



Freddie Mac

Uniform Mortgage-Backed Securities™ and Mortgage-Backed Securities

UMBS® and MBS

Freddie Mac issues and guarantees Uniform Mortgage-Backed Securities, or “UMBS,” and Mortgage-Backed Securities, or “MBS.” UMBS and MBS are securities that represent undivided beneficial ownership interests in, and the right to receive payments from, pools of one- to four-family residential mortgages that are held in trust for investors. The term “Security” means a UMBS or MBS, as applicable, and the term “Securities” means UMBS and/or MBS, as applicable.

Freddie Mac’s Guarantee

We guarantee the payment of interest and principal on the Securities as described in this Offering Circular. Principal and interest payments on the Securities 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.

Tax Status and Securities Law Exemptions

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

The Securities may not be suitable investments for you. You should not purchase Securities unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield, market and other risks of investing in them. The Risk Factors section beginning on page 12 highlights some of these risks.

Offering Circular dated April 17, 2024

If you intend to purchase Securities, you should rely only on the information in this Offering Circular, in the disclosure documents that we incorporate by reference in this Offering Circular as stated under *Additional Information* and in the related pool supplement (each, a “**Pool Supplement**”) that we will make available on our website as to each Pool upon its formation.

We also make available on our website (i) certain pool- and loan-level information regarding each of the Mortgages backing our Securities and (ii) certain information at the cohort level, in each case, based on information furnished to us by the sellers and servicers of the Mortgages. We generally do not verify information furnished to us by sellers and servicers regarding the Mortgages backing our Securities prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. We are not obligated to update the cohort-, pool- or loan-level data. However, if we are made aware of an error, we generally publish the correct information if possible. For more information, see *Description of the Securities—Pool- and Cohort-Level Data* and — *Loan-Level Data* and *Risk Factors—Credit Factors—Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default.*

In addition, sellers may provide information about mortgages that they sell to us in separate additional supplements (“**Additional Supplements**”). We have not verified the information in any Additional Supplements and make no representations or warranties concerning the accuracy or completeness of that information.

Each Pool Supplement and Additional Supplement contains information on a pool-level basis as of the date of the issuance of the related Securities. For the convenience of investors, we may post Additional Supplements on our website and furnish them upon request.

You can find additional and updated information about our Securities on our website at www.freddiemac.com/mbs. We have not authorized anyone to provide you with different information. Any information that may be furnished to you by a third party may not be reliable.

We may restrict access to our website from time to time as part of our cybersecurity strategies or for other reasons, which may prevent you from accessing cohort-, pool- and loan-level information, Pool Supplements, Additional Supplements, and similar materials about our Securities. If this were to occur, you could obtain copies of these materials by contacting Investor Inquiry as shown under *Additional Information*.

This Offering Circular, any related Pool Supplement, any Additional Supplement, any loan-level information and any Incorporated Documents may not be correct after their dates.

We are not offering the Securities 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**”). Our mission is to provide liquidity, stability and affordability to the U.S. housing market. We do this primarily by purchasing single-family and multifamily residential mortgages originated by lenders. In most instances, we package these mortgages into guaranteed mortgage-related securities, which are sold in the global capital markets, and transfer interest rate and liquidity risks to third-party investors. In addition, we transfer a portion of our mortgage credit risk exposure to third-party investors through our credit risk transfer programs, which include securities- and insurance-based offerings. We also invest in mortgages and mortgage-related securities. We do not originate mortgage loans or lend money directly to mortgage borrowers.

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

Conservatorship

We operate under the conservatorship that commenced on September 6, 2008, conducting our business under the direction of the Federal Housing Finance Agency (“**FHFA**”) as our conservator (the “**Conservator**”). The Conservator has authorized our Board of Directors to oversee management’s conduct of our business operations so we can operate in the ordinary course. The Conservator also retains certain significant authorities for itself and has not provided them to the Board. The Conservator continues to provide strategic direction for Freddie Mac and directs the efforts of the Board and management to implement its strategy.

Our future structure and role in the mortgage industry will be determined by the executive branch of the U.S. government, Congress, and FHFA. It is possible, and perhaps likely, that there will be significant changes that will materially affect our business model and results of operations. Some or all of our functions could be transferred to other institutions, and we could cease to exist as a stockholder-owned company.

The conservatorship is indefinite in duration. The likelihood, timing, and circumstances under which we might emerge from conservatorship are uncertain. Even if the conservatorship is terminated, we would remain subject to the senior preferred stock purchase agreement (as amended, the “**Purchase Agreement**”) with the U.S. Department of the Treasury (“**Treasury**”) and the terms of the senior preferred stock unless they are terminated or amended. Even if the conservatorship ends and the voting rights of common stockholders are restored, we could effectively remain under the control of the U.S. government because of the Purchase Agreement, Treasury’s warrant to acquire nearly 80% of our common stock for nominal consideration, or Treasury’s ownership of our common stock after it exercises its warrant.

See the Incorporated Documents for additional information concerning the conservatorship and legislative and regulatory developments, as well as the legal and compliance risks we face.

Single Security Initiative, the CSP and Commingling

Under the direction of FHFA, we have implemented the single security initiative, which is intended to increase the liquidity of the to-be-announced (“**TBA**”) market. The single security initiative provides for

Freddie Mac and the Federal National Mortgage Association (“**Fannie Mae**,” together with Freddie Mac, the “**Enterprises**”) to issue a single (common) mortgage-related security, called the “**Uniform Mortgage-Backed Security**” or “**UMBS**,” as well as a “**Supers**®” mortgage-related security, which is a resecuritization of UMBS and certain other TBA-eligible securities (including previously-issued Supers). Also, as part of the single security initiative, Freddie Mac began to issue a non-TBA-eligible mortgage-backed security referred to as an “**MBS**.” Fannie Mae also issues a mortgage-backed security referred to as an MBS; however, MBS issued by Freddie Mac may not be commingled with securities issued by Fannie Mae. Freddie Mac commenced issuing UMBS, MBS and Supers on June 3, 2019. At that time, Freddie Mac ceased issuing Gold mortgage participation certificates (“**Gold PCs**®”).

The Common Securitization Platform (“**CSP**”) is a shared securitization infrastructure that has undertaken certain securitization functions previously executed in-house separately by each of Freddie Mac and Fannie Mae. Common Securitization Solutions, LLC (“**CSS**”) owns and operates the CSP. CSS is jointly owned by Freddie Mac and Fannie Mae. The CSP performs certain data acceptance, issuance support and bond administration activities for us related to our UMBS and MBS, including calculation of payments and ongoing reporting to investors. The CSP also enables commingling in resecuritizations of certain Freddie Mac-issued securities and certain Fannie Mae-issued securities, as discussed below. While we exercise influence over CSS through our representation on the CSS Board of Managers, we do not control its day-to-day operations. CSS’ day-to-day operations are managed by CSS management, which is overseen by the CSS Board of Managers. See the Incorporated Documents for more information about CSS and the CSP.

Freddie Mac is offering an optional exchange program to enable holders to exchange eligible existing Gold PCs and eligible Giant mortgage participation certificates (“**Giant PCs**®”) for Uniform Mortgage-Backed Securities Mirror Certificates™ (“**UMBS Mirror Certificates**”), Mortgage-Backed Securities Mirror Certificates™ (“**MBS Mirror Certificates**”), Supers Mirror Certificates™ (“**Supers Mirror Certificates**”), and Giant Mortgage-Backed Securities Mirror Certificates™ (“**Giant MBS Mirror Certificates**”), as the case may be, and receive applicable float compensation in connection therewith.

Freddie Mac-issued UMBS can be commingled in resecuritizations with corresponding comparable Freddie Mac-issued UMBS Mirror Certificates, Supers and Supers Mirror Certificates as well as Fannie Mae-issued UMBS and Supers and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae. Freddie Mac-issued mortgage participation certificates (“**PCs**”), MBS, Giant MBS, MBS Mirror Certificates and Giant MBS Mirror Certificates cannot be commingled with Fannie Mae securities.

Under SIFMA guidelines, Freddie Mac-issued UMBS qualify for “good delivery” in satisfaction of unspecified TBA trades covering corresponding comparable Fannie Mae-issued UMBS and Supers, and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae, and vice versa.

In November 2020, FHFA released a final rule that establishes the Enterprise Regulatory Capital Framework (“**ERCF**”) as a new regulatory capital framework for Freddie Mac and Fannie Mae. Under this framework, we are required to hold incremental capital for our guarantees of Freddie Mac-issued securities backed by Fannie Mae-issued securities. As a result of the ERCF, we began charging a 50 basis point fee for commingled securities issued on or after July 1, 2022. Effective April 1, 2023, the fee was decreased to 9.375 basis points. On November 21, 2023, FHFA released a final rule that amends several provisions of the ERCF. The final rule includes modifications of certain provisions of the ERCF related to guarantees on commingled securities.

FHFA UMBS Rule

FHFA’s “**UMBS Rule**” requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect investor cash flows of their TBA-eligible mortgage-backed securities.

The UMBS Rule is intended to enhance liquidity in the mortgage-backed securities marketplace, and to that end, enable adoption of UMBS, by achieving sufficient similarity of cash flows on cohorts of the Enterprises’ TBA-eligible mortgage-backed securities such that investors will accept delivery of UMBS from either issuer in settlement of trades on the TBA market.

Under the UMBS Rule, FHFA can require the Enterprises to consult with each other on any issues, including changes to covered programs, policies and practices that potentially or actually cause cash flows to TBA-eligible mortgage-backed securities investors to misalign. Each Enterprise must have an Enterprise-wide governance process to ensure that any proposed changes to covered programs, policies and practices that may cause misalignment are submitted to FHFA for review and approval. FHFA may require an Enterprise to change covered programs, policies and practices that FHFA determines may conflict with the purposes of the UMBS Rule.

The Enterprises must report any misalignment to FHFA. In the event of material misalignment, the Enterprises must also submit a report to FHFA describing the Enterprises’ plan to address the material misalignment. FHFA may require additional and expedient Enterprise actions to address material misalignment, including requiring an Enterprise to terminate a program, policy or practice or requiring the competing Enterprise to implement a comparable program, policy or practice.

For purposes of the UMBS Rule:

- “align” means to be sufficiently similar as to produce a CPR divergence of less than two percentage points in the three-month CPR for a cohort and less than five percentage points in the three-month CPR for the fastest paying quartile of a cohort, or as FHFA may temporarily adjust these percentages from time to time;
- “cohort” means all TBA-eligible securities with the same coupon, maturity and loan-origination year where the combined unpaid principal balance of such securities issued by both Enterprises exceeds \$10 billion;
- “covered programs, policies or practices” means management decisions or actions that have reasonably foreseeable effects on cash flows to TBA-eligible mortgage-backed securities investors (*e.g.*, effects that result from prepayment rates and the circumstances under which mortgages are removed from securities) and can include management decisions and actions about: single-family guarantee fees; loan level price adjustments and delivery fee portions of single-family guarantee fees; the spread between the note rate on the mortgage and the pass-through coupon on the TBA-eligible mortgage-backed securities; eligibility standards for sellers and servicers; financial and operational standards for private mortgage insurers; requirements related to the servicing of distressed loans that collateralize TBA-eligible securities; streamlined modification and refinance programs; removal of mortgage loans from securities; servicer compensation; proposals that could materially change the credit risk profile of the single-family mortgages securitized by an Enterprise; selling guide requirements for documenting creditworthiness, ability to repay, and adherence to collateral standards; contract provisions under which certain sellers commit to sell to an Enterprise a minimum share of the mortgage loans they originate that are eligible for sale to the Enterprises; loan modification

offerings; loss mitigation practices during disasters; alternatives to repurchase for representation and warranty violations; and other actions;

- “fastest paying quartile of a cohort” means the quartile of a cohort that has the fastest prepayment speeds as measured by the three-month CPR. The quartiles shall be determined by ranking outstanding TBA-eligible securities with the same coupon, maturity, and loan-origination year by the three-month CPR, excluding specified pools, and dividing each cohort into four parts such that the total unpaid principal balance of the pools included in each part is equal;
- “material misalignment” means divergence of at least three percentage points in the three-month CPR for a cohort or at least eight percentage points in the three-month CPR for a fastest paying quartile of a cohort, or a prolonged misalignment (as determined by FHFA);
- “misalign” or “misalignment” means diverge by or a divergence of two percentage points or more in the three-month CPR for a cohort or five percentage points or more, in three-month CPR for a fastest paying quartile of a cohort; and
- “specified pools” means pools of mortgages backing TBA-eligible mortgage-backed securities that have a maximum loan size of \$200,000, a minimum loan-to-value ratio at the time of loan origination of 80 percent, or a maximum FICO score of 700, or where all mortgages in the pool finance investor-owned properties or properties in the states of New York or Texas or the Commonwealth of Puerto Rico.

Under the UMBS Rule, in certain circumstances FHFA has discretion to temporarily adjust the (i) percentages described above in the definitions of “align,” “material misalignment” and “misalign” and (ii) definitions of “cohort,” “fastest paying quartile of a cohort” and “specified pools.” FHFA will publicly announce any temporary adjustments in a timely manner. Temporary adjustments in percentages or definitions may remain in place for six months, after which the percentages and definitions will revert to the previously applicable percentages and definitions. At any time, FHFA may amend the percentages or definitions more permanently by a rulemaking that provides the public with notice and opportunity to comment on FHFA’s proposed changes to the percentages and definitions.

Purchase Agreement

On September 7, 2008, Treasury entered into the Purchase Agreement with our Conservator, acting on our behalf. The amount of available funding remaining under the Purchase Agreement was \$140.2 billion as of December 31, 2023. This amount will be reduced by any future draws.

The Purchase Agreement requires Treasury, upon the request of the Conservator, to provide funds to us after any quarter in which we have a negative net worth (that is, our total liabilities exceed our total assets, as reflected on our consolidated balance sheets prepared in accordance with generally accepted accounting principles). The Purchase Agreement also provides for Treasury, upon the request of the Conservator, to provide funds to us if the Conservator determines, at any time, that it will be mandated by law to appoint a receiver for us unless we receive these funds from Treasury. Holders have certain limited rights to bring proceedings against Treasury if we fail to pay under our guarantee and if Treasury fails to perform its obligations under its funding commitment. For a description of Holders’ rights to proceed against Freddie Mac and Treasury, see *The Trust Agreement—Rights Upon Event of Default*. The Purchase Agreement contains covenants that significantly restrict our business and capital activities.

On January 14, 2021, we, acting through FHFA as our Conservator, and Treasury entered into a letter agreement to further amend the Purchase Agreement and terms of the senior preferred stock. Among other items, the January 2021 amendments to the Purchase Agreement provide for the following:

- We cannot vary the pricing or any other term of the acquisition of a single-family loan based on the size, charter type, or volume of business of the seller of the loan. In addition, we are required to (i) offer to purchase loans for cash consideration and operate this cash window with non-discriminatory pricing; (ii) beginning on January 1, 2022, limit the volume purchased through the cash window to \$1.5 billion per lender during any period comprising four calendar quarters; and (iii) comply with directives, regulations, restrictions, or other requirements prescribed by FHFA related to equitable secondary market access by community lenders.
- We are required to limit our acquisition of certain single-family mortgage loans as follows:
 - A maximum of 6% of purchase money mortgages and 3% of refinance mortgages over the preceding 52-week period can have two or more of the following characteristics at origination: combined loan-to-value (“LTV”) ratio greater than 90%; debt-to-income ratio greater than 45%; and FICO or equivalent credit score less than 680.
 - Acquisitions of single-family mortgage loans secured by either second homes or investment properties will be limited to 7% of the single-family mortgage loan acquisitions over the preceding 52-week period.
 - Subject to such exceptions as FHFA may prescribe to permit us to acquire single-family mortgage loans that are currently eligible for acquisition, we were required to implement by July 1, 2021 a program reasonably designed to ensure that each single-family mortgage loan acquired is (i) a qualified mortgage; (ii) exempt from the Consumer Financial Protection Bureau’s ability-to-repay requirements; (iii) secured by an investment property, subject to the restrictions above; (iv) a refinancing with streamlined underwriting for high LTV ratios; (v) a loan with temporary underwriting flexibilities due to exigent circumstances, as determined in consultation with FHFA; or (vi) secured by manufactured housing.

In September 2021, the following Purchase Agreement limits were suspended, and will remain suspended until six months after Treasury notifies us that such suspension has been lifted:

- The \$1.5 billion Purchase Agreement limit on cash window volumes that was to begin on January 1, 2022; and
- The Purchase Agreement limits on our acquisitions of single-family mortgage loans with certain LTV, DTI, and credit score characteristics at origination and on our acquisitions of single-family mortgage loans secured by second homes or investment properties.

The Purchase Agreement with Treasury is critical to keeping us solvent and avoiding the appointment of a receiver by FHFA under statutory mandatory receivership provisions.

See the Incorporated Documents for additional information concerning the Purchase Agreement and the terms of the senior preferred stock.

ADDITIONAL INFORMATION

Our common stock is registered with the U.S. Securities and Exchange Commission (“SEC”) under the Securities Exchange Act of 1934 (“Exchange Act”). 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 (1) our most recent Annual Report on Form 10-K, filed with the SEC; (2) 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 report, excluding any information we “furnish” to the SEC on Form 8-K; and (3) 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 related Securities, excluding any information we “furnish” to the SEC on Form 8-K. 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 any applicable Pool Supplement and Additional 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 any applicable Pool 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 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, any Additional Supplement, the Incorporated Documents, the UMBS and MBS Master Trust Agreement dated as of July 30, 2022 (as amended from time to time, the “**Trust Agreement**”) and any applicable Pool Supplement under which Securities are issued from:

<p>Freddie Mac — Investor Inquiry 1551 Park Run Drive McLean, Virginia 22102-3110 Telephone: 1-800-336-3672 E-mail: Investor_Inquiry@freddiemac.com</p>

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

Website: www.freddiemac.com*

The mortgage securities section of our website (located at www.freddiemac.com/mbs) will also be updated, from time to time, with information regarding material developments or other events that may be important to investors. You should access this website on a regular basis for such updated information.

This Offering Circular relates to Securities issued on and after April 17, 2024. For information about Securities issued before that date, see the related Offering Circular (available on our website) that was in effect at the time of issuance of those Securities. Under the Trust Agreement, Freddie Mac has agreed to act as Trustee for and to administer all existing Securities substantially in accordance with the Trust Agreement, as described in this Offering Circular.

* 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 Pool Supplement, except as specifically stated in this Offering Circular.

SUMMARY

This summary highlights selected information about the Securities. Before buying Securities, you should read this Offering Circular and the other disclosure documents referred to in *Additional Information*. You should rely on the information in an applicable Pool Supplement as to the Pool it describes if it is different from the information in this Offering Circular. Information in any applicable Additional Supplement is provided by the sellers of the related Mortgages and not by us.

Appendix I shows the page numbers where definitions of capitalized terms appear.

Trustee, Depositor, 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 the Conservator, FHFA 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 the conservatorship, see *Freddie Mac—Conservatorship* and *Risk Factors—Governance Factors*.

UMBS Pools and MBS Pools..... As Depositor, we transfer and deposit Mortgages that we have acquired into various trust funds established pursuant to the Trust Agreement and applicable Pool Supplements. As Administrator, on behalf of the Trustee for these trust funds, we create and issue under the Trust Agreement and related Pool Supplements Securities representing undivided beneficial ownership interests in pools of Mortgages and related assets held by those trust funds (“**UMBS Pools**” and “**MBS Pools**”). The term “**Pool**” means a UMBS Pool or MBS Pool, as applicable, and the term “**Pools**” means UMBS Pools and/or MBS Pools, as applicable. Investors in Securities own beneficially their pro rata shares of the Mortgages in the related Pool. Pools generally have a minimum size at formation of \$1,000,000.

Types of Mortgages..... The assets in each Pool include mortgages or participation interests in mortgages that we have acquired (“**Mortgages**”), all proceeds of those Mortgages, amounts on deposit in a custodial account of Mortgage collections from servicers of those Mortgages and the right to receive payments pursuant to our guarantee. The Mortgages are secured primarily by first

liens on one- to four-family residential properties and bear interest at a fixed rate. Some fixed-rate Mortgages are Initial Interest Mortgages. We describe the characteristics of different types of Mortgages in *Description of the Mortgages that back Securities*. We make available on our website information regarding the Mortgages in each Pool on a loan-level basis and, in the related Pool Supplement, on a pool-level basis. As described in *Certain Federal Income Tax Consequences*, we made elections to treat certain beneficial interests in Mortgages in Pools as part of a “real estate mortgage investment conduit” (“REMIC”) for federal income tax purposes. Except where the context otherwise requires, the term “Mortgages” includes beneficial interests in Mortgages for which we will make a REMIC election.

Types Each UMBS represents an interest in a UMBS Pool containing fixed-rate, level payment, fully amortizing Mortgages. Each MBS represents an interest in an MBS Pool containing: (i) fixed-rate, level payment, fully amortizing Mortgages, (ii) fixed-rate Initial Interest Mortgages or (iii) Modified Mortgages with or without Step Rate Increases. See *Description of the Mortgages that back Securities*. We generally place Mortgages with certain special characteristics in MBS Pools, as discussed in *Description of the Securities—General Pooling Criteria*.

Pool Characteristics Each Mortgage in a Pool must meet the eligibility standards we have established. The Pool Supplement for each Pool will describe on a pool-level basis the types and various characteristics of the Mortgages in the Pool. Mortgages may be repurchased from Pools in certain limited situations described in this Offering Circular.

Payments As Administrator, we pay principal and interest monthly on each Payment Date beginning in the month after issuance. Payment Dates fall on or about the 25th day of each month. However, we do not pay principal on MBS backed by Initial Interest Mortgages that are in their interest only period unless unscheduled principal payments have been made on those Mortgages during that period. Our payments on Securities do not include the amounts of any fees, charges or interest in excess of the applicable Coupon that may be paid on the underlying Mortgages. These amounts are retained by servicers as servicing compensation or retained by us as part of our guarantee fees for our services as Administrator and Guarantor.

• **Interest** We pay interest on each Security at its applicable per annum interest rate (“**UMBS Coupon**” and “**MBS Coupon**”). The term “**Coupon**” means a UMBS Coupon or MBS Coupon, as applicable. Interest payable on a Payment Date accrues during the preceding calendar month.

• **Principal**..... We pass through all principal payments made on the Mortgages in a Pool. We base the amount of these payments on servicers’ reports of principal received on the Mortgages and our calculation of scheduled monthly principal payments. Principal payments include full and partial prepayments of principal of Mortgages by borrowers and the principal amount of any Mortgages that are repurchased from Pools. The Holders of Securities issued from the same Pool receive principal payments on a pro rata basis.

Pool Factors In any month, you can determine the amount of the principal payment on a Security by reference to the Pool Factor for the related Pool. A Pool Factor is an exact decimal rounded to eight places which, when multiplied by the original principal balance of the related Security, equals the remaining principal balance of the Security after giving effect to the principal payment to be made in the same month. As Administrator, we publish Pool Factors on or about the fourth Business Day of each month.

Guarantee For Securities, as Guarantor, we guarantee timely payment of interest at the applicable Coupon and the timely payment of scheduled principal, whether or not we receive these payments from the servicers of the underlying Mortgages. **Principal and interest payments on the Securities are not guaranteed by, and are not debts or obligations of, the United States or any federal agency or instrumentality other than Freddie Mac.**

In the event the Conservator were to repudiate our guarantee obligation, the ability of Holders to enforce the guarantee obligation would be limited to actual direct compensatory damages. The rights of Holders to bring proceedings against Treasury are limited if we fail to pay under our guarantee. See *The Trust Agreement—Rights Upon Event of Default*. The Conservator has advised us that it has no intention of repudiating the guarantee obligation because it views repudiation as incompatible with the goals of the conservatorship.

Servicing	As Administrator, we are responsible for monitoring and overseeing the servicing of the Mortgages. We contract with mortgage servicers that perform servicing functions for each Pool on Freddie Mac's behalf and in accordance with standards that we have established and that we may waive or change from time to time.
Trust Agreement	As Administrator, on behalf of the Trustee, we issue Securities with respect to each Pool according to the Trust Agreement, which we summarize in this Offering Circular. You should refer to the Trust Agreement for a complete description of your rights and obligations and those of Freddie Mac as Trustee, Depositor, Administrator and Guarantor.
Proceeds	Most Securities are issued in exchange for Mortgages, in which case we do not receive cash proceeds. We use the net proceeds from the sale of Securities for cash to provide funds for general corporate purposes, including the purchase of additional Mortgages.
Form of Securities	Securities are issued, held and transferable only on the book-entry system of the Federal Reserve Banks. The Holder of a Security is the entity that appears as such on the records of a Federal Reserve Bank. Only institutions that are eligible to maintain book-entry accounts with a Federal Reserve Bank may be Holders of Securities.
Denominations	The Securities are issued in minimum denominations of \$1,000 and in \$1 increments above that minimum.
Method of Payment	A Federal Reserve Bank credits payments on each Payment Date to the accounts of Holders on the Federal Reserve Banks' book-entry system. Each Holder, and each financial intermediary in the chain to the beneficial owners of the Securities, will be responsible for remitting payments to their customers.
No "Clean-up Call"	We have no "clean-up call" option to redeem or terminate a Security based on its unpaid principal balance falling below a prescribed level.
Tax Status	We will classify each Pool as a grantor trust. As an investor in Securities, 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 Mortgages. You should be aware that special rules may apply with respect to Securities 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 *Certain Federal Income Tax Consequences—Tax Status*.

Resecuritization..... Following the assignment of Mortgages to a Pool, the related Securities, upon issuance, will represent the initial securitization of the Mortgages. Any further assignment of the related Securities to a REMIC trust or other issuance vehicle will represent the initial resecuritization of such Securities. Securities backed by Mortgages with respect to which REMIC elections are made may be resecuritized to the same extent as, and may be commingled freely with, Securities backed by Mortgages with respect to which no REMIC elections are made.

RISK FACTORS

Although we guarantee the payments on Securities and so bear the associated credit risk of the underlying Mortgages, 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, any applicable Pool Supplement and Additional Supplement and the other documents referred to in *Additional Information* before deciding to purchase Securities. However, neither this Offering Circular nor those other documents describe all the possible risks of an investment in Securities that may result from your particular circumstances, nor do they project how Securities will perform under all possible interest rate and economic scenarios.

Investment Factors

Securities may not be suitable investments for you. UMBS and MBS are complex securities. You, alone or together with your financial advisor, need to understand the risks of your investment. In this regard, you need to be able to analyze the information in this Offering Circular, any applicable Pool Supplement and Additional Supplement and the documents referred to in *Additional Information*, as well as the economic, interest rate and other factors that may affect your investment, such as your specific financial situation and your views on possible and likely interest rate and economic scenarios. If you require a definite payment stream, or a single payment on a specific date, Securities are not suitable investments for you. If you purchase Securities, you need to have enough financial resources to bear all of the risks related to your investment.

