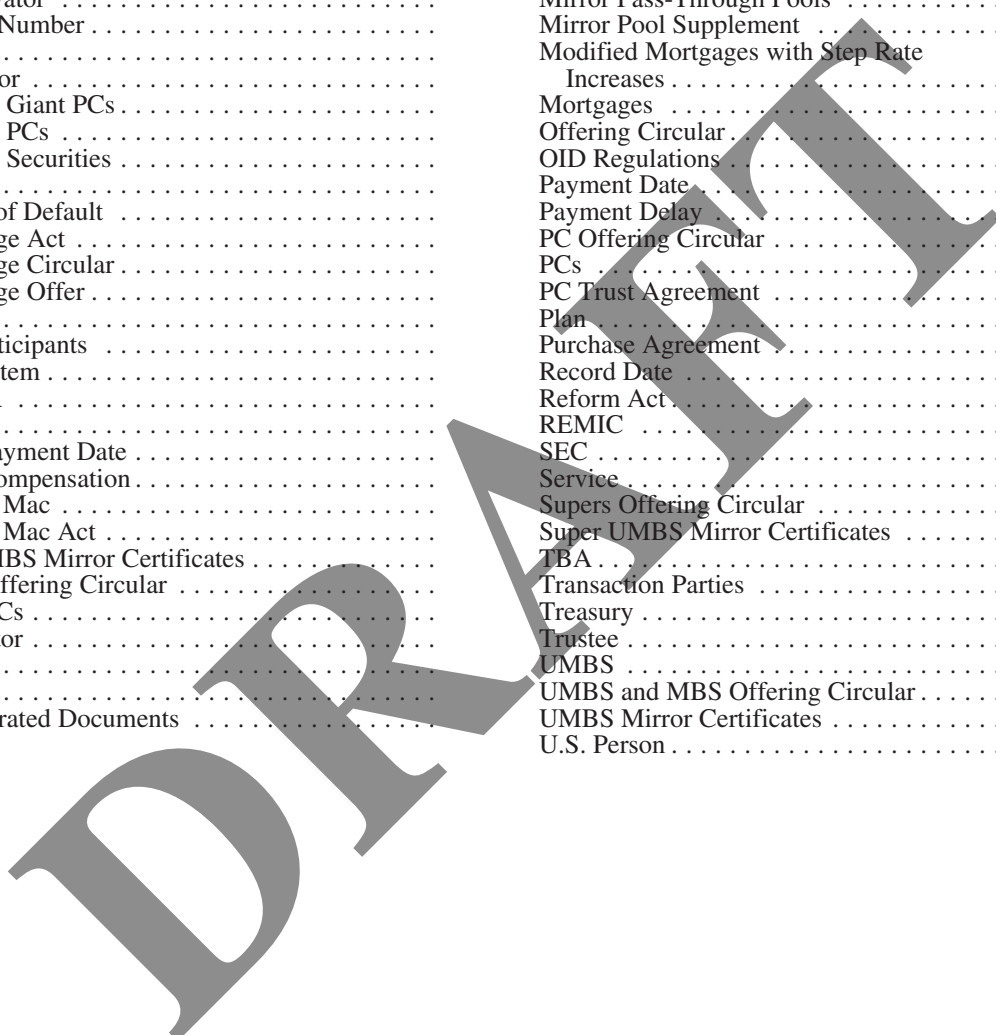
If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may be subject to restrictions on investing in some types of Mirror Certificates or in Mirror Certificates generally. Institutions regulated by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration, the Treasury or any other federal or state agency with similar authority should review applicable regulations, policy statements and guidelines before purchasing or pledging Mirror Certificates.

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INDEX OF TERMS

The following is a list of defined terms used in this Offering Circular and the pages where their definitions appear.

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EXAMPLE MIRROR POOL SUPPLEMENT

FREDDIE MAC

MORTGAGE-BACKED SECURITIES PROGRAM

MIRROR SECURITIES POOL SUPPLEMENT

**FREDDIE MAC MIRROR UNIFORM MORTGAGE-BACKED SECURITY OR
MIRROR MORTGAGE-BACKED SECURITY**

The Freddie Mac Mirror Uniform Mortgage-Backed Security (“Mirror UMBS”) or Mirror Mortgage-Backed Security (“Mirror MBS”) to which this Pool Supplement relates consists of interests in a pass-through pool. The underlying assets of that pass-through pool (the “Underlying Assets”) consist of a PC or a Giant PC.

