Freddie Mac

Mortgage Participation Certificates

Mortgage Participation Certificates

Freddie Mac issues and guarantees Mortgage Participation Certificates, or **"PCs."** PCs are securities that represent undivided beneficial ownership interests in, and the right to receive payments from, pools of one- to four-family residential mortgages that are held in trust for investors.

In connection with the implementation of the single security initiative, Freddie Mac ceased issuing new Gold PCs® after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.

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 federal and state 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.

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 19 highlights some of these risks.

Offering Circular dated June 1, 2026

If you intend to purchase PCs, you should rely only 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.

We also make available on our website (i) certain pool- and loan-level information regarding each of the Mortgages backing our PCs and (ii) certain information at the cohort level, in each case, based on information furnished to us by the sellers and servicers of the Mortgages. We generally do not verify information furnished to us by sellers and servicers regarding the Mortgages backing our PCs prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. We are not obligated to update the cohort-, pool- or loan-level data. However, if we are made aware of an error, we generally publish the correct information if possible. For more information, see *Description of the PCs – Pool- and Cohort-Level Data* and *– Loan-Level Data* and *Risk Factors – Credit Factors – Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default*.

In addition, sellers may provide information about mortgages that they sell to us in separate additional supplements (**"Additional Supplements"**). We have not verified the information in any Additional Supplements and make no representations or warranties concerning the accuracy or completeness of that information.

Each Pool Supplement and Additional Supplement contains information on a pool-level basis as of the date of the issuance of the related PCs. For the convenience of investors, we may post Additional Supplements on our website and furnish them upon request.

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 cohort-, pool- and loan-level information, Pool Supplements, Additional 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, any Additional Supplement, any loan-level information 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, distributed or otherwise made available to and should not be offered, sold, distributed 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:

(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 either one (or both) of:

(i) not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 (as amended), as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**"); or

(ii) not a qualified investor, as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (as amended, the "**POATRs**").

Consequently, no disclosure document required by the Product Disclosure Sourcebook (the "**DISC**") of the FCA Handbook (as defined below) for offering, selling or distributing the PCs or otherwise making them available to UK retail investors in the UK has been prepared and therefore offering, selling or distributing the PCs or otherwise making them available to any UK retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024, as amended.

This Offering Circular (and any supplement hereto) is not a prospectus for the purposes of the POATRs, the Prospectus Rules: Admission to Trading on a Regulated Market Sourcebook of the Handbook of Rules and Guidance (the "**FCA Handbook**") adopted by the Financial Conduct Authority of the UK, or any other provision of the FCA Handbook (together, the "**UK Prospectus Rules**"). Accordingly, any person making or intending to make an offer in the UK of PCs may do so in circumstances in which no obligation arises to publish a prospectus pursuant to the UK Prospectus Rules in relation to such offer. 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 Financial Services and Markets Act 2000 (as amended, 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.

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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"**) as 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. They may also change our priorities and strategy, including ending the conservatorship or directing us to undertake new business activities and limit or cease existing activities. Significant changes may occur that could materially affect our business model and results of operations. Some or all of our functions could be transferred to other institutions, and we could cease to exist as a stockholder-owned company.

The current administration has made comments regarding a number of potential transactions involving Freddie Mac and the Federal National Mortgage Association (**"Fannie Mae,"** together with Freddie Mac, the **"Enterprises"**), including a public offering of our equity securities while in conservatorship or outside of conservatorship, and the potential for our exit from conservatorship. We cannot predict whether or when any of these transactions could take place or on what terms. While we continue to monitor regulatory and policy developments, we cannot predict the accuracy, timing, or impact of such statements or any related policy actions.

Bills have been, and may continue to be, introduced in Congress concerning the future status of Freddie Mac, Fannie Mae, and the mortgage finance system, including bills that provide for the wind down of Freddie Mac and Fannie Mae and modification of the terms of the Purchase Agreement. It is possible that the administration could take steps, even in the absence of legislative action, to implement changes impacting Freddie Mac, Fannie Mae, and the mortgage finance system. We cannot predict the timing or final content of legislation, regulations or administrative actions related to our activities, nor can we predict the impact any such enacted legislation, regulation or administrative actions would have on our business and financial condition. Actions taken by FHFA to date, or that may be taken in the future, with respect to key positions at Freddie Mac, including the Chief Executive Officer, the Chair and other members of the Board of Directors, may result in changes in our priorities and strategies, which could in turn affect our business and results of operations.

If we exit conservatorship, specified regulatory exemptions that currently apply to us or our securities would no longer apply, such as the rule implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act's credit risk retention requirement and the Federal Reserve Board's single counterparty credit limits rule. The expiration of these exemptions could result in significant changes to our business and materially adversely affect our financial results and condition.

The conservatorship is indefinite in duration and 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 for additional information concerning the conservatorship, the terms of the senior preferred stock, and legislative and regulatory developments, as well as the legal and compliance risks we face.

Single Security Initiative, the Status of the Gold PC, the Mortgage Securitization Platform and Commingling

Under the direction of FHFA, we have implemented the single security initiative, which is intended to increase the liquidity of the to-be-announced (**"TBA"**) market. The single security initiative provides for the Enterprises to issue a single (common) mortgage-related security, called the **"Uniform Mortgage-Backed Security"** or **"UMBS®,"** as well as a **"Supers®"** mortgage-related security, which is a resecuritization of UMBS and certain other TBA-eligible securities (including previously-issued Supers). Also, as part of the single security initiative, Freddie Mac began to issue a non-TBA-eligible mortgage-backed security referred to as an **"MBS."** Fannie Mae also issues a mortgage-backed security referred to as an MBS; however, MBS issued by Freddie Mac may not be commingled with securities issued by Fannie Mae. Freddie Mac commenced issuing UMBS, MBS and Supers on June 3, 2019. At that time, Freddie Mac ceased issuing Gold PCs.

U.S. Financial Technology, LLC (**"U.S. FinTech"**), formerly known as Common Securitization Solutions, LLC, is jointly owned by Freddie Mac and Fannie Mae and operates a mortgage securitization platform for both Enterprises. The mortgage securitization platform is a shared mortgage securitization infrastructure that has undertaken certain securitization functions previously executed in-house separately by each of Freddie Mac and Fannie Mae. The mortgage securitization platform performs certain data acceptance, issuance support and bond administration activities related to our UMBS and MBS, including calculation of payments and ongoing reporting to investors. Commencing on April 1, 2026, the mortgage securitization platform also performs such activities for our PCs. The mortgage securitization platform also enables commingling in resecuritizations of certain Freddie Mac-issued securities and certain Fannie Mae-issued securities, as discussed below. While we exercise influence over U.S. FinTech through our representation on the U.S. FinTech Board of Managers, we do not control its day-to-day operations. U.S. FinTech's day-to-day operations are managed by U.S. FinTech management, which is overseen by the U.S. FinTech Board of Managers. See the Incorporated Documents for more information about U.S. FinTech and the mortgage securitization platform.

Freddie Mac is offering an optional exchange offer to enable holders to exchange eligible existing Gold PCs and eligible Giant mortgage participation certificates (**"Giant PCs®"**) for Uniform Mortgage-Backed Securities Mirror Certificates™ (**"UMBS Mirror Certificates"**), Mortgage-Backed Securities Mirror Certificates™ (**"MBS Mirror Certificates"**), Supers Mirror Certificates™ (**"Supers Mirror Certificates"**), and Giant Mortgage-Backed Securities Mirror Certificates™ (**"Giant MBS Mirror Certificates"**), as the case may be, and receive applicable float compensation in connection therewith.

We have announced that the exchange offer will close on December 18, 2026.

Freddie Mac-issued UMBS can be commingled in resecuritizations with corresponding comparable Freddie Mac-issued UMBS Mirror Certificates, Supers and Supers Mirror Certificates as well as Fannie Mae-issued UMBS and Supers and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae. Freddie Mac-issued PCs, MBS, Giant MBS, MBS Mirror Certificates and Giant MBS Mirror Certificates cannot be commingled with Fannie Mae securities.

Under SIFMA guidelines, Freddie Mac-issued UMBS qualify for "good delivery" in satisfaction of unspecified TBA trades covering corresponding comparable Fannie Mae-issued UMBS and Supers, and certain legacy TBA-eligible mortgage-backed securities issued by Fannie Mae, and vice versa.