Any activities we undertake to support the liquidity and price performance of our Securities may not be successful. We may undertake various activities to support our presence in the agency securities market or to support the liquidity of our UMBS and/or MBS, including their price performance relative to comparable Fannie Mae-issued UMBS or MBS, as applicable. These activities may include the purchase and sale of agency securities, dollar roll transactions and structuring activities, such as resecuritization of existing agency securities and the sale of some or all of the resulting securities. Dollar roll transactions are transactions in which we enter into an agreement to purchase and subsequently resell (or sell and subsequently repurchase) agency securities. Our purchases and sales of mortgage-related securities and our issuances of securities backed by our Securities influence the relative supply and demand (*i.e.*, liquidity) for these securities, helping to support the price performance of our Securities. Depending upon market conditions, there may be substantial variability in any period in the total amount of securities we purchase or sell. The purchase or sale of agency securities could, at times, adversely affect the price performance of our Securities relative to comparable Fannie Mae securities. While we may decide to employ various strategies to support the liquidity and price performance of our Securities, any such strategies may fail or adversely affect our business and financial results. We may cease any such activities at any time, or FHFA could require us to do so, which could adversely affect the liquidity and price performance of our Securities. We may incur costs to support our presence in the agency securities market and to support the liquidity and price performance of our Securities. See also *Secondary Markets, Mortgage Security Performance and Market Support Activities*.

Liquidity-related price differences could occur between our UMBS and/or MBS and comparable Fannie Mae-issued UMBS or MBS, as applicable, due to factors that are largely outside of our control. For example, the level of the Federal Reserve's purchases and sales of agency mortgage-related securities,

including the reduction in the Federal Reserve’s purchases of mortgage-related securities, could affect the demand for and values of our Securities. Therefore, any strategies we employ to reduce any liquidity-related price differences may not reduce or eliminate any such price differences over the long-term.

We may experience price differences with Fannie Mae on individual new production Pools of TBA-eligible Mortgages, particularly with respect to specified Pools and Pools formed under our MultiLender Swap Program. From time to time, we may need to adjust our pricing for a particular new production Pool category or introduce new initiatives to maintain alignment and competitiveness with Fannie Mae with respect to the acquisition of such Pools. Depending on the amount of pricing adjustments in any period, it is possible that such pricing adjustments could adversely affect the profitability of our single-family business for that period. We manage our cash window activities in accordance with our risk limits and limitations imposed by FHFA; this may limit our ability to manage alignment. The Purchase Agreement also includes restrictions on the volume of our cash window activities.

Our ability to support the liquidity and price performance of our Securities could be adversely affected by restrictions on Freddie Mac’s mortgage-related investments portfolio. FHFA has instructed us to hold no more than \$20 billion of agency mortgage-backed securities based on unpaid principal balance, and not to hold REMICs. We have a holding period limit to sell any new REMIC tranches created but not sold at issuance. For this purpose, REMICs do not include tranches initially retained from reperforming loans senior subordinate securitization structures.

You may not be allowed to buy Securities. 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 Securities or in Securities generally. If you purchase Securities in violation of such laws or regulations, you may be compelled to divest such Securities.

Potential conflicts of interest. In connection with the Securities that we issue, we act in multiple roles — Trustee, Depositor, Administrator and Guarantor. The Trust Agreement provides that in determining whether a Mortgage shall be repurchased from the related Pool, we may in our capacities as Administrator and Guarantor 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 Securities to monitor and supervise our activities in our various roles. In connection with our roles as Administrator and Guarantor, we may take certain actions with respect to Mortgages that may adversely affect Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages from 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 speeds of the related Securities. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Mortgage Repurchases*.

Green MBS may not be a suitable investment for all investors seeking exposure to “green” assets. The value of your Green MBS could decline if investor interest in “green” assets decreases, or if Green MBS do not meet investor expectations with respect to “green” investments. Green MBS are Securities that are backed by Mortgages where the related properties have certain characteristics related to energy efficiency. Our Single-Family Green Bond Framework describes our Green MBS offerings. Our Single-Family Green Bond Framework is intended to address the four core components of the Green Bond Principles (the “GBP”) issued by the International Capital Market Association (“ICMA”). CICERO Shades of Green has issued a second-party opinion rating our Single-Family Green Bond Framework.

However, the second-party opinion is not incorporated by reference into, and does not form part of, this Offering Circular. The second-party opinion is not a guarantee that our Green MBS satisfy your “green” investment needs or criteria, is not a recommendation to buy, sell or hold Securities described in the Single-Family Green Bond Framework, is only current as of the date of its issuance and is only applicable to Green MBS issued under the Single-Family Green Bond Framework for the duration of three years from the date of publication of the second-party opinion. The second-party opinion could be withdrawn or disavowed in the future or we could fail to obtain a new second-party opinion upon the expiration of the three year period noted above; either of these events could adversely affect the value of our Green MBS, and may cause adverse consequences for investors with portfolio mandates to invest in such assets.

Green MBS are Securities within the emerging category of “green” assets. There is currently no clear definition in the U.S. (legal, regulatory or otherwise) or market consensus as to what constitutes, or what precise attributes are required for a particular asset to constitute, a “green” or similarly-designated asset, nor can any assurance be given that a clear definition or market consensus will develop over time. Green MBS have not been designed to satisfy the environmental, sustainable or other “green” criteria of any third-party framework or principles, other than as described in the Single-Family Green Bond Framework. Notwithstanding the second-party opinion referenced above, it is possible that our Single-Family Green Bond Framework does not currently address all aspects of ICMA’s GBP or may not do so in the future, particularly if the GBP evolve over time. Accordingly, we cannot assure you that Green MBS will be suitable for any particular “green” investment objective, mandate or strategy. It is unclear whether securities backed by single-family mortgages (such as Green MBS) will be attractive to “green” investors over time, regardless of the characteristics of the securities, the underlying mortgages or the related properties.

We cannot predict the extent of market demand for “green” assets generally or for Green MBS in particular, including whether investors will be willing to pay a “green premium” for Green MBS. “Green premium” refers to the additional amount that investors would be willing to pay for a “green” asset as compared to an otherwise identical “non-green” asset. The green premium, if any, related to our Green MBS may be highly volatile and could be subject to fluctuations in response to various factors, including:

- Actual or alleged adverse environmental or other impacts that may alter the public’s perception of our Green MBS program. For example, under our Green MBS program we will purchase Mortgages on homes with features related to renewable energy and energy efficiency. It is possible that homeowners could fail to properly maintain or operate any such home features, or that adverse environmental impacts could occur during the development, construction or operation of any such home features;
- The public’s perception of the quality and accuracy of any underlying “green” methodologies, standards or data, e.g., the HERS Index and HERS Index scores;
- Actual or anticipated changes in the growth rate of the market for “green” assets; and
- The extent to which institutional investors invest in Green MBS.

Home Energy Rating System Index scores may not accurately measure a mortgaged property’s energy efficiency. We may make available on our website certain pool-level information regarding the Home Energy Rating System (“HERS”) Index scores of the properties underlying certain of the Mortgages backing certain of our Green MBS. This pool-level information is based on the HERS Index scores of the individual properties; the scores on the individual properties are provided to us by the Residential Energy Services Network, Inc. (“RESNET”). The HERS Index was created and is maintained by RESNET to measure a home’s energy efficiency. The HERS Index scores are prepared by RESNET-certified HERS

raters using RESNET's processes. We had no role in the creation of the HERS Index or the processes used to prepare HERS Index scores, and we have no role in the preparation of the score for any of the properties underlying the Mortgages backing Green MBS. We make no representations or warranties concerning the accuracy or completeness of the HERS Index scores. Any HERS Index score may be incorrect for various reasons, including computational errors or the failure of a HERS rater to follow RESNET's processes. We cannot guarantee that the HERS Index score on a property underlying a Mortgage backing a Green MBS will remain the same over the remaining term of such Mortgage. We are not obligated to update previously-published pool-level information to reflect changes in the HERS Index scores on any of the properties underlying the applicable Mortgages.

You should determine how much to rely on the HERS Index score information related to your Securities. We do not independently evaluate the energy efficiency of any of the relevant properties. If the relevant properties were evaluated under other systems or standards of energy efficiency, it is possible that such properties could be determined to be less energy efficient than suggested by their HERS Index scores.

Social MBS may not be a suitable investment for all investors seeking exposure to “social” assets and may not be suitable for any particular “sustainable,” “ESG” or other similarly-designated investment objectives, mandates or strategies. The value of your Social MBS could decline if investor interest in “social” assets decreases, or if Social MBS do not meet investor expectations with respect to “social” investments. Social MBS are Securities that are backed by Mortgages that meet certain social criteria related to income, borrower or property. Our Single-Family Social MBS and Corporate Social Debt Bonds Framework (“**Social Bond Framework**”) describes our Social MBS offerings. Our Social Bond Framework is intended to address the four core components of the Social Bond Principles 2023 (the “**SBP**”) issued by ICMA. Sustainalytics has issued a second-party opinion rating our Social Bond Framework's social credentials and its alignment with the SBP. However, the second-party opinion is not incorporated by reference into, and does not form part of, this Offering Circular. The second-party opinion is not a guarantee that our Social MBS satisfy your “social,” “sustainable,” “ESG” or other similarly-designated investment needs or criteria, is not a recommendation to buy, sell or hold Securities described in the Social Bond Framework, is only current as of the date of its issuance and is only applicable to Social MBS issued under the Social Bond Framework. The second-party opinion could be withdrawn or disavowed in the future; this could adversely affect the value of our Social MBS and may cause adverse consequences for investors with portfolio mandates to invest in such assets.

Social MBS are Securities within the emerging category of “social” assets. There is currently no clear definition in the U.S. (legal, regulatory or otherwise) or market consensus as to what constitutes, or what precise attributes are required for a particular asset to constitute, a “social,” “sustainable,” “ESG” or similarly-designated asset, nor can any assurance be given that a clear definition or market consensus will develop over time. Social MBS have not been designed to satisfy the social, sustainable, affordable, ESG or other “social” criteria of any third-party framework or principles, other than as described in the Social Bond Framework. Notwithstanding the second-party opinion referenced above, it is possible that our Social Bond Framework does not currently address all aspects of ICMA's SBP or may not do so in the future, particularly if the SBP evolve over time. Accordingly, we cannot assure you that Social MBS will be suitable for any particular “social,” “sustainable,” “ESG” or other similarly-designated investment objective, mandate or strategy. It is unclear whether securities backed by single-family mortgages (such as Social MBS) will be attractive to “social” investors over time, regardless of the characteristics of the securities, the underlying mortgages or the related borrowers or properties.

We cannot predict the extent of market demand for “social” assets generally or for Social MBS in particular, including whether investors will be willing to pay a “social premium” for Social MBS. “Social premium” refers to the additional amount that investors would be willing to pay for a “social” asset as compared to an otherwise identical “non-social” asset. The social premium, if any, related to our Social MBS may be highly volatile and could be subject to fluctuations in response to various factors, including:

- Market perception of the Mission Index;
- Actual or anticipated changes in the growth rate of the market for “social” assets; and
- The extent to which institutional investors invest in Social MBS.

The impact of MCS or MDS on the market value of Securities, particularly those with relatively high scores, is uncertain and any positive impact could decline over time. We cannot predict the level of market interest, if any, for Securities with any particular MCS or MDS. A secondary market for Securities with particular MCS or MDS may not develop. Even if a market develops, it may not continue. As a result, you may not be able to sell Securities with relatively high MCS or MDS at prices that will allow you to realize a higher return based on such relatively high MCS or MDS. The Mission Index has not been designed to satisfy the social, sustainable, affordable or other criteria of any third-party framework or principles, except that we designate Securities with certain Mission Index scores (i.e., MCS and MDS) as Social Bonds.

The Mission Index methodology may evolve over time, as we can adjust or remove the underlying criteria or add new criteria at any time. Any change in methodology could adversely affect the value of Securities issued prior to such change. We do not expect to update the MCS and MDS of previously-issued Securities to reflect changes in the methodology of the Mission Index.

The assignment of a MCS and MDS is not a recommendation to buy, sell or hold a Security and is only current as of the date of the issuance of such Security. The MCS and MDS for our Securities are based on information furnished to us by the sellers of the underlying Mortgages. We do not verify such information, make no representations or warranties concerning the accuracy of the MCS and MDS for our Securities, and disclaim all liability associated with or arising from any inaccuracies in the MCS and MDS. We are not obligated to update or correct the MCS or MDS for any Security. You should determine how much to rely on the MCS or MDS for our Securities.

The MCS and MDS for any Security are based on the characteristics of the Mortgages underlying such Security at the time of Freddie Mac’s acquisition of such Mortgages. It is possible that the MCS and MDS for a Security could change significantly over the term of the Security; however, we do not recalculate MCS or MDS after the issuance of a Security even if a change occurs in the methodology of the Mission Index. The MCS and MDS for our Securities are generally subject to the same risks and limitations as our cohort-, pool- and loan-level data, as described in *Credit Factors — Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default* and *Description of the Securities — Pool- and Cohort-Level Data* and *— Loan-Level Data*.

A credit downgrade could adversely affect the liquidity and prices of your Securities. Any downgrade in the credit ratings of the U.S. government would be expected to be accompanied by a downgrade in our credit ratings. In addition to a downgrade in the credit ratings of or outlook on the U.S. government, several other events could adversely affect our credit ratings, including actions by governmental entities, changes in government support for us, changes in regulatory designations of our debt, future losses, additional draws under the Purchase Agreement, uncertainty regarding a breach of the

U.S. debt ceiling, government shutdowns, and default by the U.S. government on its obligations. Any such downgrades could adversely affect the liquidity and prices of your Securities.

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 following 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 Securities, 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 Securities, 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 Mortgage payments 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. Holders would experience delays in receiving payments on their Securities because the relevant systems are not designed to make partial payments.

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.

The liability of the Conservator, in the event it repudiates our guarantee, is 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 the conservatorship by placing us into receivership, which could adversely affect our guarantee, and restrict or eliminate certain rights of Holders. We could be put into receivership at the discretion of the Director of FHFA at any time for a number of reasons set forth in the Reform Act. Bills have been and may continue to be introduced in Congress that provide for Freddie Mac to be placed into receivership. In addition, FHFA could be required to place us into receivership if Treasury were unable to provide us with funding requested under the Purchase Agreement to address a deficit in our net worth.

Being placed into receivership would terminate the current conservatorship. The purpose of

receivership is to liquidate our assets and resolve claims against us. 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 as a result of their status as stockholders or creditors, other than possible payment upon our liquidation.

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. FHFA has defined such a reasonable period to be 18 months.

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 Mortgage payments 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. Holders would experience delays in receiving payments on their Securities because the relevant systems are not designed to make partial payments.

In addition, when administering the receivership claims process, FHFA could treat similarly situated creditors unequally, including treating creditors with claims related to senior unsecured debt securities and creditors with claims related to guarantee obligations on mortgage-related securities unequally, if FHFA determines such treatment is necessary to maximize the value of the assets of Freddie Mac, to maximize the present value return from the sale or other disposition of the assets of Freddie Mac, or to minimize the amount of any loss realized upon the sale or other disposition of the assets of Freddie Mac, as long as all creditors would receive at least as much as they would in a liquidation. During receivership or conservatorship, FHFA may take any authorized action that FHFA determines is in the best interest of Freddie Mac or FHFA, including the public that FHFA serves.

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 under the Trust Agreement may not be enforceable against FHFA, or enforcement of such rights may be delayed. The 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, 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 Trust Agreement—Rights Upon Event of Default*.

In addition to oversight by FHFA as our Conservator, we are subject to regulation and oversight by FHFA and to certain regulation by other government agencies. FHFA has the power to require us from time to time to change our processes, take action and/or stop taking action that could impact our business. Certain actions that we have taken pursuant to FHFA direction are intended to promote equitable access to affordable and sustainable housing and could have a negative impact on the performance of our Securities. See the Incorporated Documents for additional information regarding the possible implications of a receivership.

Prepayment and Yield Factors

Substantial repurchases of seriously delinquent Mortgages from Pools could materially affect Security prepayment speeds. In recent periods, we typically repurchased Mortgages from their related Pools after the Mortgages became 120 days delinquent or more, subject to operational and regulatory constraints. Effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related Pools from 120 days or more of delinquency to 24 months of delinquency, except for delinquent Mortgages that meet certain criteria (e.g., permanently modified or foreclosure referral) which may be repurchased sooner. Many delinquent Mortgages are repurchased from Pools before they reach 24 months of delinquency under one of the exceptions provided. These repurchases would have the same effect on the Holder as a prepayment of the Mortgages. For more information, see *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*.

Substantial repurchases of Mortgages from Pools due to breaches of representations and warranties by sellers and servicers could materially affect Security prepayment speeds. Repurchases of Mortgages from Pools may occur due to breaches of certain representations and warranties by the sellers and servicers of those Mortgages. These repurchases would have the same effect on the Holder as a prepayment of the Mortgages. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—General* and *—Mortgage Repurchases*.

As of December 31, 2023, we had outstanding repurchase requests to our sellers and servicers with respect to Mortgages with an unpaid principal balance of approximately \$0.5 billion; this figure also includes Mortgages underlying PCs. If the sellers and servicers fulfill our repurchase requests and your Securities are backed by the applicable Mortgages, their repurchases will result in prepayments, which could be substantial. However, we may have already repurchased many of these Mortgages from the Pools backing your Securities pursuant to our repurchase practices.

In lieu of repurchase, we may choose to allow a seller or servicer to indemnify us against losses realized on such Mortgages or otherwise compensate us for the risk of continuing to own the Mortgages. Sometimes

a seller sells us Mortgages with recourse, meaning that the seller agrees to repurchase any Mortgage that is delinquent for more than a specified period (usually 120 days), regardless of whether there has been a breach of representations and warranties. Under recourse arrangements, a seller may also have the option, regardless of whether there has been a breach of representations and warranties, to repurchase with our consent a Mortgage that is 90 days delinquent.

We may purchase a Mortgage from a Pool for reasons other than delinquency or a breach of a representation and warranty. The Trust Agreement requires that we repurchase Mortgages from Pools in certain limited situations and gives us the option to repurchase Mortgages from Pools in other situations. See *The Trust Agreement—Repurchase of Mortgages*.

Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect Security prepayment speeds. We offer a variety of borrower assistance programs, including the Enhanced Relief Refinance Program, Refi PossibleSM and the Flex Modification initiative. For information on these and other borrower assistance programs and initiatives, see *Description of the Mortgages that back Securities – Special Mortgage Characteristics* and *– Mortgage Purchase and Servicing Standards* and our Guide. We could elect or be required to expand existing programs or implement new programs at any time. If a substantial number of borrowers participate in these or any future programs, the prepayment speeds of your Securities could be materially affected. Because the LTV ratio on fixed-rate Enhanced Relief Refinance Mortgages at origination can exceed 125%, borrowers, who may have little or no equity in their homes and who would not otherwise qualify for refinancings, may qualify for Enhanced Relief Refinance Mortgages. Refi Possible is a no cash-out refinance option for Freddie Mac Mortgages that offers expanded eligibility to benefit borrowers who are at or below 100% of the area median income limit. Streamlined underwriting procedures and valuation of properties using an automated valuation model may apply to certain eligible borrowers under certain of these programs.

Repurchases of Mortgages from Pools may occur when the terms of those Mortgages are modified as a result of default or imminent default. Servicers are paid incentive fees for each completed modification. These repurchases would have the same effect on the Holder as a prepayment of the Mortgages. Under certain circumstances, Mortgages may be modified more than once. See *Description of the Mortgages that back Securities – Special Mortgage Characteristics – Mortgage Modification Programs* and the Incorporated Documents for additional information.

Depending on the number of borrowers who obtain refinancings and modifications under our refinance and modification initiatives, the increase in prepayments on certain Securities could be material. Generally, refinancings and modifications of Mortgages result in prepayments under the related Securities in an amount equal to the unpaid principal balance of the affected Mortgages. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Mortgage Repurchases*. We cannot predict the number of borrowers who will ultimately participate in our refinance and modification initiatives or the rate of prepayments on the related Securities.

Security principal payment rates are uncertain. Mortgage prepayments are affected by many factors and are unpredictable. Principal payment rates on Securities 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 sales of the mortgaged properties, refinancings and other voluntary payments by borrowers and from the repurchase of Mortgages from Pools due to defaults or delinquencies, inaccurate representations or warranties or other factors. Mortgage

prepayment rates fluctuate continuously and, in some market conditions, substantially. A variety of factors could affect the rates of prepayments on Mortgages, including the following:

- *Prevailing mortgage interest rates.* In general, as mortgage interest rates decline, borrowers tend to refinance their current, higher rate Mortgages, which results in faster prepayment rates on the related Pool. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their Mortgages, which results in slower prepayment rates on the related Pool.
- *Mortgage characteristics, such as the geographic location of the mortgaged properties, loan size, LTV ratios, year of origination, payment terms, loan purpose and occupancy type (i.e., second home or investment property).* To the extent Mortgages with particular Mortgage characteristics may be concentrated in a Pool, the related Securities may prepay more quickly or more slowly than otherwise similar Securities. For example, Securities with a concentration of Mortgages from cash-out refinancings may prepay more quickly than otherwise similar Securities, as such Mortgages generally have a higher risk of default than Mortgages originated in purchase or other refinance transactions. The concentration of characteristics in a Pool may change over time.
- *Characteristics of the borrowers (such as credit score) and their equity positions in their houses (whether the LTV ratio is high or low).* To the extent Mortgages with particular borrower characteristics may be concentrated in a Pool, the related Securities may prepay more quickly or more slowly than otherwise similar Securities. For example, borrowers with substantial equity in their houses may be inclined to engage in cash-out refinancings. This technique enables the borrower to convert all or a portion of the equity into cash. Depending on the economic environment, Pools with concentrations of such borrowers may prepay more quickly than otherwise similar Securities. The concentration of characteristics in a Pool may change over time. High LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default.
- *Procedures implemented by mortgage originators and servicers to ease the burden on themselves and borrowers of processing refinance loans.* These changes may include reducing the amount of documentation and costs required to refinance and easing underwriting standards, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates. Any changes we make to streamline the processes required by our underwriting standards could have a similar effect. Some of our Mortgage purchase programs may facilitate these practices. For example, certain eligible borrowers applying for Refi Possible may be subject to streamlined underwriting and other procedures. On the other hand, the tightening of underwriting standards could make it more difficult for borrowers to refinance their Mortgages, which could decrease prepayment rates.
- *Active solicitation by originators and servicers.* Many mortgage servicers, including sellers of Mortgages to Freddie Mac, solicit borrowers to refinance their Mortgages. In particular, servicers may solicit borrowers to refinance in an effort to preserve servicing income, which could increase prepayment rates. To mitigate this risk generally, we place certain restrictions on servicers' ability to solicit borrowers to refinance their Mortgages; these restrictions are intended to prevent servicers from targeting borrowers under Mortgages they service for us more actively than they target other borrowers. We may waive these requirements for certain

servicers.

- *Servicing fee rates.* Pools containing Mortgages that are subject to servicing fee rates that are relatively low may experience different prepayment rates than Pools in which relatively high servicing fee rates predominate.
- *The rate of defaults and resulting repurchases of the Mortgages in a Pool.* Defaults may increase during periods, or due to the occurrence, of economic recession, mortgage credit contraction, banking crises or failures, stricter underwriting standards that may inhibit refinancings, catastrophic events, such as a major natural or environmental disaster, pandemics, declining property values (including due to long-term climate change effects) or increased use of secondary financing or as a result of other factors that decrease borrowers' equity. The existence of a second lien reduces the borrower's equity in the home and, therefore, can increase the risk of default. We report combined LTV ratios that reflect second liens known to us at the time of Mortgage origination. However, borrowers are free to obtain second lien financing after origination, and we are not entitled to receive notification when a borrower does so. Such adverse developments could also have a greater impact on certain states or geographical regions. Depending on how long a Mortgage has been in default and the likelihood the borrower will resume making payments, we may repurchase a defaulted Mortgage from its Pool, which would have the same effect on the Holder as a prepayment of the Mortgage. Servicers may also modify such a Mortgage under our various modification initiatives. Generally, upon modification, such a Mortgage would be repurchased from its Pool and such a repurchase would have the same effect on the Holder as a prepayment of the Mortgage. See *Description of the Mortgages that back Securities – Special Mortgage Characteristics – Mortgage Modification Programs.*
- *Errors by Sellers or Servicers.* Errors by sellers or servicers could lead to Mortgage prepayments. For example, seller or servicer reporting errors could cause a Mortgage's delinquency status to be incorrectly reported, leading to the Mortgage being repurchased from its Pool earlier than would otherwise be required.
- *Pool Size.* The prepayment behavior of relatively small Pools is likely to be less consistent and less predictable than is the prepayment behavior of larger Pools.
- *Use of Automated Underwriting Tools.* Mortgages that have been underwritten using automated underwriting tools, such as Loan Product Advisor® Automated Collateral Evaluation, may prepay more quickly than otherwise similar Mortgages. We continue to increase our use of automated underwriting tools. These tools also generally reduce the amount of documentation and costs required to refinance, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates.
- *The Seller of the Mortgage.* Mortgages from certain sellers tend to exhibit relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.

We make no representation concerning the particular effect that any factor may have on Mortgage prepayment behavior.

Various types of Mortgages may have special prepayment characteristics. For example:

- Many Mortgages may be more prone to refinance as a result of our Enhanced Relief Refinance Program. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Relief Refinance Programs*. (Our purchases of Enhanced Relief Refinance Mortgages were suspended on September 1, 2021.)
- Alignment Overflow Mortgages have been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.
- Biweekly Mortgages have weighted average lives that are shorter than those of otherwise similar monthly payment Mortgages. (We ceased purchasing Biweekly Mortgages on February 5, 2020.)
- Cooperative Share Mortgages may experience different prepayment rates than other types of Mortgages due to various factors, including, but not limited to, the structure of Cooperatives, the geographic location of the related Cooperative, the characteristics of the borrower, and the borrower's ability to obtain refinancing.
- Prepayment Penalty Mortgages may tend to prepay differently than Mortgages without prepayment penalties. (We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.)
- Initial Interest Mortgages, which permit borrowers to pay only accrued interest for extended periods without requiring principal amortization, may affect borrower decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. In addition, borrowers could be motivated to refinance prior to the expiration of the interest only period because it is likely that the amount of each monthly payment will increase substantially when scheduled principal amortization on these Mortgages commences. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.)
- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may tend to prepay differently than standard conforming Mortgages because of a number of factors, including their larger relative principal balance (and larger resulting savings in the case of refinancing in a low interest rate environment), the presence of Freddie Mac and Fannie Mae in the secondary market for such Mortgages (which may tend to reduce the prevailing interest rates offered by lenders for extending such Mortgages and to increase funds available for such Mortgages) and the possible geographic concentration of such Mortgages. Jumbo-Conforming Mortgages and Super-Conforming Mortgages may experience higher default rates than other Mortgages because, among other factors, they require relatively higher monthly payments.
- Modified Mortgages may have a greater risk of borrower delinquency and may generally have different prepayment and default characteristics than other Conventional Mortgages. In addition, Modified Mortgages with Step Rate Increases may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rates of these Modified Mortgages are increasing.

