



Multifamily Mortgage Participation Certificates

Multifamily Mortgage Participation Certificates

Freddie Mac issues and guarantees Multifamily Mortgage Participation Certificates, or “PCs.” PCs are securities that represent undivided beneficial ownership interests in, and derive payments from, individual or pools of multifamily residential mortgages that are held in trust for investors.

Freddie Mac’s Guarantee

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

Income associated with the PCs is subject to state and federal income tax. Because of applicable securities law exemptions, we have not registered the PCs with any federal or state securities commission. No securities commission has reviewed this Offering Circular.

The PCs may not be suitable investments for you. You should not purchase PCs 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 15 highlights some of these risks.

Offering Circular dated June 30, 2025

If you intend to purchase PCs, you should rely 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 PC Pool upon its formation.

You can find additional and updated information about our PCs 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 pool-level information, Pool Supplements and similar materials about our PCs. 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 and any incorporated documents may not be correct after their dates.

We are not offering the PCs in any jurisdiction that prohibits their offer.

NOTICE TO EUROPEAN ECONOMIC AREA INVESTORS

The PCs are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any EEA retail investor in the European Economic Area (“**EEA**”). For these purposes, an “**EEA retail investor**” means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
- (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
- (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended, the “**EU Prospectus Regulation**”).

Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the PCs or otherwise making them available to EEA retail investors in the EEA has been prepared and therefore offering or selling the PCs or otherwise making them available to any EEA retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

This Offering Circular is not a prospectus for purposes of the EU Prospectus Regulation. This Offering Circular has been prepared on the basis that any offer of PCs in the EEA will be made only to legal entities that are qualified investors under the EU Prospectus Regulation. Accordingly, any person making or intending to make an offer in the EEA of PCs may do so only with respect to qualified investors. We have not authorized, and do not authorize, the making of any offer of PCs in the EEA other than to qualified investors.

NOTICE TO UNITED KINGDOM INVESTORS

The PCs are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any UK retail investor in the United Kingdom (the “**UK**”). For these purposes, a “**UK retail investor**” means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “**EUWA**”); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (as amended, the “**UK Prospectus Regulation**”).

Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (as amended, the “**UK PRIIPs Regulation**”) for offering or selling the PCs or otherwise making them available to UK retail investors has been prepared and therefore offering or selling the PCs or otherwise making them available to any UK retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This Offering Circular is not a prospectus for purposes of the UK Prospectus Regulation. This Offering Circular has been prepared on the basis that any offer of PCs in the UK will be made only to legal entities that are qualified investors under the UK Prospectus Regulation. Accordingly, any person making or intending to make an offer in the UK of PCs may do so only with respect to qualified investors. We have not authorized, and do not authorize, the making of any offer of PCs in the UK other than to qualified investors.

The communication of this Offering Circular (A) if made by a person who is not an authorized person under the FSMA, is being made only to, or directed only at, persons who (I) are outside the UK, or (II) have professional experience in matters related to investments and qualify as investment professionals in accordance with Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”), or (III) are persons falling within Article 49(2)(a) through (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order (all such persons together being referred to as “**FPO Persons**”), or (IV) are any other persons to whom it may otherwise lawfully be communicated or directed; and (B) if made by a person who is an authorized person under the FSMA, is being made only to, or directed only at, persons who (I) are outside the UK, or (II) have professional experience in matters related to investments and qualify as investment professionals in accordance with Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the “**Promotion of Collective Investment Schemes Exemptions Order**”), or (III) are persons falling within Article 22(2)(a) through (d) (high net worth companies, unincorporated associations, etc.) of the Promotion of Collective Investment Schemes Exemptions Order, or (IV) are any other persons to whom it may otherwise lawfully be communicated or directed (all such persons, together with FPO Persons, “**Relevant Persons**”).

This Offering Circular must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Offering Circular relates, including the PCs, is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any persons other than Relevant Persons should not act or rely on this Offering Circular.

Potential investors in the UK are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to an investment in the PCs and that compensation will not be available under the UK Financial Services Compensation Scheme.

EU SECURITIZATION REGULATION AND UK SECURITIZATION FRAMEWORK

Regulation (EU) 2017/2402 (the “**EU Securitization Regulation**”) and the framework for the regulation of securitization in the UK set out in (i) the Securitisation Regulations 2024 (as amended), (ii) the securitisation sourcebook of the handbook of rules and guidance adopted by the Financial Conduct Authority of the UK, (iii) the Securitisation Part of the rulebook of published policy of the Prudential Regulation Authority of the Bank of England and (iv) relevant provisions of the Financial Services and Markets Act 2000 (as amended) (collectively, the “**UK Securitization Framework**”) impose due diligence obligations on EU and UK institutional investors, respectively, in respect of investments in securitizations, including, among other things, a requirement to verify that the securitization satisfies the risk retention requirement under the EU Securitization Regulation or the UK Securitization Framework, respectively. For the purposes of the EU Securitization Regulation and the UK Securitization Framework: a “securitization” is defined as a transaction or scheme, whereby the credit risk associated with an exposure or a pool of exposures is tranching, having certain specified characteristics; and a “tranche” is defined as “a contractually established segment of the credit risk associated with an exposure or a pool of exposures, where a position in the segment entails a risk of credit loss greater than or less than a position of the same amount in another segment.” On the basis that the PCs represent untranching exposures to the credit risk associated with the Mortgages in the PC Pools, an investment in the PCs does not constitute an investment in a “securitization” for the purpose of the EU Securitization Regulation or the UK Securitization Framework. Accordingly, neither the Trustee nor the Administrator intends to take any action to facilitate compliance by any EU or UK institutional investor with the due diligence obligations under the EU Securitization Regulation or the UK Securitization Framework. Each prospective investor in the PCs should make its own assessment regarding the treatment of the PCs and compliance with any regulatory obligations applicable to such prospective investor.

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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, mortgage-related securities and other types of assets. 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 PCs 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”**), 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. For example, following the current administration’s appointment of a new Director, in its power both as our Conservator and regulator, FHFA has recently rescinded or modified certain guidance, directives, and other requirements implemented by previous administrations affecting Freddie Mac and the Federal National Mortgage Association (together with Freddie Mac, the **“Enterprises”**). The rescinded or modified actions included those relating to unfair or deceptive acts or practices, climate-related risk management, and fair lending and fair housing compliance. FHFA is expected to continue modifying, rescinding, or withdrawing, or changing its approach to implementation and enforcement of, guidance, directives, and other requirements relating to the Enterprises. The impact of these and any similar future actions taken by FHFA are uncertain at this time and could include ending the conservatorship, undertaking new business activities and limiting or ceasing existing activities. 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 (as defined under *Additional Information*) for additional information concerning the conservatorship and legislative and regulatory developments, as well as the legal and compliance risks we face.

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, 2024. 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. PC 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.

The Purchase Agreement provides that Treasury's funding commitment will terminate under any of the following circumstances:

- The completion of our liquidation and fulfillment of Treasury's obligations under its funding commitment at that time;
- The payment in full of, or reasonable provision for, all of our liabilities (whether or not contingent, including mortgage-backed securities guarantee obligations); and
- The funding by Treasury of the maximum amount of the commitment under the Purchase Agreement.

In addition, Treasury may terminate its funding commitment and declare the Purchase Agreement null and void if a court vacates, modifies, amends, conditions, enjoins, stays, or otherwise affects the appointment of the Conservator or otherwise curtails the Conservator's powers. Treasury may not terminate its funding commitment under the Purchase Agreement solely by reason of our being in conservatorship, receivership or other insolvency proceeding, or due to our financial condition or any adverse change in our financial condition.

For a description of PC 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.

The Purchase Agreement also requires us to cap multifamily loan purchases at \$80 billion in any 52-week period, subject to annual adjustment by FHFA based on changes in the Consumer Price Index. In November 2024, FHFA announced that the 2025 loan purchase cap for the multifamily business will be \$73 billion, up from \$70 billion in 2024. At least 50% of our multifamily loan purchases in any

calendar year must be, at the time of acquisition, classified as mission-driven, affordable housing pursuant to FHFA guidelines.

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:

- Our most recent Annual Report on Form 10-K, filed with the SEC.
- 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.
- 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 PCs, 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 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. The applicable Offering Circular Supplement for your PCs shall serve as the 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, the Incorporated Documents, the Multifamily PC Master Trust Agreement dated as of May 3, 2021 (as amended from time to time, the “**Trust Agreement**”) and any applicable Pool Supplement under which PCs are issued from:

Freddie Mac — Investor Inquiry
8100 Jones Branch Drive
McLean, Virginia 22102-3110
Telephone: 1-800-336-3672
E-mail: Investor_Inquiry@freddiemac.com

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

Website*: www.freddiemac.com

The multifamily investors section of our website (located at mf.freddiemac.com/investors/) 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 PCs issued on and after July 1, 2025. For information about PCs issued before that date, see the related Offering Circular (available on our website) that was in effect at the time of issuance of those PCs. Under the Trust Agreement, Freddie Mac has agreed to act as Trustee for and, as Administrator, to administer all existing PCs 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 PCs. Before buying PCs, 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 PC Pool it describes if it is different from the information in this Offering Circular.

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. In our corporate capacity, we act as Depositor, Administrator and Guarantor of each PC and its related trust fund. We also act as Trustee of each PC and its related trust fund.

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*.

PC 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, we create and issue under the Trust Agreement and related Pool Supplements PCs representing undivided beneficial ownership interests in individual Mortgages or pools of Mortgages and related assets held by those trust funds (“**PC Pools**”). Investors in PCs own beneficially their pro rata shares of the Mortgage or Mortgages in the related PC Pool.

Types of Mortgages

The assets in each PC 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. Unless it is later defeased, the Mortgages are secured by first or junior liens

on multifamily residential rental properties and may be either fixed-rate Mortgages or adjustable-rate Mortgages (“**ARMs**”), including Floating-Rate Mortgages and Hybrid ARMs. As described in *Certain Federal Income Tax Consequences*, we made elections to treat certain beneficial interests in Mortgages in PC 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.

A “**Fully Amortizing Mortgage**” provides for level monthly payments of principal and interest based upon an amortization schedule calculated to pay the original balance of the Mortgage in full over the original term to maturity.

An “**Amortizing Balloon Mortgage**” provides for level monthly payments of principal and interest for a term of less than 30 years, based upon an amortization schedule calculated to pay the original balance of the Mortgage in full over a period of up to 30 years, and a balloon payment at maturity.

An “**Interest Only Balloon Mortgage**” provides for payments of interest only during its term and a balloon payment at maturity.

A “**Partial Interest Only Mortgage**” provides for payments of interest only during part of its term, followed by level monthly payments of principal and interest for the remainder of its term and a balloon payment at maturity.

A “**Floating-Rate Mortgage**” provides for an adjustable interest rate for the whole term of the Mortgage.

A “**Hybrid ARM**” provides for either a fixed interest rate for a set term and then an adjustable interest rate for the remaining term of the Mortgage or an adjustable interest rate for a set term and then a fixed interest rate for the remaining term of the Mortgage.

Types of PCs

Each “**Fixed-Rate PC**” represents an interest in a PC Pool which contains fixed-rate Mortgages. Each “**Floating-Rate (ARM) PC**” represents an interest in a PC Pool containing Floating-Rate Mortgages. Each “**Hybrid (ARM) PC**” represents an interest in a PC Pool containing Hybrid ARMs. Generally, we will pool fixed-rate Mortgages separately from ARMs.

Pool Characteristics	Each Mortgage in a PC Pool must meet the eligibility standards we have established. The Pool Supplement for each PC Pool will describe on a pool-level basis the types and various characteristics of the Mortgages in the PC Pool. Mortgages may be repurchased from PC Pools or substituted for other Mortgages 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. Except as provided in the applicable Pool Supplement, our payments on PCs do not include the amounts of any fees, charges or interest in excess of the applicable PC 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 administration and guarantee fees for our services as Administrator and Guarantor.
• Interest	We pay interest on each PC at its applicable per annum interest rate (“ PC Coupon ”). 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 PC Pool. We base the amount of these payments on servicers’ reports of principal received on the Mortgages and, for Fixed-Rate PCs, 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 PC Pools. The Holders of PCs issued from the same PC 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 PC by reference to the Pool Factor for the related PC Pool. A Pool Factor is an exact decimal rounded to eight places which, when multiplied by the original principal balance of the related PC, equals the remaining principal balance of the PC 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 Fixed-Rate PCs, as Guarantor, we guarantee timely payment of interest at the applicable PC Coupon and the timely payment of scheduled principal, whether or not we receive these payments from the servicers of the underlying Mortgages. For Floating-Rate or Hybrid (ARM) PCs, as Guarantor, we guarantee timely payment of interest at the applicable PC Coupon, whether or not we receive these payments from the servicers of the underlying Mortgages, and the full and final payment of any principal no later than the month following the Final Payment Date. We do not guarantee the timely payment of scheduled principal on Floating-Rate or Hybrid (ARM) PCs. Principal and interest payments on the PCs 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 PC Holders to enforce the guarantee obligation would be limited to actual direct compensatory damages. The rights of PC Holders to bring proceedings against Treasury are limited if we fail to pay under our guarantee. See <i>The Trust Agreement — Rights Upon Event of Default</i>. 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 PC 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 Trustee, we issue PCs from each PC 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	PCs may be issued in exchange for Mortgages, in which case we would not receive cash proceeds. We may also issue PCs backed by pools of Mortgages we already own, in which case we receive cash proceeds that are generally

	used for general corporate purposes, including the purchase of additional Mortgages.
Form of PCs	PCs are issued, held and transferable only on the book-entry system of the Federal Reserve Banks. The Holder of a PC 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 PCs.
PC Denominations	The PCs are issued, held and transferable 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 PCs, 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 PC based on its unpaid principal balance falling below a prescribed level.
Tax Status	We will classify each PC Pool as a grantor trust. As an investor in PCs, you will be treated as the owner of a pro rata undivided interest in the 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 PCs backed by Mortgages in which the beneficial interests in the principal and interest payments are part of a REMIC. See <i>Certain Federal Income Tax Consequences — Tax Status</i> .
Resecuritization	Following the assignment of Mortgages to a PC Pool, the related PCs, upon issuance, will represent the initial securitization of the Mortgages. Any further assignment of the related PCs to a REMIC trust or other issuance vehicle will represent the initial resecuritization of such PCs. PCs 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, PCs backed by Mortgages with respect to which no REMIC elections are made.