Capitalized terms used but not defined in this Pool Supplement have the same meanings as in the applicable Offering Circular, as it may be amended or supplemented from time to time, relating to this Mirror UMBS or Mirror MBS (the “Offering Circular”). You can obtain the Offering Circular by contacting our Investor Inquiry department at Investor_Inquiry@freddiemac.com or (800) 336-3672, or by accessing Freddie Mac’s website at http://www.freddiemac.com/mbs/html/legal_doc.html.

We prepare other pool supplements that contain additional information about the Underlying Assets. You can obtain the pool supplement relating to the Underlying Assets by contacting our Investor Inquiry department at Investor_Inquiry@freddiemac.com or (800) 336-3672, or by accessing Freddie Mac’s website at <http://www.freddiemac.com/mbs/security-lookup> (for PCs) or http://www.freddiemac.com/mbs/html/sd_giant_lookup.html (for Giants).

This Pool Supplement incorporates by reference the Offering Circular, the applicable Freddie Mac Mortgage Participation Certificates Offering Circular, as it may be amended or supplemented from time to time (the “PC Offering Circular”), and the applicable Giant and Other Pass-Through Certificates Offering Circular, as it may be amended or supplemented from time to time (the “Giant Offering Circular”). You can obtain the PC Offering Circular and Giant Offering Circular by contacting our Investor Inquiry department at Investor_Inquiry@freddiemac.com or (800) 336-3672, or by accessing Freddie Mac’s website at <http://www.freddiemac.com/mbs/legal>.

This Pool Supplement supplements the applicable Master Trust Agreement (the “Trust Agreement”) and constitutes the terms supplement (the “Terms Supplement”) within the meaning of the Trust Agreement for the Mirror UMBS or Mirror MBS described herein. You can obtain the Trust Agreement by contacting our Investor Inquiry department at Investor_Inquiry@freddiemac.com or (800) 336-3672, or by accessing Freddie Mac’s website at <http://www.freddiemac.com/mbs/legal>.

The Mirror UMBS or Mirror MBS may not be suitable investments for you. You should not exchange for or purchase the Mirror UMBS or Mirror MBS unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield, and market and other risks of exchanging for or investing in the Mirror UMBS or Mirror MBS, as described in the Offering Circular or in the Exchange Circular, as it may be amended or supplemented from time to time, relating to the Underlying Assets and the Mirror UMBS or Mirror MBS (the “Exchange Circular”).

You should exchange for or purchase the Mirror UMBS or Mirror MBS only if you have read and understood this Pool Supplement, the Offering Circular, the Exchange Circular and any documents that we have incorporated by reference in the Offering Circular and the Exchange Circular.

Principal and interest payments on the Mirror UMBS or Mirror MBS and on the Underlying Assets 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 Mirror UMBS or Mirror MBS are not tax-exempt securities. Because of applicable securities law exemptions, Freddie Mac has not registered the Mirror UMBS or Mirror MBS with any federal or state securities commission. No securities commission has reviewed the Offering Circular, the Exchange Circular or this Pool Supplement.

On each Payment Date, Holders of the Mirror UMBS or Mirror MBS will receive interest equal to 1/12th of the class coupon specified above, multiplied by the principal amount of the Mirror UMBS or Mirror MBS. You can determine the principal amount of the Mirror UMBS or Mirror MBS by using the applicable Pool Factor as described in the Offering Circular.

Holders and anyone having a beneficial interest in the Mirror UMBS or Mirror MBS should refer to the Trust Agreement, Offering Circular and Exchange Circular for a complete description of their rights and obligations and the rights and obligations of Freddie Mac. Holders and beneficial owners of the Mirror UMBS or Mirror MBS will acquire their Mirror UMBS or Mirror MBS subject to all terms and conditions of the Trust Agreement, including this Terms Supplement.

Definitions of terms we use in this Pool Supplement can be found at http://www.FreddieMac.com/mbs/docs/pc_disclosure_glossary.pdf.

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SECURITY DESCRIPTION

PREFIX	CN
SECURITY IDENTIFIER/POOL NUMBER	ZIXXXX
CUSIP	31327XXXX
INVESTOR SECURITY UPB (\$)	23,412,352.00
WEIGHTED AVERAGE NET INTEREST RATE (%)	3.000
ISSUE DATE	07/01/2018
FIRST PAYMENT DATE	08/25/2018
MATURITY DATE	11/2027
INTEREST ONLY SECURITY INDICATOR	NO
PREPAYMENT PENALTY INDICATOR	NO
REDUCED MINIMUM SERVICING INDICATOR	NO

SECURITY STATISTICS (AS OF ISSUE DATE)