- Extended Buydown Mortgages may experience higher default rates than other Buydown Mortgages because they provide for larger increases in the effective interest rates to borrowers.
- Relocation Mortgages could be less sensitive than other types of Mortgages to prepayments resulting from decreasing interest rates and more sensitive than other types of Mortgages to prepayments resulting from home sales. The prepayment behavior of Relocation Mortgages also generally depends on the circumstances of individual employees and employers and the characteristics of the specific relocation programs involved, including whether such Mortgages are made in connection with a permanent relocation of a corporate headquarters, the likelihood that the borrower will be relocated again and the frequency with which further relocations occur. We do not collect information relating to these factors from mortgage sellers or servicers. Borrowers under Relocation Mortgages may be more likely to be transferred by their employers than mortgage borrowers generally. However, we cannot predict the likelihood of future employment related transfers or the rate of prepayments on Relocation Mortgages.
- Assumable Mortgages could be less sensitive than other types of Mortgages to prepayments due to home sales because they may not have to be prepaid when the mortgaged property is sold to a qualified borrower.
- High LTV Mortgages may have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments.
- FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria and they are usually Assumable Mortgages.
- Reduced Minimum Servicing Mortgages have a minimum servicing fee level that is below 0.25% per annum of the principal balance of the Mortgages, which is the prevailing minimum servicing fee level for Mortgages we acquire. Reduced Minimum Servicing Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or which are included in MBS Pools with similar pass-through rates.
- Reinstated FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria, they have experienced previous periods of serious delinquency and they can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage.
- Reinstated Mortgages may have different prepayment and default characteristics than other Conventional Mortgages because they have experienced previous periods of serious delinquency.

Although Reinstated FHA/VA Mortgages and Reinstated Mortgages will be performing and not in default at issuance of their related new MBS, there can be no assurance that such Mortgages will remain current after issuance of the related MBS. If any Reinstated FHA/VA

Mortgage or Reinstated Mortgage meets the applicable delinquency criteria described under *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Mortgage from its related Pool, which repurchase would have the effect of a prepayment in full of such Mortgage.

We make no representation concerning the particular prepayment rates for any type of Mortgage as compared to other kinds of Mortgages.

Principal payment behavior varies over time and among Pools. The rate of principal payments on a Pool may vary significantly from month to month as a result of fluctuations in the principal payment rates of its underlying Mortgages. A Pool may experience payment behavior that is similar to or different from that experienced by other Pools consisting of similar Mortgages. Any Pool could experience payment behavior that is significantly different from other Pools, particularly if it contains a relatively small number of Mortgages, contains Mortgages from only one seller or has been formed specifically to emphasize one or more loan characteristics, such as property location, credit score or loan size. Changes in payment behavior could also result from changes in or waivers of our Mortgage purchasing or servicing requirements or standards.

Prepayments can reduce your yield. Your yield on a Security will depend on its price, the interest rate payable on the Security, the payment delay on the Security, the rate of prepayments on its underlying Mortgages, and the other characteristics of those Mortgages. The Mortgages may be prepaid at any time, in most cases without penalty. You should carefully consider the yield risks associated with Securities, including these:

- If you purchase a 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 purchase a 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. 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 purchase of a Security is not likely to be fully offset by an equivalent reduction (or increase) in that rate in later periods.

The yield on your Security may be less than its Coupon. The effective yield on any Security will be less than the yield that its Coupon and purchase price would otherwise produce, because:

- On the first Payment Date, 30 days' interest will be payable on the Security even though interest began to accrue approximately 55 days earlier.
- On each Payment Date after the first Payment Date, the interest payable on the Security will accrue during its Accrual Period, which will end approximately 25 days before that Payment Date.

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 Security. 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 Securities at that time, you could be disadvantaged by not receiving principal for reinvestment as quickly as you expected.

Credit Factors

General economic or market conditions could adversely affect your Securities. Changes in economic or market conditions, including volatility in the financial services industry, changes in employment rates, inflation, banking crises or failures or other macroeconomic conditions could adversely affect your Securities in a number of ways. In addition, declining property values (including due to long-term climate change effects) and acute physical risks arising from the increased frequency and severity of catastrophic events, including a flood, hurricane, earthquake, tsunami or wildfire, could affect the residential housing market. Losses from natural disasters may also result in higher uninsured losses for borrowers due to rising costs or limited availability of insurance compared to historical levels, especially in certain high-risk areas.

If the U.S. economy is weak or property values decline, we could experience a high level of payment defaults on Mortgages. Payment defaults on Mortgages could result in accelerated prepayments of your Securities as a result of our repurchase practices relating to seriously delinquent Mortgages and Mortgage modifications, foreclosures, and workouts. The rate of modifications could significantly increase and remain high as a result of our modification initiatives. These developments could adversely affect the liquidity, pricing and yield of your Securities. Payment and recovery of principal on your Securities could depend on our ability to honor our guarantee obligations.

The value and liquidity of your investment in Securities may also be adversely affected by changes in global or domestic economic and political conditions, including acts of terrorism, civil unrest, geopolitical instability or conflict, public health events and epidemics or pandemics such as COVID-19.

Volatility in currency exchange rates could adversely affect the yield on your Securities if you conduct your financial activities in a currency other than the U.S. dollar.

Many borrowers may be “underwater” on their Mortgages. Any decline in the value of a mortgaged property after the Mortgage was originated could result in a higher LTV ratio with respect to that Mortgage than was applicable at the time the Mortgage was originated. A substantial number of borrowers are “underwater,” or owe more on their Mortgages than their homes are currently worth, and, based on historical information, are more likely to default than other borrowers. Higher LTV ratios may make it more difficult for borrowers to refinance their loans or sell their homes. As a result, any such Mortgages backing your Securities may prepay less rapidly than you expect due to refinancing or may experience a higher level of delinquency. However, certain of these Mortgages could qualify to be refinanced under our Enhanced Relief Refinance Program, which permits the LTV ratios on Enhanced Relief Refinance Mortgages to exceed 125%. If such Mortgages are refinanced, that would result in accelerated prepayments in related Pools. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Relief Refinance Programs*.

Servicers may experience financial and other difficulties. A servicer's ability to effectively service Mortgages may become impaired if the servicer experiences financial difficulties or failures or disruptions in its operational systems or infrastructure (including due to a cybersecurity incident) or becomes insolvent. In some cases, it may become necessary for us to transfer servicing to another servicer. Less robust servicing practices before, during or after the transition to a new servicer can exacerbate borrower delinquencies and defaults. Although our guarantee would cover such borrower delinquencies and defaults, an increase in borrower delinquencies and defaults could result in acceleration of prepayments on your Securities, if we purchase such delinquent Mortgages from their related Pools.

We have significant exposure to non-depository institutions. We acquire a large portion of our business from non-depository institutions, and some of these non-depository institutions service a large share of our Mortgages. These institutions may not have the same financial strength or operational capacity, or be subject to the same level of regulatory oversight, as large depository institutions. If these counterparties experience financial difficulties or failures or disruptions in their operational systems or infrastructure (including due to a cybersecurity incident) or become insolvent, we could experience a decline in servicing quality and potentially higher rates of default and delinquency resulting in faster prepayments.

Cybersecurity incidents can impact servicers, servicers' third-party vendors, service providers and supply chain connections. We rely on the cybersecurity and accuracy of information provided by servicers, which exposes us to the risk that the data provided to us may become unavailable, delayed or inaccurate.

Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default. We make available on our website (i) certain pool- and loan-level information regarding each of the Mortgages backing our Securities and (ii) certain information at the cohort level, in each case, based on information furnished to us by the sellers and servicers of the Mortgages. We generally do not verify the information furnished to us by sellers and servicers prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. Information errors could also occur due to shortcomings or failures in our internal processes or systems or those of our sellers or servicers. In the past, we have experienced delays in disclosing information due to shortcomings, failures or disruptions in our internal systems or infrastructure or those of sellers, servicers or CSS. It is possible we could experience delays in the future for a number of reasons including, for example, cybersecurity incidents. Information could be incorrect if, for example, the parties involved in a transaction (such as the borrower, property seller, broker, appraiser, title agent, loan officer, lender or servicer) intentionally or negligently misrepresented facts about the borrower, property or Mortgage, or otherwise engaged in fraud. The policies and procedures we have implemented related to the information we receive from sellers and servicers of Mortgages may not be adequate to identify errors in that information, and we or our sellers and servicers may fail to properly operate those policies and procedures.

As part of the pool- and loan-level information, we provide certain LTV ratios for the Mortgages backing our Securities. In certain cases, these ratios are based on the estimated or appraised value of the mortgaged property, and thus the ratios may not reflect the property's actual value. In addition, property values may have increased or declined in some real estate markets since the time the valuations were obtained or determined. It is therefore possible that the valuation of a mortgaged property may not accurately reflect the current market values of the property.

We also provide the credit scores of the Mortgage borrowers. Credit scores are generated by models developed by third-party credit reporting organizations that analyze data on consumers in order to establish patterns which are believed to be indicative of a borrower's probability of default. A credit score purports only to be a measurement of the relative degree of risk a borrower represents to a lender. Credit scores were not developed specifically for use in connection with mortgage loans, but for consumer loans in general. For example, credit scores were developed to indicate a level of default probability over a two-year period, which does not correspond to the life of most mortgage loans. Therefore, credit scores do not address particular mortgage loan characteristics that influence the probability of repayment by the borrower. You should determine how much to rely on the credit scores of the borrowers under the Mortgages backing your Securities.

We place Mortgages in Pools based, in part, on information provided by the sellers of the Mortgages. If such information is incorrect, there is a risk that a Mortgage could be placed in a Pool for which the Mortgage lacked the requisite characteristics, as set by the Pool's Prefix.

Factors Related to Alignment with Fannie Mae, the Single Security Initiative and Operational Risks

The value and liquidity of your Freddie Mac-issued UMBS could be adversely affected if they are not fungible with comparable Fannie Mae-issued UMBS. Freddie Mac-issued UMBS and Fannie Mae-issued UMBS are designed to be fungible with each other for purposes of fulfilling transactions in the TBA market. If fungibility is not maintained, the value and liquidity of your Freddie Mac-issued UMBS could be adversely affected.

The Securities Industry and Financial Markets Association (“SIFMA”), through its “good-delivery guidelines,” has an important role in maintaining the fungibility of Freddie Mac- and Fannie Mae-issued UMBS in a single, combined TBA market for the Enterprises. SIFMA's good-delivery guidelines permit UMBS TBA contracts to be settled by delivery of UMBS issued by either Freddie Mac or Fannie Mae. If SIFMA were to change its position on the fungibility of Freddie Mac- and Fannie Mae-issued UMBS and revise its good-delivery guidelines to prohibit or limit the ability to deliver UMBS issued by either Enterprise to settle TBA contracts, the value and liquidity of your Freddie Mac-issued UMBS could be adversely affected.

The cash flows on comparable UMBS cohorts of the Enterprises could diverge, which could adversely affect the fungibility of Freddie Mac- and Fannie Mae-issued UMBS. Investors may not accept delivery of UMBS issued by Freddie Mac in settlement of TBA contracts unless the cash flows of the securities are similar to comparable UMBS issued by Fannie Mae. FHFA, Freddie Mac and Fannie Mae are taking actions designed to ensure the alignment of cash flows across comparable UMBS cohorts. For example, under the UMBS Rule, Freddie Mac and Fannie Mae are required to align programs, policies and practices that affect the prepayment rates of their TBA-eligible mortgage-backed securities. However, notwithstanding these actions, it is possible that cash flows on particular cohorts of the Enterprises' TBA-eligible securities could diverge for periods of time. A number of factors may make it difficult for us to maintain alignment with Fannie Mae, including increased refinances, the introduction or expansion of automation and other innovations, and changes in the industry.

FHFA's and Treasury's support are critical to the success of the single security initiative and the fungibility of Freddie Mac- and Fannie Mae-issued UMBS. There is a risk that FHFA or Treasury may

cease supporting the initiative in the future, due to changes in the leadership or priorities of FHFA or Treasury, or other factors.

It is possible that investors could prefer Fannie Mae-issued UMBS to Freddie Mac-issued UMBS, potentially causing Enterprise-specific markets to re-emerge, notwithstanding the various actions and efforts to promote fungibility. Investors have historically preferred the mortgage-related securities of Fannie Mae to those of Freddie Mac, as evidenced by historical price performance disparities between comparable Freddie Mac Gold PCs and Fannie Mae MBS. This preference could recur. Our UMBS are an integral aspect of our mortgage purchase program. If investors prefer Fannie Mae-issued UMBS to Freddie Mac-issued UMBS, our competitiveness in purchasing single-family mortgages from our sellers and the volume of our new single-family guarantee business could be adversely affected. In turn, this could adversely affect the volume of UMBS we issue, which could adversely affect the value and liquidity of your Freddie Mac-issued UMBS. Investor preferences could also result in the emergence of Enterprise-specific markets for UMBS.

Uncertainty concerning the extent of the alignment between the mortgage purchase, servicing and securitization programs, policies and practices of Freddie Mac and Fannie Mae may affect the degree to which UMBS maintains market acceptance. These or other factors could result in an increase in stipulated trades for Fannie Mae-issued UMBS, which could adversely affect the value and liquidity of your Freddie Mac-issued UMBS. A stipulated trade is a trade in which the investor stipulates that it will accept delivery only of a security issued by one Enterprise or another, *e.g.*, a Fannie Mae- or Freddie Mac-issued UMBS.

The ERCF requires us to hold capital to account for the counterparty credit risk of Fannie Mae. Given the resulting risk weights for commingled securities or crossholding of Enterprise UMBS, it is possible that the fungibility of UMBS will be reduced and that Enterprise-specific markets will re-emerge. The ERCF risk weighting may cause each Enterprise to choose whether to stipulate delivery of its own UMBS or to provision excess capital to account for the risk of receiving the other Enterprise's UMBS. Further, the ERCF requirements may discourage the Enterprises from issuing commingled securities and may create incentives to resort to single-issuer resecuritizations, undermining the goal of fungibility of Freddie Mac and Fannie Mae UMBS.

As a result of an amendment to the ERCF, we began charging a 50 basis point fee for commingled securities issued on or after July 1, 2022. Due to the market's reaction to this fee, our issuances of commingled securities effectively ceased after July 1, 2022, undermining the goal of fungibility of Freddie Mac- and Fannie Mae-issued UMBS. Although the fee was reduced to 9.375 basis points effective April 1, 2023 resulting in an increase in these issuances, there is no assurance that this reduction will result in the resumption of commingled security issuance at previous levels.

Freddie Mac is offering an optional exchange program to enable holders to exchange eligible Gold PCs and Giant PCs for UMBS Mirror Certificates, MBS Mirror Certificates, Supers Mirror Certificates or Giant MBS Mirror Certificates, as the case may be, plus applicable float compensation in connection therewith. Certain investors may decide not to exchange their Gold PCs and Giant PCs in the exchange offer, which could adversely affect the tradable supply of UMBS. In turn, this could adversely affect the value and liquidity of your Freddie Mac-issued UMBS.

Market assessments and speculation concerning the relative success of the UMBS TBA market and our exchange offer could also adversely affect the value and liquidity of your Freddie Mac-issued UMBS.

The value of your UMBS may decline if investors are unable or unwilling to commingle their Fannie Mae- and Freddie Mac-issued UMBS. An important feature of the single security initiative is that Freddie Mac-issued UMBS are designed to be commingled with Fannie Mae-issued UMBS, and vice versa, in resecuritizations. It is possible that investors and market participants may not be able to commingle Freddie Mac- and Fannie Mae-issued UMBS due to operational or systems problems, failures or disruptions at Freddie Mac, Fannie Mae, CSS or market participants. It is also possible that investors may choose not to commingle Fannie Mae-issued UMBS with Freddie Mac-issued UMBS. Any of these events could adversely affect market demand for, or the value of, Freddie Mac-issued UMBS.

As described above, we began charging a 50 basis point fee for commingled securities issued on or after July 1, 2022, which caused our issuances of commingled securities to effectively cease. Although the fee was reduced to 9.375 basis points effective April 1, 2023 resulting in an increase in these issuances, there is no assurance that this reduction will result in the resumption of commingled security issuance at previous levels.

The markets for our UMBS and MBS could be disrupted if the CSP were to fail or otherwise become unavailable to us. You could experience delays in receiving payments on your UMBS or MBS in the event of a systems problem, disruption or other adverse event affecting the CSP. We rely on the CSP and CSS (which owns and operates the CSP) for performance of certain significant functions related to our UMBS and MBS, including certain functions performed on behalf of the Trustee. For example, the CSP is used to perform certain data acceptance, issuance support and bond administration activities for us related to our UMBS and MBS, including calculation of payments and ongoing reporting to investors. The CSP is also used to enable commingling of Freddie Mac- and Fannie Mae-issued UMBS in resecuritization transactions. These activities are complex and present significant operational and technological challenges and risks, including process breakdowns, technology outages, cybersecurity incidents or other security incidents (whether due to insider error or malfeasance or system errors or vulnerabilities) or other disruptions. Our business activities would be adversely affected and the market for our Securities would be disrupted if the CSP were to fail or otherwise become unavailable to us or if CSS were unable to perform its obligations to us for any reason, including as a result of an operational failure by Fannie Mae. In addition, CSS could adopt or prioritize strategies that could adversely affect its ability to perform its obligations to us. Any measures we take to mitigate these challenges and risks might not be sufficient to prevent a disruption in our securitization activities related to our UMBS and MBS. You could experience incorrect or late payments on your UMBS or MBS in the event of a systems problem, disruption or other adverse event affecting the CSP.

Adverse changes in Fannie Mae's performance, or market perceptions about Fannie Mae's performance, could adversely affect the value of your UMBS. There are significant connections between the single-family mortgage securitization programs of Freddie Mac and Fannie Mae, as both Enterprises issue a common security (UMBS) that can be commingled in resecuritizations and is designed to trade in a single, combined TBA market. Due to these connections, it is possible that the value of your Freddie Mac-issued UMBS could be affected by events relating to Fannie Mae, even if those events do not directly affect Freddie Mac. For example, any actual or perceived adverse change in Fannie Mae's financial performance or condition, mortgage credit quality, or systems and data reliability could adversely affect the value of your Freddie Mac-issued UMBS. Any disruption in Fannie Mae's UMBS securitization activities or any adverse events affecting Fannie Mae's significant mortgage sellers and servicers could also adversely affect the value of your Freddie Mac-issued UMBS.

We may fail to make a timely payment on your Securities if there is a systems failure at the Federal Reserve Banks or if Fannie Mae were to fail to provide appropriate funding to the Federal Reserve Banks. We rely on the Federal Reserve Banks to make payments on our Securities (as well as payments on other types of Freddie Mac mortgage-backed securities) to the appropriate Holders' accounts. We use the Federal Reserve Banks' book-entry system to issue and transfer Securities. If the Federal Reserve Banks were not able to perform these functions for a period of time or if the Federal Reserve Banks were to experience a disruption in their operations or technology from any cause, including process breakdowns, technology outages, cybersecurity incidents or other security incidents (whether due to insider error or malfeasance or system errors or vulnerabilities), we may be unable to make timely payments on your Securities, transfer your Securities, or issue new Securities. Insufficient cash may cause our account with the Federal Reserve Bank of New York to be overdrawn, potentially resulting in delays in payments on our Securities.

Fannie Mae also relies on the Federal Reserve Banks to make payments on various types of Fannie Mae mortgage-backed securities. As a result of operational changes to applicable payment processes made in connection with the single security initiative, the Federal Reserve Banks will not make any payments on a Payment Date with respect to our or Fannie Mae's mortgage-backed securities payable on that date until 100% of the amounts payable on all such securities have been funded by Freddie Mac or Fannie Mae, as applicable. As a result, if Fannie Mae were to fail (for credit or operational reasons) on any Payment Date to provide funds for a full payment on any Fannie Mae-issued UMBS, Supers, REMIC class or other security payable on that date, we would be responsible for making the entire payment on all such Fannie Mae-issued UMBS, Supers or REMIC classes that we resecuritized in order for any Freddie Mac-issued UMBS, MBS, Supers, Giant MBS, Mirror Certificates or other securities to be paid on that Payment Date. If we failed to provide the Federal Reserve Banks with all funds to make such payment, the Federal Reserve Banks would not make any payment on any of our outstanding Freddie Mac-issued UMBS, MBS, Supers, Giant MBS, Mirror Certificates or other single-family mortgage-related securities to be paid on that Payment Date, regardless of whether such Freddie Mac-issued single-family mortgage-related securities were backed by Fannie Mae-issued securities.

A failure in our operational systems or infrastructure, or those of third parties, could cause delays in making payments on our Securities and providing monthly disclosures and could disrupt the market for our Securities, either of which could adversely affect the value and liquidity of your Securities. We face significant levels of operational risk due to a variety of factors, including the size and complexity of our business operations. Shortcomings or failures in our internal processes, people or systems, or those of third parties with which we interact, could lead to a variety of adverse events, including incorrect or late payments on our Securities and delays in providing, or errors in, our cohort-, pool- and loan-level disclosures. We also face operational risk with respect to dealers or other financial intermediaries we use to facilitate our Securities-related activities and operations. Operational failures could occur for a number of reasons, including process breakdowns, technology outages, cybersecurity incidents or other security incidents or other disruptions. The use of new technologies, including artificial intelligence / machine learning technologies, by us or third parties could expose us to additional legal or regulatory risk or increase the risk of operational failure for us or a third party.

General Risk Factors

Securities are subject to liquidity risk. Illiquidity can have a severely negative impact on the prices

of Securities, especially those that are particularly sensitive to prepayment or interest rate risk. Securities are not traded on any exchange and the market price of a particular issuance of Securities or a benchmark price may not be readily available. Neither we nor any other party is obligated to make a market in the Securities. A secondary market for some types of Securities may not develop. Even if a market develops, it may not continue. As a result, you may not be able to sell your Securities easily or at prices that will allow you to realize your desired yield.

Since the secondary markets for some PCs have experienced periods of illiquidity in the past, it is possible this could occur with respect to Securities in the future. Our financial condition, the conservatorship, uncertainty concerning our future structure and organization, including whether we will continue to exist, monetary policy, regulatory changes, the level of governmental support for Freddie Mac and market perceptions or speculation concerning such factors, as well as perceptions as to the relative success of the single security initiative, could materially affect the liquidity and pricing of your Securities. Moreover, economic and political conditions in the U.S. and in foreign countries, including those countries that own and trade our Securities and other mortgage-backed securities, and demand for housing in the U.S. may materially affect the liquidity and pricing of your Securities.

Securities are subject to market risk. The market values of your Securities will vary over time in response to, among other factors: the level of, and changes in, prevailing interest rates; monetary policy; market confidence; the age and other characteristics of Mortgages backing your Securities; the relative value investors place on particular characteristics of Mortgages, borrowers and properties; the number of and outstanding principal balance of other Securities with similar characteristics; and the availability of comparable securities. Financial, regulatory and legislative developments concerning Freddie Mac generally, including whether we are in conservatorship or receivership, could affect prices for your Securities. In addition, any adverse change in the market perception of our level of governmental support or credit standing could reduce the market price of Securities. If you sell your Securities when their market values are low, you may experience significant losses.

APPLICATION OF PROCEEDS

Most Securities are issued in exchange for Mortgages, in which case we do not receive cash proceeds. We use the net proceeds received from the sale of Securities for cash to provide funds for general corporate purposes, including the purchase of additional Mortgages.

DESCRIPTION OF THE MORTGAGES THAT BACK SECURITIES

General

Mortgages typically are evidenced by mortgage notes secured by mortgages or deeds of trust or other similar security instruments creating liens on one- to four-family residential properties. Mortgages include both whole loans and participation interests in loans. They may have been originated for the purpose of purchasing, refinancing or rehabilitating the mortgaged properties. The mortgaged properties may be owner-occupied properties or non-owner-occupied properties, such as second homes or investment properties. Mortgages may vary in form based largely on state law. They may take the form of other financial and security arrangements to finance residential properties over a fixed term. These other arrangements are designed to provide a holder with the same rights and remedies as the holder of a mortgage. Accordingly, we treat these sorts of arrangements as Mortgages. Examples include Cooperative

Share Mortgages and arrangements designed to comply with Islamic law.

All of the Mortgages that back UMBS are “**Conventional Mortgages**,” which neither the United States nor any agency or instrumentality of the United States guarantees or insures.

The Mortgages that back MBS are either Conventional Mortgages, or “**FHA/VA Mortgages**” that the Federal Housing Administration, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture Rural Development (formerly the Rural Housing Service) (“**Rural Development**”) or the U.S. Department of Housing and Urban Development (“**HUD**”) guarantees or insures.

Most of the Mortgages we purchase and pool for Securities are fixed-rate, fully amortizing, Conventional Mortgages with level monthly payments. For MBS Pools, we may also include (i) Initial Interest Mortgages, which we ceased purchasing on September 1, 2010, and which require only monthly interest payments for a fixed initial period, after which the unpaid principal balance is fully amortized over the remaining term of the Mortgage, and (ii) Modified Mortgages with or without Step Rate Increases. We generally place Mortgages with certain special characteristics in MBS Pools, as discussed in *Description of the Securities—General Pooling Criteria*.

Mortgages have payments that are due monthly or, in some cases, biweekly. We acquire Mortgages with various original or modified terms to maturity. The actual period from origination to maturity of a Mortgage may be slightly longer than the stated term because the first payment on a Mortgage frequently is not due until the second month after origination.

We typically purchase Mortgages secured by a first lien on the related residential property.

The following is a description of the types of Mortgages we most frequently acquire and pool for Securities.