RISK FACTORS

Although we guarantee certain payments on PCs 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. Before deciding to purchase PCs, investors should carefully consider the risks described below and elsewhere in this Offering Circular, the applicable Pool Supplement and the other documents referred to in *Additional Information*, including the risk factors related to Freddie Mac that are found in the Incorporated Documents. The risk factors related to Freddie Mac include risks that may affect your investment in and the value of PCs. However, neither this Offering Circular nor those other documents describe all the possible risks of an investment in PCs that may result from your particular circumstances, nor do they project how PCs will perform under all possible interest rate and economic scenarios.

Prepayment and Yield Factors

Principal payment rates are uncertain. Principal payment rates on PCs will depend on the rates of principal payments on the underlying Mortgages. Mortgage principal payments include scheduled payments and full or partial prepayments. Prepayment rates fluctuate continuously and (in some market conditions) substantially.

We cannot predict the rate of prepayments on the Mortgages, which is influenced by a variety of economic, social and other factors, including local and regional economic conditions, the existence and enforceability of lockout periods and prepayment premiums and the availability of alternative financing. Prepayments are also affected by servicing decisions and policies, such as decisions to pursue alternatives to foreclosure.

Principal payment behavior varies over time and among PC Pools. The rate of principal payments on a PC Pool may vary significantly from month to month as a result of fluctuations in the principal payment rates of its underlying Mortgages. A PC Pool may experience payment behavior that is similar to or different from that experienced by other PC Pools consisting of similar Mortgages. Any PC Pool could experience payment behavior that is significantly different from other PC 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 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 PC will depend on its price, the interest rate payable on the PC, the payment delay on the PC, the rate of prepayments on its underlying Mortgages, and other characteristics of those Mortgages. Mortgages may be voluntarily prepaid at any time, subject to any applicable lockout period and to the payment of any applicable prepayment premiums. The Mortgages with lockout periods may be voluntarily prepaid at any time outside of the lockout period. The Mortgages also may be prepaid due to defaults, casualties, condemnations and repurchases. You should carefully consider the yield risks associated with PCs, including these:

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

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

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

Reinvestment of principal payments may produce lower yields. The 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 PC. 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 PCs at that time, you could be disadvantaged by not receiving principal for reinvestment as quickly as you expected.

Index levels will affect yields of Floating-Rate or Hybrid (ARM) PCs. If you invest in Floating-Rate or Hybrid (ARM) PCs, and the index level used to adjust the interest rates on the underlying Mortgages is lower than you expect, the yield on your investment could be lower than you expect, especially if prepayments are slow. Even if the index level is high but prepayments are fast, your yield could be lower than you expect. ARM interest rate adjustments may occur less frequently than monthly, and all adjustments have "lookback" periods. As a result, interest rates on the ARMs and the related Floating-Rate or Hybrid (ARM) PCs may not reflect current index levels.

Governance Factors

The Conservator may repudiate our contracts, including our guarantee. Holders could ultimately suffer losses on their investments to the extent the payments on the Mortgages underlying their PCs were not sufficient to make full payments of principal and interest on the PCs. 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 PCs, 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 PCs, and cannot be used to satisfy our general creditors.

If our guarantee obligations were repudiated, payments of principal and/or interest to PC 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 PC 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 PC Holders. PC Holders would experience delays in receiving payments on their PCs 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, PC 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 PC Holders. Holders could ultimately suffer losses on their investments to the extent the payments on the Mortgages underlying their PCs were not sufficient to make full payments of principal and interest on the PCs. We can be put into receivership at the discretion of the Director of FHFA at any time for a number of reasons consistent with the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by the Reform Act, and the Purchase Agreement, to the extent applicable by law. 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 is 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. FHFA has the power to order the liquidation of our remaining assets in receivership. The appointment of FHFA as our receiver would terminate all rights and claims that our stockholders and creditors might have against our assets or under our charter as a result of their status as stockholders or creditors, other than the possible payment contingent upon the value of the assets remaining in the receivership entity. FHFA would have broad power as receiver to make decisions with respect to Freddie Mac's assets and liabilities in receivership; it is uncertain how the exercise of those powers would affect the interests of our stockholders and creditors or, with respect to our PCs, the rights of Holders.

If FHFA were to become our receiver, it could exercise certain powers that could adversely affect PC 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 PC 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 PC 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 PC Holders. PC Holders would experience delays in receiving payments on their PCs 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, PC 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 PC 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, PC Holders have the right to replace Freddie Mac as Trustee and Administrator if the requisite percentage of PC Holders consent. Pursuant to the Reform Act, FHFA, as receiver, may prevent PC 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 PC Holders, PC Holders could become unsecured creditors of Freddie Mac with respect to claims made under our guarantee. For a description of certain rights of PC Holders to proceed against 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; FHFA exercises this power from time to time. See the Incorporated Documents for additional information regarding the possible implications of a receivership.

Investment Factors

PCs may not be suitable investments for you. PCs 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, the applicable Pool 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, PCs are not suitable investments for you. If you purchase PCs, you need to have enough financial resources to bear all of the risks related to your investment.

Our activities to support the liquidity of our PCs may not be successful. From time to time, we may undertake various activities in an effort to support our presence in the agency securities market or to support the liquidity of our PCs. These activities may include the purchase and sale of agency securities, purchases of loans, and dollar roll transactions, as well as the issuance of securities backed by our PCs. Dollar roll transactions are transactions in which we enter into an agreement to purchase and subsequently resell (or sell and subsequently repurchase) PCs. Our purchases and sales of mortgage-related securities and our issuances of securities backed by our PCs influence the relative supply and demand (i.e., liquidity) for these securities. Depending upon market conditions, there may be substantial variability in any period in the total amount of securities we purchase or sell. In some cases, purchasing or selling agency securities could adversely impact our security performance. While we may employ a variety of strategies in an effort to support the liquidity of our PCs and may consider additional strategies, any such strategies may fail or adversely affect our business or we may cease such activities if deemed appropriate (or if required by FHFA). We may incur costs to support our presence in the agency securities market or the liquidity of our PCs, including engaging in transactions that yield less than our target rate of return. We may increase, reduce, or discontinue these or other related activities at any time, which could affect our market presence or the liquidity of our PCs. See also *Secondary Markets, Mortgage Security Performance and Market Support Activities*.

Risks related to SOFR. In March 2020, the Federal Reserve Bank of New York began to publish compounded averages of SOFR. It is possible that there will be limited interest in securities products based on SOFR, or in Freddie Mac's implementation of SOFR. As a result, you should consider whether any future reliance on SOFR could adversely affect the market values and yields of the Floating-Rate or Hybrid (ARM) PCs with PC Coupons based on SOFR (collectively, "**SOFR PCs**") due to potentially limited liquidity and resulting constraints on available hedging and financing alternatives.

Other kinds of SOFR-based rates are currently in use in the financial markets. Some SOFR-based rates are forward-looking term rates; other SOFR-based rates are intended to resemble rates for term structures through their use of averaging mechanisms applied to rates from overnight transactions. Different kinds of SOFR-based rates will result in different interest rates. Mismatches between SOFR-based rates, and between SOFR-based rates and other rates, may cause economic inefficiencies,

particularly if market participants seek to hedge one kind of SOFR-based rate by entering into hedge transactions based on another SOFR-based rate or another rate. Freddie Mac will not take any steps to convert the interest rate for any ARM and/or the PC Coupon for any SOFR PC from a rate based on 30-Day Average SOFR to a rate based on a forward-looking term rate or any other SOFR-based rate. The use of 30-Day Average SOFR to calculate the interest rates for the ARMs and the PC Coupon for any SOFR PC, and any mismatches between 30-Day Average SOFR and other kinds of SOFR-based rates or other rates in use in the financial markets, may adversely affect the liquidity, market value and yield to maturity of the SOFR PCs. Investors should consider the possible impact of the use of 30-Day Average SOFR instead of other kinds of SOFR-based rates to calculate the interest rates for the ARMs and the PC Coupon for any SOFR PC prior to purchasing any SOFR PCs.

We may, from time to time, at our sole discretion, make SOFR Adjustment Conforming Changes or, in the event of a Loan Conversion Index Event, Alternate Index Conforming Changes, without consent of holders of the SOFR PCs or any other party, which could change the methodology used to determine SOFR or the Alternate Index, respectively. Holders of SOFR PCs will be deemed to have agreed to waive and release any and all claims relating to any such adjustments. We cannot assure you that the methodology to calculate SOFR or the Alternate Index will not be adjusted as described in the prior sentence and, if so adjusted, that the resulting PC Coupons for the SOFR PCs will yield the same or similar economic results over the lives of the affected SOFR PCs relative to the results that would have occurred had the related PC Coupons been based on SOFR or the Alternate Index, as applicable, without such adjustment or that the market value will not decrease due to any such adjustment in methodology. We will have significant discretion in making SOFR Adjustment Conforming Changes or Alternate Index Conforming Changes.

Investors in the SOFR PCs should consider the foregoing uncertainties prior to purchasing any SOFR PCs. In general, events related to SOFR and alternative reference rates may adversely affect the liquidity, market value and yield of the SOFR PCs.

SOFR is a relatively new reference rate, which could adversely affect your investment in the SOFR PCs. SOFR is published by the Federal Reserve Bank of New York and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. The Federal Reserve Bank of New York reports that SOFR includes all trades in the Broad General Collateral Rate (as defined on the New York Federal Reserve's Website) plus bilateral Treasury repurchase agreement (repo) transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the "**FICC**"), a subsidiary of the Depository Trust and Clearing Corporation ("**DTCC**"). SOFR is filtered by the Federal Reserve Bank of New York to remove a portion of the foregoing transactions considered to be "specials." According to the Federal Reserve Bank of New York, "specials" are repos for specific-issue collateral, which take place at cash-lending rates below those for general collateral repos because cash providers are willing to accept a lesser return on their cash in order to obtain a particular security.

The Federal Reserve Bank of New York reports that SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon as well as General Collateral Finance Repo transaction data and data on bilateral Treasury repo transactions cleared through the FICC's delivery-versus-payment service. The Federal Reserve Bank of New York also notes that it obtains information from DTCC Solutions LLC, an affiliate of DTCC. The Federal Reserve Bank of New York notes on its publication page for SOFR that use of SOFR is subject to important limitations and disclaimers, including that the Federal Reserve Bank of New York may alter

the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

Because SOFR is published by the Federal Reserve Bank of New York based on data received from other sources, we have no control over its determination, calculation or publication. We cannot assure you that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in SOFR PCs. If the manner in which SOFR is calculated is changed or if SOFR is discontinued, that change or discontinuance may result in a reduction of the amount of interest payable on the SOFR PCs and the trading prices of the SOFR PCs. If SOFR is not published on any SOFR Determination Date, the SOFR PCs will bear interest at a rate based on SOFR published on the last SOFR Business Day preceding such SOFR Determination Date for which such rate was published. This previously published rate would be an overnight rate that would remain in effect until the next day on which SOFR is published. As such, this rate may not reflect then-current market conditions, or the rate that would apply to investments where interest is set for a longer term. In the event that SOFR is discontinued or is not used, a Loan Index Conversion Event with respect to the Mortgages that back SOFR PCs will occur and the Mortgages that back SOFR PCs will bear interest based on an Alternate Index.

We will have discretion with respect to certain elements of the rate replacement process, including, if an official recommendation for a replacement rate has not been recommended by the Federal Reserve Bank of New York and/or FRB, electing the replacement rate (which may include any adjustments or spreads) in the event SOFR is unavailable. The determination of the replacement rate under such circumstances will be at our sole discretion and the replacement rate we determine may be different from the rate that has been adopted by other market participants in similar products and any such determination may adversely affect the return on the PCs, the trading market for the PCs and the value of the PCs. None of these determinations, or the application of the replacement rate to payment calculations on the SOFR PCs, will be subject to the approval of the holders of SOFR PCs.