In November 2020, FHFA released a final rule that establishes the Enterprise Regulatory Capital Framework (**"ERCF"**) as a new regulatory capital framework for Freddie Mac and Fannie Mae. Under this framework, we are required to hold incremental capital for our guarantees of Freddie Mac-issued securities backed by Fannie Mae-issued securities. As a result of the ERCF, we began charging a 50 basis point fee for commingled securities issued on or after July 1, 2022. Effective April 1, 2023, the fee was decreased to 9.375 basis points. On November 21, 2023, FHFA released a final rule that amends several provisions of the ERCF. The final rule includes modifications of certain provisions of the ERCF related to guarantees on commingled securities.

FHFA UMBS Rule

FHFA's **"UMBS Rule"** requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect investor cash flows of their TBA-eligible mortgage-backed securities.

The UMBS Rule is intended to enhance liquidity in the mortgage-backed securities marketplace, and to that end, enable adoption of UMBS, by achieving sufficient similarity of cash flows on cohorts of the Enterprises' TBA-eligible mortgage-backed securities such that investors will accept delivery of UMBS from either issuer in settlement of trades on the TBA market.

Under the UMBS Rule, FHFA can require the Enterprises to consult with each other on any issues, including changes to covered programs, policies and practices that potentially or actually cause cash flows to TBA-eligible mortgage-backed securities investors to misalign. Each Enterprise must have an Enterprise-wide governance process to ensure that any proposed changes to covered programs, policies and practices that may cause misalignment are submitted to FHFA for review and approval. FHFA may require an Enterprise to change covered programs, policies and practices that FHFA determines may conflict with the purposes of the UMBS Rule.

The Enterprises must report any misalignment to FHFA. In the event of material misalignment, the Enterprises must also submit a report to FHFA describing the Enterprises' plan to address the material misalignment. FHFA may require additional and expedient Enterprise actions to address material misalignment, including requiring an Enterprise to terminate a program, policy or practice or requiring the competing Enterprise to implement a comparable program, policy or practice.

For purposes of the UMBS Rule:

- "align" means to be sufficiently similar as to produce a CPR divergence of less than two percentage points in the three-month CPR for a cohort and less than five percentage points in the three-month CPR for the fastest paying quartile of a cohort, or as FHFA may temporarily adjust these percentages from time to time;
- "cohort" means all TBA-eligible securities with the same coupon, maturity and loan-origination year where the combined unpaid principal balance of such securities issued by both Enterprises exceeds $10 billion;

- "covered programs, policies or practices" means management decisions or actions that have reasonably foreseeable effects on cash flows to TBA-eligible mortgage-backed securities investors (*e.g.*, effects that result from prepayment rates and the circumstances under which mortgages are removed from securities) and can include management decisions and actions about: single-family guarantee fees; loan level price adjustments and delivery fee portions of single-family guarantee fees; the spread between the note rate on the mortgage and the pass-through coupon on the TBA-eligible mortgage-backed securities; eligibility standards for sellers and servicers; financial and operational standards for private mortgage insurers; requirements related to the servicing of distressed loans that collateralize TBA-eligible securities; streamlined modification and refinance programs; removal of mortgage loans from securities; servicer compensation; proposals that could materially change the credit risk profile of the single-family mortgages securitized by an Enterprise; selling guide requirements for documenting creditworthiness, ability to repay, and adherence to collateral standards; contract provisions under which certain sellers commit to sell to an Enterprise a minimum share of the mortgage loans they originate that are eligible for sale to the Enterprises; loan modification offerings; loss mitigation practices during disasters; alternatives to repurchase for representation and warranty violations; and other actions;
- "fastest paying quartile of a cohort" means the quartile of a cohort that has the fastest prepayment speeds as measured by the three-month CPR. The quartiles shall be determined by ranking outstanding TBA-eligible securities with the same coupon, maturity, and loan-origination year by the three-month CPR, excluding specified pools, and dividing each cohort into four parts such that the total unpaid principal balance of the pools included in each part is equal;
- "material misalignment" means divergence of at least three percentage points in the three-month CPR for a cohort or at least eight percentage points in the three-month CPR for a fastest paying quartile of a cohort, or a prolonged misalignment (as determined by FHFA);
- "misalign" or "misalignment" means diverge by or a divergence of two percentage points or more in the three-month CPR for a cohort or five percentage points or more, in three-month CPR for a fastest paying quartile of a cohort; and
- "specified pools" means pools of mortgages backing TBA-eligible mortgage-backed securities that have a maximum loan size of $200,000, a minimum loan-to-value (**"LTV"**) ratio at the time of loan origination of 80 percent, or a maximum FICO score of 700, or where all mortgages in the pool finance investor-owned properties or properties in the states of New York or Texas or the Commonwealth of Puerto Rico.

Under the UMBS Rule, in certain circumstances FHFA has discretion to temporarily adjust the (i) percentages described above in the definitions of "align," "material misalignment" and "misalign" and (ii) definitions of "cohort," "fastest paying quartile of a cohort" and "specified pools." FHFA will publicly announce any temporary adjustments in a timely manner. Temporary adjustments in percentages or definitions may remain in place for six months, after which, the percentages and definitions will revert to the previously applicable percentages and definitions. At any time, FHFA may amend the percentages or definitions more permanently by a rulemaking that provides the public with notice and opportunity to comment on FHFA's proposed changes to the percentages and definitions.

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, 2025. 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 (**"GAAP"**)). 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 restricts our single-family loan acquisition activities as follows:

- We cannot vary the pricing or any other term of the acquisition of a single-family loan based on the size, charter type, or volume of business of the seller of the loan. In addition, we are required to (i) offer to purchase loans for cash consideration and operate this cash window with non-discriminatory pricing; and (ii) comply with directives, regulations, restrictions, or other requirements prescribed by FHFA related to equitable secondary market access by community lenders.
- Subject to such exceptions as FHFA may prescribe, we were required to implement by July 1, 2021 a program reasonably designed to ensure that each single-family mortgage loan acquired is (i) a qualified mortgage; (ii) exempt from the Consumer Financial Protection Bureau's ability-to-repay requirements; (iii) secured by an investment property, subject to the restrictions above; (iv) a refinancing with streamlined underwriting for high LTV ratios; (v) a loan with temporary underwriting flexibilities due to exigent circumstances, as determined in consultation with FHFA; or (vi) secured by manufactured housing.

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.

Treasury and FHFA (acting on our behalf) may amend the Purchase Agreement at any time, and any such amendment could be adverse to us.

See the Incorporated Documents for additional information concerning the Purchase Agreement.

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 (1) our most recent Annual Report on Form 10-K, filed with the SEC; (2) 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; and (3) 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 and Additional 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.

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, any Additional Supplement, the Incorporated Documents, the PC Master Trust Agreement dated as of July 30, 2022 (as amended from time to time, the **"Trust Agreement"**) and any applicable Pool Supplement under which PCs are issued from:

Freddie Mac — Investor Inquiry
1551 Park Run 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 mortgage securities section of our website (located at www.freddiemac.com/mbs) 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 June 1, 2026. 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 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. Information in any applicable Additional Supplement is provided by the sellers of the related Mortgages and not by us. In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.

***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, on behalf of the Trustee for these trust funds, we create and issue under the Trust Agreement and related Pool Supplements PCs representing undivided beneficial ownership interests in pools of Mortgages and related assets held by those trust funds (**"PC Pools"**). Investors in PCs own beneficially their pro rata shares of the Mortgages in the related PC Pool. PC Pools generally have a minimum size at formation of $1,000,000 for Gold PCs and $500,000 for ARM PCs, but there was no minimum pool size for ARM PCs backed by Initial Interest Mortgages delivered under our Guarantor Swap Program or Gold PCs backed by Initial Interest Mortgages delivered under our MultiLender Swap Program. **In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.**

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. The Mortgages are secured primarily by first liens on one- to four-family residential properties and may be either fixed-rate Mortgages or adjustable rate Mortgages (**"ARMs"**). Some fixed-rate Mortgages and ARMs are Initial Interest Mortgages. We describe the characteristics of different types of Mortgages in *Description of the Mortgages*. We make available on our website information regarding the Mortgages in each PC Pool on a loan-level basis and, in the related Pool Supplement, on a pool-level basis. As described in *Certain Federal Income Tax Consequences*, we made elections to treat certain beneficial interests in Mortgages in Gold 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. We ceased issuing Gold PCs after May 31, 2019.
Types of PCs	Each **"Gold PC"** represents an interest in a PC Pool containing: (i) fixed-rate, level payment, fully amortizing Mortgages, (ii) fixed-rate Initial Interest Mortgages or (iii) Modified Mortgages with or without Step Rate Increases. We ceased issuing Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs. Each **"ARM PC"** represents an interest in a PC Pool containing ARMs. See *Description of the Mortgages*.
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 (1) the month after issuance for Gold PCs or (2) the second month after issuance for ARM PCs. Payment Dates fall on or about the 15th day of each month. However, we do not pay principal on PCs backed by Initial Interest Mortgages that are in their interest only period unless unscheduled principal payments have been made on those Mortgages during that period. 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 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 (1) the preceding calendar month for Gold PCs or (2) the second preceding calendar month for ARM PCs.