Fixed-Rate Mortgages

Fixed-rate Mortgages have interest rates that are fixed when the Mortgage is originated and do not change. The main types of fixed-rate Mortgages that we acquire and pool for Securities are Level Payment Mortgages. “**Level Payment Mortgages**” generally have original or modified terms to maturity of 10, 15, 20, 30 or 40 years and provide for equal scheduled monthly payments of principal and interest that will fully amortize the principal balance of the Mortgage over its term and pay interest as due. These Mortgages may include Mortgages that have been converted from an adjustable to a fixed interest rate. We ceased purchasing Mortgages with original maturities in excess of 30 years on August 1, 2014.

Special Mortgage Characteristics

General

We may acquire and pool a variety of fixed-rate Mortgages with special characteristics. Pool Supplements will identify any related Mortgages with these special characteristics. These Mortgages may prepay differently than standard fixed-rate Mortgages.

The following are the more common types of Mortgages with special characteristics that we acquire and pool, but we may from time to time also acquire and pool other kinds of Mortgages with special characteristics:

- A “**40-year Mortgage**” amortizes over a 40-year period and, as a result, scheduled principal

amortization will be slower than for a Mortgage with a shorter term. Depending on the underwriting guidelines of the seller, the lower monthly payments may allow the borrower to qualify to borrow a larger amount than would have been the case for a Mortgage with a shorter term. Consequently, 40-year Mortgages may (i) extend the weighted average lives of the MBS they back and (ii) result in a larger loss and prepayment in the case of a default or foreclosure or other repurchase or prepayment event. We ceased purchasing Mortgages with original maturities in excess of 30 years on August 1, 2014.

- An “**Alignment Overflow Mortgage**” has been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers. As of April 2021, we do not expect to create Pools of Alignment Overflow Mortgages (*i.e.*, Prefixes 7P and 7Q).
- An “**Assumable Mortgage**” is one that can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage, or one that does not contain an enforceable due-on-transfer clause permitting automatic acceleration upon the transfer of the property regardless of the creditworthiness of the transferee. Typically, FHA/VA Mortgages are Assumable Mortgages. Most fixed-rate Conventional Mortgages and Modified Mortgages are not Assumable Mortgages.
- A “**Biweekly Mortgage**” requires the borrower to make payments every 14 days rather than monthly. The borrower’s biweekly payment is equal to one-half of the monthly payment that would be required on the basis of a monthly amortization schedule. The borrower makes 26 (or sometimes 27) payments each year, which is the equivalent of 13 (or sometimes 13½) monthly payments. A Biweekly Mortgage will remain outstanding for a shorter term than an otherwise identical monthly payment Mortgage. For example, a 30-year, fixed-rate, level payment Mortgage with an interest rate of 7.5% would be paid in full in approximately 23 years under a biweekly payment arrangement. Some Biweekly Mortgages are convertible, permitting the borrower and/or the servicer to terminate the biweekly payment arrangement under certain circumstances. If a Biweekly Mortgage is converted, subsequent payments are required to be made monthly, which results in a slower rate of amortization after the conversion. We ceased purchasing Biweekly Mortgages on February 5, 2020.
- A “**Buydown Mortgage**” is originated with special payment arrangements by which the borrower, lender and/or third-party deposits funds in a separate account and uses those funds to pay a portion of the scheduled monthly payment on the Mortgage for a “buydown period,” usually 18 to 36 months. Using a buydown account effectively reduces the interest rate paid by the borrower during the buydown period. Throughout that period, the borrower’s monthly payment increases at periodic intervals until it reaches its fully amortizing level. Frequently, the interest rate on a Buydown Mortgage exceeds the rate the same borrower would have paid on a similar Mortgage without a buydown. An “**Extended Buydown Mortgage**” is a Buydown Mortgage for which (a) the buydown period is longer than two years or (b) the effective interest rate during the buydown period is more than two percentage points below the interest rate of the Mortgage, regardless of the length of the buydown period.

- A “**Cooperative Share Mortgage**” is secured by a first lien or other security interest on (a) the stock or membership certificate (or similar arrangement) issued to the borrower as a tenant-stockholder or resident-member by a cooperative housing corporation (a “**Cooperative**”) and (b) the proprietary lease, occupancy agreement or right of tenancy granting the tenant-stockholder or resident-member rights to occupy a specific dwelling unit in the building owned by the Cooperative. Ownership interests and occupancy rights in a Cooperative generally are subject to restrictions on transfer, and also are subject to claims by the Cooperative for unpaid maintenance charges. The Cooperative, as owner of the building, is responsible for its management and typically pays certain costs. If there is a blanket mortgage on the building, the Cooperative is responsible for payments on that mortgage. Generally, tenant-stockholders or resident-members of the Cooperative make monthly payments to the Cooperative for their pro rata share of payments on the blanket mortgage, real property taxes, insurance, maintenance costs and other expenses. The lien of a Cooperative Share Mortgage on the ownership interest and right of tenancy of a tenant-stockholder or resident-member is subject to the prior lien of the Cooperative for unpaid maintenance and to the prior lien of the blanket mortgage on the building.
- A “**High LTV Mortgage**” is either (i) a Mortgage that has an LTV at origination of greater than 105% and equal to or lower than 125% and generally may be a fixed-rate Relief Refinance or Enhanced Relief Refinance Mortgage or a non-assumable Mortgage guaranteed by Rural Development or (ii) a fixed-rate Relief Refinance or Enhanced Relief Refinance Mortgage that has an LTV at origination of greater than 125%. We pool each category of High LTV Mortgages separately from our other Mortgages. It is possible that High LTV Mortgages will have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments. We ceased purchasing Relief Refinance Mortgages in September 2019. For more information about Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, see *Relief Refinance Programs*.
- An “**Initial Interest Mortgage**” permits borrowers to pay only accrued interest for extended periods without requiring scheduled principal payments. When scheduled principal payments on these Mortgages commence, the required monthly payment is likely to increase substantially because scheduled principal payments are calculated to pay off such a Mortgage over its then remaining term at the then current interest rate. In addition, unless the borrower makes unscheduled principal payments during the interest only period, equity accretion for the borrower during that period will result solely from market price appreciation on the related property. These factors may affect borrowers’ decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. We ceased purchasing Initial Interest Mortgages on September 1, 2010.

- A **“Jumbo-Conforming Mortgage”** is a Mortgage originated from July 1, 2007 through December 31, 2008 that we are able to buy as a result of the temporary increase in conforming loan limits that was adopted in the Economic Stimulus Act of 2008 (the **“Stimulus Act”**) (maximum of \$729,750 for a one-family residence). We have purchased fixed-rate 15-, 20-, 30- and 40-year Jumbo-Conforming Mortgages. The fixed-rate 30-year Jumbo-Conforming Mortgages may be Initial Interest Mortgages that permit borrowers to pay only accrued interest for up to 10 years followed by a 20-year period over which principal is fully amortized. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.) Fixed-rate Jumbo-Conforming Mortgages have been pooled separately from, and not with, our other fixed-rate conforming Mortgages. Jumbo-Conforming Mortgages were associated with approximately 70 areas, as determined by HUD. The Jumbo-Conforming Mortgages we purchased may be geographically concentrated. See *Mortgage Purchase and Servicing Standards—Mortgage Purchase Standards*.
- A **“Prepayment Penalty Mortgage”** requires fees, or prepayment penalties, to be paid whenever prepayments made within a specified period exceed a specified percentage of the original principal balance of the Mortgage. A prepayment penalty may or may not discourage a borrower from prepaying the Mortgage during the applicable period. The requirement to pay a prepayment penalty may generally last up to, but no longer than, five years. In order to be characterized as a Prepayment Penalty Mortgage, the prepayment penalty must last for at least one year and must equal at least 1% of the amount prepaid. (We do not treat Mortgages having a shorter penalty period or smaller penalty as Prepayment Penalty Mortgages.) Generally, we did not purchase Prepayment Penalty Mortgages whose prepayment penalty periods last longer than three years. Various combinations of prepayment rates and penalty periods are possible within those limitations. For example:
 - A specified percentage of the prepayment amount (for example, 1%, 2% or 5%);
 - 5% on prepaid amounts if prepaid in the first year after origination, 4% if prepaid in the second year, or 3% if prepaid in the third year;
 - 6 months’ advance interest at the interest rate on the Mortgage on prepaid amounts exceeding 20% of the original principal balance;
 - 2% or 5% on prepaid amounts exceeding 20% of the original principal balance;
 - A certain number of months (for example, 2, 3 or 6 months) of advance interest at the interest rate on the Mortgage on the original unpaid principal balance;
 - 2 months’ advance interest at the interest rate on the Mortgage on one-third of the prepayment amount; and
 - For a prepayment in full, the lesser of a specified percentage of the prepayment amount (for example, 2%) or a certain number of months (for example, 2 months) of advance interest at the interest rate on the Mortgage on 100% of the prepayment amount.

Currently, the servicer retains all prepayment penalties. Prepayment penalties are not passed through to MBS Holders. We prohibit our servicers from collecting prepayment penalties in

cases where the payoff of the Mortgage is received in connection with the workout of a delinquent Mortgage or due to a default. Servicers have the option not to enforce prepayment penalties if they result from a sale of the mortgaged property, but otherwise are generally required to enforce them according to the terms of the Mortgage and applicable laws, which laws may affect whether a prepayment penalty can be collected or limit the amount that can be collected. We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.

- A “**Reduced Minimum Servicing Mortgage**” has a minimum servicing fee level that is below 0.25% per annum of the principal balance of a Mortgage, which is the prevailing minimum servicing fee level for Mortgages we acquire. These Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or are included in MBS with similar pass-through rates. For more information, see *Description of the Securities—Pool Formation*.
- A “**Reinstated FHA/VA Mortgage**” is insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs and has been repurchased by the seller from pools backing mortgage-backed securities guaranteed by the Government National Mortgage Association due to delinquencies and in accordance with its policies. However, we do not acquire such Mortgages unless the delinquency has been cured and no other default exists, the Mortgage is performing, there has been no modification of any of the terms of the Mortgage, and the Mortgage is sold to us with recourse to the seller. There can be no assurance that Reinstated FHA/VA Mortgages will remain current. If any of the Reinstated FHA/VA Mortgages meet the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Reinstated FHA/VA Mortgages from their MBS Pools.
- A “**Reinstated Mortgage**” is a Conventional Mortgage that we have purchased from its related original Pool due to delinquencies and in accordance with our policies. As reported to us by the applicable servicers, at issuance of an MBS backed by Reinstated Mortgages, (i) the Reinstated Mortgages will be performing and no other default will exist and (ii) there will have been no modification of any of the terms of the Reinstated Mortgages. There can be no assurance that Reinstated Mortgages will remain current. If any of the Reinstated Mortgages meet the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Reinstated Mortgages from their MBS Pools.
- A “**Relocation Mortgage**” is a mortgage loan made to a transferred or newly-hired employee to finance a home purchase at a new job location. The Relocation Mortgage usually requires an employer contribution to mortgage funding, which may be significant. These Mortgages usually are originated by agreement between the employer and the lender under a relocation program administered by the employer or its agent, although sometimes they are made on a “spot” basis rather than under an established relocation program.
- A “**Simple Interest Mortgage**” is a Mortgage in which interest is computed on the basis of a year of 365 or 366 days and actual days elapsed. For other Mortgages, interest is typically computed on the basis of a year of 360 days consisting of twelve 30-day months. Each monthly payment of a Simple Interest Mortgage is applied first to the interest that has accrued as of the

date of payment, with the remainder being applied to principal. The total amount of interest that accrues on a Simple Interest Mortgage over its life may exceed or be less than the amount that accrues on other Mortgages having the same interest rate and maturity, depending on the timing of the borrower's payments. Moreover, there is no grace period on a Simple Interest Mortgage if the borrower makes a monthly payment after the due date, while most other Mortgages provide a grace period, typically of 15 days, during which additional interest does not accrue on a late payment. The borrower under a Simple Interest Mortgage pays additional interest if a payment is not timely made and less interest if a payment is made early.

- A “**Super-Conforming Mortgage**” is a Mortgage secured by a property located in a designated high-cost area with an original principal balance exceeding the base conforming loan limit (for 2024, \$766,550 for a one-family residence). The loan limits for Super-Conforming Mortgages are established by the Reform Act (for 2024, the maximum is generally \$1,149,825 for a one-family residence). For properties in Alaska, Hawaii, Guam and the U.S. Virgin Islands, different loan limit calculations may apply. We purchase fixed-rate 10-, 15-, 20- and 30-year Super-Conforming Mortgages. Thirty-year fixed-rate Super-Conforming Mortgages may be Initial Interest Mortgages that permit borrowers to pay only accrued interest for 10 years followed by a 20-year period over which principal is fully amortized. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.) The Super-Conforming Mortgages we purchase may be geographically concentrated. See *Mortgage Purchase and Servicing Standards—Mortgage Purchase Standards*.

We generally place Mortgages with these special characteristics in MBS Pools. However, a small amount of Cooperative Share Mortgages, Extended Buydown Mortgages, Relocation Mortgages, and Super-Conforming Mortgages may also be included in UMBS Pools, as discussed below in *Description of the Securities—General Pooling Criteria*. As noted above, we currently do not purchase Biweekly Mortgages and certain other types of Mortgages listed above; however, a Pool may contain such Mortgages that were purchased previously.

Mortgages That Have Been Modified That We Subsequently Securitize

“**Modified Mortgages**” generally refer to Mortgages that backed our mortgage-related securities, became delinquent or were in imminent default, and were subsequently modified and repurchased from the applicable mortgage-related securities. See *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*. We may also modify Mortgages that we have purchased for cash that become delinquent or are in imminent default before we have the opportunity to securitize those Mortgages. Modified Mortgages may include Mortgages that we have modified pursuant to our Flex Modification and disaster-related modification initiatives, as well as Mortgages that we have modified pursuant to initiatives that have been discontinued. These initiatives are described below in *Mortgage Modification Programs*. Modified Mortgages may include Mortgages subject to Payment Deferral Solutions, as well as Mortgages that we modify pursuant to any future new or revised Mortgage modification programs. For information on Payment Deferral Solutions, see *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*.

We may securitize fixed-rate Modified Mortgages in “**Modified Fixed Rate MBS.**” Prior to July 2020, Modified Fixed Rate MBS did not include any Modified Mortgages with Step Rate Increases. However, as of July 2020, Modified Fixed Rate MBS may include Modified Mortgages with Step Rate Increases if the

interest rate for any such Mortgage has reached its interest rate cap prior to the issuance of the related Pool. Once the cap is reached, the interest rate of such Mortgage will be fixed for the remaining term of the Mortgage.

We may securitize Modified Mortgages with Step Rate Increases in “**Modified Step Rate MBS.**” At the time of issuance of a Modified Step Rate MBS, up to 10%, by unpaid principal balance, of the Modified Mortgages backing such MBS may consist of fixed-rate Modified Mortgages.

As reported to us by the applicable servicers, at issuance of Modified Fixed Rate MBS and Modified Step Rate MBS, Modified Mortgages backing such MBS will be performing and not in default. However, there can be no assurance that the Modified Mortgages backing Modified Fixed Rate MBS and Modified Step Rate MBS will remain current. In addition, Modified Mortgages that include Step Rate Increases, which back Modified Step Rate MBS, may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rate of these Modified Mortgages is increasing. Step Rate Increases commenced in 2014 for certain Modified Mortgages with Step Rate Increases. If any Modified Mortgage backing Modified Fixed Rate MBS or Modified Step Rate MBS meets the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Modified Mortgage from its related Modified Fixed Rate MBS Pool or Modified Step Rate MBS Pool, which repurchase would have the effect of a prepayment in full of such Modified Mortgage.

We provide several unique pool-level and loan-level disclosures in the related Pool Supplement and on our website, respectively, for the Modified Fixed Rate MBS and Modified Step Rate MBS. As discussed above, as of July 2020, Modified Fixed Rate MBS may include Modified Mortgages with Step Rate Increases if the interest rate for any such Mortgage has reached its interest rate cap prior to the issuance of the related Pool. The pool- and loan-level disclosures related to such a Modified Mortgage may not include the unique disclosures related to Modified Mortgages with Step Rate Increases that are included in Modified Step Rate MBS.

We will generally repurchase from related Modified Fixed Rate MBS and Modified Step Rate MBS any Modified Mortgages that are further modified as described above. Such repurchases will result in a prepayment in the amount of the then unpaid principal balance of each such Mortgage. We cannot predict the number of borrowers with Modified Mortgages who will qualify for, and complete, a Flex Modification of their Modified Mortgages. Correspondingly, we cannot predict the potential resulting rate of repurchases. However, the number of Modified Mortgages that are further modified under the Flex Modification initiative and the resulting potential increase in prepayments may be material.

Mortgage Modification Programs

Our primary current and discontinued Mortgage modification programs are described below:

- *Freddie Mac Flex Modification® initiative.* In December 2016, we announced the new Freddie Mac Flex Modification (“**Flex Modification**”) initiative, which we implemented jointly with Fannie Mae at the direction of FHFA. The Flex Modification replaced our non-HAMP standard and streamlined modification initiatives effective October 1, 2017.

A mortgage may be modified up to three times under our Flex Modification initiative. Our Flex Modification employs a trial period payment plan feature, which allows eligible borrowers to

pay an estimate of the new modified monthly payment for at least three months to ensure that the borrower can afford the new payment. While the borrower is making the trial period payments, the mortgage may remain in a delinquent status. The mortgage will not be permanently modified and brought current until the end of the trial period and only if the borrower has otherwise complied with the terms of the trial period plan. A Flex Modification may be made from the time the borrower is current and found to be in imminent default to shortly before foreclosure sale. We also offer a streamlined Flex Modification to borrowers who are 90 or more days delinquent or who have a Modified Mortgage with Step-Rate Increases and have become 60 or more days delinquent within 12 months of the related step-rate payment adjustment. Under the streamlined offer for the Flex Modification initiative, the servicer may offer the borrower a loan modification (preceded by a three-month trial period plan) without having made an assessment of the borrower's hardship or income. If the borrower accepts the offer, the borrower will be required to pay an estimate of the new modified monthly payments for at least three months to ensure that the borrower can afford the new payment. While the borrower is making the trial period payments the mortgage will remain in a delinquent status. The mortgage loan will not be permanently modified and brought current until the end of the trial period and only if the borrower has otherwise complied with the terms of the trial period plan.

- *Disaster-Related Modification initiative.* This modification is limited to borrowers that became delinquent because their home or place of employment is located in a presidentially declared disaster area where the Federal Emergency Management Agency (“FEMA”) has made individual assistance available. Servicers may consider such borrowers for this modification once their hardship has been resolved if they were less than 31 days delinquent as of the date of the disaster, are between 29 and 361 days delinquent (at least one, but no more than 12 monthly payments are past due) at the time of evaluation and are able to resume making their contractual payments but are unable to bring their loan current through a reinstatement or repayment plan. The disaster-related modifications listed below will not take effect and the mortgage will not be brought current until the borrower makes three trial period plan payments and otherwise complies with the terms of the trial period plan. While the borrower is making the trial period payments, the mortgage will remain in delinquent status, but the servicer must not report the delinquency to credit repositories while the borrower is on an active trial period plan.
- *Extend Modification.* Servicers must first consider such borrowers for our “**Extend Modification,**” under which the servicer does not capitalize arrearages, but rather extends the mortgage term by a number of months equal to the number of missed monthly payments that occurred during the borrower's preceding disaster forbearance plan. To the extent the servicer advanced escrow payments to a third party on behalf of the borrower and the borrower had not made such escrow payments to the servicer, the borrower must enter into a 60-month repayment plan to repay such advances in equal monthly installments to the servicer.
- *Disaster Relief Modification.* If a borrower is not eligible for the Extend Modification, the servicer must next evaluate the borrower for our “**Disaster Relief Modification.**” Under this modification, the servicer capitalizes arrearages and then extends the term of the

mortgage in monthly increments until the monthly principal and interest due under the modified terms equals the pre-modification monthly principal and interest due. The servicer may not extend the term more than 480 months from the modification effective date. The servicer must evaluate the borrower for a Flex Modification if they are unable to achieve the pre-modification monthly payment by extending the term of the mortgage loan to the 480-month limit.

On July 15, 2020, we announced that we are expanding the definition of Eligible Disaster to also include any mortgaged premises that has incurred an insured loss. Under the expanded definition, an “**Eligible Disaster**” is a financial hardship (*e.g.*, a loss or reduction of income or increase in expenses) that impacts the borrower’s ability to pay its current contractual monthly payment and either:

- The property securing the Mortgage experienced an insured loss;
- The property securing the Mortgage is located in a FEMA-declared disaster area eligible for individual assistance; or
- The borrower’s place of employment is located in a FEMA-declared disaster area eligible for individual assistance.

We also eliminated the requirement that servicers not report a borrower’s delinquency to credit repositories while the borrower is on an active trial period plan.

We also announced that borrowers who have been impacted by an Eligible Disaster would be eligible for a Payment Deferral Solution. The Payment Deferral Solution for Eligible Disasters was effective October 1, 2020, with earlier implementation encouraged. Effective October 1, 2020, the Payment Deferral Solution for Eligible Disasters replaced the Extend Modification and the Disaster Relief Modification.

- *HAMP initiative.* The Home Affordable Modification Program (“**HAMP**”) expired on December 30, 2016. HAMP applied to Mortgages originated on or before January 1, 2009. Under this program, our servicers offered eligible borrowers in principal residences who were delinquent or at risk of imminent default on their Mortgages modifications that reduced their monthly principal and interest payments on their Mortgages. Under HAMP, servicers that service Mortgages were provided incentives to reduce at-risk borrowers’ monthly Mortgage payments to a target payment of 31% of the borrower’s gross monthly income, which was arrived at by modifying the terms of the Mortgage in a specific sequential order until the servicer achieved the target payment (that is, capitalization of arrearages, interest rate reductions (to a floor of 2%), term extensions and principal forbearance or reduction). The initial interest rate and monthly principal and interest payment of the modified Mortgage are fixed for the life of the Mortgage unless the initial modified interest rate was below current market interest rates at the time of the modification. In that case, the below market interest rate is fixed for five years. At the end of the fifth year, the interest rate on the modified Mortgage may increase by 1% (or less) per year until it reaches the cap described below. These increases in interest rate are referred to herein as “**Step Rate Increases.**” The cap is equal to the market rate of interest (which is defined as the Freddie Mac Primary Mortgage Market Survey® rate for 30-year fixed-rate conforming mortgages, rounded to the nearest one-eighth of one percent

(0.125%)) being charged by mortgage lenders on the day the modification agreement was prepared. Once the interest rate reaches the cap, it is fixed for the remaining term of the Mortgage. In order to receive a permanent modification, borrowers were subject to a trial period under which they were required to remit a number of monthly payments that were an estimate of the anticipated modified payment amount. After successfully meeting the requirements of the trial period, a borrower's Mortgage was modified. Servicers were paid certain incentive fees when they originally modified a loan and, for HAMP modifications that took effect on or before April 1, 2014, were paid certain incentive fees for three years, if the modified loan remained current. Borrowers whose Mortgages were modified through this program also accrue monthly incentive payments that are applied to reduce their principal as they successfully make timely payments over a period of five years.

In January 2015, at the instruction of FHFA, we implemented a \$5,000 principal reduction incentive payable to eligible borrowers who remain in good standing on their HAMP modified loans through the sixth anniversary of their modification. The incentive payment is effected by applying any remainder of the incentive to reduce the unpaid principal balance of the modified Mortgage. If this incentive is paid with respect to any modified Mortgage backing a related MBS, any principal reduction will constitute a partial prepayment of the MBS.

- *Non-HAMP Standard Modification initiative.* The non-HAMP standard modification initiative expired on September 30, 2017. The non-HAMP standard modification initiative was implemented in late 2011, replacing our previous non-HAMP modification initiative. Modifications under the non-HAMP standard modification initiative included capitalization of interest and certain non-interest arrearages, setting of interest rates (increasing or decreasing rates), extending the Mortgage term to 480 months and a borrower trial period of at least three months for the modifications before they were finalized. The non-HAMP standard modification initiative provided for a standard modified interest rate at the interest rate posted monthly by us. This initiative also provided for a servicer incentive fee schedule for non-HAMP modifications, comparable to the HAMP servicer incentive fee structure. The incentive fees were intended to provide greater incentives to our servicers to modify loans earlier in the delinquency. Unlike with HAMP modifications, our non-HAMP standard modification did not provide for borrower incentive payments or recurring servicer incentive fees after the initial servicer incentive payment.
- *Principal Reduction Modification initiative.* Our Principal Reduction Modification initiative has been discontinued. On April 14, 2016, FHFA announced this initiative under which it directed Freddie Mac and Fannie Mae to modify certain loans. Servicers were required to have sent all required solicitations for this modification by December 31, 2016. In order to have qualified for the modification, as of March 1, 2016:
 - The borrower must have been at least 90 days delinquent under the Mortgage;
 - The Mortgage must have had an unpaid principal balance less than or equal to \$250,000 before capitalizing eligible arrearages; and
 - The Mortgage must not have been originated for an investment property. In addition, as of the date of evaluation of eligibility:

- The Mortgage must have had a post-modification current LTV ratio greater than 115%;
- The Mortgage must have been a first lien Mortgage owned in whole or in part or guaranteed by Freddie Mac (or Fannie Mae);
- The property securing the Mortgage could have been vacant or condemned;
- The Mortgage must have been originated at least 12 months prior to the loan modification evaluation date;
- The modification must result in a principal and interest payment that is less than or equal to the pre-modification principal and interest payment; and
- If the Mortgage was secured by a leasehold estate, the term of the lease must not terminate earlier than five years after the maturity date of the proposed modified mortgage. If the current term of the lease terminates earlier than five years after the maturity date, the term of the lease must be renegotiated in order to satisfy this requirement prior to offering the borrower a trial period plan.

Under the terms of this modification initiative:

- Any arrearages, including forbore principal balances from a previous modification, were capitalized;
 - The modified interest rate was adjusted to the standard modification interest rate then in effect;
 - The term of the Mortgage was extended to 40 years;
 - Principal was forbore in an amount that was the lesser of an amount that would create a post-modification LTV ratio of 115% (using the interest-bearing principal balance) or 30% of the post-modified unpaid principal balance of the loan; and
 - The forbore amount was converted to a reduction in the principal balance no later than 90 days following finalization of the modification.
- *Classic Program.* Under our discontinued “classic” program, modifications to the Mortgages included capitalization of interest and non-interest arrearages that the borrower could not pay and may have included extensions of the term of the Mortgage and reductions in interest rate, but did not include forbearance or reductions of principal balances and borrower trial periods.
 - *Streamlined Modification Initiative.* Under our discontinued streamlined modification initiative, we offered modifications to certain borrowers who were at least 90 days delinquent. These borrowers were not required to apply for assistance or provide income or hardship documentation. However, they must have completed a trial period of at least three months prior to being offered a permanent modification, which generally provided the same modification terms and servicer incentives as the non-HAMP standard modification. The streamlined modification initiative was implemented in July 2013 (with earlier adoption permitted).
 - *Alternative Modification Initiative.* The terms of the modifications under our discontinued alternative modification initiative generally were similar to those under our streamlined modification initiative; however, we generally offered the alternative modification to

borrowers who were five to twenty-four months delinquent on their Mortgages. The alternative modification initiative was a one-time initiative and the final modification agreement must have been entered into no later than January 1, 2014.

