



**\$125,000,000**

**Freddie Mac**

**Zero Coupon Medium-Term Notes Due December 27, 2022**  
**Redeemable periodically, beginning December 27, 2002**

Issue Date:	December 27, 2001
Maturity Date:	December 27, 2022
Subject to Redemption:	Yes. The Medium-Term Notes are redeemable at our option, upon notice of not less than 5 Business Days. See "Redemption" herein. We will redeem all of the Medium-Term Notes if we exercise our option.
Redemption Date(s):	Semiannually, on June 27 and December 27, commencing December 27, 2002
Interest Rate Per Annum:	None
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	312924A94

There will be no payments of interest on the Medium-Term Notes. The only scheduled payment that will be made to the holder of a Medium-Term Note will be made on the Maturity Date or the redemption date, as applicable, in an amount equal to the product of the call price for such redemption date and the principal amount of the Medium-Term Notes. See "Redemption" herein.

The Medium-Term Notes will be issued with original issue discount. See "Certain United States Federal Tax Consequences - U.S. Owners - Debt Obligations with Original Issue Discount" in the Offering Circular.

You should read this Pricing Supplement together with Freddie Mac's Debentures, Medium-Term Notes and Discount Notes Offering Circular, dated January 18, 2001 (the "Offering Circular"), and all documents that are incorporated by reference in the Offering Circular, which contain important detailed information about the Medium-Term Notes and Freddie Mac. See "Available Information" in the Offering Circular. Capitalized terms used in this Pricing Supplement have the meanings we gave them in the Offering Circular, unless we specify otherwise.

**The Medium-Term Notes may not be suitable investments for you. You should not purchase the Medium-Term Notes unless you understand and are able to bear the redemption, yield, market, liquidity and other possible risks associated with the Medium-Term Notes. You should read and evaluate the discussion of risk factors (especially those risk factors that may be particularly relevant to this security) that appears in the Offering Circular under "Risk Factors" before purchasing any of the Medium-Term Notes.**

**The Medium-Term Notes, including any interest or return of discount on the Medium-Term Notes, are not guaranteed by and are not debts or obligations of the United States or any federal agency or instrumentality other than Freddie Mac.**

	<b>Price to Public (1)(2)</b>	<b>Underwriting Discount (2)</b>	<b>Proceeds to Freddie Mac (1)(3)</b>
<b>Per Medium-Term Notes</b>	20.255196%	.025%	20.230196%
<b>Total</b>	\$25,318,995	\$31,250	\$25,287,745

- (1) Plus return of discount, if any, from December 27, 2001.
- (2) See "Distribution Arrangements" in the Offering Circular for additional information concerning price to public and underwriting compensation.
- (3) Before deducting expenses payable by Freddie Mac estimated at \$5,000.

**First Tennessee Bank N.A.**

**OFFERING**

1. Pricing date: December 6, 2001
2. Method of Distribution: ☒ Principal ☐ Agent
3. Concession: N/A
4. Reallowance: N/A
5. Underwriter: First Tennessee Bank National Association

**OTHER SPECIAL TERMS**

- ☒ None  
☐ Yes; as follows:

**REDEMPTION**

The Medium-Term Notes are subject to redemption by Freddie Mac, at its option, on the dates and at the respective call prices set forth in the following Call Price Schedule. Upon exercise of Freddie Mac's option to redeem the Medium-Term Notes, each investor will receive the product of the call price for such redemption date and the principal amount of Medium-Term Notes held by such investor.

**Call Price Schedule**

Redemption Date	Call Price %
12/27/2002	21.855388
6/27/2003	22.702285
12/27/2003	23.581998
6/27/2004	24.495801
12/27/2004	25.445013
6/27/2005	26.431007
12/27/2005	27.455209
6/27/2006	28.519098
12/27/2006	29.624213
6/27/2007	30.772151
12/27/2007	31.964572
6/27/2008	33.203199
12/27/2008	34.489823
6/27/2009	35.826304

Redemption Date	Call Price %
12/27/2009	37.214573
6/27/2010	38.656638
12/27/2010	40.154583
6/27/2011	41.710573
12/27/2011	43.326857
6/27/2012	45.005773
12/27/2012	46.749747
6/27/2013	48.561300
12/27/2013	50.443050
6/27/2014	52.397718
12/27/2014	54.428130
6/27/2015	56.537220
12/27/2015	58.728037
6/27/2016	61.003748

Redemption Date	Call Price %
12/27/2016	63.367644
6/27/2017	65.823140
12/27/2017	68.373787
6/27/2018	71.023271
12/27/2018	73.775423
6/27/2019	76.634220
12/27/2019	79.603796
6/27/2020	82.688443
12/27/2020	85.892620
6/27/2021	89.220960
12/27/2021	92.678272
6/27/2022	96.269555
12/27/2022	100.000000

**RISK FACTORS**

An investment in the Medium-Term Notes entails certain risks not associated with an investment in conventional fixed-rate debt securities that pay interest periodically. While the Medium-Term Notes, if held to maturity or redemption, will provide return of their principal, including return of the accreted value to the optional redemption date, their market value could be adversely affected by changes in prevailing interest rates and the optional redemption feature. This effect on the market value could be magnified in a rising interest rate environment in the case of the Medium-Term Notes due to their relatively long remaining term to maturity. In such an environment, the market value of the Medium-Term Notes generally will fall, which could result in significant losses to investors whose circumstances do not permit them to hold the Medium-Term Notes until maturity. It is also unlikely that Freddie Mac would redeem the Medium-Term Notes in such an interest rate environment, when Freddie Mac's costs of borrowing would be relatively high. On the other hand, in a falling interest rate environment, in which the market value of the Medium-Term Notes generally would rise, it is likely that Freddie Mac would redeem the Medium-Term Notes, when its costs of

borrowing would be relatively low; under those circumstances, it is likely that the optional redemption provision would restrict the market value that the Medium-Term Notes otherwise would have. Those factors, combined with the fact that payments on the Medium-Term Notes will be made only at maturity or upon redemption, and not periodically, also could affect the secondary market for and the liquidity of the Medium-Term Notes. Investors therefore should have the financial status and, either alone or with a financial advisor, the knowledge and experience in financial and business matters sufficient to evaluate the merits and to bear the risks of investing in the Medium-Term Notes in light of each investor's particular circumstances and should consider whether their circumstances permit them to hold the Medium-Term Notes until maturity, or otherwise to bear the risks of illiquidity, redemption and changes in interest rates. See "Risk Factors" in the Offering Circular.