- **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 Gold 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 for Gold PCs or in the following month for ARM PCs. As Administrator, we publish Pool Factors on or about the fourth Business Day of each month. Payment Capped ARM PCs may also have Negative Amortization Factors, which indicate any amounts of deferred interest added to the principal balances of such PCs during periods of negative amortization.

Guarantee . . . . . For Gold 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 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 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 *The Trust Agreement—Rights Upon Event of Default*. 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 Administrator, on behalf of the Trustee, we issue PCs with respect to 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	Most PCs are issued in exchange for Mortgages, in which case we do not receive cash proceeds. We use the net proceeds from the sale of PCs for cash to provide funds 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 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 or are High LTV Mortgages, as defined below. See *Certain Federal Income Tax Consequences—Tax Status*.

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. Gold 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. We ceased issuing Gold PCs after May 31, 2019.

RISK FACTORS

Although we guarantee the 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, any applicable Pool Supplement and Additional 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.

Although the various risks discussed in this Offering Circular are generally described separately, the interaction of multiple risk factors through combination or "layering" may significantly increase total risk. Many of these risks are unpredictable and are likely to change over time, and the combination of these risks may significantly affect your investment in and the value of the PCs.

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, any applicable Pool Supplement and Additional 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.

The liquidity of your PCs likely will be adversely affected by the single security initiative, as the tradeable supply of PCs will likely continue to decline over time. We ceased issuing new Gold PCs after May 31, 2019. In addition, in furtherance of the single security initiative, in May 2019, we commenced a voluntary exchange offer for all outstanding Gold PCs and Giant PCs (that are not backed by ARMs), or portions thereof, that are not entirely committed to a resecuritization transaction. Holders of eligible Gold PCs and eligible Giant PCs who accept the offer and exchange their PCs or Giant PCs, or portions thereof, receive (i) mirror certificates backed by the exchanged PCs or Giant PCs and (ii) float compensation. Accordingly, any exchanged PCs and Giant PCs will no longer be available to fulfill securities trades and any exchanges will reduce the liquidity and tradeable supply of Gold PCs and Giant PCs (that are not backed by ARMs). We have announced that the exchange offer will close on December 18, 2026.

The tradeable supply of Gold PCs and Giant PCs (that are not backed by ARMs) has declined since May 2019 and will likely further decline. Depending on the rate and volume of PCs and Giant PCs that are exchanged in our exchange offer prior to its upcoming closing and whether we make further changes to the terms of our exchange offer, the liquidity of PCs and Giant PCs may diminish rapidly going forward and the pricing of, and the market for, your PCs or Giant PCs could be adversely affected. In addition, the TBA market for PCs and Giant PCs ceased to exist after the implementation of the single security initiative on June 3, 2019. See *Freddie Mac—Single Security Initiative, the Status of the Gold PC, the Mortgage Securitization Platform and Commingling*.

In addition, the pricing of our PCs could be influenced by factors that are largely outside of our control. For example, the level of the Federal Reserve's purchases and sales of agency mortgage-related securities could affect the demand for and values of our PCs.

Risks related to ARM PCs based on SOFR. We began purchasing ARMs based on the Secured Overnight Financing Rate (**"SOFR"**) in November 2020. These SOFR-based ARMs use the compounded 30-day Average SOFR as published on the website of the Federal Reserve Bank of New York (the **"FRBNY"**). Because SOFR is published by the FRBNY based on data received from other sources, we have no control over its determination, calculation or publication. In the future, we may pool SOFR-based ARM loans with loans that have interest rates based on different tenors.

The use of SOFR as the Index for ARMs underlying ARM PCs may present certain market concerns. Among the concerns, SOFR is a relatively new interest rate Index and has a limited history going back to 2018. Compounded averages of overnight SOFR represent backward-looking risk-free rates, whereas U.S. Dollar LIBOR had various forward-looking tenors and reflected a credit risk component. Any failure of SOFR to achieve or maintain acceptance and widespread market adoption could adversely affect ARM PCs based on SOFR. It is still uncertain whether forward-looking term SOFR will be more or less volatile than LIBOR would have been had LIBOR not been discontinued, including during times of economic stress, and whether sufficient liquidity of SOFR-based products will develop.

Effective January 1, 2021, we ceased purchasing ARMs based on the arithmetic mean of the London interbank offered quotations for Eurodollar deposits (**"LIBOR"**). ICE Benchmark Administration Limited, the administrator of LIBOR, ceased publishing the applicable tenors of LIBOR on June 30, 2023. In July 2023, the LIBOR ARMs underlying our legacy LIBOR-based ARM PCs began to transition to an Index based on SOFR, as described in our January 25, 2023 announcement. The transition of such legacy ARM PCs from LIBOR to SOFR could adversely affect the market value, yield, liquidity or payments under such ARM PCs. We provide historical documentation, including offering circulars, for our legacy LIBOR-based ARM PCs on our website at www.freddiemac.com.

There can be no assurance, particularly given its relatively recent introduction, that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in SOFR-based ARM PCs. Additionally, the availability of hedging and financing alternatives for SOFR-based ARM PCs may be limited or restricted at times, and hedging and financing costs may increase over time, affecting the liquidity and market values of such PCs.

Changes to, or elimination of, SOFR could adversely affect investors in SOFR-based ARM PCs. SOFR would be replaced as the Index for the SOFR ARMs underlying SOFR-based ARM PCs following the occurrence of a replacement event in accordance with the ARRC "fallback" language set forth in *Appendix III* to this Offering Circular. The replacement events consist of the following: (i) the administrator of SOFR has permanently or indefinitely stopped providing SOFR to the general public; or (ii) the administrator of SOFR or its regulator issues an official public statement that SOFR is no longer reliable or representative. There can be no assurance that these events will be sufficient to trigger a change from SOFR in all circumstances where SOFR is no longer representative of market interest rates, or that replacement events for SOFR ARMs underlying SOFR-based ARM PCs will align with similar events in the market generally or in other parts of the financial markets, such as the derivatives market. There also can be no assurance that a replacement Index (including any related replacement margin) will produce the economic equivalent of SOFR at the time of the replacement or over the lives of the related PCs. It is possible that changes could occur to SOFR, such as changes in the method of calculating SOFR, that would not be sufficient to trigger the replacement of SOFR but nonetheless adversely affect investors in SOFR-based ARM PCs.

In the event the applicable governing bodies or authorities do not make the necessary determinations related to the Index replacement process, we may have discretion with respect to certain elements of that process, including potentially determining which replacement Index is available, determining the earliest practicable Index determination date for using the replacement Index, determining Index replacement adjustments and making additional Index replacement conforming changes (including potential changes affecting the business day convention and Index determination date). Any such determinations will be at

our sole discretion and none of the foregoing determinations, or the application thereof to payment calculations on the related PCs, will be subject to the approval of Holders.

Finally, in the event a replacement Index is designated for determining monthly interest rates, any subsequent changes to, or the elimination of, such replacement Index could adversely affect the value of and return on the related PCs.

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

You may not be allowed to buy PCs. If you are subject to 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*.

Green MBS may not be a suitable investment for all investors seeking exposure to "green" assets. The value of your Green MBS could decline if investor interest in "green" assets decreases, or if Green MBS do not meet investor expectations with respect to "green" investments. Green MBS are PCs or other securities that are backed by Mortgages where the related properties have certain characteristics related to renewable energy or energy efficiency. Our 2025 Single-Family Green MBS Framework, effective January 2025 (**"Green MBS Framework"**), describes our Green MBS offerings. Our Green MBS Framework is intended to address the four core components of the June 2021 (with June 2022 Appendix 1) Green Bond Principles (the **"GBP"**) issued by the International Capital Market Association (**"ICMA"**). We have received a second-party opinion assessing our Green MBS Framework. However, the second-party opinion is not incorporated by reference into, and does not form part of, this Offering Circular. The second-party opinion is not a guarantee that our Green MBS satisfy your "green" investment needs or criteria, is not a recommendation to buy, sell or hold Green MBS, is only current as of the date of its issuance and is only applicable to the Green MBS Framework. If the second-party opinion ceases to be in effect, this could adversely affect the value of our Green MBS, and may cause adverse consequences for investors with portfolio mandates to invest in such assets.