These circumstances may adversely affect the price of the SOFR PCs following a discontinuation of SOFR. If the rate at which interest accrues on any day (meaning SOFR for that day plus the spread) declines to zero, no interest will be payable on the SOFR PCs in respect of that day.

Because SOFR is a relatively new rate, the SOFR PCs will likely have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Additionally, as an overnight lending rate, SOFR may be subject to increased volatility relative to other interest rate benchmarks. Market terms for debt securities linked to SOFR, such as the spread over the rate reflected in interest rate provisions, may evolve over time, and trading prices of the SOFR PCs may be lower than those of later-issued SOFR-linked debt securities as a result. Similarly, if SOFR does not prove to be widely used in securities similar to the SOFR PCs, the trading price of the SOFR PCs may be lower than those Floating-Rate or Hybrid (ARM) PCs linked to rates that are more widely used. Investors in SOFR PCs may not be able to sell PCs at all or may not be able to sell such PCs at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

An investment in SOFR PCs entails certain risks not associated with an investment in conventional fixed rate debt securities.

The secondary market for, and the market value of, the SOFR PCs will be affected by a number of factors independent of the creditworthiness of the Guarantor, including the level and direction of interest rates, the variable rate of interest payable on the SOFR PCs, the anticipated level and potential

volatility of SOFR, the method of calculating SOFR, the time remaining to the maturity of SOFR PCs and the availability of comparable instruments. The level of SOFR depends on a number of interrelated factors, including economic, financial and political events, over which we have no control.

The Federal Reserve Bank of New York began to publish SOFR in April 2018. Although the Federal Reserve Bank of New York has also published historical indicative SOFR going back to 2014, such prepublication historical data inherently involves assumptions, estimates and approximations. Investors should therefore not rely on any historical changes or trends in SOFR as an indicator of the future performance of SOFR during the term of the SOFR PCs. Fluctuations in the level of SOFR make the interest rates that apply to the SOFR PCs difficult to predict and can result in actual interest rates to investors that are lower than anticipated. In addition, historical interest rates are not necessarily indicative of future interest rates. Fluctuations in interest rates and interest rate trends that have occurred in the past are not necessarily indicative of fluctuations that may occur in the future, which may be wider or narrower than those that have occurred historically.

Changes to, or elimination of, SOFR, or the conversion of SOFR to an alternate index, could adversely affect the market value or liquidity of the SOFR PCs. The mortgage interest rates for Mortgages that back SOFR PCs will be based on SOFR. We may, from time to time, at our sole discretion, make SOFR Adjustment Conforming Changes or, in the event of a Loan Conversion Index Event, Alternate Index Conforming Changes, without the consent of holders of SOFR PCs or any other party, which could change the methodology used to determine SOFR or the Alternate Index, respectively. Holders of SOFR PCs will be deemed to have agreed to waive and release any and all claims relating to any such adjustments. There is no assurance that the methodology to calculate SOFR or the Alternate Index will not be adjusted as described in the prior sentence and, if so adjusted, that the resulting interest rates for the Mortgages will yield the same or similar economic results over the lives of such Mortgages relative to the results that would have occurred had the related interest rate been based on SOFR or the Alternate Index, as applicable, without such adjustment or that the market value will not decrease due to any such adjustment in methodology. We will have significant discretion in making SOFR Adjustment Conforming Changes or Alternate Index Conforming Changes.

The loan documents for all of the Mortgages that back SOFR PCs provide that such Mortgages will convert from an interest rate based on SOFR to an interest rate based on an Alternate Index if a Loan Index Conversion Event occurs. For all such Mortgages, in the event of a conversion to an Alternate Index, the selection of the Alternate Index will be made by us in our sole discretion in accordance with the terms of the related Mortgage.

We cannot predict if SOFR will be eliminated, or, if changes are made to SOFR, the effect of those changes. In addition, we cannot predict what Alternate Index would be chosen, should an elimination of SOFR occur. If SOFR in its current form does not survive or if an Alternate Index is chosen, the market value and/or liquidity of the SOFR PCs could be adversely affected.

You may not be allowed to buy PCs. If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may not be allowed to invest in some types of PCs or in PCs generally. If you purchase PCs in violation of such laws or regulations, you may be compelled to divest such PCs.

Potential conflicts of interest. In connection with the PCs 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 PC 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 PCs 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 PC Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages from PC 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 PCs. We have established an internal office of the Trustee to assist in our performance of our role as Trustee. Individual members of the office of the Trustee may act in multiple roles within Freddie Mac, and, in certain limited circumstances, such individuals may have a potential conflict of interest between performing their responsibilities on behalf of the Trustee and performing their responsibilities in other roles at Freddie Mac. See *Description of the Mortgages — Mortgage Purchase and Servicing Standards — Mortgage Repurchases*.

If you own PCs backed by Mortgages that you transferred to us, your voting and consent rights may be limited. Under certain circumstances, if you transferred Mortgages to us in exchange for cash or PCs, when determining whether Holders of PCs have given any request, demand, authorization, direction, notice, consent or waiver, any PCs beneficially held by you may be disregarded and deemed not to be outstanding or may be otherwise limited in voting rights. In addition, your rights may be limited as a result of our conservatorship. See — *Governance Factors*.

All of the Mortgages are secured by multifamily rental properties, thereby materially exposing investors to risks associated with the performance of multifamily rental properties. All of the mortgaged properties are primarily used for multifamily rental purposes which may present more risk than a single family mortgage. A number of factors may adversely affect the value and successful operation of a multifamily rental property. Some of these factors include:

- the number of competing residential developments in the local market, including apartment buildings,
- manufactured housing communities and site-built single family homes;
- the physical condition and amenities, including access to transportation, of the subject property in relation to competing properties;
- the subject property's reputation;
- applicable state and local regulations designed to protect tenants in connection with evictions and rent increases, including rent control and rent stabilization regulations;
- the tenant mix, such as the tenant population being predominantly students or being heavily dependent on
- workers from a particular business or personnel from a local military base;
- restrictions on the age of tenants who may reside at the subject property;
- local factory or other large employer closings;
- the location of the property, for example, a change in the neighborhood over time;
- the level of mortgage interest rates to the extent it encourages tenants to purchase housing;
- the ability of the management team to effectively manage the subject property;
- the ability of the management team to provide adequate maintenance and insurance;

- compliance and continuance of any government housing rental subsidy programs from which the subject property receives benefits and whether such subsidies or vouchers may be used at other properties;
- distance from employment centers and shopping areas;
- adverse local or national economic conditions, which may limit the amount of rent that may be charged and may result in a reduction of timely rent payment or a reduction in occupancy level;
- the financial condition of the owner of the subject property and the absence of borrower recourse; and
- government agency rights to approve the conveyance of such mortgaged properties could potentially interfere with the foreclosure or execution of a deed-in-lieu of foreclosure of such properties.

Because units in a multifamily rental property are primarily leased to individuals, usually for no more than a year, the ability of the property to generate net operating income is likely to change relatively quickly where a downturn in the local economy or the closing of a major employer in the area occurs. For instance, a significant number of units at a mortgaged property may be leased to military tenants. Base closings and the transient nature of military service may adversely affect the income stream at such mortgaged property. In addition, some units in a multifamily rental property may be leased to corporate entities. Expiration or nonrenewals of corporate leases and vacancies related to corporate tenants may adversely affect the income stream at the mortgaged property.

Particular factors that may adversely affect the ability of a multifamily property to generate net operating income include:

- an increase in interest rates, real estate taxes and other operating expenses;
- an increase in the capital expenditures needed to maintain the property or make renovations or improvements;
- an increase in vacancy rates;
- a decline in rental rates as leases are renewed or replaced; and
- natural disasters and civil disturbances such as earthquakes, hurricanes, floods, eruptions or riots.

The volatility of net operating income generated by a multifamily property over time will be influenced by many of the foregoing factors, as well as by:

- the length of tenant leases;
- the creditworthiness of tenants;
- the rental rates at which leases are renewed or replaced;
- the percentage of total property expenses in relation to revenue;
- the ratio of fixed operating expenses to those that vary with revenues; and
- the level of capital expenditures required to maintain the property and to maintain or replace tenants.

Therefore, multifamily properties with short-term or less creditworthy sources of revenue and/or relatively high operating costs can be expected to have more volatile cash flows than multifamily properties with medium- to long-term leases from creditworthy tenants and/or relatively low operating costs. A decline in the real estate market will tend to have a more immediate effect on the net operating income of multifamily properties with short-term revenue sources and may lead to higher rates of delinquency or defaults on the Mortgages secured by those properties.

In addition, some states regulate the relationship of an owner and its tenants at a multifamily rental property. Among other things, these states may:

- require written leases;
- require good cause for eviction;
- require disclosure of fees;
- prohibit unreasonable rules;
- prohibit retaliatory evictions;
- prohibit restrictions on a resident's choice of unit vendors;
- limit the bases on which a landlord may increase rent; or
- prohibit a landlord from terminating a tenancy solely by reason of the sale of the owner's building.

Apartment building owners have been the subject of suits under state "Unfair and Deceptive Practices Acts" and other general consumer protection statutes for coercive, abusive or unconscionable leasing and sales practices.

Some counties and municipalities also impose rent control regulations on apartment buildings. These regulations may limit rent increases to:

- fixed percentages;
- percentages of increases in the consumer price index;
- increases set or approved by a governmental agency; or
- increases determined through mediation or binding arbitration.

In many cases, the rent control laws do not provide for decontrol of rental rates upon vacancy of individual units. Any limitations on a landlord's ability to raise rents at a multifamily rental property may impair the landlord's ability to repay a mortgage loan secured by the property or to meet operating costs.

In addition, multifamily rental properties are part of a market that, in general, is characterized by low barriers to entry. Thus, a particular multifamily rental property market with historically low vacancies could experience substantial new construction and a resultant oversupply of rental units within a relatively short period of time.

Because units in a multifamily rental property are typically leased on a short-term basis, the tenants residing at a particular property may easily move to alternative multifamily rental properties with more desirable amenities or locations or to single family housing.

Certain of the multifamily rental properties that secure the Mortgages may be subject to certain restrictions imposed pursuant to restrictive covenants, reciprocal easement agreements and operating

agreements or historical landmark designations. Such use restrictions could include, for example, limitations on the use of the properties, the character of improvements on the properties, the borrowers' right to operate certain types of facilities within a prescribed radius of the properties and limitations affecting noise and parking requirements, among other things. In addition, certain of the multifamily rental properties that secure the Mortgages may have access to certain amenities and facilities at other local properties pursuant to shared use agreements, and we cannot assure you that such use agreements will remain in place indefinitely, or that any amenities and facilities at other properties will remain available to the tenants of any multifamily rental property securing a Mortgage. These limitations could adversely affect the ability of the related borrower to lease the mortgaged property on favorable terms, thus adversely affecting the borrower's ability to fulfill its obligations under the related Mortgage.

Some of the multifamily rental properties that secure the Mortgages may be subject to land use restrictive covenants or contractual covenants in favor of federal or state housing agencies. The obligations of the related borrowers to comply with such restrictive covenants and contractual covenants, in most cases, constitute encumbrances on the related mortgaged property that are superior to the lien of the related Mortgage. In circumstances where the mortgaged property is encumbered by a regulatory agreement in favor of a federal or state housing agency, the borrower is generally required by the Mortgage documents to comply with any such regulatory agreement. The covenants in a regulatory agreement may require, among other things, that a minimum number or percentage of units be rented to tenants who have incomes that are substantially lower than median incomes in the applicable area or region or impose restrictions on the type of tenants who may rent units, such as imposing minimum age restrictions. These covenants may limit the potential rental rates that may govern rentals at any of those properties, the potential tenant base for any of those properties or both. An owner may subject a multifamily rental property to these covenants in exchange for tax credits or rent subsidies. When the credits or subsidies cease, net operating income will decline. We cannot assure you that the foregoing requirements will not cause a reduction in rental income. If rents are reduced, we cannot assure you that the related property will be able to generate sufficient cash flow to satisfy debt service payments and operating expenses. In addition, restrictive covenants and contractual covenants contained in regulatory agreements may require a borrower, among other conditions, (i) to submit periodic compliance reports and/or permit regulatory authorities to conduct periodic inspections of the related mortgaged property, (ii) to meet certain requirements as to the condition of affordable units or (iii) to seek the consent of a regulatory authority in connection with the transfer or sale of the mortgaged property or in connection with a change in the property management. In some cases, regulatory agreements may provide for remedies other than specific performance of restrictive covenants. Such other remedies may include, but are not limited to, providing for the ability of a regulatory authority to replace the property manager. In addition, in some cases, regulatory agreements may impose restrictions on transfers of the mortgaged property in connection with a foreclosure, including, but not limited to, requiring regulatory authority consent and limiting the type of entities that are permissible transferees of the mortgaged property. We cannot assure you that the foregoing circumstances will not adversely impact operations at or the value of the mortgaged property, that such consent will be obtained in the event a federal or state housing agency has the right to consent to any change in the property management or ownership of the mortgaged property or that the failure to obtain such consent will not adversely impact the lender's ability to exercise its remedies upon default of a Mortgage.

