

FreddieNotes

With Maturities of 12 Months or More from Date of Issue

Pricing Supplement No. 86 (Page 1 of3)
(To Offering Circular dated May 7, 2002 and
Offering Circular Supplement dated May 7, 2002)

Trade Date: October 21, 2002
Issue Date: October 24, 2002

					Interest Payment			Subject to Redemption	
CUSIP	Stated Interest Rate ¹	Maturity Date	Price to Public ^{2 3}	Original Principal Amount	Frequency	First Payment	Survivor's Option	Yes/No	Date and Terms redemption
3133F0WY1	3.00%	October 15, 2006	100%	\$9,708,000	Monthly	November 15, 2002	Yes	Yes	Callable by Fre 100% on Octob and continuous
3133F0XA2	5.00%	October 15, 2014	100%	\$17,154,000	Monthly	November 15, 2002	Yes	Yes	Callable by Fre 100% on Octob and continuous
3133F0XC8	5.25%	October 15, 2022	100%	\$21,400,000	Monthly	November 15, 2002	Yes	Yes	Callable by Fre 100% on Octob and continuous
3133F0XD6	5.50%	October 15, 2022	100%	\$13,858,000	Monthly	November 15, 2002	Yes	Yes	Callable by Fre 100% on Octob and continuous

FreddieNotes are obligations of Freddie Mac only. FreddieNotes, including any interest or return of discount on FreddieNotes, are not guaranteed by and are not agency or instrumentality of the United States other than Freddie Mac.

Original Issue Discount Note: Total Amount of OID: N/A
☐Yes ☒No

1. The interest rates on the FreddieNotes may be changed by Freddie Mac from time to time, but any such change will not affect the interest rate on any FreddieNotes
2. Expressed as a percentage of aggregate principal amount.
3. See “Supplemental Plan of Distribution” in the Offering Circular Supplement and “Distribution Arrangements” in the Offering Circular for additional information on compensation.
4. Before deducting expenses payable by Freddie Mac estimated at \$5,000.

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					Frequency	First Payment			
3133F0WZ8	*Step	October 15, 2009	100%	\$15,878,000	Semiannually	April 15, 2003	Yes	Yes	Callable by Freddie Mac 100% on October 15, 2009 and continuously thereafter

*Step Coupon Schedule:

**October 24, 2002 to, but not including, October 15, 2003;	3.00%
October 15, 2003 to, but not including, October 15, 2004;	3.50%
October 15, 2004 to, but not including, October 15, 2005;	4.00%
October 15, 2005 to, but not including, October 15, 2006;	4.50%
October 15, 2006 to, but not including, October 15, 2007;	5.00%
October 15, 2007 to, but not including, October 15, 2008;	6.00%
October 15, 2008 to, but not including, October 15, 2009.	7.00%

**The first Interest Period for the FreddieNotes offered hereby begins on, and includes, the Issue Date and ends on, but excludes, the first Interest Payment Date as described in the Offering Circular. As a result, the first Interest Period will be shorter than all subsequent Interest Periods.

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Original Issue Discount Note: Total Amount of OID: N/A
☐Yes ☒No

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3. See "Supplemental Plan of Distribution" in the Offering Circular Supplement and "Distribution Arrangements" in the Offering Circular for additional information on compensation.
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					Frequency	First Payment			
3133F0XB0	*Step	October 15, 2017	100%	\$3,325,000	Semiannually	April 15, 2003	Yes	Yes	Callable by Freddie 100% on October 15, 2017 and continuously thereafter

***Step Coupon Schedule:**

**October 24, 2002 to, but not including, October 15, 2005;	4.00%
October 15, 2005 to, but not including, October 15, 2017.	6.00%

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Original Issue Discount Note:

Total Amount of OID: N/A

☐ Yes ☒ No

- The interest rates on the FreddieNotes may be changed by Freddie Mac from time to time, but any such change will not affect the interest rate on any FreddieNotes.
- Expressed as a percentage of aggregate principal amount.
- See "Supplemental Plan of Distribution" in the Offering Circular Supplement and "Distribution Arrangements" in the Offering Circular for additional information on compensation.
- Before deducting expenses payable by Freddie Mac estimated at \$5,000.