- *HAMP Backup Initiative.* Our HAMP backup initiative has been discontinued. Certain borrowers who initially qualified for a HAMP modification and who made timely payments during a HAMP trial period, but who, because of income verification or other reasons, subsequently failed to qualify under the HAMP initiative, could have had their Mortgages modified under our HAMP backup initiative (which is a non-HAMP initiative). Modifications under our HAMP backup initiative generally have terms similar to modifications under the HAMP initiative.

See the Incorporated Documents and our Guide for additional information concerning our Mortgage modification programs.

Relief Refinance Programs

Our Enhanced Relief Refinance Program (which is currently suspended) and Relief Refinance Program (which has expired) are described below:

- *HARP initiative.* The Home Affordable Refinance Program (“HARP”) expired on December 31, 2018. We called our initiative in this area our “**Relief Refinance Program**” and the Mortgages that were originated thereunder “**Relief Refinance MortgagesSM**.” Under this program, we set forth the terms and conditions under which we would purchase refinancings of Mortgages we owned or guaranteed. As originally designed, Relief Refinance Mortgage borrowers had to be current on their original Mortgages. Certain eligible borrowers applying for Relief Refinance Mortgages could be subject to streamlined underwriting procedures and, for certain eligible Mortgages, the value of eligible properties could be determined using an automated valuation model. The LTV ratio on fixed-rate Relief Refinance Mortgages could be up to 125%. A Relief Refinance Mortgage could be without mortgage insurance if the original Mortgage did not bear mortgage insurance. Relief Refinance Mortgages were required to be originated on or before December 31, 2018, with final settlement dates to occur on or before September 30, 2019.
- *Changes to the HARP initiative.* On October 24, 2011 FHFA, Freddie Mac and Fannie Mae announced a series of FHFA-directed changes to the HARP initiative in an effort to attract more eligible borrowers who could benefit from refinancing their Mortgages.

The revisions to the initiative were available to borrowers with Mortgages that were sold to us on or before May 31, 2009 (effective October 27, 2013, this was revised to Mortgages having a note date on or before May 31, 2009), who had current LTV ratios above 80% and whose refinance loan application were dated on or after December 1, 2011. The program enhancements included:

- Eliminating certain risk-based fees for borrowers who refinanced into shorter-term Mortgages and lowering fees for other borrowers;
- Removing the 125% LTV ratio ceiling for fixed-rate Mortgages;
- Eliminating the requirement for lenders to provide us with certain representations and

warranties regarding the Mortgages to be refinanced; and

- Eliminating the need for a new property appraisal where there was a reliable automated valuation model estimate provided by the applicable government sponsored enterprise.

On November 15, 2011, following discussions with FHFA and Fannie Mae, we issued operational and other guidance for the changes to our Relief Refinance Program. We started purchasing fixed-rate Relief Refinance Mortgages with LTV ratios greater than 125% for cash in January 2012 and we commenced securitizing such Relief Refinance Mortgages under our Guarantor Swap Program on June 1, 2012. Generally, features of our revised Relief Refinance Program for Mortgages above 80% LTV, in addition to those described in the preceding paragraph, included the following:

- Permitting one 30-day delinquency within the preceding twelve months on the Mortgage being refinanced, provided that the delinquency did not occur within the preceding six months;
- Providing that at least one borrower had a verified source of income;
- Removing the requirement that the occupancy under the Mortgage being refinanced and the occupancy under the Relief Refinance Mortgage be the same; and
- Servicers generally could target Mortgages owned or securitized by us for refinancing, provided that the Servicer simultaneously applied the same advertising and solicitation activities to mortgages owned or securitized by Fannie Mae that were eligible to be refinanced under the HARP initiative. Our other limitations on targeted solicitations of Mortgages owned or securitized by us remained unchanged.

Borrowers who had refinanced once under the Relief Refinance Program were not eligible for additional refinancings under the program unless we had purchased their Mortgages prior to June 1, 2009. Participation by lenders and servicers in the HARP initiative and our Relief Refinance Program was voluntary and we cannot predict the effect of the above measures on the rate on prepayments of the Mortgages backing our MBS.

Underwriting procedures for Relief Refinance Mortgages were limited in many cases, and such procedures generally did not include all of the changes in underwriting standards we have implemented since 2008. As a result, Relief Refinance Mortgages generally may reflect many of the credit risk attributes of the original loans.

- *Enhanced Relief Refinance Program.* At the direction of FHFA and in coordination with Fannie Mae, Freddie Mac introduced the “**Enhanced Relief Refinance ProgramSM**,” which replaced the Relief Refinance Program and provides refinance opportunities to borrowers with existing Freddie Mac Mortgages who are current on their mortgage payments but whose LTV ratios exceed the maximum permitted for standard refinance products under our Single-Family Seller/Servicer Guide (the “**Guide**”). The program became available in January 2019 for mortgages originated on and after October 1, 2017. We refer to Mortgages originated under this program as “**Enhanced Relief Refinance Mortgages.**” To be eligible for refinancing under the Enhanced Relief Refinance Program, the Mortgage being refinanced must, among other things:

- be a first-lien, conventional Mortgage owned or securitized by Freddie Mac;
- have an LTV ratio exceeding 97% for one-unit principal residences or exceeding the maximum LTV ratios otherwise permitted under Freddie Mac’s requirements for all other single-family property types;
- have a note date on or after October 1, 2017;
- have been originated at least 15 months prior to the note date of the Enhanced Relief Refinance Mortgage; and
- have had no 30-day delinquency in the immediately preceding six months, no more than one 30-day delinquency in the immediately preceding 12 months, and no 60 or more day delinquency in the most recent 12 months.

Mortgages that are subject to recourse, indemnification or other negotiated credit enhancement may be eligible for refinancing under this program if the Enhanced Relief Refinance Mortgage is also subject to a credit enhancement that meets Freddie Mac’s requirements. Enhanced Relief Refinance Mortgages are subject to additional limitations and requirements, including borrower requirements, to maintain the risk profile of the existing loan. Enhanced Relief Refinance Mortgages may be underwritten using Loan Product Advisor or manually underwritten. Relief Refinance Mortgages and Mortgages subject to outstanding repurchase requests are not eligible to be refinanced under the Enhanced Relief Refinance Program. Although lenders are permitted under the Enhanced Relief Refinance Program to provide a contribution toward the payoff of the Mortgage being refinanced, principal forgiveness is not currently permitted under the program.

On May 26, 2021, Freddie Mac announced that the Enhanced Relief Refinance Program has been suspended until further notice for Mortgages with applications dated on or after July 1, 2021 and all Mortgages with settlement dates after August 31, 2021.

See the Incorporated Documents and our Guide for additional information concerning our refinance programs.

Mortgage Purchase and Servicing Standards

General

Any Mortgages that we purchase must satisfy the mortgage purchase standards that are contained in the Freddie Mac Act. These standards require us to purchase Mortgages of a quality, type and class that meet generally the purchase standards imposed by private institutional mortgage investors. This means the Mortgages must be readily marketable to institutional mortgage investors.

We employ multiple strategies to maintain Mortgage quality:

- Our eligibility requirements are set forth in our underwriting standards, which are published in our Guide and incorporated in Freddie Mac Loan Advisor®. These underwriting standards establish the requirements our sellers apply when originating loans in compliance with representations and warranties to us;
- Loan quality control practices, including post-closing credit review and the remedy

management repurchase process, help to validate that the Mortgage origination process is acceptable to us; and

- Seller/servicer management, including review of their in-house quality control as well as our Mortgage performance monitoring, helps to maintain quality control for Mortgages sold and/or serviced by third parties.

We use a delegated underwriting process in connection with our acquisition of Mortgages whereby we set eligibility and underwriting standards and sellers represent and warrant to us that Mortgages they sell to us meet these standards. Our eligibility and underwriting standards are used to assess Mortgages based on a number of characteristics.

We establish limits on the purchase of Mortgages with certain higher risk characteristics. These limits are designed to balance our credit risk exposure while supporting affordable housing in a responsible manner. Our purchase guidelines generally provide for (i) a maximum original LTV ratio of 97% for creditworthy first-time homebuyers and for a targeted segment of creditworthy borrowers meeting certain area median income requirements under our affordable housing initiatives, (ii) a maximum original LTV ratio of 95% for all other home purchase and no cash out refinance Mortgages, and (iii) a maximum original LTV ratio of 80% for cash-out refinance Mortgages.

The January 2021 amendments to the Purchase Agreement required us to limit our acquisition of certain types of Mortgages. These limitations have been suspended. See *Freddie Mac—Purchase Agreement*.

Loan Advisor is our main tool for assessing loan eligibility and documentation. Loan Advisor is a set of software applications and services designed to give lenders access to our view of risk, loan quality, and eligibility during the origination process. As a component of Loan Advisor, Loan Product Advisor helps lenders validate that submitted Mortgages meet our underwriting standards.

Substantially all of the Mortgages we purchase are assessed by our proprietary underwriting software tools, Loan Product Advisor or Loan Quality Advisor®, prior to purchase, helping validate their compatibility with our risk appetite. Any loans that are not assessed by our proprietary underwriting software are manually underwritten by the seller in accordance with Guide requirements.

We offer limited representation and warranty relief for certain Mortgage components that satisfy automated data analytics related to appraisal quality, valuation, borrower assets, borrower income and certain condominium project requirements. In general, limited representation and warranty relief is offered when information is validated through the use of independent data sources and/or Freddie Mac analytics and risk assessments.

If we discover that the seller representations or warranties related to a Mortgage were breached (*i.e.*, that contractual standards were not followed), we can exercise certain contractual remedies to mitigate our actual or potential credit losses. These contractual remedies may include, but are not limited to, the ability to require the seller or servicer to repurchase the Mortgage at its current unpaid principal balance, reimburse us for losses realized with respect to the Mortgage after consideration of any other recoveries, and/or indemnify us. Our current remedies framework provides for the categorization of Mortgage origination defects for Mortgages with settlement dates on or after January 1, 2016. Among other items, the framework provides that “significant defects” may result in a repurchase request or a repurchase alternative, such as recourse or indemnification.

The methods available to sellers (or servicers if they are responsible for the seller representations and warranties) for obtaining relief from repurchase obligations are generally dependent upon the date on which a Mortgage was acquired. Under our current selling and servicing representation and warranty framework for our Mortgages, we relieve sellers of repurchase obligations for breaches of certain selling representations and warranties for certain types of mortgages, including:

- Mortgages that have established an acceptable payment history for 36 months (12 months for Enhanced Relief Refinance Mortgages and Relief Refinance Mortgages) of consecutive, on-time payments after purchase, subject to certain exclusions; and
- Mortgages that have satisfactorily completed a quality control review.

Solely for the purpose of determining whether the acceptable payment history requirements are met, payments due during the COVID-19-related forbearance period are considered to have been made on time, provided that the Mortgage was reported by the servicer as having entered into a COVID-19-related forbearance plan between March 13, 2020 and October 31, 2023 and met certain other criteria as described in our Guide.

An independent dispute resolution process for alleged breaches of selling or servicing representations and warranties on our Mortgages allows for a neutral third party to render a decision on demands that remain unresolved after the existing appeal and escalation processes have been exhausted.

We employ a quality control process to review underwriting documentation and decision-making for compliance with our standards using both statistical random and targeted sampling. Pursuant to Guide requirements, we initiate these sampling reviews to timely identify breaches of representations and warranties. Sellers may appeal our ineligible loan determination.

We also perform quality control reviews on Mortgages that have defaulted and have not obtained representation and warranty relief under the representation and warranty relief framework. These Mortgages are subject to repurchase if a significant breach of our Guide is identified.

We actively monitor seller and servicer performance, including compliance with our standards. We maintain approval standards for our seller/servicers, which include requiring our sellers to maintain an in-house quality control program with written procedures that operates independently of the seller's underwriting and origination functions. We monitor servicer performance using our Servicer Success Scorecard. In addition, we perform servicing and Mortgage modification quality control reviews on selected servicers through random sampling of delinquent Mortgages and Mortgage modifications.

The Purchase Agreement requires us to limit our acquisition of certain Mortgages, as described above in *Freddie Mac – Purchase Agreement*.

We summarize below certain of our Mortgage purchase standards and servicing policies. This summary, however, is qualified in its entirety by any applicable Mortgage purchase documents, servicing agreements and supplemental disclosures. Our Mortgage purchase standards and servicing policies are generally set forth in our Guide, which is located on AllRegs Online at www.icemortgagetechnology.com/allregs. We amend our Guide and our purchase standards and servicing policies from time to time. Thus, it is possible that not all of the Mortgages in a particular Pool are subject to the same eligibility, underwriting and other purchase standards. Moreover, the standards and policies described in the current Guide may not be the same as the standards and policies that applied when

Mortgages in a particular Pool were originated. In addition, we may waive or modify our eligibility and underwriting requirements or policies when we purchase Mortgages. We may also waive or modify our servicing policies with respect to certain Mortgages. We also may undertake initiatives to evaluate potential changes to our underwriting requirements or policies; Mortgages sold to us under an initiative may be subject to different underwriting requirements or policies than other Mortgages sold to us. Similarly, we may undertake initiatives to evaluate potential changes to our servicing policies; Mortgages subject to a servicing initiative may be subject to different servicing policies than other Mortgages.

We have been required by FHFA to align certain of our Mortgage purchase offerings and servicing practices with Fannie Mae to achieve market acceptance of the UMBS. FHFA's UMBS Rule requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect the prepayment rates of their TBA-eligible mortgage-backed securities. Prior to the implementation of the UMBS, we and Fannie Mae had aligned certain standards for servicing non-performing Mortgages owned or backing mortgage-backed securities guaranteed by the Enterprises under the FHFA-directed servicing alignment initiative.

Mortgage Purchase Standards

The Freddie Mac Act establishes requirements for and limitations on the Mortgages we may purchase, as described below. We purchase and securitize “single-family mortgages,” which are mortgages that are secured by one- to four-family properties.

The Freddie Mac Act places an upper limitation, called the “conforming loan limit,” on the original principal balance of Mortgages we purchase. The conforming loan limit is determined annually based on changes in FHFA's housing price index. Any decreases in the housing price index are accumulated and used to offset any future increases in the housing price index so that loan limits do not decrease from year-to-year. The base conforming loan limit for a one-family residence has been set at \$766,550 for 2024, and was set at \$726,200 for 2023, \$647,200 for 2022 and \$548,250 for 2021. As discussed below, certain higher loan limits apply in certain “high-cost” areas. Higher limits also apply to two- to four-family residences.

As part of the Stimulus Act, the conforming loan limits were increased for Mortgages originated in certain “high-cost” areas from July 1, 2007 through December 31, 2008 to the higher of the applicable 2008 conforming loan limits (\$417,000 for a one-family residence) or 125% of the median house price for a geographic area, not to exceed \$729,750 for a one-family residence. We began purchasing these Jumbo Conforming Mortgages in April 2008.

The Reform Act permanently increased the conforming loan limits for Mortgages originated in “high-cost” areas — where 115% of the median house price exceeds the otherwise applicable conforming loan limit. Under the Reform Act's permanent “high-cost” area formula, the loan limit is the lesser of (i) 115% of the median house price or (ii) 150% of the conforming loan limit (for 2024, \$1,149,825 for a one-family residence).

However, a series of legislative acts temporarily restored the Stimulus Act's “high-cost” area loan limit to up to \$729,750. For Mortgages originated in 2009, the American Recovery and Reinvestment Act of 2009 (the “**Recovery Act**”) ensured that the loan limits for the “high-cost” areas determined under the Stimulus Act did not fall below their 2008 levels. Additional legislation extended the “high-cost” area loan limits established by the Recovery Act for Mortgages originated through September 30, 2011.

The conforming loan limits are 50% higher for Mortgages secured by properties in Alaska, Guam,

Hawaii and the U.S. Virgin Islands.

In general, an LTV ratio is a ratio of (a) the total principal balance of a Mortgage to (b) the value of the property securing the Mortgage. Under the Freddie Mac Act, we may not purchase a Conventional Mortgage if, at the time of purchase, the outstanding principal balance of the Mortgage exceeds 80% of the value of the mortgaged property unless we have one or more of the following credit protections, which are designed to offset any additional credit losses that may be associated with higher LTV ratios: mortgage insurance from a qualified insurer, as determined by us, on the portion of the outstanding principal balance above 80%; a seller's agreement to repurchase or replace (for periods and under conditions as we may determine) any Mortgage that has defaulted; or retention by the seller of at least a 10% participation interest in the Mortgage. Under our Relief Refinance Program and Enhanced Relief Refinance Program, FHFA will allow Mortgages to be refinanced without obtaining additional credit enhancement in excess of that already in place for that Mortgage. Consequently, if the original Mortgages did not have credit enhancements, the resulting Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages with LTV ratios that exceed 80% will not be required to bear the credit protections described above.

Except for certain Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, which may have LTV ratios that can exceed 125%, the Mortgages we purchase generally do not have LTV ratios exceeding 97%. However, we may reduce or increase the required LTV ratios based on a number of factors, such as the borrower's intended use of Mortgage proceeds, the type of property securing the Mortgage, the existence of special financing arrangements and the market in which the mortgaged property is located. We may from time to time purchase and pool Mortgages, in addition to Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, having LTV ratios in excess of 95% in order to enable borrowers to purchase homes or refinance existing mortgages and pay certain related expenses. However, except for Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, we currently do not expect to purchase and pool Mortgages with LTV ratios exceeding 105%. We pool Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages with LTV ratios exceeding 105% separately from our other Mortgages. See *Special Mortgage Characteristics—Relief Refinance Programs*.

We use mortgage information submitted to us as well as information obtained from public sources and third parties to determine which Mortgages we will purchase, the terms under which we will purchase Mortgages, the prices we will pay for Mortgages, how to pool the Mortgages we purchase and/or which Mortgages we will retain in our own portfolio. The information we use varies over time, and may include, among other things, LTV ratio, loan size and age, geographic distribution, weighted average interest rate, purpose or source of origination and credit scoring. We have discretion to determine whether the Mortgages we purchase will be securitized or held in our portfolio.

FHA/VA Mortgages are underwritten using the criteria specified by the Federal Housing Administration, the Department of Veterans Affairs, Rural Development or HUD, the federal government agencies which insure or guarantee them, rather than our underwriting standards. For example, FHA/VA Mortgages may have LTV ratios in excess of 95%.

We permit sellers to originate certain eligible Mortgages without a traditional appraisal by leveraging our proprietary models, along with historical data and public records through our Loan Product Advisor Automated Collateral Evaluation (“ACE”). For mortgaged properties meeting certain qualifications as specified in the Guide, the property value (purchase price for purchase transactions and borrower provided estimated value for refinances) and condition are assessed using ACE. ACE uses our in-house automated

valuation model, Home Value Explorer[®], which was built and is periodically enhanced for the express purpose of managing collateral risk at Freddie Mac. ACE leverages statistically based, empirically derived confidence scores to assess collateral risk.

We implemented certain changes to our underwriting standards during the COVID-19 pandemic, and some of these changes may negatively affect the expected performance of Mortgages purchased during the affected periods. All of such changes have expired. See the Incorporated Documents.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance. See *COVID-19 Borrower Assistance Measures and Related Programs*.

Eligible Sellers, Servicers and Warranties

We acquire Mortgages only from sellers we approve. As Administrator, we are responsible for supervising the servicing of the Mortgages in Pools. We contract with mortgage servicers we have approved to perform servicing functions on our behalf and in accordance with standards that we have established and that we may change from time to time. The seller or servicer of a Mortgage need not be the originator of that Mortgage. Our eligibility standards for sellers and servicers require the following: a demonstrated operating history in residential mortgage origination and servicing, or an eligible agent acceptable to us; a quality control program that meets our standards; and sufficient net worth, capital, liquidity, and funding sources, as well as adequate insurance coverage. In September 2022, we announced updated minimum financial eligibility requirements for sellers and servicers.

When we purchase a Mortgage, we rely on representations and warranties of the seller with respect to certain matters, as is customary in the secondary mortgage market. These representations and warranties cover such matters as:

- The accuracy of the information provided by the borrower.
- The accuracy and completeness of any third party reports prepared by qualified professionals, such as property appraisals and credit reports.
- The validity of each Mortgage as a first or second lien, as applicable.
- The fact that payments on each Mortgage are current at the time of delivery to us.
- The physical condition of the mortgaged property.
- The originator's compliance with applicable state and federal laws, including state anti-predatory lending statutes and other laws that protect borrowers.

Our Mortgage custodians check certain stated terms of the Mortgage documents, but we generally do not independently verify the accuracy of the seller's representations and warranties. See —*General* for more information regarding our underwriting processes and representation and warranty framework.

Servicing Responsibilities and Compensation

As Administrator, we generally supervise servicing of the Mortgages according to the policies in our Guide and in accordance with the Trust Agreement. Each servicer is required to perform all services and duties customary to the servicing of mortgages, either directly or through approved subservicers. Those responsibilities include all activities concerning the calculation, collection and processing of Mortgage

payments and related borrower inquiries, as well as all Mortgage administrative responsibilities, including claims collection, workouts, foreclosures and reports. We monitor a servicer's performance through periodic and special reports and inspections to ensure it complies with its obligations.

Servicers remit payments to us under various arrangements, but these do not affect the timing of payments to Holders.

We compensate servicers for their services, generally at a servicing fee of at least 0.25% of the principal balance of the performing Mortgages they service. However, we may permit lower servicing fee rates for certain servicers or for certain MBS Pools. See *Special Mortgage Characteristics and Description of the Securities—Pool Formation*.

Prepayments

A borrower may make a full or partial prepayment on a Mortgage backing a Security at any time without paying a penalty, except for Prepayment Penalty Mortgages. A borrower who partially prepays a Mortgage may request that the servicer enter into a recast modification agreement in order to reduce the number or size of future monthly payments, provided that the Mortgage is current and the prepayment will not result in an interest rate change or an extension of the term. We require our servicers to offer a recast modification to borrowers who received the \$5,000 principal reduction incentive following the six-year anniversary of their HAMP modification. A borrower may fully prepay a Mortgage for several reasons, including an early payoff, a sale of the related mortgaged property or a refinancing of the Mortgage. We pass through all prepayments to the Holders of the related Securities.

Mortgage Repurchases

The Trust Agreement requires that we repurchase Mortgages from Pools in certain limited situations and gives us the option to repurchase Mortgages from Pools in other situations. See *The Trust Agreement—Repurchase of Mortgages*. In determining whether a Mortgage should be repurchased, we consider various factors, including whether the repurchase will reduce our administrative costs or our possible exposure under our guarantees and our statutory and other legal obligations.

We may repurchase, or require or permit the seller or servicer of a Mortgage to repurchase, any Mortgage if there is a material breach of a representation or warranty by a seller or servicer as to that Mortgage.

Mortgage repurchases may also occur due to modifications of Mortgages, including under our Mortgage modification programs. As discussed below in *Defaults and Delinquencies*, we may elect not to repurchase a modified Mortgage from its related Pool in certain cases, including our Payment Deferral Solution. Mortgage repurchases may also occur due to defaults and delinquencies (which may increase during periods of economic recession), mortgage credit constriction, banking crises or failures, stricter underwriting standards that may inhibit refinancings, natural disasters, declining property values (including due to long-term climate change effects) or increased use of secondary financing or as a result of other factors that decrease borrowers' equity. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from Pools could materially affect Security prepayment speeds, —Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect Security prepayment speeds, Risk Factors—Credit Factors, and Description of the Mortgages that back Securities—Special Mortgage Characteristics – Relief Refinance*

Programs, —Mortgage Modification Programs, and —Mortgage Purchase and Servicing Standards— Defaults and Delinquencies.

A Mortgage repurchase will be treated as a prepayment in full of the Mortgage being repurchased and the entire unpaid principal amount of that Mortgage will be passed through to the related Holders on the appropriate Payment Date.

In addition to representations and warranties for underwriting, our servicers are required to service Mortgages in accordance with our requirements. Similar to seller violations, we can require servicers to repurchase Mortgages or provide alternative remedies in the case of servicing violations. For certain servicing violations, we typically first issue a notice of defect and allow the servicer a period of time to correct the problem. If the servicing violation is not corrected, we then may issue a repurchase or alternative remedy request. See —*General* for more information regarding our representation and warranty framework.

COVID-19 Borrower Assistance Measures and Related Programs

At the direction of FHFA and in alignment with the Coronavirus Aid, Relief, and Economic Security Act of 2020 (the “**CARES Act**”), we and Fannie Mae implemented certain temporary measures during the COVID-19 pandemic to assist borrowers who experienced a COVID-19 related hardship. These temporary measures included requiring servicers to grant borrowers with a COVID-19 related hardship temporary payment forbearance on their Mortgage payments for up to 12 months. We refer to arrangements under which borrowers are granted temporary payment forbearance as “forbearance plans.” Once the hardship is resolved, servicers are required to evaluate the borrowers for reinstatement or a repayment plan. If a borrower does not have the resources to reinstate or repay the Mortgage, servicers are required to evaluate such borrower for a Payment Deferral Solution. Borrowers that do not qualify for a Payment Deferral Solution would be evaluated for a Flex Modification. A significant number of borrowers have received forbearance plans under these temporary measures, and it is possible that these measures could result in further increases in the number of borrowers with forbearance plans. In turn, this could result in a significant increase in modifications over time, which could lead to a significant increase in prepayments of certain Securities. Generally, modifications of Mortgages (other than under the Payment Deferral Solution) result in prepayments under the related Securities in an amount equal to the unpaid principal balance of the affected Mortgages. Effective November 1, 2024, all requirements pertaining to the COVID-19 Payment Deferral Solution and to COVID-19 provisions for the Flex Modification will be retired.

On April 10, 2023, the Biden administration signed Joint Resolution H.J.Res. 7 terminating the national emergency declared in March 2020 relating to the COVID-19 pandemic. Protections for borrowers impacted by COVID-19 under the CARES Act have also terminated.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance with note dates on or after February 1, 2020 and on or before December 31, 2020, and settlement dates on or after May 1, 2020 and on or before February 28, 2021, provided that the borrower was no more than 30 days delinquent at the time of acquisition. For purposes of these requirements, Mortgages in forbearance include Mortgages for which the borrower (i) informed the seller or servicer that, after the note date, the borrower had suffered financial hardship caused directly or indirectly by COVID-19 or (ii) was approved for a forbearance plan based on a COVID-19 related hardship that occurred after the note date. Each such Mortgage that we acquired was subject to a specified credit fee payable to Freddie Mac. These Mortgages may be pooled with other Mortgages in Pools

following our normal pooling practices. For more information, see *Description of the Securities—General Pooling Criteria*.