Green MBS are PCs or other securities within the emerging category of "green" assets. There is currently no clear definition in the U.S. (legal, regulatory or otherwise) or market consensus as to what constitutes, or what precise attributes are required for a particular asset to constitute, a "green" or similarly-designated asset, nor can any assurance be given that a clear definition or market consensus will develop over time. Green MBS have not been designed to satisfy the environmental, sustainable or other "green"

criteria of any third-party framework or principles, other than as described in the Green MBS Framework. Notwithstanding the second-party opinion referenced above, it is possible that our Green MBS Framework does not currently address all aspects of ICMA's GBP or may not do so in the future, particularly if the GBP evolve over time. Accordingly, we cannot assure you that Green MBS will be suitable for any particular "green" investment objective, mandate or strategy. It is unclear whether securities backed by single-family mortgages (such as Green MBS) will be attractive to "green" investors over time, regardless of the characteristics of the securities, the underlying mortgages or the related properties.

We cannot predict the extent of market demand for "green" assets generally or for Green MBS in particular. The market demand for our Green MBS may be highly volatile and could be subject to fluctuations in response to various factors, including:

- Actual or alleged adverse environmental or other impacts that may alter the public's perception of our Green MBS program. For example, it is possible that adverse environmental impacts could occur during the development, construction or operation of the renewable energy and energy efficiency features on the relevant homes;
- Market perception of the quality and accuracy of any underlying "green" methodologies, standards or data, *e.g.*, the HERS Index and HERS Index scores and the ENERGY STAR certification;
- Actual or anticipated changes in the growth rate of the market for "green" assets;
- The extent of government support for "green" assets and related programs; and
- The extent to which institutional investors invest in Green MBS.

Under our Green MBS program, we purchase Mortgages secured by homes with features related to renewable energy or energy efficiency. It is possible that the expected home features (*e.g.*, solar panels) may not be present on the property if the appraiser or other party intentionally or negligently misrepresented facts about the property or otherwise engaged in fraud. The policies and procedures we have implemented to verify the presence of such features may not be adequate. It is also possible that homeowners could fail to properly maintain or operate any such home features.

Home Energy Rating System Index scores and ENERGY STAR certifications may not accurately reflect a mortgaged property's energy efficiency. We designate PCs as Green MBS based on certain criteria described in the Green MBS Framework, which may include whether the properties underlying the Mortgages have a qualifying Home Energy Rating System (**"HERS"**) Index (the **"HERS Index"**) score or ENERGY STAR certification. In addition, for newly-issued PCs, we disclose the share of Mortgages secured by properties eligible for energy efficiency programs, including green building certifications (*e.g.*, the ENERGY STAR certification) and energy rating indices (*e.g.*, the HERS Index). The information related to the HERS Index scores and ENERGY STAR certifications of the individual properties is provided to us by the Residential Energy Services Network, Inc. (**"RESNET"**). The HERS Index was created and is maintained by RESNET to measure a home's energy efficiency. The HERS Index scores are prepared by RESNET-certified HERS raters using RESNET's processes. We had no role in the creation of the HERS Index or the processes used to prepare HERS Index scores, and we have no role in the preparation of the score for any of the properties underlying the Mortgages backing Green MBS. Similarly, we had no role in the creation of the ENERGY STAR certification program or the processes used to evaluate properties for ENERGY STAR certifications, and we have no role in the evaluation of any of the properties underlying the Mortgages backing Green MBS for ENERGY STAR certifications. We make no representations or warranties concerning the accuracy or completeness of the HERS Index scores or the awarding of the ENERGY STAR certifications. Any HERS Index score or ENERGY STAR certification may be incorrect or improperly awarded for various reasons, including, in the case of HERS Index scores, computational

errors or the failure of a HERS rater to follow RESNET's processes. We cannot guarantee that the HERS Index score on a property underlying a Mortgage backing a Green MBS will remain the same over the remaining term of such Mortgage or that a property will continue to qualify for the ENERGY STAR certification. We are not obligated to update previously-published Green MBS designations or energy efficiency program disclosures to reflect changes in the HERS Index scores or ENERGY STAR certifications on any of the properties underlying the applicable Mortgages.

You should determine how much to rely on the HERS Index score and ENERGY STAR certification information related to your PCs. We do not independently evaluate the energy efficiency of any of the relevant properties. If properties were evaluated under other systems or standards of energy efficiency, it is possible that such properties could be determined to be less energy efficient than suggested by their HERS Index scores or ENERGY STAR certifications.

Social MBS may not be a suitable investment for all investors seeking exposure to "social" assets and may not be suitable for any particular "sustainable," "ESG" or other similarly-designated investment objectives, mandates or strategies. The value of your Social MBS could decline if investor interest in "social" assets decreases, or if Social MBS do not meet investor expectations with respect to "social" investments. Social MBS are PCs or other securities that are backed by Mortgages that meet certain social criteria related to income, borrower or property. Our 2025 Single-Family Mission MBS and Corporate Mission Debt Bonds Framework (**"Social Bond Framework"**) describes our Social MBS offerings. Our Social Bond Framework is intended to address the four core components of the June 2023 Social Bond Principles (the **"SBP"**) issued by ICMA. We have received a second-party opinion assessing our Social Bond Framework's social credentials and its alignment with the SBP. However, the second-party opinion is not incorporated by reference into, and does not form part of, this Offering Circular. The second-party opinion is not a guarantee that our Social MBS satisfy your "social," "sustainable," "ESG" or other similarly-designated investment needs or criteria, is not a recommendation to buy, sell or hold securities described in the Social Bond Framework, is only current as of the date of its issuance and is only applicable to Social MBS issued under the Social Bond Framework. The second-party opinion could be withdrawn or disavowed in the future; this could adversely affect the value of our Social MBS and may cause adverse consequences for investors with portfolio mandates to invest in such assets.

Social MBS are PCs or other securities within the emerging category of "social" assets. There is currently no clear definition in the U.S. (legal, regulatory or otherwise) or market consensus as to what constitutes, or what precise attributes are required for a particular asset to constitute, a "social," "sustainable," "ESG" or similarly-designated asset, nor can any assurance be given that a clear definition or market consensus will develop over time. Social MBS have not been designed to satisfy the social, sustainable, affordable, ESG or other "social" criteria of any third-party framework or principles, other than as described in the Social Bond Framework. Notwithstanding the second-party opinion referenced above, it is possible that our Social Bond Framework does not currently address all aspects of ICMA's SBP or may not do so in the future, particularly if the SBP evolve over time. Accordingly, we cannot assure you that Social MBS will be suitable for any particular "social," "sustainable," "ESG" or other similarly-designated investment objective, mandate or strategy. It is unclear whether securities backed by single-family mortgages (such as Social MBS) will be attractive to "social" investors over time, regardless of the characteristics of the securities, the underlying mortgages or the related borrowers or properties.

We cannot predict the extent of market demand for "social" assets generally or for Social MBS in particular. The market demand for our Social MBS may be highly volatile and could be subject to fluctuations in response to various factors, including:

- Market perception of the Mission Index;
- Actual or anticipated changes in the growth rate of the market for "social" assets;
- The extent of government support for "social" assets and related programs; and

- The extent to which institutional investors invest in Social MBS.

The impact of MCS or MDS on the market value of PCs, particularly those with relatively high scores, is uncertain and any positive impact could decline over time. We cannot predict the level of market interest, if any, for PCs with any particular MCS or MDS. A secondary market for PCs with particular MCS or MDS may not develop. Even if a market develops, it may not continue. As a result, you may not be able to sell PCs with relatively high MCS or MDS at prices that will allow you to realize a higher return based on such relatively high MCS or MDS. The Mission Index has not been designed to satisfy the social, sustainable, affordable or other criteria of any third-party framework or principles, except that we designate PCs with certain Mission Index scores (*i.e.*, MCS and MDS) as Social MBS.

The Mission Index methodology may evolve over time, as we can adjust or remove the underlying criteria or add new criteria at any time. Any change in methodology could adversely affect the value of PCs issued prior to such change. We do not expect to update the MCS and MDS of previously-issued PCs to reflect changes in the methodology of the Mission Index.