A PC Pool may consist of only a single Mortgage and Mortgages underlying PCs may be riskier than single family Mortgages. PCs backed by a single Mortgage present more risk than PCs backed by multiple Mortgages because you may receive early repayment of your entire investment on the PC.

Since the individual Mortgage amounts often are large, one Mortgage is likely to comprise a larger portion of the PC Pool than would one single family mortgage and, therefore, principal prepayments may significantly affect the yield on your PC. This is especially the case if your PC is backed by a single Mortgage.

A credit downgrade could adversely affect the liquidity and prices of your PCs. 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 PCs.

Operational Risks

Funds held in trust for PC Holders may be commingled with other funds as permitted under the Trust Agreement. As indicated under *The Trust Agreement — Collection and Other Servicing Procedures*, Mortgage payments remitted to Freddie Mac from seller/servicers are deposited into the custodial account that contains both property of Freddie Mac and property applicable to the PC Pools and certain of our other securitization trusts, including:

- Mortgage payments of principal and/or interest owed to PC Holders;
- Mortgage payments of principal and/or interest owed to Freddie Mac;
- Administration and guarantee fees due to Freddie Mac;
- Excess payments as to which a refund or credit may be owed to a seller/servicer; and
- Earnings owed to Freddie Mac from the investment of the funds in the custodial account.

The custodial account also holds the funds applicable to the PC Pools and certain of our other securitization trusts arising from transactions between Freddie Mac and the trusts, such as advances and guarantee payments by Freddie Mac to the trusts and payments by Freddie Mac for its purchases of defaulted loans from the trusts. Funds in the custodial account are restricted (that is, not available for Freddie Mac's general corporate purposes) even though some of the funds in that account are owed to Freddie Mac. Amounts owed to Freddie Mac are reclassified as unrestricted when such funds are transferred into an operating cash account.

Freddie Mac's processes and controls provide reasonable assurance that: (i) amounts that should be received from seller/servicers into the custodial account are so received; and (ii) amounts that should be paid to PC Holders are so paid.

We may fail to make a timely payment on your PCs if there is a systems failure at the Federal Reserve Banks. We rely on the Federal Reserve Banks to make payments on PCs (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 PCs. 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 PCs, transfer your PCs, or issue new PCs. Insufficient cash may cause our account with the Federal Reserve Bank of New York to be overdrawn, potentially resulting in delays in payments on PCs.

A failure in our operational systems or infrastructure, or those of third parties, could cause delays in making payments on PCs and providing monthly disclosures and could disrupt the market for PCs, either of which could adversely affect the value and liquidity of your PCs. 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 servicers and other third parties with which we interact, could lead to a variety of adverse events, including incorrect or late payments on PCs and delays in providing, or errors in, our disclosures. We also face operational risk with respect to servicers, dealers or other financial intermediaries we use to facilitate PC-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.

Credit Factors

General economic or market conditions could adversely affect your PCs. Changes in economic or market conditions, including trade laws or policies such as tariffs, volatility in the financial services industry, the condition of the multifamily residential housing market, changes in employment rates, immigration policy, inflation, interest rates, spreads, the supply of available housing or housing prices, banking crises or failures or other macroeconomic conditions could adversely affect your PCs in a number of ways. Similarly, uncertainty regarding a breach of the U.S. debt ceiling, government shutdowns, or default by the U.S. government on its obligations, and actual or perceived instability in the U.S. banking system, could adversely affect your investment in PCs.

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 PCs 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 PCs. Payment and recovery of principal on your PCs could depend on our ability to honor our guarantee obligations.

The value and liquidity of your investment in the PCs may also be adversely affected by catastrophic events, including major natural and environmental disasters, pandemics and other public health crises, and war, terrorism and other political crises.

Natural disasters and other catastrophic events could negatively affect the ability of impacted borrowers to continue to make payments on their Mortgages, leading to an increase in defaults on Mortgages and accelerated prepayments of your PCs. Property insurance markets in certain geographic areas, including areas with high risk of natural disaster events, have observed rapid increases in

property insurance premiums and reduction in the availability of coverage in recent years; this could impact borrowers' ability to make payments on their Mortgages.

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

Servicers may experience financial and other difficulties. A servicer's ability to effectively service Mortgages may become impaired if the servicer lacks appropriate controls, experiences a failure in its controls, or experiences an operational disruption, including as a result of a cybersecurity incident, a legal or regulatory action or financial difficulties. 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 cause higher rates of 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 PCs, if we purchase such delinquent Mortgages from their related PC 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.

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.

General Risk Factors

PCs are subject to liquidity risks. Illiquidity can have a severely negative impact on the prices of PCs, especially those that are particularly sensitive to prepayment or interest rate risk. PCs are not traded on any exchange and the market price of a particular issuance of PCs or a benchmark price may not be readily available. Neither we nor any other party is obligated to make a market in PCs. A secondary market for some types of PCs may not develop. Even if a market develops, it may not continue. As a result, you may not be able to sell your PCs 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 PCs 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 could materially affect the liquidity and pricing of your PCs. Moreover, economic and political conditions in the U.S. and in foreign countries, including those countries that own and trade our PCs and other mortgage-backed securities, and demand for housing in the U.S. may materially affect the liquidity and pricing of your PCs.

PCs are subject to market risk. The market values of your PCs 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 PCs; the relative value investors place on particular characteristics of Mortgages, borrowers and properties; the number of and outstanding principal balance of other PCs with similar characteristics; the availability of comparable

securities; and competing supply. Financial, regulatory and legislative developments concerning Freddie Mac generally, including whether we are in conservatorship or receivership, could affect prices for your PCs. In addition, any adverse change in the market perception of our level of governmental support or credit standing could reduce the market price of PCs. If you sell your PCs when their market values are low, you may experience significant losses.

APPLICATION OF PROCEEDS

Some PCs may be issued in exchange for Mortgages, in which case we would not receive cash proceeds. We may also issue PCs backed by pools of Mortgages we already own, in which case we receive cash proceeds that are generally used for general corporate purposes, including the purchase of additional Mortgages.

DESCRIPTION OF THE MORTGAGES

General

Mortgages typically are evidenced by mortgage notes secured by mortgages or deeds of trust or other similar security instruments creating first or junior liens on multifamily properties containing five or more dwelling units and designed in whole or in part for residential use. They may have been originated for the purpose of purchasing, refinancing or rehabilitating the mortgaged properties. The mortgaged properties may include high-rise buildings, garden apartments, townhouse apartments and assisted living or skilled nursing properties. Under certain circumstances, the Mortgages may be secured by properties subject to ground leases or similar leases or to subordinate liens. Borrowers may be individuals, partnerships, limited liability companies, special purpose entities, corporations, trusts or other entities, including cooperative corporations or associations.

Mortgages bear interest at either a fixed or an adjustable interest rate. Most of the Mortgages we purchase are fixed-rate Mortgages with level monthly payments. Mortgages have payments that are due monthly. 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 set out in the applicable Pool Supplement because the first payment on a Mortgage frequently is not due until the second month after origination.

Interest on the Mortgages may be payable on the basis of a 360-day year and the actual number of days elapsed in the month for which interest is being calculated (“**Actual/360 Basis**”) or on the basis of a 360-day year, with each month being assumed to have 30 days (“**30/360 Basis**”).

A description of the specific types of Mortgages in a PC Pool will be described in the applicable Pool Supplement and may include Amortizing Balloon Mortgages, Fully Amortizing Mortgages, Interest Only Balloon Mortgages or Hybrid ARMs.

Transfer and Assumption Policies

The Mortgage documents may permit the transfer of the related mortgaged property, or any interest therein, or the transfer of any interest in the borrower, if certain conditions are met, or in some instances, without lender approval. In the event the Mortgages allow certain transfers only upon our consent, we consider various factors in determining whether to permit an assumption or transfer of the related Mortgage and may specify conditions for such consent. Upon any such transfer, the related Mortgage may be assumed at the existing interest rate (the “**Mortgage Coupon**”) for the remaining

Mortgage term. For additional information concerning our policies on assumptions, see — *Mortgage Purchase and Servicing Standards — Transfer and Assumption Policies*.

We or the servicer will retain any fees collected in connection with assumptions as compensation for services and will not distribute those fees to Holders. See — *Mortgage Purchase and Servicing Standards — Fees*.

We will provide information regarding any permissible transfers and assumptions in the applicable Pool Supplement.

Prepayment Premium and Lockout Provisions

The Mortgage documents may allow voluntary prepayment in full at any time, subject to the payment of a prepayment fee (a “**Prepayment Premium**”). The Mortgages also generally require the payment of a Prepayment Premium upon certain default prepayments. Prepayment Premiums and the formula used to calculate the prepayment premium may vary significantly among the Mortgages in a PC Pool.

We may waive the borrower’s requirement to pay a Prepayment Premium. See *Prepayment, Yield and Suitability Considerations — Prepayments* for a description of how we pass through Prepayment Premiums to Holders.

Certain Mortgages may contain lockout provisions prohibiting prepayments by borrowers during a portion or all of the Mortgage term. The related Pool Supplement will identify the period of time the lockout applies.

Prepayment Premium and lockout provisions will not apply to:

- The receipt of proceeds from a condemnation or an insured casualty loss of a mortgaged property, except as described in — *Casualty and Condemnation*.
- Our decision to treat, in certain bankruptcy cases, the unsecured portion of a Mortgage as a partial prepayment; see — *Mortgage Purchase and Servicing Standards — Defaults and Delinquencies*.
- Our decision to repurchase and remove a Mortgage from a PC Pool as permitted under Section 1.02 of the Trust Agreement; see — *Mortgage Purchase and Servicing Standards — Prepayments*.

In addition, lockout provisions will not apply to any mandatory full or partial prepayment of a Mortgage required by the related Mortgage documents.

A Prepayment Premium or lockout provision may or may not prevent the borrower from making a Mortgage prepayment. For information concerning how we require servicers to enforce Prepayment Premiums and lockout provisions, see — *Mortgage Purchase and Servicing Standards — Prepayments*.

We will provide information regarding any other permissible Prepayment Premium and lockout provisions in the applicable Pool Supplement.

Casualty and Condemnation

In the event of a casualty at the mortgaged property that secures the Mortgage or the taking of the mortgaged property that secures the Mortgage by exercise of the power of eminent domain or condemnation, we may, at our discretion, hold any insurance or condemnation proceeds to reimburse

the borrower for the cost of restoring the mortgaged property that secures the Mortgage or apply such proceeds to the repayment of debt. Prepayments due to casualty will not require payment of any Prepayment Premium. Prepayments due to condemnation will not require payment of any Prepayment Premium unless the Mortgage was originated after January 1, 2020 (or December 5, 2019 in the case of a mortgaged property located in King County, Washington) and either (1) such condemnation is intended to result in the continued use of the mortgaged property subject to such condemnation for residential purposes, or (2) if applicable law expressly requires or permits that the condemning authority or acquiring entity reimburse Prepayment Premiums incurred in connection with a prepayment occurring as a result of a condemnation. In the case of a condemnation under (1) or (2) above, a Prepayment Premium will be due to the extent permitted by applicable law.

Defeasance Provision

The Mortgage documents may require or permit the borrowers to defease the Mortgages, if certain conditions are met. **“Defeasance”** is the release of a mortgaged property from the lien of a Mortgage in exchange for the pledge of securities as replacement collateral. The securities typically consist of direct, non-callable and non-prepayable obligations of the United States or non-callable and non-prepayable obligations of a government-sponsored enterprise or a federal agency or instrumentality (**“Eligible Securities”**).

We will provide additional information regarding any defeasance option in the applicable Pool Supplement.

Subordinate Financing Provision

The Mortgage documents may permit the borrowers to obtain subordinate financing and use the related mortgaged properties to secure liens junior to the Mortgages, upon our consent or if certain pre-established conditions are met. See — *Mortgage Purchase and Servicing Standards — Subordinate Mortgages*.

We will provide information regarding any other permissible subordinate financing in the applicable Pool Supplement. The applicable Pool Supplement will provide limited information for subordinate financing characterized as soft pay, i.e., subordinate financing with no scheduled debt service payable during the term of the Mortgage or with debt service payable only from available cash flow.

Substitution Provision

The Mortgage documents may permit the borrowers to substitute all or a portion of the related mortgaged properties with one or more comparable multifamily properties, if certain conditions are met. Certain Mortgages also permit the borrowers to substitute all or a portion of the related mortgaged properties with Eligible Securities or other non-real estate instruments under limited circumstances.

We will provide additional information regarding any substitution option in the applicable Pool Supplement.