Defaults and Delinquencies

In attempting to resolve an existing or impending delinquency or other Mortgage default, as Administrator, we may take any of the following measures:

- Approve an assumption of a Mortgage by a new borrower.
- Allow a repayment plan that provides the borrower a specified period of time to return to current status by paying the normal monthly payment plus additional agreed-upon delinquent amounts.
- Allow a forbearance period during which regular Mortgage payments may be reduced or suspended.
- Allow a Payment Deferral Solution.
- Approve a modification of certain terms of the Mortgage, including under our Mortgage modification initiatives. See *Special Mortgage Characteristics—Mortgage Modification Programs*.
- Pursue a pre-foreclosure contract for sale of the underlying property or other foreclosure alternative transaction.
- Initiate a foreclosure proceeding.

When considering our options under the particular circumstances, we determine, in accordance with the terms of the Trust Agreement, whether to repurchase a Mortgage from a Pool under our guarantees. Repurchasing a Mortgage from its Pool has the same effect on Holders as a prepayment. If we determine not to repurchase the Mortgage from its Pool, the measures we take may affect the timing of payments of principal to Holders.

As Administrator, we generally demand accelerated payment of principal and initiate foreclosure proceedings with respect to a Mortgage in accordance with the provisions of our Guide. However, we also continue to pursue alternative measures, including Mortgage modifications, to resolve the delinquency before the conclusion of the foreclosure proceedings, if such measures appear likely to mitigate our potential losses. If, after demand for acceleration, a borrower pays all delinquent amounts or agrees with us to accept an arrangement for reinstatement of the Mortgage, we may terminate the foreclosure proceedings and withdraw our demand. If the borrower again becomes delinquent, we generally require our servicers to accelerate the Mortgage and demand payment for all amounts due under the Mortgage and, if the borrower fails to pay the demand, commence new foreclosure proceedings.

Under the Trust Agreement, we may repurchase a Mortgage from its Pool if the Mortgage is 120 days or more delinquent. In recent years, we typically repurchased Mortgages from their related Pools after the Mortgages become 120 days delinquent or more, subject to operational and regulatory constraints. As discussed below, effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related Pools from 120 days or more of delinquency to 24 months of delinquency. We also generally require a Mortgage to be repurchased in the event of modification or foreclosure, in each case if the Mortgage was 120 days or more delinquent. We may also require repurchase if we determine, on the basis of information from the related borrower or servicer, that loss of ownership of the mortgaged property is likely or default is imminent due to borrower incapacity, death or hardship or other extraordinary circumstances that made future payments on the Mortgage unlikely or impossible.

On April 13, 2020, FHFA instructed us to retain Mortgages in their related Pools while any such Mortgages remain subject to a forbearance plan. In addition, following the expiration of the forbearance plan, we must continue to have any such Mortgage retained in its related Pool (i) during such time as an offer to reinstate the Mortgage or enter into a Payment Deferral Solution, repayment plan or trial period plan remains outstanding, (ii) during the period of a repayment plan or trial period plan or (iii) after a Payment Deferral Solution takes effect and the Mortgage is reinstated. FHFA's instructions also provided that, if the related borrower has failed to timely accept or comply with the terms of a forbearance plan, Payment Deferral Solution, repayment plan or trial period plan, or upon such borrower's successful completion of a trial period plan, we must remove the Mortgage from the related Pool in accordance with our current practices. Due to operational constraints or servicer reporting errors, we may occasionally repurchase Mortgages from their related Pools earlier than the time requirements provided for in these instructions. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from Pools could materially affect Security prepayment speeds*. Our repurchase practices with respect to Mortgages subject to trial period plans are generally similar to our repurchase practices with respect to Mortgages subject to forbearance plans. As discussed below, we repurchase a delinquent Mortgage from its Pool when it reaches 24 months of delinquency, regardless of whether the Mortgage is then subject to a forbearance plan or other borrower assistance plan.

Effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related Pools from 120 days or more of delinquency to 24 months of delinquency (*i.e.*, the borrower has missed 24 full monthly payments). Under this policy and pursuant to the terms of the Trust Agreement or applicable law, we may repurchase the following delinquent Mortgages from their related Pools prior to such Mortgages reaching 24 months of delinquency: (i) Mortgages that are permanently modified (for this purpose, Mortgages subject to a Payment Deferral Solution are not considered to be “permanently modified”); (ii) Mortgages subject to a short sale or deed-in-lieu of foreclosure; (iii) Mortgages repurchased by a seller/servicer under applicable selling and servicing requirements; (iv) Mortgages that are paid in full, or for which the related lien is released and/or the note debt is satisfied or forgiven; and (v) Mortgages referred to foreclosure. Any change to this policy will not be effective for at least two years (from January 1, 2021) and market participants will be provided at least six months advance public notice of any such change. Furthermore, any future policy change will be applicable only to Mortgages in Pools that are current as of the effective date of such future change. Any Mortgage in a Pool that is delinquent at the effective date of a future policy change would remain subject to the policy requiring delinquent Mortgages to remain in their related Pools until reaching 24 months of delinquency, unless any such Mortgage subsequently cures. Many delinquent Mortgages are repurchased from Pools before they reach 24 months of delinquency under one of the exceptions provided.

In certain cases in which (i) the post-modification monthly principal and interest payment, (ii) the interest rate and (iii) the term to maturity of a modified Mortgage remain the same as the corresponding pre-modification terms, we may elect not to repurchase the modified Mortgage from its related Pool. In those instances, any delinquent payments will become non-interest bearing and their payment by the borrower will be deferred until the earlier of the maturity date of the modified Mortgage or its earlier payoff through a curtailment payment or refinancing or upon transfer or sale of the mortgaged property. However, payments on the modified Mortgage of scheduled principal and interest will continue to be made to Holders in accordance with Freddie Mac's guarantees. We refer to these modified Mortgages as being subject to **“Payment Deferral Solutions.”** Payment Deferral Solutions generally cover up to six months of delinquent

payments. However, eligible borrowers that have been impacted by an Eligible Disaster may receive Payment Deferral Solutions covering up to 12 months of delinquent payments.

From time to time, we reevaluate our delinquent Mortgage repurchase practices and alter them if circumstances warrant.

Sometimes the unpaid principal balance of a Mortgage exceeds the current value of the underlying property. Bankruptcy courts are permitted, under limited circumstances, to approve a borrower's plan reducing the borrower's obligation under such a Mortgage to the current value of the property and to treat the remaining amount of the Mortgage indebtedness as an unsecured obligation. We may treat the unsecured portion of the Mortgage as a partial prepayment and pass through that amount as a guarantee payment as early as the date of the court action.

The Incorporated Documents provide information regarding our overall Mortgage delinquency, default and foreclosure experience.

Transfer and Assumption Policies

Most of the fixed-rate Conventional Mortgages that we acquire are not assumable because they contain "due-on-transfer" clauses permitting automatic acceleration of the Mortgage debt when the mortgaged property is transferred. As Administrator, we generally require servicers to enforce these due-on-transfer clauses and to demand full payment of the remaining principal balance of a fixed-rate Mortgage to the extent permitted under the mortgage documents and applicable state and federal law. We allow assumptions of fixed-rate Mortgages in limited circumstances, such as transfers between certain related persons.

CREDIT RISK RETENTION

Freddie Mac, as the sponsor of the securitizations in which the Securities 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 Securities.

DESCRIPTION OF THE SECURITIES

General

We issue two types of mortgage securities pursuant to this Offering Circular – UMBS and MBS. The term "**Security**" refers to a UMBS or MBS, as applicable, and the term "**Securities**" refers to UMBS and/or MBS, as applicable. Securities have a payment delay (the delay between the time interest begins to accrue and the time the investor receives an interest payment) of approximately 55 days.

UMBS are backed by fixed-rate, level payment, fully amortizing Mortgages. MBS are backed by: (i) fixed-rate, level payment, fully amortizing Mortgages, (ii) fixed-rate Initial Interest Mortgages or (iii) Modified Mortgages with or without Step Rate Increases. We generally place Mortgages with certain special characteristics in MBS Pools, as discussed in *General Pooling Criteria*.

Each Security represents an undivided beneficial ownership interest in the Mortgages contained in its related Pool. Once we have deposited an identified Mortgage in a Pool, the Mortgage remains in that Pool unless it is paid in full, foreclosed upon or repurchased. The minimum original principal balance for a Pool

is generally \$1,000,000. We may change the minimum original Pool size at any time. As described in *Certain Federal Income Tax Consequences*, we will make elections to treat certain beneficial interests in Mortgages in Pools as part of a REMIC.

We announced our Green MBS Program on April 19, 2021 and our Social MBS Program on January 23, 2024. “**Green MBS**” are Securities that are backed by Mortgages where the related properties have certain characteristics related to energy efficiency. “**Social MBS**” are Securities that are backed by Mortgages that meet certain social criteria related to income, borrower or property. We expect to commence issuing Social MBS in June 2024. For more information, see our Single-Family Green and Social MBS webpage at [Single-Family Green and Social MBS - Capital Markets \(freddiemac.com\)](https://www.freddiemac.com/single-family-green-and-social-mbs-capital-markets). We designate a Security as a Green MBS or a Social MBS, as the case may be, at the time the Security is issued and are not obligated to update or correct that designation to reflect, for example, corrections of errors in the underlying information that was used to determine the designation.

Pool Formation

We may purchase Mortgages for Pools from eligible sellers under various purchase programs. We purchase most Mortgages under our “**Guarantor Swap Program**,” in which we purchase Mortgages from a single seller and, as Depositor, transfer and deposit those Mortgages into a Pool established pursuant to the Trust Agreement and applicable Pool Supplement. As Administrator, on behalf of the Trustee, we create and issue under the Trust Agreement and that Pool Supplement, on behalf of the related Pool, Securities representing undivided interests in those same Mortgages. As Depositor, we deliver those Securities to the seller as consideration for the Mortgages. We also purchase Mortgages for cash under our “**Cash Window Program**.” Mortgages purchased under our Cash Window Program are typically (i) held by us initially in our portfolio, (ii) transferred and deposited by us, as Depositor, into a Pool in exchange for Securities that we sell to third parties for cash through an auction or (iii) transferred and deposited by us, as Depositor, into a Pool together with other Mortgages that we purchase under our “**MultiLender Swap Program**.” Under our MultiLender Swap Program, we (i) purchase Mortgages from various sellers, (ii) as Depositor, transfer and deposit those Mortgages into a Pool, and (iii) as Administrator, on behalf of the Trustee, issue Securities from that Pool representing undivided interests in the purchased Mortgages. To the extent Mortgages purchased under our Cash Window Program are pooled with Mortgages purchased under our MultiLender Swap Program, we may sell part of the resulting Securities to third parties for cash through an auction.

We acquire Mortgages under these programs on a daily basis in accordance with the terms contained in our applicable agreements with sellers. Our issuance of Securities in exchange for Mortgages is conditioned on the seller’s compliance with the applicable terms and conditions of our applicable mortgage purchase documents, including the seller’s obligations to timely deliver acceptable Mortgages in the agreed upon amount, and to make available to investors all required offering documents.

As Administrator, Freddie Mac assigns a six-character, unique numeric or alphanumeric designation, or “**UMBS Pool Number**” or “**MBS Pool Number**,” as applicable, to each Pool. Also as Administrator, Freddie Mac assigns a three-character (two of which are used) “**Prefix**” to each Pool. The Prefix indicates some basic information about the Pool, such as its term and the general type of Mortgages within the Pool. The Prefixes are listed on www.freddiemac.com/mbs. Prefixes are subject to change (including modification, discontinuance or the addition of new ones) at any time.

Pursuant to FHFA direction, the Enterprises' pooling practices with respect to fixed-rate products provide that the rate on any mortgage in a pool backing a given security cannot be more than 112.5 basis points greater than the coupon on that security. Pursuant to FHFA direction, the Enterprises also limit the maximum servicing fee for each mortgage to no more than 50 basis points; the 50 basis point maximum servicing fee includes the standard 25 basis point servicing fee. FHFA has instructed the Enterprises to monitor the weighted average coupon of fixed-rate mortgage-backed securities and take actions as appropriate such that the weighted average coupon of fixed-rate mortgage-backed securities are generally consistent with historical levels.

General Pooling Criteria

Some of our general pooling practices for Pools are summarized below. Our pooling practices are subject to change. We may also grant exceptions to these practices in our sole discretion.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance with note dates on or after February 1, 2020 and on or before December 31, 2020, and settlement dates on or after May 1, 2020 and on or before February 28, 2021, provided that the borrower was no more than 30 days delinquent at the time of acquisition. These Mortgages may be pooled with other Mortgages in Pools, following our normal pooling practices, as described below. For more information, see *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—COVID-19 Borrower Assistance Measures and Related Programs*.

UMBS Pools and MBS Pools

- Generally, the interest rates of the Mortgages in a Pool are within a range from (a) the applicable Coupon plus any minimum required servicing fee through (b) 250 basis points above the applicable Coupon.
- Twenty-year Mortgages may be pooled with 30-year Mortgages and each type may be pooled separately.
- Ten-year Mortgages may be pooled with 15-year Mortgages and 15-year Mortgages may be pooled separately. Ten-year Mortgages may be pooled separately only in UMBS Pools.
- As described below under —*Pooling Criteria for Mortgages with Special Characteristics*, Mortgages with certain special characteristics may generally be pooled only in MBS Pools. However, in general,
 - Cooperative Share Mortgages,
 - Extended Buydown Mortgages or
 - Relocation Mortgages

may constitute up to 10% of the original principal balance of a UMBS Pool without any special designation or disclosure to reflect that fact, so long as these types of Mortgages, in combination, do not constitute more than 15% of the original principal balance of the UMBS Pool, and

- Super-Conforming Mortgages may constitute up to 10% of the original principal balance of a UMBS Pool that is not backed by Mortgages with special characteristics, without any

special designation or disclosure to reflect that fact.

MBS Pools

- Conventional Mortgages are pooled separately from FHA/VA Mortgages.
- Jumbo-Conforming Mortgages may be pooled with Super-Conforming Mortgages and other conforming Mortgages.
- Initial Interest Mortgages are pooled separately from other Mortgages. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.)
- Prepayment Penalty Mortgages are generally pooled separately from other Mortgages. An MBS Pool may include Prepayment Penalty Mortgages with different prepayment penalty features. Under certain circumstances, Prepayment Penalty Mortgages with waived prepayment penalties may be pooled with Mortgages that can be prepaid at any time without penalty. (We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.)
- High LTV Mortgages are pooled separately from other Mortgages.
- Modified Mortgages are pooled separately from other Mortgages.

Pooling Criteria for Mortgages with Special Characteristics

Some of our Mortgages have special characteristics, as described in *Description of the Mortgages that back Securities—Special Mortgage Characteristics*. In general, Mortgages with these special characteristics may not be included in UMBS Pools, except as described above under —*General Pooling Criteria—UMBS Pools and MBS Pools*. Typically, we pool these Mortgages only with Mortgages having the same characteristics, and they are identified in the applicable Pool Supplement. Some of these Mortgages, such as Cooperative Share Mortgages, have special characteristics that do not change and that generally result in their being pooled separately on a permanent basis. Others, when their special characteristics no longer apply, may be pooled with the types of Mortgages that they then resemble. For pooling purposes, we generally consider Mortgages to be Super-Conforming Mortgages based on the conforming loan limits in effect at the time the applicable Pool is formed.

Pool Factors and Monthly Reporting Periods

Pool Factors

As Administrator, we calculate and make available each month, including on our website and through approved vendors, the Pool Factor for each Pool. A “**Pool Factor**” is an exact decimal rounded to eight places which, when multiplied by the original principal amount of a Security, will equal the remaining principal amount of the Security. The Pool Factor for any month reflects the remaining principal amount after giving effect to the principal payment to be made on the Payment Date in the same month.

Currently, we make Pool Factors available on or about the fourth Business Day of each month. The Pool Factor for a Pool for the month of its formation is always 1.00000000. We have the right to change when the Pool Factors will be available and how we calculate them. We make payments on all Securities based on their applicable Pool Factors.

Use of Factors

For any Payment Date, you can calculate the principal payment on a Security by multiplying its original principal amount by the difference between its Pool Factors for the preceding and current months.

For any Payment Date, you can calculate interest payments on a Security by multiplying its applicable Coupon by 1/12th, and then multiplying that amount by the principal balance of the Security immediately before that Payment Date (reflected by its Pool Factor published in the immediately preceding month).

Monthly Reporting Periods

Each month, servicers report payments to us on the Mortgages in a Pool for the applicable one-month reporting period (a “**Monthly Reporting Period**”). The Monthly Reporting Period for all payments is generally from the 1st of a month through the last calendar day of that month. Accordingly, for any Payment Date, the applicable Monthly Reporting Period generally is the calendar month preceding that Payment Date.

As Administrator, we have the right to change the Monthly Reporting Period for any Securities as provided in the Trust Agreement.

Payment Dates

As Administrator, we make payments to the Holders on each Payment Date beginning in the month after issuance.

The “**Payment Date**” is the 25th day of each month or, if the 25th day 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 our 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

General

We pay principal, if any, to the Holders on each applicable Payment Date. The principal balance of a Pool sometimes varies from the aggregate principal balance of the underlying Mortgages due to delays or errors in processing mortgage information, such as a servicer’s failure to file an accurate or timely report of its collections of principal or its having filed a report that cannot be processed. We will account for any differences as soon as practicable by adjusting subsequent Pool Factors. We have the right to modify our procedures for passing through full or partial prepayments of principal to Holders.

Calculation of Principal Payments for Securities

The aggregate principal payment in any month on any Security reflects:

- The scheduled principal payments due on the Mortgages in the related Pool for the current calendar month.

- Prepayments on those Mortgages as reported by servicers for the preceding Monthly Reporting Period and the principal amount of any Mortgage repurchased during the preceding Monthly Reporting Period, as well as any full or partial prepayments reported through the second Business Day of the calendar month following such Monthly Reporting Period.
- Any adjustments necessary to reconcile the principal balance of the Pool with the aggregate balance of the related Mortgages reported to us by servicers.

We calculate the scheduled principal due on the related Mortgages based upon the actual principal balance, interest rate and remaining term to maturity of each Mortgage in the Pool. Our calculation of scheduled principal may not reflect actual payments on the Mortgages. For example, we calculate scheduled principal payments on MBS backed by Biweekly Mortgages without regard to their special payment characteristics, which periodically result in partial prepayments. A Holder of such an MBS receives payments once a month, regardless of how many payments the borrower makes in a month, in accordance with the payment calculations for MBS.

In certain cases, the first monthly payment to the Holders of a Security may consist of interest alone (with no principal) with respect to one or more of the Mortgages in the underlying Pool. Whether the first payment to Holders includes principal from any particular Mortgage depends on several factors, including the date on which the Mortgage was deposited into the Pool and the date reported to Freddie Mac for the related borrower's next payment of principal on the Mortgage.

Payments of Interest

Interest will accrue on each Security during each Accrual Period at the applicable Coupon. We compute interest on the basis of a 360-day year of twelve 30-day months. The applicable Coupon is set at the time of issuance and does not change.

Interest accrues on the principal amount of a Security as determined by its Pool Factor for the month preceding the month of the Payment Date.

The “**Accrual Period**” relating to any Payment Date is the calendar month preceding the month of the 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**” of a Security is the first day of the latest month in which we will reduce the related Pool Factor to zero. The actual final payment on any Security will be made on a regular Payment Date, not on the first day of a month. The final payment on any Security could occur significantly earlier than the month of its Final Payment Date.

Guarantees

With respect to each Pool, as Guarantor, we guarantee to the Trustee and to each Holder of a Security:

- The timely payment of interest at the applicable Coupon.
- The timely payment of scheduled principal on the underlying Mortgages.
- The full and final payment of principal on the underlying Mortgages by the Payment Date that falls in the month of its Final Payment Date.

In addition, our guarantee covers any interest shortfalls on the Securities arising from reductions in Mortgage interest rates pursuant to application of the Servicemembers Civil Relief Act and similar state laws.

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

Pool Expenses

Generally, as Administrator, we do not seek reimbursement from a Pool for any expenses we may incur in connection with that Pool. However, certain amounts expended by us, as Administrator, or a servicer for the protection or maintenance of Mortgages or related property may be borne on a pro rata basis by us and the Holders of the related Securities. As Administrator, we may pay such expenses from amounts otherwise due to the Holders, which may affect the timing of receipt of payments by the Holders. However, these expenses will not affect our guarantee or the Holders' right to receive all principal and interest due on their Securities.

Compensation of Servicers and Freddie Mac

We or our servicers generally retain payments of interest on Mortgages in a Pool that exceed the Coupon for that Pool, as well as any fees and charges paid by borrowers, such as late payment fees, prepayment penalties and review and transfer charges on assumptions. These amounts are not passed through to Holders. The amounts we retain are treated as guarantee fees for our services as Administrator and Guarantor under the Trust Agreement and related Pool Supplement, and the amounts retained by servicers are treated as servicing fees to compensate the servicers for their services.

Pool Supplements

As Administrator, we make available on our website a Pool Supplement for each Pool when it is formed. The Pool Supplement identifies on a pool-level basis the features of the Mortgages in the related Pool and sets forth data concerning that Pool. We have attached as *Appendix II* to this Offering Circular an example of a Pool Supplement. Definitions of terms we use in Pool Supplements can be found at www.freddie.com/mbs/docs/Pool_Level_Disclosure_Glossary.pdf. In some cases, a Pool Supplement may not include all of the information specified in *Appendix II*, and in other cases, additional information or legends may be included.

If information in a Pool Supplement is inconsistent with information in this Offering Circular, you should rely on the information in the Pool Supplement as to the Pool it describes. We may change our practices relating to Pool Supplements at any time.

Pool- and Cohort-Level Data

Each month, in addition to the Pool Factors, as Administrator, we make available on our website certain

updated information on a pool-level basis as to each Pool. Generally, this information corresponds to the information provided in the Pool Supplement for the relevant Pool to the extent such original information changes over time. In some cases, our monthly updates may not include all of that information, and in other cases, additional information or legends may be included. If the information on our website as to a Pool is inconsistent with information in the related Pool Supplement, you should rely on the updated information on the website as to the Pool it describes. Much of this pool-level information is calculated based on information furnished to us by the sellers and/or servicers of the underlying Mortgages; as a result, this information is subject to the risks and limitations described below in *Loan-Level Data* and errors in loan-level information may result in errors in the related pool-level information. We change our practices relating to our monthly updating of pool-level data from time to time. We may discontinue providing on our website, or change the methodology used to calculate, any pool- or cohort-level data at any time.

Commencing December 2, 2022, Freddie Mac began publishing Social Index scores for newly-issued Pools. The Social Index disclosures consist of the Social Criteria Share and the Social Density Score. Beginning on March 1, 2024, the Social Index was rebranded as the “**Mission Index**” and the corresponding disclosures renamed as the Mission Criteria Share (“**MCS**”) and the Mission Density Score (“**MDS**”). The MCS is intended to provide the pool-level share of Mortgages in each Pool meeting specified mission criteria. The MDS is intended to provide the pool-level average for each Pool of loan-level scores, reflecting layering of mission attributes across multiple dimensions. The MCS and MDS are calculated based on information furnished to us by the sellers of the underlying Mortgages; as a result, these disclosures are subject to the risks and limitations described below in *Loan-Level Data*. For more information, see our Mission Index disclosures webpage at [Mission Index - Capital Markets \(freddiemac.com\)](https://www.freddiemac.com/mission-index-capital-markets).

Commencing March 8, 2023, Freddie Mac began publishing a weekly report that provides daily prepayment information at the cohort level. The reports contain full voluntary payoff transactions processed by Freddie Mac for each day of the prior week. The reports are generally subject to the risks and limitations described below in *Loan-Level Data*. The reports are calculated differently from the monthly Pool Factors for our Securities and may not be predictive of the results of any future monthly Pool Factor for any specific Security. For more information, see our daily prepayment report webpage at [Daily Prepayment Report - Capital Markets \(freddiemac.com\)](https://www.freddiemac.com/daily-prepayment-report-capital-markets).

Loan-Level Data

Based on information furnished by sellers of Mortgages, as Administrator, we provide on our website certain data for each Mortgage underlying Securities. Based on information furnished by servicers of Mortgages, we provide on our website monthly updates of certain of the loan-level data for these Securities. We generally do not verify information furnished to us by the sellers and servicers of the Mortgages prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. We are not obligated to update the loan-level data. However, if we are made aware of an error, we generally publish the correct information if possible. We also furnish on our website information concerning the methodologies we use to calculate loan-level data and statistical information in the Pool Supplement. Some of these methodologies incorporate assumptions as to permitted Mortgage characteristics and variables therein. As a result, in some cases the application of these methodologies could result in minor differences between the actual characteristics of a given

Mortgage and the reported characteristics. We change our practices relating to the loan-level data from time to time. We may discontinue providing on our website, or change the methodology used to calculate, any loan-level data at any time. The loan-level information provided should be used only for its intended purpose, i.e., an evaluation of the potential acquisition of the offered Securities. We assume no responsibility for damages incurred in connection with the use of the information contained in the loan-level data for other than its intended purpose.

We have various policies and procedures related to the data we receive from sellers and servicers of Mortgages. These policies and procedures do not focus on the loan-level data that we publish for our Securities. Instead, the policies and procedures are generally designed to assess whether Mortgages sold to us meet our standards. The policies and procedures include the following:

- Sellers and servicers provide us with representations and warranties with respect to the accuracy of any information furnished to us in connection with our purchase of a Mortgage and on a monthly basis thereafter.
- Our custodians verify that the terms of the mortgage notes match the information provided to us by the sellers.
- We use automated checks to determine whether Mortgages meet certain of the purchase standards in our Guide.
- Sellers are required to conduct a data integrity review on a small sample of the Mortgages they sell to us to assess whether the loan data submitted with respect to those sampled Mortgages was accurate. We also review a small sample of the Mortgages we purchase.

Our policies and procedures may not be adequate to identify errors in the loan-level data that we publish on our Securities. For example, the Mortgage sampling procedures involve a small percentage of our Mortgages, and the review procedures are limited in scope, so there is no assurance that the sampling and review procedures will uncover relevant data errors even as to the Mortgages reviewed; further, such procedures will not uncover any data errors as to Mortgages not reviewed. For more information, see *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards and Risk Factors—Credit Factors—Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default.*

For more information on our loan- and pool-level data, see our Single-Family Disclosure Guide, which is available at www.freddiemac.com/mbs.