The assignment of a MCS and MDS is not a recommendation to buy, sell or hold a PC and is only current as of the date of the issuance of such PC. The MCS and MDS for our PCs are based on information furnished to us by the sellers of the underlying Mortgages. We do not verify such information, make no representations or warranties concerning the accuracy of the MCS and MDS for our PCs, and disclaim all liability associated with or arising from any inaccuracies in the MCS and MDS. We are not obligated to update or correct the MCS or MDS for any PC. You should determine how much to rely on the MCS or MDS for our PCs.

The MCS and MDS for any PC are based on the income, borrower and property characteristics of the Mortgages underlying such PC at the time of Freddie Mac's acquisition of such Mortgages. It is possible that the income, borrower and property characteristics of the Mortgages underlying a PC could change significantly over the term of the PC; however, we do not recalculate MCS or MDS after the issuance of a PC. The MCS and MDS for our PCs are generally subject to the same risks and limitations as our cohort-, pool- and loan-level data, as described in *Credit Factors —Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default* and *Description of the PCs — Pool- and Cohort-Level Data* and *— Loan-Level Data*.

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 GAAP 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.

Governance Factors

The Conservator may repudiate our contracts, including our guarantee. PC 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 could 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. PC 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 were 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 possible payment contingent upon the value of the assets remaining in the receivership entity. FHFA would have broad power as receiver to make decisions regarding 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 PC 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 could 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 the 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, which 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.

Prepayment and Yield Factors

Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds. Prior to 2021, we typically repurchased Mortgages from their related PC Pools after the Mortgages became 120 days delinquent or more, subject to operational and regulatory constraints. Effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related PC Pools from 120 days or more of delinquency to 24 months of delinquency, except for delinquent Mortgages that meet certain criteria (*e.g.*, permanently modified or foreclosure referral) which may be repurchased sooner. Many delinquent Mortgages are repurchased from PC Pools before they reach 24 months of delinquency under one of the exceptions provided. These repurchases would have the same effect on the Holder as a prepayment of the Mortgages. For more information, see *Description of the Mortgages – Mortgage Purchase and Servicing Standards – Defaults and Delinquencies.*

Substantial repurchases of Mortgages from PC Pools due to breaches of representations and warranties by sellers and servicers could materially affect PC prepayment speeds. Repurchases of Mortgages from PC Pools may occur due to breaches of certain representations and warranties by the sellers and servicers of those Mortgages. These repurchases would have the same effect on the Holder as a prepayment of the Mortgages. See *Description of the Mortgages—Mortgage Purchase and Servicing Standards—General* and *—Mortgage Repurchases*.

As of December 31, 2025, we had outstanding repurchase requests to our sellers and servicers with respect to Mortgages with an unpaid principal balance of approximately $0.4 billion; this figure also includes Mortgages underlying UMBS and MBS. If the sellers and servicers fulfill our repurchase requests and your PCs are backed by the applicable Mortgages, their repurchases will result in prepayments, which could be substantial. However, we may have already repurchased many of these Mortgages from the PC Pools backing your PCs pursuant to our repurchase practices.

In lieu of repurchase, we may choose to allow a seller or servicer to indemnify us against losses realized on such Mortgages or otherwise compensate us for the risk of continuing to own the Mortgages. Sometimes a seller sells us Mortgages with recourse, meaning that the seller agrees to repurchase any Mortgage that is delinquent for more than a specified period (usually 120 days), regardless of whether there has been a breach of representations and warranties. Under recourse arrangements, a seller may also have the option, regardless of whether there has been a breach of representations and warranties, to repurchase with our consent a Mortgage that is 90 days delinquent.

We may purchase a Mortgage from a PC Pool for reasons other than delinquency or a breach of a representation and warranty. The Trust Agreement requires that we repurchase Mortgages from PC Pools in certain limited situations and gives us the option to repurchase Mortgages from PC Pools in other situations. See *The Trust Agreement—Repurchase and Substitution of Mortgages.*

Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect PC prepayment speeds. We offer a variety of borrower assistance programs, including the Enhanced Relief Refinance Program (which is currently suspended), Refi Possible℠ and the Flex Modification initiative. For information on these and other borrower assistance programs and initiatives, see *Description of the Mortgages – Special Mortgage Characteristics* and *– Mortgage Purchase and Servicing Standards*, our Guide and the Incorporated Documents. We could elect or be required to expand existing programs or implement new programs at any time. If a substantial number of borrowers participate in these or any future programs, the prepayment speeds of your PCs could be materially affected. Because the LTV ratio on fixed-rate Enhanced Relief Refinance Mortgages at origination can exceed 125%, borrowers, who may have little or no equity in their homes and who would not otherwise qualify for refinancings, may qualify for Enhanced Relief Refinance Mortgages. Refi Possible is a no cash-out refinance option for Freddie Mac Mortgages that offers expanded eligibility to benefit borrowers who are at or below 100% of the area median income limit. Streamlined underwriting procedures and valuation of properties using an automated valuation model may apply to certain eligible

borrowers under certain of these programs.

Repurchases of Mortgages from PC Pools may occur when the terms of those Mortgages are modified as a result of default or imminent default. Servicers are paid incentive fees for each completed modification. These repurchases would have the same effect on the PC Holder as a prepayment of the Mortgages. Under certain circumstances, Mortgages may be modified more than once. See *Description of the Mortgages – Special Mortgage Characteristics – Mortgage Modification Programs* and the Incorporated Documents for additional information.

Depending on the number of borrowers who obtain refinancings and modifications under our refinance and modification initiatives, the increase in prepayments on certain PCs could be material. Generally, refinancings and modifications of Mortgages result in prepayments on the related PCs in an amount equal to the unpaid principal balance of the affected Mortgages. See *Description of the Mortgages – Mortgage Purchase and Servicing Standards – Mortgage Repurchases.* We cannot predict the number of borrowers who will ultimately participate in our refinance and modification initiatives or the rate of prepayments on the related PCs.

PC principal payment rates are uncertain. Mortgage prepayments are affected by many factors and are unpredictable. 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 and partial prepayments, including prepayments that result from sales of the mortgaged properties, refinancings and other voluntary payments by borrowers and from the repurchase of Mortgages from PC Pools due to defaults or delinquencies, inaccurate representations or warranties or other factors. Mortgage prepayment rates fluctuate continuously and, in some market conditions, substantially. A variety of factors could affect the rates of prepayments on Mortgages, including the following:

- *Prevailing mortgage interest rates*. In general, as mortgage interest rates decline, borrowers tend to refinance their current, higher rate Mortgages, which results in faster prepayment rates on the related PC Pool. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their Mortgages, which results in slower prepayment rates on the related PC Pool. Rapid changes in interest rates may influence borrower behavior and performance in ways that we may not anticipate.
- *Mortgage and property characteristics, such as the geographic location of the mortgaged properties, loan size, LTV ratios, year of origination, payment terms, loan purpose and occupancy type (i.e., second home or investment property), and characteristics of the borrowers (such as credit score) and their equity positions in their houses (whether the LTV ratio is high or low)*. To the extent Mortgages with particular Mortgage or borrower characteristics may be concentrated in a PC Pool, the related PCs may prepay more quickly or more slowly than otherwise similar PCs. For example:
    - PCs with a concentration of Mortgages from cash-out refinancings may prepay more quickly than otherwise similar PCs, as such Mortgages generally have a higher risk of default than Mortgages originated in purchase or other refinance transactions.
    - Borrowers with substantial equity in their houses may be inclined to engage in cash-out refinancings. This technique enables the borrower to convert all or a portion of the equity into cash. Depending on the economic environment, PC Pools with concentrations of such borrowers may prepay more quickly than otherwise similar PCs.
    - High LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default.
    - Mortgages secured by second homes or investment properties may present a greater risk that the borrowers will stop making monthly payments if the borrowers' financial

conditions deteriorate and may have a higher frequency of defaults than Mortgages secured by properties that are owner-occupied.

The concentration of characteristics in a PC Pool may change over time. We amend our Guide and our purchase standards and servicing policies from time to time. Thus, it is possible that not all the Mortgages in a particular PC Pool are subject to the same eligibility, underwriting and other purchase standards. A PC Pool may include a mix of Mortgages with differing characteristics and Mortgages originated at different times.

The characteristics of the Mortgages we acquire may change at any time due to new or revised guidance from FHFA.