Green Improvements

Certain Mortgages may be underwritten in accordance with Freddie Mac’s Green Up® or Green Up Plus® programs and will be identified as “Green Advantage” in the applicable Pool Supplement. If identified as such, it means such Mortgage was underwritten assuming that the related borrower will

make certain energy and/or water/sewer improvements to the related mortgaged property generally within 2 years after origination of the Mortgage, with the lender typically escrowing 125% of the cost to complete such capital improvements. The related originator will underwrite up to 50%, with respect to the Green Up® program, or 75%, with respect to the Green Up Plus® program, of the projected energy and/or water/sewer cost savings resulting from such improvements based on a Green Assessment or Green Assessment Plus, respectively. We cannot assure you that the related borrowers will complete any such capital improvements or realize any such projected cost savings.

Affordability Unit Counts

We may disclose in the applicable Pool Supplement for a PC Pool information regarding the affordability unit counts at the related mortgaged properties. A rent level is considered to be affordable for low income (“**LI**”) and very low income (“**VLI**”) families if it does not exceed 30% of the maximum income level of such income category, with appropriate adjustments for unit size. The maximum income levels are as follows:

- Affordable Units ($\leq 30\%$ AMI) - Units are affordable to families with incomes no greater than 30.0% of area median income in multifamily rental properties.
- Affordable VLI Units ($\leq 50\%$ AMI) - Units are affordable to families with incomes no greater than 50.0% of area median income in multifamily rental properties.
- Affordable Units ($\leq 60\%$ AMI) - Units are affordable to families with incomes no greater than 60.0% of area median income in multifamily rental properties.
- Affordable LI Units ($\leq 80\%$ AMI) - Units are affordable to families with incomes no greater than 80.0% of area median income in multifamily rental properties.
- Affordable Units (80-90% AMI) - Units are affordable to families with incomes greater than 80.0% and up to 90.0% of area median income in multifamily rental properties.
- Affordable Units (90-100% AMI) - Units are affordable to families with incomes greater than 90.0% and up to 100.0% of area median income in multifamily rental properties.
- Affordable Units (100-120% AMI) - Units are affordable to families with incomes greater than 100.0% and up to 120.0% of area median income in multifamily rental properties.

As tenant income is frequently unknown, we rely on rent as reflected in the most recent rent rolls available as a proxy to determine affordability pursuant to FHFA regulations (12 C.F.R. Part 1282) and area median income (“**AMI**”) is subject to changes based on FHFA’s annual Area Median Income files. The mortgaged properties may be subject to additional income and rent restrictions that are more restrictive than those set forth in the applicable Pool Supplement and could include additional income and rent restrictions in any applicable regulatory agreements.

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.

The Guide

In addition to the standards in the Freddie Mac Act, which we cannot change, we have established our own multifamily mortgage purchase standards, credit, appraisal and underwriting guidelines and servicing policies and procedures. These are in our Multifamily Seller/Servicer Guide (the “**Guide**”). The Guide also contains certain forms related to our mortgage purchases.

We may waive or modify our mortgage purchase standards and guidelines and servicing policies and procedures when we purchase any particular Mortgages. We will describe those changes in the applicable Pool Supplement if we think they will materially change the prepayment behavior of the Mortgages. We also reserve the right to change our own mortgage purchase standards, credit, appraisal, underwriting guidelines and servicing policies and procedures at any time. This means that the Mortgages in any PC Pool may not conform at any particular time to all of the provisions of the Guide, our mortgage purchase documents or this Offering Circular.

We summarize below certain aspects of our Mortgage purchase and servicing guidelines. This summary, however, is qualified in its entirety by the Guide, any applicable mortgage purchase documents, any applicable servicing agreement and any applicable supplemental disclosure. You may obtain copies of the Guide from us by contacting:

Multifamily Counterparty Risk & Compliance
Freddie Mac
8100 Jones Branch Drive
McLean, Virginia 22102

Mortgage Purchase Standards

We use mortgage information submitted to us as well as information available 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:

- The loan-to-value and debt service coverage ratios of the Mortgage.
- The strength of the market in which the mortgaged property is located.
- The strength of the mortgaged property’s operations.
- The physical condition of the mortgaged property.
- The financial strength of the borrower and its principals.
- The management experience and ability of the borrower and its principals or the property manager, as applicable.
- Our evaluation of and experience with the Mortgage seller.

To the extent allowed by the Freddie Mac Act, we have discretion to determine our mortgage purchase standards and whether the Mortgages we purchase will be securitized or held in our portfolio.

Underwriting Matters

With respect to some of the Mortgages with original principal balances of \$15,000,000 or less, certain underwriting requirements set forth in the Guide may have been revised by streamlined

underwriting requirements, including but not limited to: (i) no separate zoning report was required with reliance on zoning information contained in the appraisal; (ii) no updated survey was required if the borrower satisfied certain requirements, including delivery of an existing survey; (iii) simplified special purpose entity requirements; (iv) the requirement to deliver a wood destroying organism report might have been waived in certain circumstances; and (v) if there were no recognized environmental conditions at the mortgaged property or an adjacent property, physical risk reports may have been obtained in lieu of environmental assessments or property condition reports.

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 PC 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. We approve sellers and servicers of Mortgages based on a number of factors, including their financial condition, operational capability and mortgage origination and servicing experience. The seller or servicer of a Mortgage need not be the originator of that Mortgage.

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, engineering reports and environmental reports.
- The validity of each Mortgage as a first or junior 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 accuracy of rent schedules.
- The originator's compliance with applicable state and federal laws.

Mortgage Servicing Policies and Procedures

As Administrator, we generally supervise servicing of the Mortgages according to the policies and procedures in the Guide and in accordance with the Trust Agreement. Each servicer is required to perform all services and duties customary to the servicing of multifamily mortgages either directly or through approved subservicers. These responsibilities include:

- Collecting and posting payments on the Mortgages.
- Investigating delinquencies and defaults.
- Analyzing and recommending any special borrower requests, such as requests for assumptions, subordinate financing and partial release.
- Submitting monthly electronic remittance reports and periodic financial statements obtained from borrowers.
- Administering escrow accounts.
- Inspecting properties.

- Responding to inquiries of mortgagors or government authorities.
- Administering insurance claims.

Servicers service the Mortgages, either directly or through approved subservicers, and receive fees for their services. 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 of PCs.

Prepayments

Unless we waive a borrower's requirement to pay a Prepayment Premium, we generally require the servicer to enforce any lockout provisions and to collect any Prepayment Premiums on each Mortgage in the same manner as we enforce lockout periods and collect Prepayment Premiums on comparable multifamily mortgages in our own portfolio. However, certain states limit the amounts that a lender may collect from a borrower as an additional charge if a mortgage is prepaid, and the enforceability of prepayment premium provisions upon a prepayment is unclear under the laws of many states. In addition, we may waive the collection of Prepayment Premiums or the enforcement of lockout provisions for various reasons, including:

- Efforts to resolve existing or impending defaults or litigation.
- When the benefits resulting from prepayment protection are likely to be substantially offset by the cost or result of enforcement or the loss of a favorable business opportunity.

Subordinate Mortgages

We may purchase junior lien mortgages on the same properties on which we have purchased first lien Mortgages that we have securitized. A subordinate mortgage will be cross-defaulted with the corresponding first lien Mortgage. Therefore, an event of default under the subordinate mortgage would also be an event of default under the corresponding first lien Mortgage, and as Administrator we may accelerate and foreclose upon such Mortgage. We will resolve any existing or impending delinquency or other default on a subordinate mortgage in the same manner as we would resolve it on the corresponding first lien Mortgage.

Mortgage Repurchases

As Administrator, we will repurchase a Mortgage from a PC Pool, if:

- The Mortgage has been delinquent for 24 months.
- A foreclosure sale occurs.
- The Mortgage has been converted to an REO (real estate owned) property.

As Administrator, we also will repurchase a Mortgage from a PC Pool or (within two years of the issuance of the related PCs) substitute for any Mortgage in a PC Pool a Mortgage of comparable type, unpaid principal balance, remaining term and yield, if:

- A court of competent jurisdiction or a federal government agency duly authorized to oversee or regulate Freddie Mac's mortgage purchase business determines that Freddie Mac's purchase of such Mortgage was unauthorized and Freddie Mac determines that a cure is not practicable without unreasonable effort or expense.

- Such court or government agency requires repurchase of such Mortgage to comply with applicable law.

As Administrator, we may repurchase a Mortgage from a PC Pool, or require or permit a seller or servicer of a Mortgage to repurchase a Mortgage, if a repurchase is necessary or desirable to:

- Modify the rate, maturity date, amortization or other term of the Mortgage or to refinance the Mortgage.
- Maintain servicing of the Mortgage in accordance with the provisions of the Guide.
- Maintain the status of the PC Pool as a grantor trust for federal income tax purposes or, to the extent not inconsistent with this bullet point, to maintain the REMIC status of any assets of a PC Pool with respect to which a REMIC election is made.

As Administrator, we may repurchase a Mortgage from a PC Pool, or require or permit the seller or servicer of a Mortgage to repurchase the Mortgage, or (within six months of the issuance of the related PCs) substitute for the Mortgage a Mortgage of comparable type, unpaid principal balance, remaining term and yield, if there is:

- A material breach of warranty by the Mortgage seller or servicer.
- A material defect in documentation as to such Mortgage.
- A failure by a seller or servicer to comply with any requirements or terms set forth in the Guide and, if applicable, other purchase documents.

As Guarantor, we may repurchase a Mortgage from a PC Pool in connection with a payment, or anticipated payment, on our guarantee, including if we make payments under our guarantee of full and final payment of principal.

As Guarantor, we may repurchase a Mortgage from a PC Pool, or require or permit the seller or servicer to repurchase a Mortgage, if:

- The Mortgage is in default or imminent default by the borrower.
- A bankruptcy court approves a plan that materially affects the terms of the Mortgage or authorizes a transfer or substitution of the underlying property.
- The property is condemned or suffers an insured casualty loss.

In determining whether a Mortgage should be repurchased, we consider various factors, including whether the repurchase will reduce our administrative costs (in the case of the Administrator) or our possible exposure under our guarantee (in the case of the Guarantor) and our statutory and other legal obligations.

We will treat the proceeds of any repurchase in the same manner as if a prepayment of the Mortgage had occurred. However, no Prepayment Premium will be payable in the event of such prepayment.

Borrower Assistance Measures and Related Programs

In connection with the occurrence of a natural disaster, pandemic or other catastrophic event that adversely affects the borrowers, the mortgaged properties, general economic conditions or financial markets, Freddie Mac may from time to time issue guidance to provide temporary relief in the form of limited forbearance to borrowers whose mortgaged properties or operations are affected by such event.

Borrowers that obtain forbearance may be unable to resume making payments on their Mortgages at the end of the forbearance period, which could increase the likelihood of our repurchase of such Mortgages from the related PC Pool. The terms of any such relief will be set forth in written announcements by Freddie Mac and will specify the relief available.

Future legislation or administrative or executive action may require Freddie Mac to provide forms of temporary relief or forbearance to borrowers, including those whose mortgaged properties or related operations are affected by a natural disaster and other catastrophic events. In addition, other government measures, such as, for example, an order temporarily halting residential evictions or emergency measures of state or local jurisdictions to protect tenants or borrowers, may be implemented in the future. These measures may take various forms, such as forbearance protections for borrowers or restrictions on or suspensions of tenant evictions. Forbearance protections for borrowers or any other of those measures may adversely impact or delay the borrowers' ability to make timely payments on the Mortgages, cash flow from or operations at the related mortgaged properties, or our ability to exercise our remedies upon default of a Mortgage.

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 or a forbearance period during which regular Mortgage payments may be reduced or suspended.
- Approve a modification of certain terms of the Mortgage if we determine that the borrower would be able to make all payments under the modified Mortgage terms.
- Pursue a refinancing of the Mortgage or a pre-foreclosure contract for sale of the underlying property.
- 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 PC Pool under our guarantees. Repurchasing a Mortgage from its PC Pool has the same effect on Holders as a prepayment. If we determine not to repurchase the Mortgage from its PC Pool, the measures we take may affect the timing of payments of principal to Holders of Floating-Rate or Hybrid (ARM) PCs.

As Administrator, we generally demand accelerated payment of principal and initiate foreclosure proceedings with respect to a Mortgage. 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.

The bankruptcy of a borrower on a Mortgage may differ significantly from the bankruptcy of a borrower on a single family mortgage. The underlying multifamily property may be the sole asset of the borrower, if other than an individual. A borrower may commence bankruptcy proceedings involving a multifamily property, for example, when the property value decreases or when the revenues from the property become insufficient to pay debt service and operating expenses.

Sometimes the unpaid principal balance of a Mortgage exceeds the current value of the 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.

Prepayment Premium and lockout provisions in a Mortgage will not apply to our decision to treat the unsecured portion of a Mortgage as a partial prepayment.

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

Transfer and Assumption Policies

The Mortgage documents may allow a new borrower to assume a Mortgage if there is a transfer of the related property, or any interest therein, or a transfer of any material interest in the borrower. The Mortgages, however, may allow certain transfers and assumptions only upon our consent. In this case, as Administrator, we will consider factors such as the creditworthiness and management ability of the new borrower and the physical and financial condition of the property in determining whether a Mortgage can be assumed.