LOAN COUNT	155
AVERAGE MORTGAGE LOAN AMOUNT (\$)	151,793.55
WEIGHTED AVERAGE MORTGAGE LOAN AMOUNT (\$)	179,842.28
WEIGHTED AVERAGE INTEREST RATE (%)	3.521
WEIGHTED AVERAGE LOAN AGE	10
WEIGHTED AVERAGE LOAN TERM	120
WEIGHTED AVERAGE REMAINING MONTHS TO MATURITY	108
WEIGHTED AVERAGE LOAN-TO-VALUE (LTV)	52
WEIGHTED AVERAGE COMBINED LOAN-TO-VALUE (CLTV)	52
WEIGHTED AVERAGE BORROWER CREDIT SCORE	754
WEIGHTED AVERAGE DEBT-TO-INCOME	32
THIRD PARTY ORIGINATION UPB PERCENT	32.870
SELLER NAME(S)	SCR - MIRROR
SERVICER NAME(S)	SCR - MIRROR

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Pass-Through Pool XXXXXX

COLLATERAL DESCRIPTION

Collateral Issuer	Collateral Prefix	Collateral Security Identifier	Collateral Cusip	Collateral Issue Date	Collateral Maturity Date	Collateral WA Net Interest Rate - Current (%)	Collateral Investor Security UPB - Issuance(\$)	Collateral Contribution Investor Security UPB - Issuance(\$)	Collateral Contributing Investor Security UPB - Current(\$)	Collateral WA Interest Rate at Settlement (%)	Collateral WA Remaining Mos. to Maturity at Settlement	Collateral WA Loan Age at Settlement
Freddie Mac	J3	J3XXXX	31307XXXX	10/01/2017	11/2027	3.000	23,412,352.00	23,412,352.00	23,412,352.00	3.521	119	1

QUARTILE DISTRIBUTION

	Mortgage Loan Amount (%)	Interest Rate (%)	Net Interest Rate (%)	Loan Term	Loan Age	Loan-to-Value (LTV)	Remaining Months to Maturity	Estimated Loan-to-Value (ELTV)	Combined Loan-to-Value (CLTV)	Borrower Credit Score	Filler	Filler	Updated Credit Score	Debt-to-Income (DTI)
Maximum	393,000.00	3.875	3.000	120	8	90	120		90	815				50
75%	227,000.00	3.625	3.000	120	1	69	120		69	788				39
Median	165,000.00	3.500	3.000	120	1	53	119		53	764				33
25%	115,000.00	3.375	3.000	120	0	35	119		35	719				26
Minimum	51,000.00	3.375	3.000	120	-1	15	112		18	620				13

UNAVAILABLE DATA

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB (%)	Percentage Investor Loan UPB
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.....				

LOAN PURPOSE

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB (%)	Percentage Investor Loan UPB
Purchase	15	9.68	2,032,863.38	8.68
Refinance — Cash Out	104	67.10	16,226,093.86	69.31
Refinance — No Cash Out	36	23.23	5,153,395.57	22.01
Refinance — Not Specified	0	0.00	0.00	0.00
Not Available	0	0.00	0.00	0.00

OCCUPANCY STATUS

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB (%)	Percentage Investor Loan UPB
Primary Residence	151	97.42	22,658,626.53	96.78
Second Home	1	0.65	94,341.99	0.40
Investment Property	3	1.94	659,384.29	2.82
Not Available	0	0.00	0.00	0.00

Pass-Through Pool XXXXXX

PROPERTY TYPE

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Cooperative	0	0.00	0.00	0.00
Condominium	11	7.10	1,434,476.13	6.13
Planned Unit Development	40	25.81	6,329,201.07	27.03
Single-Family	104	67.10	15,648,675.61	66.84
Manufacturing Housing	0	0.00	0.00	0.00
Not Available	0	0.00	0.00	0.00

ORIGINATION YEAR

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
2017	155	100.00	23,412,352.81	100.00

CHANNEL

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Broker	0	0.00	0.00	0.00
Correspondent	50	32.26	7,696,185.88	32.87
Retail	105	67.74	15,716,166.93	67.13
Third-Party Origination — Not Specified	0	0.00	0.00	0.00
Not Available	0	0.00	0.00	0.00

MORTGAGE INSURANCE CANCELLATION INDICATOR

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Yes	0	0.00	0.00	0.00
No	2	1.29	328,879.86	1.40
Not Applicable	153	98.71	23,083,472.95	98.60

MORTGAGE INSURANCE COVERAGE

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Loans with Mortgage Insurance	2	1.29	328,879.86	1.40
Loans without Mortgage Insurance	153	98.71	23,083,472.95	98.60
Not Available	0	0.00	0.00	0.00

FIRST TIME HOME BUYER INDICATOR

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Yes	7	4.52	694,379.29	2.97
No	148	95.48	22,717,973.52	97.03
Not Available	0	0.00	0.00	0.00

