



**\$250,000,000**

**Freddie Mac**

**Zero Coupon Medium-Term Notes Due August 16, 2023**

**Redeemable periodically, beginning August 16, 2002**

Issue Date:	August 16, 2001
Maturity Date:	August 16, 2023
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 the 16 <sup>th</sup> day of February and August, commencing August 16, 2002
Interest Rate Per Annum:	Zero
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	312924AW3

There will be no periodic 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>	18.772166%	.025%	18.747166%
<b>Total</b>	\$46,930,415	\$62,500	\$46,867,915

- (1) Plus return of discount, if any, from August 16, 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.

**Dain Rauscher Incorporated**

**OFFERING**

1. Pricing date: August 2, 2001
2. Method of Distribution: ☒ Principal ☐ Agent
3. Concession: N/A
4. Reallowance: N/A
5. Underwriter: Dain Rauscher Incorporated

**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 %
8/16/2002	20.255196
2/16/2003	21.040085
8/16/2003	21.855388
2/16/2004	22.702285
8/16/2004	23.581998
2/16/2005	24.495801
8/16/2005	25.445013
2/16/2006	26.431007
8/16/2006	27.455209
2/16/2007	28.519098
8/16/2007	29.624213
2/16/2008	30.772151
8/16/2008	31.964572
2/16/2009	33.203199
8/16/2009	34.489823

Redemption Date	Call Price %
2/16/2010	35.826304
8/16/2010	37.214573
2/16/2011	38.656638
8/16/2011	40.154583
2/16/2012	41.710573
8/16/2012	43.326857
2/16/2013	45.005773
8/16/2013	46.749747
2/16/2014	48.561300
8/16/2014	50.443050
2/16/2015	52.397718
8/16/2015	54.428130
2/16/2016	56.537220
8/16/2016	58.728037
2/16/2017	61.003748

Redemption Date	Call Price %
8/16/2017	63.367644
2/16/2018	65.823140
8/16/2018	68.373787
2/16/2019	71.023271
8/16/2019	73.775423
2/16/2020	76.634220
8/16/2020	79.603796
2/16/2021	82.688443
8/16/2021	85.892620
2/16/2022	89.220960
8/16/2022	92.678272
2/16/2023	96.269555
8/16/2023	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.