The Mortgage may remain in its PC Pool if it is assumed. If we remove the Mortgage from its PC Pool, it will result in a prepayment to Holders.

Fees

We or servicers generally retain fees paid by borrowers, such as late payment fees and review and transfer charges on assumptions. These fees are not passed through to Holders and are treated as additional compensation for services that we and the servicer provide. However, any Prepayment Premiums collected on the Mortgages will be passed through to Holders, if so provided in the related Pool Supplement.

DESCRIPTION OF THE PCs

General

We issue two types of PCs — Fixed-Rate PCs and Floating-Rate or Hybrid (ARM) PCs. Both Fixed-Rate PCs and Floating-Rate or Hybrid (ARM) PCs 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.

Each PC represents an undivided beneficial ownership interest in the Mortgage or Mortgages contained in its related PC Pool. Once we have deposited an identified Mortgage in a PC Pool, the Mortgage remains in that PC Pool unless it is paid in full, foreclosed upon, repurchased or replaced by a substitute Mortgage. The rate of interest payable to us on the Mortgages in a PC Pool will equal or

exceed the PC Coupon of the related PCs, and we retain any difference as compensation for administering the PC Pool and guaranteeing payments on the related PCs. The excess of the interest payable by the borrower on a Mortgage above the interest the servicer remits to us may be retained by the servicer as compensation for servicing the Mortgage or by the seller of the Mortgages as additional compensation.

As Administrator, Freddie Mac assigns a six-character, unique numeric or alphanumeric designation, or “**PC Pool Number**,” to each PC Pool. Also as Administrator, Freddie Mac assigns a two-character “**Prefix**” to each Pool. The Prefix indicates some basic information about the PC Pool, such as the general type of Mortgages within the PC 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.

As described in *Certain Federal Income Tax Consequences*, we will make elections to treat certain beneficial interests in Mortgages in PC Pools as part of a REMIC.

Pooling Criteria for PC Pools

Some of our general pooling practices for Fixed-Rate PC Pools or Floating-Rate or Hybrid (ARM) PC Pools are summarized below. Our pooling practices are subject to change. We may also grant exceptions in our sole discretion. If we apply any other criteria to a specific PC Pool, we will describe those differences in a Pool Supplement.

Generally, we pool fixed-rate Mortgages separately from ARMs. If we pool fixed-rate Mortgages and ARMs in a specific PC Pool, we will provide additional information in the related Pool Supplement. We pool first lien Mortgages separately from junior lien Mortgages.

We may also limit the range of Mortgage Coupons in a PC Pool. For example, in the case of a Floating-Rate or Hybrid (ARM) PC Pool, at the time we form a PC Pool, the lowest and highest fixed margin must be within a range not exceeding 200 basis points.

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 PC Pool. A “**Pool Factor**” is an exact decimal rounded to eight places which, when multiplied by the original principal amount of a PC, will equal the remaining principal amount of the PC. 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 PC 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 PCs based on their applicable Pool Factors.

Use of Factors

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

We have the right to make payments on any PC based on its applicable Pool Factors.

Monthly Reporting Periods

Each month, servicers report payments to us on the Mortgages in a PC 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 PCs as provided in the Trust Agreement. We also have the right to modify our procedures for passing through full or partial prepayments to Holders. For example, we may include, as part of the aggregate principal payment for each month, prepayments reported to us after the end of the related Monthly Reporting Period and before the publication of the applicable Pool Factor. In that case, the applicable Pool Factor would reflect any of these prepayments.

Payment Dates

As Administrator, we make payments to the Holders of PCs 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 Banks (or other agent acting as our fiscal agent) are closed.

Payments of Principal

General

We pay principal, if any, to the Holders of PCs on each applicable Payment Date. The principal balance of a PC 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 Fixed-Rate PCs

The aggregate principal payment in any month on any Fixed-Rate PC reflects:

- The scheduled principal payments due on the Mortgages in the related PC 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 such prepayments and principal reported on the first Business Day of the calendar month following such Monthly Reporting Period.

- Any adjustments necessary to reconcile the principal balance of the PC 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 principal balance of each Mortgage in the PC Pool (adjusted for any prepayments and any principal amounts previously passed through pursuant to our guarantee).
- The Mortgage Coupon of each Mortgage and the scheduled monthly principal and interest payment applicable to that Mortgage at the time of formation of the PC Pool.

Our calculation of scheduled principal may not reflect actual payments on the Mortgages. We will account for any differences as soon as practicable by adjusting subsequent Pool Factors.

Calculation of Principal Payments for Floating-Rate or Hybrid (ARM) PCs

The principal payment in any month on a Floating-Rate or Hybrid (ARM) PC reflects any principal payments on the related Mortgages, including scheduled principal payments and prepayments, reported by servicers for the Monthly Reporting Period that ended in the preceding month. We do not calculate principal payments for Floating-Rate or Hybrid (ARM) PCs in the absence of reports from servicers, nor do we adjust the related Pool Factor. Rather, we reconcile any differences between actual payments on the Mortgages and principal payments on the Floating-Rate or Hybrid (ARM) PCs as soon as practicable by adjusting subsequent Pool Factors.

Payments of Interest

General

Interest will accrue on each PC during each Accrual Period at the applicable PC Coupon. In the case of a Fixed-Rate PC, the PC Coupon is set at the time of issuance and does not change. In the case of a Floating-Rate or Hybrid (ARM) PC, the PC Coupon adjusts periodically based on the weighted average of the interest rates of the underlying ARMs.

Unless otherwise stated in the related Pool Supplement, we compute interest on a 30/360 Basis, whether or not interest on the underlying Mortgages is payable on a 30/360 Basis. If interest on the underlying Mortgages is payable on an Actual/360 Basis, we will adjust the interest allocation for each monthly Mortgage payment using the formula set forth below in order to conform the interest allocation on the Mortgages as closely as practicable to interest payments on the PCs.

The conversion is done by multiplying the PC Coupon by: (1) for payment months with 31 days, 1.0333333; (2) for payment months with 30 days, 1.0000000; (3) for payment months with 29 days, 0.9666667; or (4) for payment months with 28 days, 0.9333333. The conversion to a 30/360 basis may result in a minor variation in the effective PC Coupon in months with other than 30 days. Any difference resulting from this adjustment will be minimal. Absent clear error, our adjustment to the interest allocation will be final and binding.

Interest accrues on the principal amount of a PC 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.

Calculation of Floating-Rate or Hybrid (ARM) PC Coupon

The PC Coupon of a Floating-Rate or Hybrid (ARM) PC adjusts as of the first day of each Accrual Period and equals the weighted average of the underlying Mortgage Coupons, less the servicing fee, the administration and guarantee fee and any amounts retained by the seller or servicer as additional compensation, as such, there is no minimum or maximum PC Coupon, although each related Mortgage may have a minimum or maximum Mortgage Coupon. The PC Coupon of a Floating-Rate or Hybrid (ARM) PC is an exact decimal truncated to three places. It is recalculated monthly to reflect changes in the unpaid principal balance of the related Mortgages and adjustments to the Mortgage Coupons of the related Mortgages, unless otherwise provided in the applicable Pool Supplement. *Appendix II* shows the Indices most often used to adjust ARMs and Floating-Rate or Hybrid (ARM) PCs.

There is no limit on the amount of permissible monthly adjustments to the PC Coupons on Floating-Rate or Hybrid (ARM) PCs, although the related Mortgages may have an adjustment cap that limits the permissible amount that the Mortgage Coupon may adjust on its regular adjustment date. The Mortgage Coupons of each of the Mortgages in a PC Pool may have regular adjustment dates, each in a different month, and accordingly some, all or none of the Mortgages in a PC Pool may adjust on a given date. As a result, the PC Coupon of a Floating-Rate or Hybrid (ARM) PC may not fully reflect recent changes in the value of a specified Index. In addition, disproportionate principal payments on the underlying Mortgages will affect the PC Coupon of a Floating-Rate or Hybrid (ARM) PC. The applicable Pool Supplement will specify any applicable limits on the permissible adjustments to the Mortgage Coupons on the Mortgages comprising a Floating-Rate or Hybrid (ARM) PC Pool.

Absent clear error, our determination of the applicable levels of SOFR and any other applicable indices and our calculation of the PC Coupon for the applicable Floating-Rate and Hybrid (ARM) PCs for each Accrual Period will be final and binding. You can get the PC Coupons for Floating-Rate or Hybrid (ARM) PCs for the current Accrual Period from our website or from our Investor Inquiry Department. Our methods for determining SOFR and any other applicable indices are subject to modification as necessary to reflect technological and market changes.

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 PC 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 PC will be made on a regular Payment Date, not on the first day of a month. The final payment on any PC could occur significantly earlier than the month of its Final Payment Date.

Guarantees

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

- The timely payment of interest at the applicable PC Coupon.

- In the case of Fixed-Rate PCs only, 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.

We do not guarantee the payment of any Prepayment Premiums on the Mortgages.

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

PC Pool Expenses

Generally, as Administrator, we do not seek reimbursement from a PC Pool for any expenses we may incur in connection with that PC Pool. However, certain amounts expended by us, as Administrator, or a servicer for the protection, preservation or maintenance of Mortgages or related property may be borne on a pro rata basis by the Holders of the related PCs. 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 PCs.

Compensation of Servicers and Freddie Mac

We or our servicers generally retain payments of interest on Mortgages in a PC Pool that exceed the PC Coupon for that PC Pool, as well as certain fees and charges paid by borrowers, such as late payment fees and review and transfer charges on assumptions. These amounts are not passed through to Holders. The amounts we retain are treated as administration fees or 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 PC Pool when it is formed. The Pool Supplement identifies on a pool-level basis the features of the Mortgages in the related PC Pool and sets forth data concerning that PC Pool.

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 PC Pool it describes. We may change our practices relating to Pool Supplements at any time.

Form of PCs, Holders and Payment Procedures

Form

PCs are issued, held and transferable only on the book-entry system of the Federal Reserve Banks. This means PCs 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 PCs. Holders' individual accounts are governed by operating circulars and letters of the Federal Reserve Banks.

Each issue of PCs 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 PCs on the books and records of the Federal Reserve Banks’ book-entry system.

Holders

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

The Federal Reserve Banks and we may treat the Holder as the absolute owner of a PC 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 PCs.

Denominations

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

Payment Procedures

Federal Reserve Banks credit payments on PCs to the appropriate Holders’ accounts. Each Holder and each other financial intermediary will be responsible for remitting payments to the beneficial owners of the PCs 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 PCs 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 or the repurchase of Mortgages from a PC Pool.

Unless otherwise specified in the applicable Pool Supplement, the Mortgages may be voluntarily prepaid in full at any time, subject to any applicable Prepayment Premiums, lockout periods or Defeasance provisions. In addition, certain Mortgages may have performance escrows, letters of credit or guarantees pursuant to which the funds held in escrow or the proceeds of such letters of credit or guarantees may be applied to reduce the outstanding principal balance of such Mortgages if certain performance triggers are not satisfied. This circumstance would have the same effect on the PCs as a partial prepayment on such Mortgages, in some cases without payment of a Prepayment Premium. See *Risk Factors — Prepayment and Yield Factors*.

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 age, principal amount, geographic distribution and payment terms of the Mortgages.
- The remaining depreciable lives of the underlying properties.
- The physical condition of the underlying properties (including the presence of any hazardous substances or other environmental problems).
- Any applicable tax laws (including depreciation benefits) in effect from time to time.
- Characteristics of the borrowers (such as credit status and management ability) and their equity positions in the underlying properties.
- Any partial or full guarantees by borrower affiliates.
- Changes in local industry and population migration and relocation as they affect the supply and demand for rental units and rent levels.
- Prevailing rent levels (as may be limited by any applicable rent control or stabilization laws) affecting cash flows from the underlying properties.
- Levels of current mortgage interest rates and borrower refinancing activities.
- Activity of lenders in soliciting refinancing, including refinancing without significant transaction costs by the borrower.
- Attractiveness of other investment alternatives.
- The existence of Prepayment Premiums or lockout provisions.
- Certain state laws limiting the enforceability of lockout periods and the collection of Prepayment Premiums.
- In the case of ARMs, fluctuations in the reference Index values and the extent of periodic adjustments to the Mortgage Coupon.
- Repurchases of Mortgages from PC Pools due to breaches of representations and warranties by sellers of the Mortgages.
- Repurchases of Mortgages from PC Pools when the terms of those Mortgages are modified as a result of default or imminent default by the borrower.

- The size of the PC Pool; the prepayment behavior of relatively small PC Pools is likely to be less consistent and less predictable than the prepayment behavior of larger PC Pools.
- The rate of defaults and resulting repurchases of the Mortgages in a PC Pool. Defaults may increase during periods, or due to the occurrence, of economic difficulty, higher unemployment, 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 or increased use of secondary financing or as a result of other factors that decrease borrowers' equity. 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 PC Pool, which would have the same effect on the Holder as a prepayment of the Mortgage.