Form of Securities, Holders and Payment Procedures

Form

Securities are issued, held and transferable only on the book-entry system of the Federal Reserve Banks. This means that Securities are not represented by physical certificates. The regulations of FHFA governing our book-entry securities (12 C.F.R. Part 1249) and any procedures that we and a Federal Reserve Bank may adopt apply to the issuance and recordation of, and transfers of interests (including security interests) in, the Securities. Holders' individual accounts are governed by operating circulars and letters of the Federal Reserve Banks.

Each issue of Securities is identified by a unique nine-character alphanumeric designation assigned by

the CUSIP Service Bureau, known as a “**CUSIP Number.**” The CUSIP Number is used to identify each issue of Securities on the books and records of the Federal Reserve Banks’ book-entry system.

Holder

The term “**Holder**” means any entity that appears on the records of a Federal Reserve Bank as a holder of particular Securities. Only banks and other entities eligible to maintain book-entry accounts with a Federal Reserve Bank may be Holders of Securities. Investors who beneficially own Securities typically are not the Holders of those Securities. Investors ordinarily will hold Securities through one or more financial intermediaries, such as banks, brokerage firms and securities clearing organizations. For example, as an investor, you may hold a Security through a brokerage firm, which, in turn, holds through an entity eligible to maintain accounts with a Federal Reserve Bank. In that case, you would be the beneficial owner and that eligible entity would be the Holder.

A Holder that is not also the beneficial owner of a Security, 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. Neither we nor any Federal Reserve Bank will have a direct obligation to a beneficial owner of a Security that is not also the Holder.

The Federal Reserve Banks and we may treat the Holder as the absolute owner of a Security for the purpose of receiving payments and for all other purposes, regardless of any notice to the contrary. If you are not a Holder yourself, you may exercise your rights only through the Holder of your Securities.

Denominations

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

Payment Procedures

Federal Reserve Banks credit payments on Securities to the appropriate Holders’ accounts. Each Holder and each other financial intermediary will be responsible for remitting payments to the beneficial owners of the Securities 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 Securities will depend on the rates of principal payments on the underlying Mortgages. Mortgage principal payments may be in the form of scheduled amortization or partial or full prepayments. Prepayments include:

- Prepayments by the borrower.
- Liquidations resulting from default, casualty or condemnation.

- Payments we make, as Guarantor, under our guarantee of principal, other than payments of scheduled principal.
- Prepayments resulting from the sales of the mortgaged properties, refinancing of Mortgages (including under our Enhanced Relief Refinance Program and Refi Possible) or the repurchase of Mortgages from a Pool due to defaults, delinquencies and modifications (including under our mortgage modification programs), inaccurate representations and warranties made by sellers or servicers or other factors. See *Description of the Mortgages that back Securities – Special Mortgage Characteristics – Mortgage Modification Programs* and *– Relief Refinance Programs*. See also *Risk Factors—Prepayment and Yield Factors*.

Mortgages may be voluntarily prepaid in full or in part at any time, in most cases without payment of a penalty.

Mortgage prepayment rates are likely to fluctuate significantly over time. Prepayment rates are influenced by many factors, which may exist in multiple combinations, including:

- The number of borrowers and Mortgages that qualify to be refinanced or modified under our Enhanced Relief Refinance Program, Refi Possible and mortgage modification programs or otherwise. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Mortgage Modification Programs* and *—Relief Refinance Programs*.
- Levels of current mortgage interest rates and borrower refinancing activity.
- The age, principal amount, geographic distribution and payment terms of Mortgages.
- Characteristics of the borrowers (such as credit score) and their equity positions in their houses (whether the LTV ratio is high or low). In particular, borrowers with substantial equity in their houses may be inclined to engage in cash-out refinancings. This technique enables the borrower to convert all or a portion of the equity into cash. High LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default.
- Procedures implemented by Mortgage originators and servicers to ease the burden on themselves and borrowers of processing refinance loans. These changes may include reducing the amount of documentation and costs required to refinance and easing underwriting standards, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates. Any changes we make to streamline the processes required by our underwriting standards could have a similar effect. Some of our Mortgage purchase programs may facilitate these practices. For example, certain eligible borrowers applying for Refi Possible may be subject to streamlined underwriting and other procedures. On the other hand, the tightening of underwriting standards could make it more difficult for borrowers to refinance their Mortgages, which could decrease prepayment rates. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Relief Refinance Programs*.
- The rate of defaults and resulting repurchases of the Mortgages in a Pool. Defaults may increase during periods, or due to the occurrence, of economic recession, mortgage credit contraction, banking crises or failures, stricter underwriting standards that may inhibit refinancings, catastrophic events, such as a major natural or environmental disaster, pandemics, declining property values (including due to long-term climate change effects) or increased use of

secondary financing or as a result of other factors that decrease borrowers' equity. The existence of a second lien reduces the borrower's equity in the home and, therefore, can increase the risk of default. We report combined LTV ratios that reflect second liens known to us at the time of Mortgage origination. However, borrowers are free to obtain second lien financing after origination, and we are not entitled to receive notification when a borrower does so. Such adverse developments could also have a greater impact on certain states or geographical regions. Depending on how long a Mortgage has been in default and the likelihood the borrower will resume making payments, we may repurchase a defaulted Mortgage from its Pool, which would have the same effect on the Holder as a prepayment of the Mortgage. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from Pools could materially affect Security prepayment speeds* and *—Credit Factors*.

- Active solicitation by originators and servicers. Many mortgage servicers, including sellers of Mortgages to Freddie Mac, solicit borrowers to refinance their Mortgages. In particular, servicers may solicit borrowers to refinance in an effort to preserve servicing income, which could increase prepayment rates. To mitigate this risk generally, our Guide places certain restrictions on servicers' ability to solicit borrowers to refinance their Mortgages; these restrictions are intended to prevent servicers from targeting borrowers under Mortgages they service for us more actively than they target other borrowers. We may waive these requirements for certain servicers. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Relief Refinance Programs*.
- Repurchases of Mortgages from Pools may occur when the terms of those Mortgages are modified as a result of default or imminent default, including under our mortgage modification programs. See *Description of the Mortgages that back Securities—Special Mortgage Characteristics—Mortgage Modification Programs* and *Risk Factors—Prepayment and Yield Factors—Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect Security prepayment speeds*.
- Changes in local industry and population migration and relocation as they affect housing turnover.
- Servicing fee rates. Pools containing Mortgages that are subject to servicing fee rates that are relatively low may experience different prepayment rates than Pools in which relatively high servicing fee rates predominate.
- The use of special financing arrangements, including buydown plans or other provisions that cause the amount of the borrower's payment to change during the term of the Mortgage.
- The desire of borrowers to reduce the LTV ratio to 80% or below to eliminate the requirement for mortgage insurance on a Mortgage.
- Repurchases of Mortgages from Pools may occur due to breaches of representations and warranties by sellers or servicers of the Mortgages. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of Mortgages from Pools due to breaches of representations and warranties by sellers and servicers could materially affect Security prepayment speeds*, and *—Description of the Mortgages that back Securities—Mortgage Purchase and Servicing*

Standards—Mortgage Repurchases.

- Repurchases of Mortgages from Pools could also occur due to errors by sellers or servicers. For example, seller or servicer reporting errors could cause a Mortgage's delinquency status to be incorrectly reported, leading to the Mortgage being repurchased from its Pool earlier than would otherwise be required.
- The prepayment behavior of relatively small Pools is likely to be less consistent and less predictable than is the prepayment behavior of larger Pools.
- Mortgages that have been underwritten using automated underwriting tools, such as ACE, may prepay more quickly than otherwise similar Mortgages. We continue to increase our use of automated underwriting tools. These tools also generally reduce the amount of documentation and costs required to refinance, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates.
- Mortgages from certain sellers tend to exhibit relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.

Prevailing mortgage interest rates especially influence prepayment rates. In general, as mortgage interest rates decline, borrowers tend to refinance their current, higher rate Mortgages, which results in faster prepayment rates on the related Pools. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their Mortgages, which results in slower prepayment rates on the related Pools.

Various types of Mortgages may have special prepayment characteristics. For example:

- Alignment Overflow Mortgages have been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.
- Biweekly Mortgages have weighted average lives that are shorter than those of otherwise similar monthly payment Mortgages. (We ceased purchasing Biweekly Mortgages on February 5, 2020.)
- Prepayment Penalty Mortgages may tend to prepay differently than Mortgages without prepayment penalties. Depending on a variety of factors, including possible waivers of the penalty, the timing of any notification to the borrower of applicable waivers and the interest rate environment, the prepayment behavior of Prepayment Penalty Mortgages is difficult to predict. (We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.)
- Initial Interest Mortgages, which permit borrowers to pay only accrued interest for extended periods without requiring principal amortization, may affect borrower decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. Unless the borrower makes unscheduled principal payments during the interest only period, equity accretion for the borrower during that period will result solely from market price appreciation on the related property. In addition, borrowers could be motivated to refinance prior to the expiration of the interest only period because it is likely that the amount of each monthly payment will increase substantially when scheduled principal amortization on these Mortgages commences. (We

ceased purchasing Initial Interest Mortgages on September 1, 2010.)

- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may tend to prepay differently than other conforming Mortgages because of a number of factors, including their larger relative principal balance (and larger resulting savings in the case of refinancing in a low interest rate environment), the presence of Freddie Mac and Fannie Mae in the secondary market for such Mortgages (which may tend to reduce the prevailing interest rates offered by lenders for extending such Mortgages and to increase funds available for such Mortgages) and the possible geographic concentration of such Mortgages.
- Modified Mortgages may have a greater risk of borrower delinquency and may generally have different prepayment and default characteristics than other Conventional Mortgages. In addition, Modified Mortgages with Step Rate Increases may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rates of these Modified Mortgages are increasing.
- Reduced Minimum Servicing Mortgages have a minimum servicing fee level that is below 0.25% per annum of the principal balance of the Mortgages, which is the prevailing minimum servicing fee level for Mortgages we acquire. Reduced Minimum Servicing Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or which are included in MBS Pools with similar pass-through rates.
- FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria and are usually Assumable Mortgages.

Different types of Mortgages may be affected differently by the same factor, and some factors may affect prepayment behavior on only some types of Mortgages. For example:

- Extended Buydown Mortgages may experience higher default rates than other Buydown Mortgages because they provide for larger increases in the effective interest rates to borrowers.
- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may experience higher default rates than other Mortgages because, among other factors, they require relatively higher monthly payments.
- Cooperative Share Mortgages may experience different prepayment rates than other types of Mortgages due to various factors, including, but not limited to, the structure of Cooperatives, the geographic location of the related Cooperative, the characteristics of the borrower, and the borrower's ability to obtain refinancing.
- Relocation Mortgages could be less sensitive than other types of Mortgages to prepayments resulting from decreasing interest rates and more sensitive than other types of Mortgages to prepayments resulting from home sales. The prepayment behavior of Relocation Mortgages also generally depends on the circumstances of individual employees and employers and the characteristics of the specific relocation programs involved, including whether such Mortgages are made in connection with a permanent relocation of a corporate headquarters, the likelihood that the borrower will be relocated again and the frequency with which further relocations occur. We do not collect information relating to these factors from mortgage sellers or

servicers. Borrowers under Relocation Mortgages may be more likely to be transferred by their employers than mortgage borrowers generally. However, we cannot predict the likelihood of future employment related transfers or the rate of prepayments on Relocation Mortgages.

- Assumable Mortgages could be less sensitive than other types of Mortgages to prepayments due to home sales because they may not have to be prepaid when the mortgaged property is sold to a qualified borrower.
- High LTV Mortgages may have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments.
- Reinstated FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria, they have experienced previous periods of serious delinquency and they can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage.
- Reinstated Mortgages may have different prepayment and default characteristics than other Conventional Mortgages because they have experienced previous periods of serious delinquency.

Although Reinstated FHA/VA Mortgages and Reinstated Mortgages will be performing and not in default at issuance of their related new MBS, there can be no assurance that such Mortgages will remain current after issuance of the related MBS. If any Reinstated FHA/VA Mortgage or Reinstated Mortgage meets the applicable delinquency criteria described under *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Mortgage from its related MBS Pool, which repurchase would have the effect of a prepayment in full of such Mortgage.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance. These Mortgages may perform differently than otherwise similar Mortgages with no history of forbearance and may have a higher risk of future delinquency and eventual foreclosure, resulting in a faster rate of prepayment relative to Mortgages with no history of delinquency. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—COVID-19 Borrower Assistance Measures and Related Programs*.

The timing and rate of defaults also may be affected by “debt cancellation” arrangements that borrowers may enter into at origination with some lenders. These arrangements relieve the borrower of making Mortgage payments under certain circumstances involving interruption of income, including involuntary unemployment, disability and death. Under these arrangements, Mortgage payments will be made on behalf of the borrower for a period of time or, in rare circumstances, the remaining principal balance of the Mortgage will be paid off on behalf of the borrower. As a result, the timing and rate of prepayments on the related Securities could be affected.

In addition, mortgage servicing decisions, including seeking alternatives to foreclosure, may impact the prepayment behavior of particular Pools. In approving alternatives to foreclosure and in determining

whether or when Mortgages will be repurchased from a Pool, we consider several factors. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*.

The rate of principal payments on a Pool may vary significantly from month to month as a result of fluctuations in the principal payment rates of its underlying Mortgages. A Pool may experience payment behavior that is similar to or different from that experienced by other Pools consisting of similar Mortgages. In addition, any Pool could experience payment behavior that is significantly different from other Pools, particularly if it contains a relatively small number of Mortgages, contains Mortgages from only one seller or has been formed specifically to emphasize one or more specific loan characteristics, such as borrower credit rating or loan size.

We make no representation concerning the particular effect that any factor may have on Mortgage prepayment behavior, or the prepayment rates for any type of Mortgage as compared to other kinds of Mortgages.

FHFA's UMBS Rule requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect the prepayment rates of their TBA-eligible mortgage-backed securities. See *Freddie Mac—Single Security Initiative, the CSP and Commingling—FHFA UMBS Rule*.

Yields

General

In general, your yield on Securities will depend on several variables, including:

- The price you paid for your Securities.
- The Coupon for your Securities.
- The rate of principal prepayments on the underlying Mortgages.
- The payment delay of your Securities.
- If your MBS are backed by Initial Interest Mortgages, the fact that the weighted average life of an Initial Interest Mortgage will differ from the weighted average life of a level payment, fully amortizing, fixed-rate Mortgage having the same principal amount, interest rate and maturity. As a result, the yield of an Initial Interest Mortgage may be more or less than the yield of the level payment, fully amortizing, fixed-rate Mortgage, depending on its purchase price. MBS Pools containing Initial Interest Mortgages may therefore have different yields than MBS Pools containing level payment, fully amortizing, fixed-rate Mortgages having otherwise similar terms. Moreover, prepayments of Initial Interest Mortgages during the interest only period may affect yields on the MBS Pools that contain them more than similar prepayments would affect the yields on MBS Pools containing level payment, fully amortizing, fixed-rate Mortgages. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.)

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

- If you purchase a 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 purchase a 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. 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 purchase of a Security is not likely to be fully 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.
- In a high interest rate environment, Mortgages tend to prepay more slowly. When this happens, you may not receive principal payments, which could otherwise be reinvested in comparable securities at a higher yield, as quickly as you expect.

Payment Delay

The effective yield on any Security may be less than the yield that its Coupon and purchase price would otherwise produce, because:

- On the first Payment Date, 30 days' interest will be payable on the Security even though interest began to accrue approximately 55 days earlier.
- On each Payment Date after the first Payment Date, the interest payable on the Security will accrue during its Accrual Period, which will end approximately 25 days before that Payment Date.

Suitability

Securities may not be suitable investments for you. You should consider the following before you invest in Securities:

- Securities 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.
- A market may not develop for the sale of some types of Securities after their initial issuance. Even if a market develops, it may not continue. As a result, you may not be able to sell your Securities easily or at prices that will allow you to realize your desired yield.
- The market values of your Securities are likely to fluctuate, primarily in response to changes in prevailing interest rates. Such fluctuations may result in significant losses to you.
- Since the secondary markets for some PCs have experienced periods of illiquidity in the past, it is possible this could occur with respect to Securities in the future. Illiquidity can have a severely negative impact on the prices of Securities, especially those that are particularly sensitive to prepayment or interest rate risk.

- Securities are complex securities. Before investing in a Security, you should be able, either alone or with a financial advisor, to evaluate the information contained and incorporated in this Offering Circular and in any related Pool Supplement. You should evaluate the information in the context of your specific financial situation and your views on possible and likely interest rate and economic scenarios.

This Offering Circular does not describe all the possible risks of an investment in Securities that may result from your particular circumstances, nor does it project how Securities will perform under all possible interest rate and economic scenarios. You should purchase Securities only if you, alone or together with your financial advisor, understand the prepayment, yield, liquidity and market risks associated with your investment under a variety of interest rate and economic scenarios and you have sufficient financial resources to bear all the risks related to your Securities.

THE TRUST AGREEMENT

Under the UMBS and MBS Master Trust Agreement dated as of July 30, 2022, as amended from time to time, as Depositor, we transfer and deposit Mortgages that we have acquired into various trust funds. As Administrator, on behalf of the Trustee, we create and issue Securities under the Trust Agreement and related Pool Supplements. The following summary describes various provisions of the Trust Agreement. This summary is not complete. You should refer to the Trust Agreement if you would like further information about its provisions. You can obtain copies of the Trust Agreement from our website or by contacting Investor Inquiry as shown under *Additional Information*. Your receipt and acceptance of a Security, without any signature or other indication of assent, constitutes your unconditional acceptance of all the terms of the Trust Agreement.

Transfer of Mortgages to Pools

The Mortgages deposited in each Pool will be identified to that Pool in our corporate records. As Administrator, we will hold the Mortgage documents, directly or through a custodian acting as our agent or through the seller or servicer of the Mortgages, for the benefit of each Pool and the Holders of the related Securities, subject to policies and procedures that we may adopt, modify and waive from time to time.

Following the assignment of Mortgages to a Pool, the Trustee may assign to one or more separate trust funds established by Freddie Mac, beneficial interests in principal and interest payments on the Mortgages comprising all or a portion of such Pool, in exchange for beneficial interests in the principal and interest payments on such Mortgages represented by related REMIC regular interests created pursuant to such separate trust funds.

Repurchase of Mortgages

Once we have deposited identified Mortgages in a Pool, Mortgages will not be removed from that Pool unless a mortgage insurer exercises an option under an insurance contract to purchase an insured Mortgage or there is a repurchase in one of the situations described below. We will make any repurchase in accordance with applicable laws in effect at the time of repurchase. Each repurchase will be treated as a prepayment in full of the Mortgage being repurchased and the entire unpaid principal amount of that Mortgage will be passed through to the related Holders on the appropriate Payment Date.

Repurchases may occur in the following situations:

- As Guarantor, we may repurchase a Mortgage in connection with a payment on our guarantee of that Mortgage.
- As Administrator, we may repurchase, or require or permit a seller or servicer to repurchase, a Mortgage if a repurchase is necessary or desirable:
 - to maintain servicing of the Mortgage in accordance with provisions of the Guide, or
 - to maintain the status of the Pool as a grantor trust for federal income tax purposes, or to the extent not inconsistent with the immediately preceding clause, to maintain the REMIC status of any assets with respect to which a REMIC election is made.
- As Guarantor, we may repurchase under our guarantees, or require or permit a seller or servicer of a Mortgage to repurchase, any Mortgage if:
 - such Mortgage is 120 days or more delinquent, or
 - we determine, on the basis of information from the related borrower or servicer, that loss of ownership of the property securing such Mortgage is likely or default is imminent due to borrower incapacity, death or hardship or other extraordinary circumstances that make future payments on such Mortgage unlikely or impossible.
- As Guarantor, we may repurchase a Mortgage if a bankruptcy court approves a plan that materially affects the terms of the Mortgage or authorizes a transfer or substitution of the underlying property.
- As Administrator, we may repurchase, or require or permit the seller or servicer of a Mortgage to repurchase, a Mortgage if there is:
 - a material breach of warranty by a seller or servicer of the Mortgage,
 - a material defect in the documentation for the Mortgage, or
 - a failure by a seller or servicer to comply with any requirements or terms set forth in the Guide and Mortgage purchase documents.
- As Administrator, we will repurchase a Mortgage, if:
 - Freddie Mac determines that its acquisition of the Mortgage was unauthorized and repurchase of such Mortgage is necessary to comply with applicable law, or
 - a court of competent jurisdiction or a federal government agency duly authorized to oversee or regulate Freddie Mac's mortgage purchase business requires repurchase of such Mortgage.
- As Administrator, we may repurchase a Mortgage if compliance with applicable law requires a change in any of the terms of such Mortgage (including a change in the mortgage coupon, principal balance, amortization schedule, timing of payments or last scheduled payment date).
- As Administrator, we may repurchase a Mortgage at any time after that Mortgage has been in a state of continuous delinquency, without having been fully cured with respect to payments required by the related mortgage documents (including the mortgage note or other instrument evidencing the borrower's indebtedness), during the period from the first missed payment date through the fourth consecutive payment date (or eighth consecutive payment date, in the case

of a Biweekly Mortgage), without regard to:

- whether any particular payment was made in whole or in part during the period extending from the earliest through the latest payment date,
 - any grace or cure period (with respect to the latest such payment date) under the related mortgage documents, and
 - any period during which a loss mitigation alternative is in effect (unless such loss mitigation alternative is deemed to cure the payment default, in which case any previous delinquency with respect to that Mortgage will be disregarded for purposes of calculations of future delinquency on that Mortgage).
- As Administrator, we may repurchase a Mortgage, if the Mortgage has ceased to be secured by the related mortgaged property.
 - As Administrator, we may repurchase a Mortgage, if the mortgaged property securing the Mortgage is acquired on behalf of a trust created under the Trust Agreement, with such acquisition occurring through foreclosure or deed-in-lieu of foreclosure or other means of conversion by which title to a mortgaged property securing a Mortgage or interests in that mortgaged property are transferred to or for the benefit of the trust.

Any repurchase of a Mortgage by a seller or servicer will be at its then unpaid principal balance, less any principal on the Mortgage that the seller or servicer has advanced to Freddie Mac. Freddie Mac's repurchase of any Mortgage will be at its then unpaid principal balance, less any outstanding advances of principal on the Mortgage that Freddie Mac has paid to Holders.

Collection and Other Servicing Procedures

We are responsible as the Administrator under the Trust Agreement for certain duties. Our duties include entering into contracts with servicers to service the Mortgages, monitoring and overseeing the servicers, ensuring the performance of certain functions if the servicer fails to do so, establishing certain procedures and records for each Pool, and taking additional actions as set forth in the Trust Agreement. The servicers collect payments from borrowers, make servicing advances, foreclose upon defaulted Mortgages, and take other actions as set forth in the Trust Agreement. Our servicers may contract with subservicers to perform some or all of the servicing activities.

As Administrator, we hold principal and interest payments collected from our servicers 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. 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 Pools and for other Freddie Mac mortgage securities and are not separated on a Pool by 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 Trust Agreement prior to distribution to Holders.

Certain Matters Regarding Our Duties as Trustee

We serve as Trustee under the Trust Agreement and the Pool Supplements. We may resign from our

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

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

The 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 Pool. Any such reimbursement will not affect our guarantee obligations.

Events of Default

“Events of Default” under the Trust Agreement are:

- Our failure, as Guarantor or Administrator, to pay principal or interest that lasts for 30 days.
- Our failure to perform, as Guarantor or Administrator, any other obligation under the Trust Agreement, if the failure lasts for 60 days after we receive notice from the Holders of at least 65% of the outstanding principal amount of any affected Pool.
- Specified events of bankruptcy, insolvency or similar proceedings involving us, including the appointment of a receiver, liquidator, assignee, custodian or sequestrator (or similar official) for us (but not including the appointment of a conservator or similar official for us).

Rights Upon Event of Default

If an Event of Default under the Trust Agreement is not remedied, the Holders of a majority of the outstanding principal amount of any affected Pool may remove us as Administrator and nominate a successor as to that Pool. That nominee will replace us, as Administrator, unless we object within 10 days after the nomination. In that event, either we or anyone who has been a bona fide Holder of an affected Security for at least six months may ask a court to appoint a successor. The court may then appoint our successor as Administrator. Any such removal will not affect our guarantee obligations.

In addition, we may be removed as Trustee if an Event of Default has occurred (and is continuing) with respect to a Pool. In that case, we can be removed and replaced by a successor trustee as to an affected Pool by Holders owning a majority of the voting rights of that Pool.

For these purposes, Securities held by Freddie Mac for its own account will be disregarded.

The rights provided to Holders under the 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 Trust Agreement provides that upon the occurrence of an 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. The Reform Act prevents 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.

Under the Purchase Agreement between Treasury and us, Holders 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 the affected Securities 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.

Control by Holders and Voting Rights

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

Amendment

Freddie Mac and the Trustee may amend the Trust Agreement or any Pool Supplement without the consent of any Holders to:

- Cure any ambiguity or correct or add to any provision in the Trust Agreement or any Pool Supplement, if the amendment does not adversely affect Holders in any material way.
- Maintain the qualification of any Pool as a grantor trust for federal income tax purposes, as it may then be in effect, or, in the event a REMIC election is made with respect to beneficial interests in principal and interest payments on all or a portion of the assets comprising any Pool, to maintain the REMIC status of any such assets with respect to which such REMIC election is made.
- Avoid the imposition of any state or federal tax on a Pool.
- Modify our procedures for calculating payments to Holders or passing through prepayments as

set forth in the Trust Agreement.

With the consent of the Holders of a majority of the outstanding principal amount of any affected issue of Securities, Freddie Mac and the Trustee also may amend the Trust Agreement or any Pool Supplement in any other way. However, unless each affected Holder consents, Freddie Mac and the Trustee may not amend the Trust Agreement or any Pool Supplement to impair the rights of a Holder to receive payments (including guarantee payments) when due or to sue for any payment that is overdue.

To the extent that any provisions of the Trust Agreement differ from the provisions of any of our previous agreements governing Securities, the Trust Agreement will be deemed to amend those prior agreements if such change would not require the consent of Holders under the terms of those prior agreements. We expect to continue this practice with our future trust agreements, such that changes reflected in future agreements will be deemed to amend prior agreements (including the Trust Agreement as in effect on the date hereof) if such changes would not require the consent of Holders under the terms of those prior agreements.

