



**\$137,000,000**

**Freddie Mac**

**Zero Coupon Medium-Term Notes Due December 27, 2023**  
**Redeemable periodically, beginning December 27, 2002**

Issue Date:	December 27, 2001
Maturity Date:	December 27, 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):	Quarterly, on the 27th day of December, March, June and September, commencing December 27, 2002
Interest Rate Per Annum:	None
Principal Payment:	At maturity, or upon redemption
CUSIP Number:	312924G49

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>	18.281855%	.05%	18.231855%
<b>Total</b>	\$25,046,141	\$68,500	\$24,977,641

(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 Union Securities Inc.**

**OFFERING**

1. Pricing date: December 17, 2001
2. Method of Distribution: ☒ Principal ☐ Agent
3. Concession: N/A
4. Reallowance: N/A
5. Underwriter: First Union Securities Inc.

**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 %
12/27/02	19.749896
06/27/03	20.527548
12/27/03	21.335820
06/27/04	22.175918
12/27/04	23.049095
06/27/05	23.956653
12/27/05	24.899946
06/27/06	25.880381
12/27/06	26.899421
06/27/07	27.958586
12/27/07	29.059455
06/27/08	30.203671
12/27/08	31.392941
06/27/09	32.629038
12/27/09	33.913806

Redemption Date	Call Price %
06/27/10	35.249162
12/27/10	36.637098
06/27/11	38.079684
12/27/11	39.579072
06/27/12	41.137498
12/27/12	42.757286
06/27/13	44.440855
12/27/13	46.190713
06/27/14	48.009473
12/27/14	49.899846
06/27/15	51.864652
12/27/15	53.906823
06/27/16	56.029404
12/27/16	58.235562
06/27/17	60.528587

Redemption Date	Call Price %
12/27/17	62.911900
06/27/18	65.389056
12/27/18	67.963750
06/27/19	70.639823
12/27/19	73.421266
06/27/20	76.312228
12/27/20	79.317022
06/27/21	82.440130
12/27/21	85.686210
06/27/22	89.060104
12/27/22	92.566846
06/27/23	96.211666
12/27/23	100.00000

**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.