The characteristics of particular Mortgages may also influence their prepayment rates. For example, ARMs tend to have higher default rates than fixed-rate Mortgages. Also, 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, junior lien mortgages may be more sensitive than first lien Mortgages to the general cost of credit to borrowers.

The rate of defaults and resulting repurchases of the Mortgages in a PC Pool will also affect the prepayment behavior of that PC Pool. Defaults may increase if the Mortgages in a PC Pool are cross-collateralized and cross-defaulted, during periods of declining property values or as a result of other factors that decrease borrowers' equity.

In addition, mortgage servicing decisions, including seeking alternatives to foreclosure, may impact the prepayment behavior of particular PC Pools. In approving alternatives to foreclosure and in determining whether or when Mortgages will be repurchased from a PC Pool, we consider several factors. See *Description of the Mortgages — Mortgage Purchase and Servicing Standards — Defaults and Delinquencies*.

The factors affecting the prepayment behavior of the Mortgages differ in certain respects from those affecting the prepayment behavior of single family mortgages. A borrower typically views multifamily properties solely as an investment and, therefore, economic rather than personal considerations primarily will affect the prepayment behavior of the Mortgages. Also, individual Mortgage amounts often are large and one Mortgage is likely to comprise a larger portion of the PC Pool than would be the case with a pool of single family mortgages. Therefore, principal prepayments may significantly affect the yield on the PCs. Similarly, the prepayment behavior of a PC Pool containing only one or a small number of Mortgages is likely to be more volatile than the prepayment behavior of a PC Pool containing a large number of Mortgages, because a prepayment on a single Mortgage may result in the payment to Holders of all or a substantial portion of the principal amount of the PC Pool.

We make no representation regarding the likely prepayment experience of the Mortgages underlying any PC, 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. For example, although we may expect Mortgages with higher Prepayment Premiums to prepay less frequently than Mortgages with lower or no Prepayment Premiums. Prepayment Premium provisions may or may not effectively deter prepayments. Similarly, lockout provisions may or may not prevent prepayments.

We will pass through to Holders a portion of any Prepayment Premiums collected from borrowers during the applicable yield maintenance period, subject to the limitations set forth below in the next paragraph. During any static prepayment premium period, including after the end of any yield maintenance period, we will retain a portion of any Prepayment Premium collected from the borrower equal to 1% of the principal balance of the Mortgage being prepaid, after which we will pass through to Holders the remaining portion of the Prepayment Premium collected from the borrower, if any. If we permit borrowers to pay a reduced Prepayment Premium, a Holder's portion of the Prepayment Premium will not be negatively impacted.

The portion of any Prepayment Premium collected from a borrower during the applicable yield maintenance period with respect to a Mortgage that we will pass through to Holders will be equal to the greater of: (1) zero; and (2) the product of (a) the amount of principal of such Mortgage being prepaid or accelerated, (b) the excess, if any, of one-twelfth of the related PC Coupon over an assumed reinvestment rate, and (c) a factor that discounts to present value the costs resulting to the lender from the difference in interest rates during the months remaining in the yield maintenance period. Generally, the assumed reinvestment rate is equal to one-twelfth of the yield rate of the Treasury security specified in the related Mortgage documents as reported on the Treasury website five business days before the prepayment date, expressed as a decimal calculated to two decimal places.

Yields

General

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

- The price you paid for the PCs.
- The PC Coupon for your PCs.
- The rate of principal prepayments on the underlying Mortgages.
- The actual characteristics of the underlying Mortgages.
- The payment delay of your PCs.
- In the case of Floating-Rate or Hybrid (ARM) PCs, the values of the applicable Index.
- In the case of Floating-Rate or Hybrid (ARM) PCs, the effect of any periodic interest rate and payment adjustments (and any minimum or maximum Mortgage Coupons) on the underlying ARMs.
- Whether Prepayment Premiums are passed through to investors.

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

- If you purchase a PC 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 PC 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. As a result, 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 PC is not likely to be 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.

Yields of Floating-Rate or Hybrid (ARM) PCs

If you invest in Floating-Rate or Hybrid (ARM) PCs, you should consider the following additional risks:

- If the Index levels used to adjust the interest rates of underlying ARMs are lower than you expect, the yield on your investment could be lower than you expect.
- PC Coupons for Floating-Rate or Hybrid (ARM) PCs generally adjust monthly based on a weighted average of the interest rates on the underlying Mortgages. Several factors will affect these PC Coupons:
 - Disproportionate principal payments, including prepayments, on the underlying Mortgages that have relatively low and high interest rates compared to the other Mortgages in the same pool will affect the level of the PC Coupon for the related Floating-Rate or Hybrid (ARM) PCs, even if the interest rates on the remaining Mortgages do not change.
 - The PC Coupon on your Floating-Rate or Hybrid (ARM) PCs may not fully reflect current interest rates or Index values because the underlying Mortgage interest rates may adjust on various dates and at various intervals and typically adjust less frequently than monthly. Moreover, the interest rates of the underlying Mortgages typically adjust based on the Index value published some time before such adjustment (the lookback period), and there may be a gap of several months from the publication of an applicable Index value until the PC Coupon reflects the adjusted value.
 - Although there are generally no limits on the monthly PC Coupon adjustments for Floating-Rate or Hybrid (ARM) PCs, interest rates on the underlying ARMs may be subject to adjustment caps and lifetime floors or caps. As a result of these limitations, the PC Coupon on a Floating-Rate or Hybrid (ARM) PC at any time may not reflect the applicable Index value or changes in that value from period to period.
- When mortgage interest rates are generally low, which usually results in faster prepayments, the applicable Index value may be relatively high. On the other hand, when mortgage interest rates are generally high, which usually results in slower prepayments, the applicable Index value could be relatively low. Either of these scenarios could result in a lower than expected yield on the Floating-Rate or Hybrid (ARM) PCs. In addition, depending on how frequently the underlying ARMs adjust and the existence of any

adjustment caps, in an increasing interest rate environment, the rate of default could increase, which could reduce the yield on your Floating-Rate or Hybrid (ARM) PCs.

- The value of an Index will generally change from time to time. Even if the average value of an Index is consistent with your expectations, the timing of any changes in that value may affect your actual yield. In general, the earlier a change in the value of the applicable Index, the greater the effect on your yield. As a result, a negative effect on your yield produced by an Index value that is higher (or lower) than you expect early in your investment is not likely to be fully offset by an equivalent reduction (or increase) in that value in later periods.
- If the Index values used to adjust the interest rates of underlying ARMs are lower than you expect, the yield on your investment could be lower than you expect, especially if prepayments are slow. Even if the Index value is higher than you expect, but prepayments are fast, your yield could be lower than you expect.

Payment Delay

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

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

Suitability

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

- PCs 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 PCs after their initial issuance. Even if a market develops, it may not continue. As a result, you may not be able to sell your PCs easily or at prices that will allow you to realize your desired yield.
- The market values of your PCs 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 PCs in the future. Illiquidity can have a severely negative impact on the prices of PCs, especially those that are particularly sensitive to prepayment or interest rate risk.
- PCs are complex securities. Before investing in a PC, 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 PCs that may result from your particular circumstances, nor does it project how PCs will perform under all possible interest rate and economic scenarios. You should purchase PCs 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 PCs.

THE TRUST AGREEMENT

Under the Multifamily PC Master Trust Agreement dated as of May 3, 2021, as amended from time to time, as Depositor, we will transfer and deposit Mortgages that we have acquired into various trust funds. As Administrator, we create and issue PCs 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 our Investor Inquiry Department as shown on page 5. Your receipt and acceptance of a PC, without any signature or other indication of assent, constitutes your unconditional acceptance of all the terms of the Trust Agreement.

Transfer of Mortgages to PC Pool

The Mortgage or Mortgages deposited in each PC Pool will be identified to that PC 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 PC Pool and the Holders of the related PCs, subject to policies and procedures that we may adopt, modify and waive from time to time.

Following the assignment of Mortgages to a PC 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 PC 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. See *Certain Federal Income Tax Consequences — Tax Status*.

Repurchase and Substitution of Mortgages

Once we have deposited identified Mortgages in a PC Pool, Mortgages will not be removed from or added to that PC Pool unless there is a repurchase or substitution in one of the situations described below. We will make any repurchase or substitution in accordance with applicable laws in effect at the time of repurchase or substitution. Each repurchase will be treated as a prepayment in full of the Mortgage being repurchased and the entire remaining principal amount of that Mortgage will be passed through to Holders of the related PCs on the appropriate Payment Date. Substitutions of Mortgages rarely occur.

Repurchases or substitutions may occur under the situation set forth under *Description of the Mortgages — Mortgage Purchase and Servicing Standards — Mortgage Repurchases*.

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 the Administrator. The Administrator's or the Guarantor's repurchase of any Mortgage will be at its then unpaid principal

balance, less any outstanding advances of principal on the Mortgage that the Administrator 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 PC 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 of PCs. 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 PC Pools and for other Freddie Mac mortgage securities (and temporarily with other collections on Mortgages) and are not separated on a PC Pool by PC 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 PC Pool for actions we take in our capacity as Trustee in connection with the administration of that PC Pool. Officers, directors, employees and agents of the Trustee are also indemnified by each PC Pool with respect to that PC 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 PC 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, in any material way 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 PC 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 PC Pool may remove us as Administrator and nominate a successor as to that PC Pool. That nominee will replace us as Administrator unless we object within ten days after the nomination. In that event, either we or anyone who has been a bona fide Holder of an affected PC 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 PC Pool. In that case, we can be removed and replaced by a successor trustee as to an affected PC Pool by Holders owning a majority of the voting rights of that PC Pool.

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

The rights provided to PC 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, PC Holders have the right to replace Freddie Mac as Trustee and Administrator if the requisite percentage of PC Holders consent. The Reform Act prevents PC 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, PC 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 PCs 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 PC has any right to vote or to otherwise control in any manner the management and operation of any PC Pool. In addition, Holders of PCs may institute legal actions and proceedings with respect to the Trust Agreement, the Mortgages or the PCs 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 PC 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 PC 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 PC 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 PCs, 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 PCs, 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 PCs 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 PC 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.

We have no “clean-up call” option to redeem or terminate a PC based on its unpaid principal balance falling below a prescribed level.

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 PC 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 the Holders in accordance with their interests in the relevant Mortgages.

Freddie Mac may acquire PCs. Except as described under *Rights Upon Event of Default* and *Control by Holders and Voting Rights* above, PCs we hold will be treated the same as PCs 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 PCs 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 PC 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 PCs 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 PC Holders. For example, we may repurchase, or direct sellers or servicers to repurchase, Mortgages from PC 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 PCs. We have established an internal office of the Trustee to assist in our performance of our role as Trustee. Individual members of the office of the Trustee may act in multiple roles within Freddie Mac, and, in certain limited circumstances, such individuals may have a potential conflict of interest between performing their responsibilities on behalf of the Trustee and performing their responsibilities in other roles at Freddie Mac. See *Description of the Mortgages — Mortgage Purchase and Servicing Standards — Mortgage Repurchases*.

For a discussion concerning certain operational risks, see *Risk Factors — Operational Risks*.

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.

Credit Risk Retention

Freddie Mac, as the sponsor of the securitizations in which the PCs are to be issued, will satisfy its credit risk retention requirement under the Credit Risk Retention Rule of the FHFA 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 PCs. For information on risk retention requirements under the EU Securitization Regulation and the UK Securitization Framework, see *EU Securitization Regulation and UK Securitization Framework*.

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 PCs. 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 PCs 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 PCs or income on them from taxation by any state, any United States possession or any local taxing authority.

We expect that certain PCs, to the extent indicated in the applicable Pool Supplement, 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. Such elections will not alter the treatment of the PC Pools as grantor trusts for federal income tax purposes.

Tax Status

Each PC 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 PC, you will be treated for federal income tax purposes as the owner of a pro rata undivided interest in Mortgages.

If you own PCs, you must report on your federal income tax return your pro rata share of the entire income from the Mortgages in the related PC 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 PCs, you will be required to account for such Mortgages under the accrual method of accounting.

You generally will be able to deduct, under Section 162 or 212 of the Code, your pro rata share of servicers' fees or any of our management and guarantee fees, including incidental fees paid by the borrowers and retained by the servicer or us and all administrative and other expenses of the PC Pool, in accordance with your method of accounting. Miscellaneous itemized deductions described in Section 67 of the Code, previously available to investors who are individuals, estates or trusts (subject to certain limitations), are not deductible for taxable years beginning before January 1, 2026, and continue to not be deductible for computing alternative minimum tax liability. Accordingly, such investors may have taxable income in excess of the cash received with respect to their PCs. If you are an individual, estate or trust, you should consult your tax advisor regarding the limitations on the deductibility of such items.

Unless otherwise disclosed in the applicable Pool Supplement, PCs 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 PCs 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.