Tax Information

Within a reasonable time after the end of each calendar year, as Administrator, we or our agent will furnish to each investor who was a Holder on any record date during such year information we deem necessary or desirable to enable Holders and beneficial owners of Securities to prepare their federal income tax returns, if applicable.

Termination

Our obligations and responsibilities under the Trust Agreement and applicable Pool Supplement to a Holder of a Security will terminate upon (1) the full payment to the Holder of all principal and interest due the Holder based on the applicable Pool Factor or by reason of our guarantees or (2) the payment to the Holder of all amounts held by Freddie Mac and required to be paid under the Trust Agreement. However, our guarantee will be reinstated in the event that any principal or interest payment made to a Holder is for any reason returned by the Holder pursuant to an order, decree or judgment of a court of competent jurisdiction to the effect that the Holder was not entitled to retain such payment pursuant to the Trust Agreement. In addition, we will furnish information we deem necessary to enable Holders to prepare their federal income tax returns for the year in which the termination occurs.

Various Matters Regarding Freddie Mac

Neither Freddie Mac, in its corporate capacity, nor any of our directors, officers, employees and agents will be liable to Holders for any action taken or omitted in good faith or for errors in judgment. However, neither we nor they will be protected against any liability that results from willful misfeasance, bad faith, gross negligence or reckless disregard of obligations. As Administrator, we are required to hold and administer Mortgages in a Pool using the same standards as we use for similar mortgages that we own.

Except for our guarantee obligations or other payment obligations, Freddie Mac will not be liable for any Holder's direct damages unless we fail to exercise the same degree of ordinary care that we exercise in the conduct of our own affairs. Freddie Mac will not be liable for any Holder's consequential damages.

In addition, Freddie Mac does not need to appear in any legal action that is not incidental to its responsibilities under the Trust Agreement or any Pool Supplement and that it believes may result in any

expense or liability. However, Freddie Mac may undertake any legal action that it believes is necessary or desirable in the interests of the Holders. The legal costs of any such action will be borne pro rata by Freddie Mac and the Holders in accordance with their interests in the relevant Mortgages.

Freddie Mac may acquire Securities. Except as described under *Rights Upon Event of Default* above, Securities we hold will be treated the same as Securities held by other Holders.

The Trust Agreement and any Pool Supplement will be binding upon any successor to Freddie Mac.

Potential Conflicts of Interest

In connection with the Securities that we issue, we are acting in multiple roles — Trustee, Depositor, Administrator and Guarantor. The Trust Agreement provides that in determining whether a Mortgage shall be repurchased from the related Pool, we may in our capacities as Administrator and Guarantor 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 Securities to monitor and supervise our activities in our various roles. In connection with our roles as Administrator and Guarantor, we may take certain actions with respect to Mortgages that may adversely affect Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages from 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 speeds of the related Securities. See *Description of the Mortgages that back Securities—Mortgage Purchase and Servicing Standards—Mortgage Repurchases* and *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from Pools could materially affect Security prepayment speeds, —Substantial repurchases of Mortgages from Pools due to breaches of representations and warranties by sellers and servicers could materially affect Security prepayment speeds, and —Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect Security prepayment speeds.*

Governing Law

The 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 Trust Agreement and any Pool Supplement or any transaction under the Trust Agreement and any Pool Supplement, then New York law will be deemed to reflect federal law.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

General

The following is a general discussion of the material federal income tax consequences relating to the purchase, ownership and transfer of Securities. 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 we are a government-sponsored enterprise, neither the Securities, nor the income received

from them, is exempt from federal income, estate or gift taxes under the Internal Revenue Code of 1986, as amended (the “Code”). Further, neither the Code nor the Freddie Mac Act exempts the Securities, or income on them, from taxation by any state, any United States possession or any local taxing authority.

If you deliver Mortgages under our MultiLender Swap Program in exchange for Securities, you should be aware that you may be required to recognize gain or loss on all or a portion of such Mortgages.

Except as described below, we expect that all Securities, with the exception of MBS backed by High LTV Mortgages, Modified Mortgages, Reduced Minimum Servicing Mortgages or Reinstated Mortgages that bear Prefixes 3H, 3I, 3X, 3W, 3V, 3Y, 3Z, 4A, 4B, 4C, 4D, 4E, 4F, 4G, 4H, 4I, 4J or 4K, are backed by Mortgages for which we made a REMIC election with respect to the beneficial interests in the principal and interest payments on such Mortgages. Notwithstanding the preceding sentence, we do not intend to file a REMIC election with respect to the beneficial interests in the principal and interest payments on Mortgages in a Pool if the related Securities would be treated as having been issued with original issue discount. Such elections will not alter the treatment of the Pools as grantor trusts for federal income tax purposes.

Tax Status

Each Pool will be classified as a grantor trust under subpart E, part I of subchapter J of the Code and not as an association taxable as a corporation. As an investor in a Security, you will be treated for federal income tax purposes as the owner of a pro rata undivided interest in Mortgages.

If you own Securities, you must report on your federal income tax return your pro rata share of the entire income from the Mortgages in the related Pool, in accordance with your method of accounting. Income will include gross interest income at the interest rates on the Mortgages and incidental fees, if any. If we make a REMIC election with respect to the beneficial interests in the principal and interest payments on such Mortgages in your Securities, you will be required to account for such Mortgages under the accrual method of accounting.

Under Section 162 or 212 of the Code, your pro rata share of servicers’ fees or any of our guarantee fees, including incidental fees paid by the borrowers and retained by the servicer or us and all administrative and other expenses of the Pool may be deductible, 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 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.

Securities generally will be considered to represent “real estate assets” within the meaning of Section 856(c)(5)(B) of the Code. Interest income from the Securities 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% (that is, the principal balance of any Mortgage exceeds the fair market value of the real property securing it), the 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

Security 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.

It is not certain whether or to what extent Mortgages with LTV ratios above 100% 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 Securities will be treated as “obligations of a corporation which is an instrumentality of the United States” within the meaning of Sections 7701(a)(19)(C)(ii) and 7701(a)(19)(C)(xi) of the Code, as applicable. Thus, the Securities will be a qualifying asset for a domestic building and loan association.

Under Treasury regulations applicable to a REMIC, a mortgage will generally be treated as a “qualified mortgage” within the meaning of Section 860G(a)(3)(A) of the Code (and not other statutes) only if the mortgage has an LTV ratio of 125% or less at either (i) the time the obligation was originated (which includes the time of any “significant modification” of such obligation) or (ii) the time a sponsor contributes the obligation to a REMIC. Accordingly, a Mortgage with an LTV ratio in excess of 125% at origination (including at the time of any “significant modification” of such obligation) generally would not be considered a “qualified mortgage” for purposes of the REMIC rules unless the LTV ratio has decreased to 125% or below at the time such Mortgage is contributed by a sponsor to a REMIC. The REMIC regulations provide a special rule pursuant to which any modification that is occasioned by default or a reasonably foreseeable default is not treated as a “significant modification.” Because a Modified Mortgage is a mortgage that has been modified as a result of default or a reasonably foreseeable default, a Modified Mortgage would constitute a “qualified mortgage” as long as it has an LTV ratio of 125% or less at either (i) the time such Modified Mortgage was originated (ignoring such modification) or (ii) the time a sponsor contributes the Modified Mortgage to a REMIC. You should consult your tax advisor concerning the tax consequences of transferring Securities to a REMIC.

Buydown or Extended Buydown Mortgages

It is not clear for federal income tax purposes whether buydown funds advanced by the originator of the Mortgage would be treated as funds of the borrower, with the borrower correspondingly treated as obligated for the full stated interest rate on the Mortgage. We plan to report for federal income tax purposes using the stated interest rate on the Mortgage. If the Internal Revenue Service (the “**Service**”) were to view the borrower’s obligation on a net basis, you would be treated as owning two separate debt instruments, one an obligation of the borrower and the other a separate obligation of the originator for the “bought down” amounts. In such event, you would recognize some acceleration of taxable income to the period of the buydown accounts and the obligation of the originator may fail to qualify for the special treatments under Sections 856(c)(3)(B), 856(c)(5)(B), 7701(a)(19)(C)(v) and 7701(a)(19)(C)(xi) of the Code described under *Tax Status* above.

Discount and Premium

If you purchase a Security, 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 Security 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 Security, 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 Relief Act of 1997, could affect the accrual of discount or amortization of premium on your Securities or otherwise affect the tax accounting for your Securities.

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 Security is held as a capital asset.

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 Security 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. We do not intend to file a REMIC election with respect to the beneficial interests in the principal and interest payments on Mortgages in a Pool, if the related Security would be treated as having been issued with OID.

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 Security

If you sell a Security, you will recognize gain or loss equal to the difference between your adjusted tax basis in the Security and the amount you realized on 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 Security will equal what you paid for the Security, plus the amount of any discount income you previously reported on the Security, less the amount of any premium you previously offset against interest income on the Security and the amount of any principal payments you received on the 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 Security as a capital asset. The capital gain or loss will be long-term or short-term, depending on whether you owned the Security 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 Security, 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 of our management or 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, for tax purposes 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. Under Section 1286, you would be treated as if the payments to be received in respect of your ownership interest in the Mortgages were purchased at an original issue discount equal to the difference between the price at which you are considered to have paid for such payments and the total amount of such payments. You would include in income such original issue discount in accordance with the rules for original issue discount under the Code. Effectively, you would report both interest and discount on the Mortgages as ordinary income as income accrues under a constant yield method under Sections 1271-1273 and 1275 of the Code.

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 Securities, 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 Securities all were originated after July 18, 1984.
- The Security 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 or fixed base).
- The investor is not, with respect to the United States, a corporation that accumulates earnings in order to avoid 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.
- 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 Security 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 Security, 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 any 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 Securities, 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 Securities and the underlying Mortgages 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 if 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 Mortgages in a 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 Security.

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 Securities.

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 Securities, the purchase or holding of the Securities 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 Securities 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 Securities or the transaction is not otherwise prohibited.

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

LEGAL INVESTMENT CONSIDERATIONS

You should consult your own legal advisors to determine whether Securities are legal investments for you and whether you can use Securities as collateral for borrowings. In addition, financial institutions should consult their legal advisors or regulators to determine the appropriate treatment of Securities under any applicable 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 Securities or in Securities 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 Department of the Treasury or any other federal or state agency with similar authority should review applicable regulations, policy statements and guidelines before purchasing or pledging Securities.

Our counsel, Cadwalader, Wickersham & Taft LLP, has advised us on April 17, 2024 that, for purposes of determining whether the acquisition of 100% of any Security causes such Security to be a “qualifying interest” for purposes of Section 3(c)(5)(C) of the Investment Company Act of 1940, as amended, Securities representing beneficial ownership of Mortgages as to which REMIC elections have been or may be made should be treated no differently than are Securities representing beneficial ownership of Mortgages as to which no REMIC election has been made. Our counsel has not undertaken to update that advice to reflect any new developments. Moreover, whether or not a REMIC election has been made with respect to the Mortgages owned by a UMBS or MBS trust, an investor acquiring 100% of the applicable Securities should reach its own conclusion, in consultation with such advisors as it deems appropriate, as to whether “qualifying interest” characterization is appropriate.

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 Securities, investors are encouraged to consult their own accountant for advice on the appropriate accounting treatment for their Securities.

DISTRIBUTION ARRANGEMENTS

UMBS and MBS are issued through cash sales or in exchange for Mortgages. Securities are offered under our Cash Window Program on a daily basis through any of the following methods:

- Auction.
- Competitive bid offering.
- Allocation to members of a recognized group of dealers that purchase or sell Securities in accordance with agreements with us.
- Direct placement with securities dealers or investors.

We also issue Securities under our Guarantor Swap and MultiLender Swap Programs, which are described in *Description of the Securities—Pool Formation*.

SECONDARY MARKETS, MORTGAGE SECURITY PERFORMANCE AND MARKET SUPPORT ACTIVITIES

Certain dealers may buy, sell and make a market in Securities. The secondary market for Securities may be limited. If a dealer sells a Security, currently the dealer is required to confirm the sale; notify the purchaser of the settlement date, purchase price, concessions and fees; and make available to the purchaser, by electronic means or otherwise, a copy of this Offering Circular, the applicable Pool Supplement and any applicable Additional Supplement.

You can obtain prices for Securities by contacting the securities dealers selling and making a market in

those Securities. You can obtain a list of Security dealers by contacting Investor Inquiry as shown under *Additional Information*. We also provide a list of dealers in our various mortgage security products on the mortgage securities section of our website at www.freddiemac.com/mbs/products/dealer-groups.

We may undertake various activities to support our presence in the agency securities market or to support the liquidity of our UMBS and/or MBS, including their price performance relative to comparable Fannie Mae-issued UMBS or MBS, as applicable, including:

- Educating dealers and investors about the merits of trading and investing in Securities;
- Purchasing and selling agency securities, including Freddie Mac mortgage-related securities, and loans through our mortgage-related investments portfolio;
- Purchasing mortgages;
- Engaging in dollar roll transactions, which are agreements between a counterparty and us to purchase and subsequently resell (or sell and subsequently repurchase) agency securities;
- Engaging in structuring activities, such as resecuritization of existing agency securities and the sale of some or all of the resulting securities;
- Issuing securities backed by (i) our Securities or (ii) TBA-eligible securities issued by Fannie Mae;
- Creating larger Pools and Supers or Giant MBS with a larger and more diverse population of Mortgages;
- Encouraging sellers to (i) pool Mortgages that they deliver to us into Pools with a larger and more diverse population of Mortgages, including under our MultiLender Swap Program, and (ii) hedge their deliveries of fixed-rate Mortgages to us with Securities;
- Influencing the volume and characteristics of Mortgages delivered to us by tailoring our loan eligibility requirements and by other means;
- Engaging in portfolio purchase and retention activities; and
- Introducing new mortgage-related securities products and initiatives.

We may also decide to support the execution of our credit guarantee business by adjusting our guarantee fee. For example, if the price performance of, and demand for, our Securities is not comparable to mortgage-backed securities issued by Fannie Mae on future mortgage deliveries by sellers, we may decide to use market-adjusted pricing where we provide guarantee fee price adjustments to partially offset weaknesses in prevailing security prices and increase the competitiveness of our credit guarantee business.

Depending upon market conditions, there may be substantial variability in any period in the total amount of securities we purchase or sell. The purchase or sale of agency securities could, at times, adversely affect the price performance of our Securities relative to comparable Fannie Mae securities. While we may decide to employ various strategies to support the liquidity and price performance of our Securities, any such strategies may fail or adversely affect our business and financial results. We may cease such activities at any time, or FHFA could require us to do so, which could adversely affect the liquidity and price performance of our Securities. We may incur costs to support our presence in the agency securities market and to support the liquidity and price performance of our Securities. See also *Risk Factors—Investment*

Factors—Any activities we undertake to support the liquidity and price performance of our Securities may not be successful. The Incorporated Documents contain additional information about our security performance and market support activities.

From time to time, we work with FHFA, other regulators, self-regulatory organizations and industry groups to attempt to ensure that our Securities are consistently and fairly treated as potential investments.

CERTAIN RELATIONSHIPS AND TRANSACTIONS

We may have various business relationships with dealers that deal in Securities, originators, sellers or servicers of Mortgages, and affiliates of those firms. For example, they may from time to time underwrite, invest in or make markets in Securities or other securities we issue, provide financial advice to us, provide money management, consulting or investment banking services to us, purchase Mortgages or other financial products from us, sell Mortgages or other financial products to us, engage in financial transactions with us, resecuritize Securities or other securities we have issued, or enter into licensing or other commercial agreements with us.

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 POOL SUPPLEMENT

This example Pool Supplement illustrates the form and content of the Pool Supplement we post on our website for each Pool. It is not provided to describe any existing Pool. Definitions of the terms used in this example Pool Supplement can be found at www.freddiemac.com/mbs/docs/pc_disclosure_glossary.pdf.

Pool Number XXXXXX

Pool Supplement

(To UMBS and MBS Offering Circular)

**FREDDIE MAC****Uniform Mortgage-Backed Securities™ or Mortgage-Backed Securities**

Capitalized terms used in this Pool Supplement (other than capitalized terms that are defined in this document) have the same meanings as in Freddie Mac’s Uniform Mortgage-Backed Securities and Mortgage-Backed Securities Offering Circular in effect as of the date of this Pool Supplement (including any applicable supplements or amendments thereto in effect as of such date, the “**UMBS and MBS Offering Circular**”). This Pool Supplement incorporates by reference the UMBS and MBS Offering Circular.

The UMBS® or the MBS, as applicable, may not be suitable investments for you. (The term “**Securities**” means the UMBS or the MBS, as applicable.) You should not purchase the Securities unless you have carefully considered and are able to bear the associated prepayment, interest rate, yield and market risks of investing in them, as described in the UMBS and MBS Offering Circular. This Pool Supplement supplements the UMBS and MBS Master Trust Agreement in effect as of the date of this Pool Supplement, including any applicable amendments thereto in effect as of such date, and constitutes the Pool Supplement within the meaning of that Trust Agreement for the Pool described herein.

You should read and understand this Pool Supplement, the UMBS and MBS Offering Circular, any related Additional Supplement and any documents that we have incorporated by reference in the UMBS and MBS Offering Circular before considering the purchase of the Securities.

We guarantee the payment of interest and principal on the Securities as described in the UMBS and MBS Offering Circular. You can find a description of the applicable Coupon in the UMBS and MBS Offering Circular under “*Description of the Securities—Payments of Interest.*” Principal and interest payments on the Securities 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 Securities are not tax-exempt securities. Because of applicable securities law exemptions, Freddie Mac has not registered the Securities with any federal or state securities commission. No securities commission has reviewed this Pool Supplement.

Pool Supplement Dated _____

The UMBS or MBS, as applicable, Pool number in the pool statistics of this Pool Supplement identifies the pool of Mortgages to which the Securities relate. The pool statistics of this Pool Supplement contain statistical information about the Pool, including a Prefix that identifies the specific type of mortgages in the Pool. Certain information in this Pool Supplement is updated monthly on our internet website.

We also provide information (“**Loan Level Disclosures**”) relating to each of the Mortgages included in this Pool as of the time of issuance of the Securities and monthly updates of that information. You can find the Loan Level Disclosures relating to this Pool at www.freddiemac.com/mbs. Sellers of the Mortgages furnish us with data for the Loan Level Disclosures and represent to us that such data are true, complete and accurate. We generally do not verify the accuracy of such data prior to our publication of the relevant Loan Level Disclosures. Given the volume of data furnished to us and our limited review procedures, it is possible that some of the data is incorrect. None of Freddie Mac or its affiliates has made or will make any representation or warranty as to the accuracy of the Loan Level Disclosures or of the information contained in this Pool Supplement and any related Additional Supplement. In addition, we are not obligated to update the Loan Level Disclosures.

We also furnish certain information concerning the methodologies we use to calculate certain Loan Level Disclosures and certain of the statistical information in this Pool Supplement. You will find the information concerning those methodologies at www.freddiemac.com/mbs/docs/pc_algorithm.pdf. Certain of these methodologies incorporate assumptions as to permitted Mortgage characteristics and variables therein. As a result, in some cases the application of these methodologies could result in minor differences between the actual characteristics of a given Mortgage and the reported characteristics.

Pool Supplement Dated _____

INFORMATION RELATING TO EXAMPLE 30-YEAR FIXED RATE UMBS

SECURITY DESCRIPTION

PREFIX CL
 SECURITY IDENTIFIER/POOL NUMBER QAXXXX
 CUSIP XXXXXXXXX
 INVESTOR SECURITY UPB (\$)..... 7,014,895.00
 WEIGHTED AVERAGE NET INTEREST RATE (%)..... 4.500
 ISSUE DATE 07/01/2020
 FIRST PAYMENT DATE 08/15/2029
 MATURITY DATE 08/2050
 GREEN INDICATOR YES
 INTEREST ONLY SECURITY INDICATOR NO
 PREPAYMENT PENALTY INDICATOR NO
 REDUCED MINIMUM SERVICING INDICATOR NO

SECURITY STATISTICS (AS OF ISSUE DATE)

LOAN COUNT 37
 AVERAGE MORTGAGE LOAN AMOUNT (\$) 189,648.00
 WEIGHTED AVERAGE MORTGAGE LOAN AMOUNT (\$)..... 189,972.00
 WEIGHTED AVERAGE INTEREST RATE (%) 4.999
 WEIGHTED AVERAGE LOAN AGE -1
 WEIGHTED AVERAGE LOAN TERM 360
 WEIGHTED AVERAGE REMAINING MONTHS TO MATURITY 360
 WEIGHTED AVERAGE LOAN-TO-VALUE (LTV) 78
 WEIGHTED AVERAGE COMBINED LOAN-TO-VALUE (CLTV)..... 78
 WEIGHTED AVERAGE BORROWER CREDIT SCORE 752
 WEIGHTED AVERAGE DEBT-TO-INCOME (DTI)..... 36
 THIRD PARTY ORIGINATION UPB PERCENT 100.000
 MISSION DENSITY SCORE 7.77
 MISSION CRITERIA SHARE 777.77
 SELLER NAME(S)..... XXXXXXXX
 SERVICER NAME(S) XXXXXXXX

QUARTILE DISTRIBUTION

	MORTGAGE LOAN AMOUNT (\$)	INTEREST RATE (%)	NET INTEREST RATE (%)	LOAN TERM	LOAN AGE	LOAN-TO-VALUE (LTV)	REMAINING MONTHS TO MATURITY	COMBINED LOAN-TO-VALUE (CLTV)	BORROWER CREDIT SCORE	DEBT-TO-INCOME (DTI)
MAXIMUM	200,000.00	5.625	4.500	360	0	97	360	97	809	50
75%	196,000.00	5.250	4.500	360	-1	80	360	80	789	40
MEDIAN	190,000.00	4.875	4.500	360	-1	79	360	79	755	38
25%	182,000.00	4.750	4.500	360	-1	73	360	73	725	31
MINIMUM	175,000.00	4.750	4.500	360	-1	50	360	50	655	18

UNAVAILABLE DATA

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
LOAN-TO-VALUE	0	0.00	0.00	0.00
COMBINED LOAN-TO-VALUE	0	0.00	0.00	0.00
DEBT-TO-INCOME	0	0.00	0.00	0.00
BORROWER CREDIT SCORE	0	0.00	0.00	0.00

LOAN PURPOSE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
PURCHASE	21	56.76	3,962,120.00	56.48
REFINANCE - CASH OUT	13	35.14	2,478,075.00	35.33
REFINANCE - NO CASH OUT	3	8.11	574,700.00	8.19
REFINANCE - NOT SPECIFIED	0	0.00	0.00	0.00
MODIFICATION - LOSS MITIGATION	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	21	56.76	4,008,820.00	57.15
SECOND HOME	1	2.70	175,200.00	2.50
INVESTMENT PROPERTY	15	40.54	2,830,875.00	40.36
NOT AVAILABLE	0	0.00	0.00	0.00

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	7	18.92	1,311,000.00	18.69
PLANNED UNIT DEVELOPMENT	7	18.92	1,338,725.00	19.08
SINGLE-FAMILY	23	62.16	4,365,170.00	62.23
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
2020	37	100.00	7,014,895.00	100.00

CHANNEL

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
BROKER	32	86.49	6,060,495.00	86.39
CORRESPONDENT	5	13.51	954,400.00	13.61
RETAIL	0	0.00	0.00	0.00
THIRD-PARTY ORIGATION - 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	8	21.62	1,528,200.00	21.79
NOT AVAILABLE	29	78.38	5,486,695.00	78.21

MORTGAGE INSURANCE COVERAGE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
LOANS WITH MORTGAGE INSURANCE	8	21.62	1,528,200.00	21.79
LOANS WITHOUT MORTGAGE INSURANCE	29	78.38	5,486,695.00	78.21
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	6	16.22	1,124,000.00	16.02
NO	31	83.78	5,890,895.00	83.98
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF BORROWERS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
1	27	72.97	5,099,395.00	72.69
2	10	27.03	1,915,500.00	27.31
>2	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF UNITS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
1	33	89.19	6,243,975.00	89.01
2	3	8.11	591,000.00	8.42
3	1	2.70	179,920.00	2.56
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	29	78.38	5,518,395.00	78.67

PROPERTY STATE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
ARIZONA	2	5.41	392,000.00	5.59
CALIFORNIA	8	21.62	1,543,750.00	22.01
COLORADO	2	5.41	382,500.00	5.45
FLORIDA	7	18.92	1,287,920.00	18.36
GEORGIA	1	2.70	190,000.00	2.71
ILLINOIS	1	2.70	177,750.00	2.53
KENTUCKY	1	2.70	199,200.00	2.84
LOUISIANA	1	2.70	181,500.00	2.59
MICHIGAN	3	8.11	564,600.00	8.05
MISSOURI	1	2.70	180,000.00	2.57
NEVADA	1	2.70	175,200.00	2.50
NEW JERSEY	1	2.70	200,000.00	2.85
OHIO	2	5.41	393,800.00	5.61
TEXAS	3	8.11	564,125.00	8.04
UTAH	3	8.11	582,550.00	8.30

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 (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

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 (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

PROPERTY VALUATION METHOD

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
APPRAISAL	15	40.54	4,056,055.00	57.82
APPRAISAL WAIVER	22	59.46	2,958,840.00	42.18
GSE TARGETED REFINANCE PROGRAMS	0	0.00	0.00	0.00
ONSITE PROPERTY DATA COLLECTION	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

SPECIAL ELIGIBILITY PROGRAM

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
HFA PREFERRED / HFA ADVANTAGE	5	13.51	797,864.00	11.37
HOMEREDY / HOME POSSIBLE	17	45.95	2,958,840.00	42.18
REFINOW / REFI POSSIBLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	15	40.54	3,258,191.00	46.45
NOT AVAILABLE	0	0.00	0.00	0.00

INTEREST RATE BUYDOWN TYPE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
MODERATE / TEMPORARY	0	0.00	0.00	0.00
SIGNIFICANT / EXTENDED	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

GREEN PROGRAM CRITERIA (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
GREEN BUILDING CERTIFICATION	0	0.00	0.00	0.00
ENERGY RATING INDEX	0	0.00	0.00	0.00
RENEWABLE ENERGY	0	0.00	0.00	0.00
MULTIPLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

GREEN BUILDING CERTIFICATION (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
ENERGYSTAR	0	0.00	0.00	0.00
DOE ZERO ENERGY READY HOME	0	0.00	0.00	0.00
NATIONAL GREEN BUILDING STANDARD	0	0.00	0.00	0.00
NEEM	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

ENERGY RATING INDEX (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
HOME ENERGY RATING SCORE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

RENEWABLE ENERGY (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB (\$)	PERCENTAGE INVESTOR LOAN UPB
SOLAR	0	0.00	0.00	0.00
GEOTHERMAL	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