- *Borrower choices*. Borrower decisions to take certain actions may affect prepayment rates. These actions include a borrower's request to reamortize a Mortgage after a large principal prepayment or a borrower's decision after Mortgage origination to enter into (i) an agreement to have the monthly payment on the Mortgage cancelled or reduced in the event of an adverse event in the borrower's life or (ii) a biweekly or other non-standard payment collection option that results in the regular collection of unscheduled principal and a faster rate of amortization of principal.
- *Procedures implemented by mortgage originators and servicers to ease the burden on themselves and borrowers of processing refinance loans*. These changes may include reducing the amount of documentation and costs required to refinance and easing underwriting standards, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates. Any changes we make to streamline the processes required by our underwriting standards could have a similar effect. Some of our Mortgage purchase programs may facilitate these practices. For example, certain eligible borrowers applying for Refi Possible may be subject to streamlined underwriting and other procedures. On the other hand, the tightening of underwriting standards could make it more difficult for borrowers to refinance their Mortgages, which could decrease prepayment rates.
- *Active solicitation by originators and servicers*. Many mortgage servicers, including sellers of Mortgages to Freddie Mac, solicit borrowers to refinance their Mortgages. In particular, servicers may solicit borrowers to refinance in an effort to preserve servicing income, which could increase prepayment rates. To mitigate this risk generally, we place certain restrictions on servicers' ability to solicit borrowers to refinance their Mortgages; these restrictions are intended to prevent servicers from targeting borrowers under Mortgages they service for us more actively than they target other borrowers. We may waive these requirements for certain servicers.
- *Servicing fee rates*. PC Pools containing Mortgages that are subject to servicing fee rates that are relatively low may experience different prepayment rates than PC Pools in which relatively high servicing fee rates predominate.
- *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. The existence of a second lien reduces the borrower's equity in the home and, therefore, can increase the risk of default. We report combined LTV ratios that reflect second liens known to us at the time of Mortgage origination. However, borrowers are free to obtain second lien financing after origination, and we typically are not entitled to receive notification when a borrower does so.

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 PC Holder as a prepayment of the Mortgage. Servicers may also modify such a Mortgage under our various modification initiatives. Generally, upon modification, such a Mortgage would be repurchased from its PC Pool and such a repurchase would have the same effect on the PC Holder as a prepayment of the Mortgage. See *Description of the Mortgages – Special Mortgage Characteristics – Mortgage Modification Programs*. Other factors affecting an individual borrower's default on a Mortgage include a borrower's death or change in family status, and borrower bankruptcy or other insolvency. Changes in U.S. federal policy can impact a borrower's ability to repay, such as changes regarding income tax rates and student loan repayment assistance.

- *Errors by Sellers or Servicers.* Errors by sellers or servicers could lead to Mortgage prepayments. For example, seller or servicer reporting errors could cause a Mortgage's delinquency status to be incorrectly reported, leading to the Mortgage being repurchased from its PC Pool earlier than would otherwise be required.
- *PC Pool Size*. The prepayment behavior of relatively small PC Pools is likely to be less consistent and less predictable than is the prepayment behavior of larger PC Pools.
- *Use of Automated Underwriting Tools.* Mortgages that have been underwritten using automated underwriting tools, such as Loan Product Advisor® Automated Collateral Evaluation, may prepay more quickly than otherwise similar Mortgages. We continue to increase our use of automated underwriting tools. These tools also generally reduce the amount of documentation and costs required to refinance, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates.
- *The Seller of the Mortgage.* Mortgages from certain sellers tend to exhibit relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.

We make no representation concerning the particular effect that any factor may have on Mortgage prepayment behavior.

Various types of Mortgages may have special prepayment characteristics. For example:

- Many Mortgages may be more prone to refinance as a result of our Enhanced Relief Refinance Program. See *Description of the Mortgages – Special Mortgage Characteristics – Relief Refinance Programs.* (Our purchases of Enhanced Relief Refinance Mortgages were suspended on September 1, 2021.)
- ARMs tend to have higher default rates than fixed-rate Mortgages.
- Hybrid ARMs may be prone to refinancing toward the end of their fixed-rate periods.
- Convertible ARMs may be converted to fixed-rate Mortgages, which will be repurchased from the PC Pool shortly before their conversion date and such repurchases will be treated as full prepayments of the related convertible ARMs.
- Payment Capped ARMs have weighted average lives that can lengthen if negative amortization occurs and shorten if accelerated amortization occurs.
- Alignment Overflow Mortgages have been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.

- Biweekly Mortgages have weighted average lives that are shorter than those of otherwise similar monthly payment Mortgages. (We ceased purchasing Biweekly Mortgages on February 5, 2020.)
- Cooperative Share Mortgages may experience different prepayment rates than other types of Mortgages due to various factors, including, but not limited to, the structure of Cooperatives, the geographic location of the related Cooperative, the characteristics of the borrower, and the borrower's ability to obtain refinancing.
- Prepayment Penalty Mortgages may tend to prepay differently than Mortgages without prepayment penalties. (We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.)
- Initial Interest Mortgages, which permit borrowers to pay only accrued interest for extended periods without requiring principal amortization, may affect borrower decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. In addition, borrowers could be motivated to refinance prior to the expiration of the interest only period because it is likely that the amount of each monthly payment will increase substantially when scheduled principal amortization on these Mortgages commences. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.)
- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may tend to prepay differently than standard conforming Mortgages because of a number of factors, including their larger relative principal balance (and larger resulting savings in the case of refinancing in a low interest rate environment), the presence of Freddie Mac and Fannie Mae in the secondary market for such Mortgages (which may tend to reduce the prevailing interest rates offered by lenders for extending such Mortgages and to increase funds available for such Mortgages) and the possible geographic concentration of such Mortgages. Jumbo-Conforming Mortgages and Super-Conforming Mortgages may experience higher default rates than other Mortgages because, among other factors, they require relatively higher monthly payments.
- Modified Mortgages may have a greater risk of borrower delinquency and may generally have different prepayment and default characteristics than other Conventional Mortgages. In addition, Modified Mortgages with Step Rate Increases may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rates of these Modified Mortgages are increasing.
- Extended Buydown Mortgages may experience higher default rates than other Buydown Mortgages because they provide for larger increases in the effective interest rates to borrowers.
- Relocation Mortgages could be less sensitive than other types of Mortgages to prepayments resulting from decreasing interest rates and more sensitive than other types of Mortgages to prepayments resulting from home sales. The prepayment behavior of Relocation Mortgages also generally depends on the circumstances of individual employees and employers and the characteristics of the specific relocation programs involved, including whether such Mortgages are made in connection with a permanent relocation of a corporate headquarters, the likelihood that the borrower will be relocated again and the frequency with which further relocations occur. We do not collect information relating to these factors from mortgage sellers or servicers. Borrowers under Relocation Mortgages may be more likely to be transferred by their employers than mortgage borrowers generally. However, we cannot predict the likelihood of future employment related transfers or the rate of prepayments on Relocation Mortgages.

- Assumable Mortgages could be less sensitive than other types of Mortgages to prepayments due to home sales because they may not have to be prepaid when the mortgaged property is sold to a qualified borrower.
- High LTV Mortgages may have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments.
- FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria and they are usually Assumable Mortgages.
- Reduced Minimum Servicing Mortgages have a minimum servicing fee level that is below 0.25% per annum of the principal balance of the Mortgages, which is the prevailing minimum servicing fee level for Mortgages we acquire. Reduced Minimum Servicing Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or which are included in PC Pools with similar pass-through rates. (We no longer purchase Reduced Minimum Servicing Mortgages.)
- Reinstated FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria, they have experienced previous periods of serious delinquency and they can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage.
- Reinstated Mortgages may have different prepayment and default characteristics than other Conventional Mortgages because they have experienced previous periods of serious delinquency.

  Although Reinstated FHA/VA Mortgages and Reinstated Mortgages will be performing and not in default at issuance of their related new PCs, there can be no assurance that such Mortgages will remain current after issuance of the related PCs. If any Reinstated FHA/VA Mortgage or Reinstated Mortgage meets the applicable delinquency criteria described under *Description of the Mortgages—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Mortgage from its related PC Pool, which repurchase would have the effect of a prepayment in full of such Mortgage.

We make no representation concerning the particular prepayment rates for any type of Mortgage as compared to other kinds of Mortgages.

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, credit score 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 the other characteristics of those Mortgages. The Mortgages may be prepaid at any time, in most cases without penalty. 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 PC may be less than its 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 the first Payment Date, 30 days' interest will be payable on the PC even though interest began to accrue approximately 45 days earlier, in the case of Gold PCs, or 75 days earlier, in the case of ARM PCs.
- 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 15 or 45 days before that Payment Date for Gold PCs and ARM PCs, respectively.