Unless otherwise disclosed in the applicable Pool Supplement, PCs may not constitute "loans. . . secured by an interest in real property which is. . . residential real property" within the meaning of Section 7701(a)(19)(C)(v) of the Code for purposes of determining whether an institution qualifies as a "domestic building and loan association." PCs qualify for such treatment in their entirety only if the planned residential use with respect to the property securing the Mortgage exceeds 80 percent of the property's planned use (determined as of the time the Mortgage was created). According to the legislative history to this provision, Congress intended that this determination be based on the usable space in the building. Even if the property securing the Mortgage does not meet this test, counsel is of the opinion that, based on authority addressing analogous circumstances, the PCs will be treated as "obligations of a corporation which is an instrumentality of the United States" within the meaning of Section 7701(a)(19)(C)(ii) of the Code. Thus, the PCs 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 a loan-to-value ("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.” A Mortgage that has been modified as a result of default or a reasonably foreseeable default 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 PCs to a REMIC.

Discount and Premium

If you purchase a PC, 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 PC 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 PC, 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 PCs or otherwise affect the tax accounting for your PCs.

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 PC 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 PC pursuant to Sections 1271-1273 and 1275 of the Code. Original issue discount may arise as a result of initial incentive or “teaser” interest rates on ARMs or points charged at origination. 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.

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 includable 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 consent of the Internal Revenue Service (the “**Service**”). 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*.

Prepayment Premiums

You should consult your own tax advisors regarding the tax treatment of Prepayment Premiums.

Sale or Exchange of a PC

If you sell a PC, you will recognize gain or loss equal to the difference between your adjusted tax basis in the PC 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 PC will equal what you paid for the PC, plus the amount of any discount income you previously reported on the PC, less the amount of any premium you previously offset against interest income on the PC and the amount of any principal payments you received on the PC.

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 PC as a capital asset. The capital gain or loss will be long-term or short-term, depending on whether you owned the PC 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 PC, 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 PCs, 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 PCs all were originated after July 18, 1984.
- The PC 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.

Regardless of the date of origination of the Mortgages, federal backup withholding tax will not apply to payments on a PC 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 PC, 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 PCs, 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 PCs 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.

STATE AND LOCAL TAX CONSIDERATIONS

Potential investors should consider the state and local income tax consequences of the acquisition, ownership, and disposition of PCs. State and local income tax law may differ substantially from the corresponding federal law. This discussion does not purport to describe any aspect of the income tax laws of any state or local taxing jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to state and local income tax considerations.

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 PC 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 PC.

Unless otherwise stated in the applicable supplement, the PCs should qualify as "guaranteed governmental mortgage pool certificates."

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 PCs.

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

Our counsel, Cadwalader, Wickersham & Taft LLP, has advised us on June 30, 2025 that, for purposes of determining whether the acquisition of 100% of any PC causes such PC to be a "qualifying interest" for purposes of Section 3(c)(5)(C) of the Investment Company Act of 1940, as amended, PCs

representing beneficial ownership of Mortgages as to which REMIC elections have been or may be made should be treated no differently than are PCs 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 in a PC Pool, an investor acquiring 100% of the applicable PC 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 the PCs, investors are encouraged to consult their own accountant for advice on the appropriate accounting treatment for their PCs.

DISTRIBUTION ARRANGEMENTS

PCs are issued through cash sales or, in some cases, in exchange for Mortgages. PCs issued through cash sales may be offered through any of the following methods:

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

We may retain or repurchase PCs for our own portfolio, and may offer or re-offer such PCs from time to time. These transactions may affect the market prices and yields of PCs.

SECONDARY MARKETS, MORTGAGE SECURITY PERFORMANCE AND MARKET SUPPORT ACTIVITIES

Certain dealers may buy, sell and make a market in PCs. The secondary market for PCs may be limited. If a dealer sells a PC, 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 and the applicable Pool Supplement.

You can obtain prices for PCs by contacting the securities dealers selling and making a market in those PCs. You can obtain a list of PC dealers by contacting Investor Inquiry as shown under *Additional Information*.

From time to time, we may undertake various activities to support our presence in the agency securities market or to support the liquidity of our PCs, including:

- Purchasing and selling agency securities, including Freddie Mac mortgage-related securities, and loans through our mortgage-related investments portfolio;

- Engaging in dollar roll transactions, which are agreements between a counterparty and us to purchase and subsequently resell (or sell and subsequently repurchase) PCs;
- Issuing securities backed by our PCs; and
- Engaging in portfolio purchase and retention activities.

Depending upon market conditions, there may be substantial variability in any period in the total amount of securities we purchase or sell. In some cases, purchasing or selling agency securities could adversely impact our security performance. While we may employ a variety of strategies in an effort to support the liquidity and price performance of our PCs and may consider additional strategies, any such strategies may fail or adversely affect our business or we may cease such activities if deemed appropriate. We may incur costs to support our presence in the agency securities market or the liquidity of our PCs, including engaging in transactions that yield less than our target rate of return. We may increase, reduce or discontinue these or other related activities at any time, which could affect our market presence or the liquidity of our PCs. See also *Risk Factors — Investment Factors — Our activities to support the liquidity and price performance of our PCs may not be successful*. The Incorporated Documents contain additional information about our security performance and market support activities.

CERTAIN RELATIONSHIPS AND TRANSACTIONS

We may have various business relationships with dealers that deal in PCs, 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 PCs 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 swap, forward, dollar roll, repurchase, reverse repurchase and other financial transactions with us, resecuritize PCs 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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INTEREST RATE INDICES

The following are the Indices most often used in the ARMs we acquire and pool. We make no representation as to the continuing availability of any Index or source of Index values.

An Index will adjust based on the most recent Index value available as of a specified date (for example, 45 days) before the effective date of the adjustment of the related ARM. The period of time between the Index adjustment date and the ARM adjustment date is sometimes referred to as the “lookback period.” For adjustment purposes, an Index value is available as of the date the information is released or publicly available.

SOFR:

For any interest accrual period, 30-Day Average SOFR as determined on the related SOFR Determination Date; *provided, however*, that, in the event SOFR with respect to any interest accrual period is less than zero, SOFR for such interest accrual period will be deemed to be zero for the PCs and the Mortgages. With respect to each SOFR Determination Date, the value of SOFR for the Mortgages will be determined by the Administrator and the value of SOFR for the PCs will be determined by the Calculation Agent. In the event of a discrepancy between the value of SOFR determined by the Calculation Agent and the value of SOFR determined by the Administrator on any SOFR Determination Date, SOFR for the interest accrual period for the Mortgages and the interest accrual period for the PCs will equal the value of SOFR determined by the Administrator.

Some ARMs may allow Freddie Mac to transition their index from SOFR to a forward-looking term rate with a tenor of approximately one calendar month based on the Secured Overnight Financing Rate that is selected or recommended by the Relevant Governmental Body if Freddie Mac determines, in its sole discretion, that such transition will be operationally, administratively and technically feasible, *provided* that such transition may occur only if it will not cause an adverse tax event. Freddie Mac will not take any steps to convert the interest rate for any ARM from a rate based on 30-Day Average SOFR to a rate based on such forward-looking term rate.

“30-Day Average SOFR” means the compounded average of the Secured Overnight Financing Rate over a rolling 30-calendar day period as such rate is currently identified on the website of the Federal Reserve Bank of New York, currently at www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index, or at such other page as may replace such page on the website of the Federal Reserve Bank of New York as “30-Day Average SOFR.”

“Adjustment Factor” means the first alternative set forth in the following order that can be determined by Freddie Mac as of the related Alternate Index Replacement Date: (a) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Alternate Index; (b) if the applicable Unadjusted Alternate Index is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or (c) the spread adjustment (which may be a positive or negative value or zero) that has been selected by Freddie Mac giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of SOFR with the applicable Unadjusted Alternate Index for U.S. dollar-denominated floating rate securities at such time. In determining the Adjustment Factor, Freddie Mac will take into consideration the methods generally

accepted by the commercial real estate finance industry or the International Swaps and Derivatives Association for calculating an adjustment factor. The Adjustment Factor may be positive, negative or zero. For the avoidance of doubt, the Adjustment Factor will not be re-determined or re-designated unless another Loan Index Conversion Event with respect to any Mortgages subsequently occurs.

“Alternate Index” means the first alternative set forth in the following order that can be determined by Freddie Mac as of the related Alternate Index Replacement Date: (i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Index and (b) the related Adjustment Factor; (ii) the sum of: (a) the ISDA Fallback Rate and (b) the related Adjustment Factor; or (iii) the sum of: (a) the alternate rate of interest that has been selected by Freddie Mac as the replacement for SOFR giving due consideration to any industry-accepted rate of interest as a replacement for SOFR for U.S. dollar-denominated floating rate securities at such time and (b) the related Adjustment Factor. In the event the Alternate Index for any Mortgage that has a SOFR-based floating mortgage interest rate with respect to any interest accrual period is less than zero, the Alternate Index for the Mortgages for such interest accrual period will be deemed to be zero.

Once the Index has been replaced with an Alternate Index, an Alternate Index will not again be determined or designated unless another Loan Index Conversion Event subsequently occurs.

“Alternate Index Conforming Changes” means, with respect to the conversion to, or the adoption of, an Alternate Index, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and other administrative matters) that Freddie Mac decides may be appropriate to reflect the conversion to, or the adoption of, an Alternate Index in a manner substantially consistent with market practice (or, if Freddie Mac decides that adoption of any portion of such market practice is not administratively or operationally feasible or if Freddie Mac determines that no market practice exists for the conversion to, or the adoption of, an Alternate Index, in such other manner as Freddie Mac determines, in its reasonable discretion, is reasonably necessary and appropriate).

“Alternate Index Replacement Date” means the earliest to occur of the following events with respect to the then-current Index (including the daily published component used in the calculation thereof): (a) in the case of clause (i) or (ii) of the definition of Loan Index Conversion Event, the later of (1) the date of the public statement or publication of information referenced therein and (2) the date on which the administrator of SOFR permanently or indefinitely ceases to provide SOFR (or such component); or (b) in the case of clause (iii) of the definition of Loan Index Conversion Event, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Alternate Index Replacement Date occurs on the same day as, but earlier than, the SOFR Determination Date in respect of any determination, the Alternate Index Replacement Date will be deemed to have occurred prior to the SOFR Determination Date for such determination.

“Calculation Agent” means, for so long as any of the PCs remain outstanding, an agent appointed to determine the value of SOFR (or the Alternate Index, if applicable) in respect of each interest accrual period for the PCs. The Administrator will be the initial Calculation Agent for purposes of determining the value of SOFR (or the Alternate Index, if applicable) for each interest accrual period for the PCs.

“Index” means initially, SOFR; thereafter, upon the occurrence of a Loan Index Conversion Event, any successor Alternate Index.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

“ISDA Fallback Adjustment” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to SOFR.

“ISDA Fallback Rate” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to SOFR for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

“Loan Index Conversion Event” means any of the following events with respect to the then-current Index (including the daily published component used in the calculation thereof): (i) a public statement or publication of information by or on behalf of the administrator of SOFR (or such component) announcing that such administrator has ceased or will cease to provide SOFR (or such component), permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide SOFR (or such component), (ii) a public statement or publication of information by the regulatory supervisor for the administrator of SOFR (or such component), the central bank for the currency of SOFR (or such component), an insolvency official with jurisdiction over the administrator for SOFR (or such component), a resolution authority with jurisdiction over the administrator for SOFR (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for SOFR, which states that the administrator of SOFR (or such component) has ceased or will cease to provide SOFR (or such component) permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide SOFR (or such component), or (iii) a public statement or publication of information by the regulatory supervisor for the administrator of SOFR announcing that SOFR is no longer representative.

“Relevant Governmental Body” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“SOFR Adjustment Conforming Changes” means, with respect to SOFR, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that Freddie Mac decides, from time to time, may be appropriate to adjust SOFR in a manner substantially consistent with or conforming to market practice (or, if Freddie Mac decides that adoption of any portion of such market practice is not administratively feasible or if Freddie Mac determines that no market practice exists, in such other manner as Freddie Mac determines is reasonably necessary).

“SOFR Business Day” means a business day determined in accordance with the SOFR publication calendar of the Federal Reserve Bank of New York.

“SOFR Determination Date” means, with respect to any interest accrual period and any Mortgage, (i) 3:00 p.m. (New York time) on the U.S. Government Securities Business Day most recently preceding the beginning of such interest accrual period, or (ii) if SOFR does not so appear on

such day, 3:00 p.m. (New York time) on the first preceding U.S. Government Securities Business Day for which such rate was published by the SOFR Index Source.

“SOFR Index Source” means (i) the website of the Federal Reserve Bank of New York, currently at www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index, or at such other page as may replace such page on the website of the Federal Reserve Bank of New York, and (ii) if the then-current SOFR Index Source ceases to publish SOFR, such other source selected by Freddie Mac in its sole discretion.

“Unadjusted Alternate Index” means the Alternate Index excluding the related Adjustment Factor.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday, (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities, or (iv) a day on which the Federal Reserve Bank of New York is closed for business.