Pass-Through Pool XXXXXX

NUMBER OF BORROWERS

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
1	68	43.87	9,478,197.02	40.48
2	87	56.13	13,934,155.79	59.52
>2	0	0.00	0.00	0.00
Not Available	0	0.00	0.00	0.00

NUMBERS OF UNITS

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
1	153	98.71	22,864,222.20	97.66
2	1	0.65	157,780.20	0.67
3	1	0.65	390,350.41	1.67
4	0	0.00	0.00	0.00
Not Available	0	0.00	0.00	0.00

NOT PAYING PRINCIPAL IN FIRST DISTRIBUTION

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Not Paying Principal in First Distribution	2	1.29	188,468.00	0.80

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Pass-Through Pool XXXXXX

PROPERTY STATE

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB
Texas	20	12.90	3,016,999.84	12.89
Illinois	19	12.26	2,990,625.27	12.77
California	14	9.03	2,707,292.53	11.56
Michigan	12	7.74	1,597,943.83	6.83
Arizona	10	6.45	1,435,510.18	6.13
Florida	7	4.52	1,023,253.58	4.37
Indiana	6	3.87	907,302.81	3.88
New York	5	3.23	887,714.05	3.79
Massachusetts	3	1.94	799,117.58	3.41
New Jersey	3	1.94	707,783.01	3.02
Virginia	4	2.58	688,845.53	2.94
Tennessee	4	2.58	648,338.16	2.77
Washington	4	2.58	631,114.68	2.70
Ohio	5	3.23	458,225.42	1.96
Pennsylvania	4	2.58	392,780.07	1.68
Rhode Island	1	0.65	346,600.00	1.48
Missouri	2	1.29	343,935.58	1.47
Georgia	3	1.94	340,752.89	1.46
Oklahoma	2	1.29	332,658.94	1.42
Wisconsin	3	1.94	325,702.03	1.39
Oregon	2	1.29	313,606.91	1.34
Colorado	2	1.29	300,131.25	1.28
Mississippi	3	1.94	288,299.36	1.23
Louisiana	2	1.29	258,836.32	1.11
New Hampshire	2	1.29	257,311.25	1.10
Maryland	2	1.29	241,271.31	1.03
Nevada	1	0.65	181,500.00	0.78
Kentucky	2	1.29	168,039.55	0.72
Connecticut	1	0.65	114,000.00	0.49
South Carolina	1	0.65	113,404.53	0.48
Vermont	1	0.65	113,260.00	0.48
Utah	1	0.65	105,000.00	0.45
Alabama	1	0.65	104,000.00	0.44
North Carolina	1	0.65	94,465.00	0.40
Nebraska	1	0.65	89,376.62	0.38
West Virginia	1	0.65	87,354.73	0.37

Pass-Through Pool XXXXXX

SELLER NAME(S)

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB	Remaining Months to Maturity			Loan Age			Interest Rate(%)			Debt-to-Income (DTI)
					High	Low	Weighted Average	High	Low	Weighted Average	High	Low	Weighted Average	
JPMorgan Chase Bank, N.A.	155	100.00	23,412,352.81	100.00	120	112	119	8	-1	1	3.875	3.37	3.521	50

SERVICER NAME(S)

	Aggregate Loan Count	Percentage Loan Count	Aggregate Investor Loan UPB(%)	Percentage Investor Loan UPB	Remaining Months to Maturity			Loan Age			Interest Rate(%)			Debt-to-Income (DTI)
					High	Low	Weighted Average	High	Low	Weighted Average	High	Low	Weighted Average	
JPMorgan Chase Bank, N.A.	155	100.00	23,412,352.81	100.00	120	112	119	8	-1	1	3.875	3.37	3.521	50

SELLER DISTRIBUTION

Seller	% of UPB	# of Loans	% of Loans
XXXXXXXXXXXXX	35.97%	818	37.32%
XXXXXXXXXXXXX	18.04%	289	13.18%
XXXXXXXXXXXXX	14.23%	349	15.92%
XXXXXXXXXXXXX	6.03%	224	10.22%

Seller	% of UPB	# of Loans	% of Loans
XXXXXXXXXXXXX	5.51%	155	7.07%
XXXXXXXXXXXXX	5.43%	190	8.67%
XXXXXXXXXXXXX	4.59%	23	1.05%
XXXXXXXXXXXXX	4.51%	20	0.91%
XXXXXXXXXXXXX	2.75%	70	3.19%
XXXXXXXXXXXXX	1.51%	22	1.00%
SERVICERS < 1% UPB	1.44%	32	1.46%



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