Index values and Mortgage characteristics will affect yields of ARM PCs. If you invest in ARM PCs, you should consider the following additional risks:

- PC Coupons for 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, or high, interest rates compared to the other Mortgages in the same PC Pool will affect the level of the PC Coupon for the related ARM PCs, even if the interest rates on the remaining Mortgages do not change.
    - The PC Coupon of your 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. In addition, the interest rates of the underlying Mortgages typically adjust based on an Index value published some time before such adjustment (the lookback period), and there may be a gap of up to several months from the publication of the applicable Index value until the PC Coupon reflects the adjusted value. As a result, the PC Coupon of your ARM PCs may not fully reflect current interest rates or Index values.
    - Although there are generally no limits on monthly PC Coupon adjustments for ARM PCs, interest rates on the underlying ARMs are subject to lifetime ceilings and may be subject to adjustment caps and lifetime floors. As a result of these limitations, the PC Coupon on an ARM PC at any time may not reflect the applicable Index value or changes in that value from period to period. See *Description of the Mortgages—Adjustable Rate Mortgages (ARMs)* and *Description of the PCs—Payments of Interest—ARM PCs*.

- 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 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 your yield on the 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.
- SOFR tends to reflect current market rates, and its values may be more volatile than the value of Indices which reflect averages of rates in effect over longer periods of time.
- If you invest in Payment Capped ARM PCs, the application of payment caps may result in negative amortization or accelerated amortization, which may affect your yield.

Reinvestment of principal payments may produce lower yields; expected principal payments may not be available for reinvestment. 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.

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, economic difficulty, changes in employment rates, immigration policy, inflation, interest rates, spreads, the supply of houses available for sale or house 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, a high level of payment defaults on Mortgages could occur. 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 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 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 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.

Many borrowers may be "underwater" on their Mortgages. Any decline in the value of a mortgaged property after the Mortgage was originated could result in a higher LTV ratio with respect to that Mortgage than was applicable at the time the Mortgage was originated. A substantial number of borrowers are "underwater," or owe more on their Mortgages than their homes are currently worth, and, based on historical information, are more likely to default than other borrowers. Higher LTV ratios may make it more difficult for borrowers to refinance their loans or sell their homes. As a result, any such Mortgages backing your PCs may prepay less rapidly than you expect due to refinancing or may experience a higher level of delinquency. However, certain of these Mortgages could qualify to be refinanced under our Enhanced Relief Refinance Program (which is currently suspended), which permits the LTV ratios on Enhanced Relief Refinance Mortgages to exceed 125%. If such Mortgages are refinanced, that would result in accelerated prepayments in related PC Pools. See *Description of the Mortgages – Special Mortgage Characteristics – Relief Refinance Programs*.

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 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.

Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default. We make available on our website (i) certain pool- and loan-level information regarding each of the Mortgages backing our PCs and (ii) certain information at the cohort level, in each case, based on information furnished to us by the sellers and servicers of the Mortgages. We generally do not verify the information furnished to us by sellers and servicers prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. Information errors could also occur due to shortcomings or failures in our internal processes or systems or those of our sellers or servicers. In the past, we have experienced delays in disclosing information due to shortcomings, failures or disruptions in our internal systems or infrastructure or those

of sellers, servicers or U.S. FinTech. It is possible we could experience delays in the future for a number of reasons including, for example, cybersecurity incidents. Information could be incorrect if, for example, the parties involved in a transaction (such as the borrower, property seller, broker, appraiser, title agent, loan officer, lender or servicer) intentionally or negligently misrepresented facts about the borrower, property or Mortgage, or otherwise engaged in fraud. The policies and procedures we have implemented related to the information we receive from sellers and servicers of Mortgages may not be adequate to identify errors in that information, and we or our sellers and servicers may fail to properly operate those policies and procedures.

As part of the pool- and loan-level information, we provide certain LTV ratios for the Mortgages backing our PCs. In certain cases, these ratios are based on the estimated or appraised value of the mortgaged property, and thus the ratios may not reflect the property's actual value. In addition, property values may have increased or declined in some real estate markets since the time the valuations were obtained or determined. It is therefore possible that the valuation of a mortgaged property as reflected in the LTV ratio may not accurately reflect the value of the property at origination of the Mortgage or the current market value of the property.

We also provide the credit scores of the Mortgage borrowers. Credit scores are generated by models developed by third-party credit reporting organizations that analyze data on consumers in order to establish patterns which are believed to be indicative of a borrower's probability of default. A credit score purports only to be a measurement of the relative degree of risk a borrower represents to a lender. Credit scores were not developed specifically for use in connection with mortgage loans, but for consumer loans in general. For example, credit scores were developed to indicate a level of default probability over a two-year period, which does not correspond to the life of most mortgage loans. Therefore, credit scores do not address particular mortgage loan characteristics that influence the probability of repayment by the borrower. Credit score reporting may also change over time due to regulatory and legal developments as well as lender practices. We may from time to time accept credit scores generated using models that have yet to achieve wide acceptance in the market. The performance of Mortgages originated in reliance on such credit scores may diverge, and may diverge sharply, from the performance of other, similarly situated Mortgages. The credit score calculated for a given borrower may vary among third-party credit reporting organizations. You should determine how much to rely on the credit scores of the borrowers under the Mortgages backing your PCs.

We place Mortgages in PC Pools based, in part, on information provided by the sellers of the Mortgages. If such information is incorrect, there is a risk that a Mortgage could be placed in a PC Pool for which the Mortgage lacked the requisite characteristics, as set by the PC Pool's Prefix.

Operational Risks

We rely on U.S. FinTech and the mortgage securitization platform it owns and operates for performance of certain significant functions related to our PCs, including certain functions performed on behalf of the Trustee. For example, the mortgage securitization platform is used to perform certain data acceptance, issuance support and bond administration activities related to our PCs, including calculation of payments and ongoing reporting to investors. These activities are complex and present significant operational and technological challenges and risks, including process breakdowns, technology outages, cybersecurity incidents or other security incidents (whether due to insider error or malfeasance or system errors or vulnerabilities) or other disruptions. Our business operations would be adversely affected and the market for our PCs would be disrupted if the mortgage securitization platform were to fail or otherwise become unavailable to us or if U.S. FinTech were unable to perform its obligations to us for any reason, including as a result of an operational failure by Fannie Mae. In addition, U.S. FinTech could adopt or prioritize strategies that could adversely affect its ability to perform its obligations to us. Any measures we take to mitigate these challenges and risks might not be sufficient to prevent a disruption in our securitization activities related to our PCs. You could experience incorrect or late payments on your PCs in the event of

a systems problem, disruption or other adverse event affecting the mortgage securitization platform.

We rely on the Federal Reserve Banks to make payments on our 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 our PCs.

A failure in our operational systems or infrastructure, or those of third parties, could cause delays in making payments on our PCs and providing monthly disclosures and could disrupt the market for our PCs, either of which could adversely affect the value and liquidity of your PCs. We face operational risk due to a variety of factors, including the size and complexity of our business operations. Shortcomings, failures or fraud 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 our PCs and delays in providing, or errors in, our cohort-, pool- and loan-level disclosures. We also face operational risk with respect to servicers, dealers and other financial intermediaries we use to facilitate our PCs-related activities and operations. Operational failures could occur for a number of reasons, including process breakdowns, technology outages, cybersecurity incidents and other security incidents, adverse financial conditions or other disruptions. The use of new technologies, including artificial intelligence-based technologies and methods, 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. With respect to third parties, there can be no assurance that we can predict, prevent, mitigate or remediate the risk of any compromise or failure in the systems, networks and other technology assets owned or controlled by such third parties.

General Risk Factors

PCs are subject to liquidity risk. 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 the 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.

The secondary markets for some PCs have experienced periods of illiquidity in the past and can be expected to do so again in the future. Our financial condition, the conservatorship, uncertainty concerning our future structure and organization, including whether we will continue to exist, monetary policy, legal or regulatory changes (*e.g.*, legal restrictions or tax treatment that limit demand for PCs), 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, regulations in the U.S. and in global capital markets applicable to our PCs, and the demand for housing in the U.S. may materially affect the liquidity, pricing and market value 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; our exchange offer for eligible Gold PCs and eligible Giant PCs (which is scheduled to close on December 18, 2026); and the availability of comparable securities. 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

Most PCs are issued in exchange for Mortgages, in which case we do not receive cash proceeds. We use the net proceeds received from the sale of PCs for cash to provide funds 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 liens on one- to four-family residential properties. Mortgages include both whole loans and participation interests in loans. They may have been originated for the purpose of purchasing, refinancing or rehabilitating the mortgaged properties. The mortgaged properties may be owner-occupied properties or non-owner-occupied properties, such as second homes or investment properties. Mortgages may vary in form based largely on state law. They may take the form of other financial and security arrangements to finance residential properties over a fixed term. These other arrangements are designed to provide a holder with the same rights and remedies as the holder of a mortgage. Accordingly, we treat these sorts of arrangements as Mortgages. Examples include Cooperative Share Mortgages and arrangements designed to comply with Islamic law.

All of the Mortgages are either:

- **"Conventional Mortgages,"** which neither the United States nor any agency or instrumentality of the United States guarantees or insures.
- **"FHA/VA Mortgages,"** which the Federal Housing Administration, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture Rural Development (formerly the Rural Housing Service) (**"Rural Development"**) or the U.S. Department of Housing and Urban Development (**"HUD"**) guarantees or insures.

Mortgages bear interest at either a fixed or an adjustable interest rate. Initial Interest Mortgages, which we ceased purchasing on September 1, 2010, require only monthly interest payments for a fixed initial period, after which they fully amortize the unpaid principal balance over the remaining term of the Mortgage. Prior to the implementation of the single security initiative on June 3, 2019, most of the Mortgages we purchased and pooled for PCs were fixed-rate, fully amortizing, Conventional Mortgages with level monthly payments. As of the implementation of the single security initiative, the only Mortgages we purchase and pool for PCs are ARMs.

Mortgages have payments that are due monthly or, in some cases, biweekly. 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 because the first payment on a Mortgage frequently is not due until the second month after origination.

We typically purchase Mortgages secured by a first lien on the related residential property. The following is a description of the types of Mortgages we most frequently acquire and pool for PCs.

Fixed-Rate Mortgages

Fixed-rate Mortgages have interest rates that are fixed when the Mortgage is originated and do not change. The main types of fixed-rate Mortgages that we acquired and pooled for PCs were Level Payment Mortgages. We ceased purchasing fixed-rate Mortgages to pool for PCs in connection with the implementation of the single security initiative. **"Level Payment Mortgages"** generally have original or modified terms to maturity of 10, 15, 20, 30 or 40 years and provide for equal scheduled monthly payments of principal and interest that will fully amortize the principal balance of the Mortgage over its term and pay interest as due. These Mortgages may include Mortgages that have been converted from an adjustable to a fixed interest rate. We ceased purchasing Mortgages with original maturities in excess of 30 years on August 1, 2014.

In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.

Adjustable Rate Mortgages (ARMs)

ARMs have original or modified terms to maturity of generally up to 30 years with interest rates that adjust periodically at specified intervals over the term of the Mortgage. An ARM has an initial fixed-rate period followed by an adjustable rate period. The adjusted interest rate on an ARM is equal to a fixed Mortgage Margin plus the value of a specified index (**"Index"**). The adjustment value of the Index is the most recent value available a specified number of days before the adjustment date. This interval is the "lookback" period. Many ARMs are convertible to a fixed interest rate during a specified initial period (generally no more than 10 years). The originator of a convertible ARM determines the specific procedures regarding the exercise of the conversion option, including its timing and the beginning of the fixed rate. If the borrowers exercise their conversion option, we will repurchase convertible ARMs from PC Pools shortly before their conversion dates and such repurchases will be treated as full prepayments of such convertible ARMs.

On June 29, 2016, Freddie Mac and Fannie Mae implemented a new uniform ARM note, which institutes a mandatory lifetime floor equal to the Mortgage Margin applicable to the ARM. Sellers were required to use the new ARM note for any ARMs with note dates on or after October 1, 2016, with earlier adoption encouraged.

The main types of ARMs that we acquire and pool are Rate Capped ARMs and Payment Capped ARMs.

Rate Capped ARMs

"Rate Capped ARMs" have maximum interest rates (lifetime ceilings) and may also have some combination of (a) limits on the amount the interest rate can adjust up or down on each adjustment date (adjustment caps) and (b) minimum interest rates (lifetime floors). Rate Capped ARMs are not subject to negative amortization — any excess over, or any deficit under, the interest rate that would be in effect if no adjustment caps or lifetime ceilings or floors were applied will not be added to, or subtracted from, amounts due to be paid by the borrower in subsequent periods. After the initial fixed-rate period, the monthly payment is adjusted to a fully amortizing level each time the interest rate is adjusted, except in the case of Initial Interest ARMs in their interest only periods. There is no limit to the amount of the adjusted monthly payment on a Rate Capped ARM. The most common types of Rate Capped ARMs we purchase and pool are Annual ARMs, Hybrid ARMs and Initial Interest ARMs.

- **"Annual ARMs"** have initial fixed-rate periods of one year with interest rates that adjust every year, and they are generally subject to periodic adjustment caps.

- "**Hybrid ARMs"** have relatively long initial fixed-rate periods, typically of two, three, five, seven or 10 years, as specified. (The different types of Hybrid ARMs having these fixed-rate periods, with annual adjustments thereafter, are sometimes referred to as "2/1," "3/1," "5/1," "7/1" and "10/1" ARMs.) After the fixed-rate period expires, the fixed rate converts to an adjustable rate for the remaining term of the Mortgage. The initial adjustment, as well as subsequent periodic adjustments, are subject to adjustment caps. The initial adjustment cap on this type of ARM may be greater than subsequent adjustment caps. Effective for Hybrid ARMs purchased by us on or after July 1, 2013, we have revised our requirements for Hybrid ARMs with initial fixed-rate periods of less than or equal to five years to require that they must have initial adjustments, as well as periodic adjustments, of less than or equal to 2%.
- **"Initial Interest ARMs"** require monthly payments of accrued interest only on the principal balance of the Mortgage for a specified initial period, followed by fully amortizing monthly payments of principal and interest for the remaining term of the Mortgage at the then current interest rate. The Initial Interest ARMs that we acquired are non-convertible and generally have initial 3-, 5-, 7- or 10-year interest only periods followed by a fully amortizing period covering the remaining term of the Mortgage. Like other ARMs, the interest rate on an Initial Interest ARM adjusts periodically. The initial fixed-rate period of an Initial Interest ARM may or may not be equal in duration to its interest only period. Full or partial prepayments can be made at any time. In the case of a partial prepayment during the interest only period, the borrower's monthly payment is reduced to reflect the reduced principal balance of the Mortgage. We ceased purchasing Initial Interest ARMs on September 1, 2010.

Payment Capped ARMs

"Payment Capped ARMs" bear interest at a rate that adjusts periodically based on a specified Index. The amount of any interest rate adjustment is limited by a lifetime ceiling and may be limited by an adjustment cap and/or a lifetime floor. The interest rate on the Payment Capped ARM usually adjusts monthly, while the borrower's scheduled monthly payment usually adjusts annually. Typically, a "payment cap" equal to 7.5% of the previous scheduled monthly payment limits the amount of any single increase or decrease in the scheduled monthly payment. This payment cap typically applies to each payment adjustment, other than the adjustment in the fifth year after origination and every fifth year thereafter and, in some cases, the final payment adjustment, which are fully amortizing adjustments. The timing of the payment adjustments, combined with the payment cap, can give rise to either negative amortization or accelerated amortization:

- Negative amortization occurs in any month when the borrower's monthly payment amount is insufficient to pay all of the monthly interest due on the Mortgage. This unpaid interest is then deferred and added to the principal amount of the Mortgage. A Payment Capped ARM may be subject to a "deferred interest limit," which may be set by the terms of the Mortgage or by state law. A deferred interest limit prevents a mortgage balance from increasing above a specified level, typically 110% or 125% of the original principal balance of the Mortgage, as a result of the amount added to the principal balance of a Mortgage due to negative amortization. The borrower's required monthly payment is increased to avoid exceeding this limit, without regard to the 7.5% payment cap, on the next scheduled payment adjustment dates. Deferred interest may result from (a) increases in the Mortgage interest rate due to an increase in the applicable Index value during a period when the scheduled monthly payment remains fixed or (b) payment caps that limit the amount of increase in the scheduled monthly payment, which results in the monthly payment amount being less than the amount of interest accruing each month.

- Accelerated amortization occurs in any month when the scheduled monthly payment exceeds the amount needed to pay the principal and interest on the Mortgage on a level payment, fully amortizing basis. Accelerated amortization may result from (a) limitations on decreases in the amount of the scheduled monthly payment or (b) decreases in the interest rate of the Payment Capped ARM during a period when the scheduled monthly payment remains fixed. Accelerated amortization may shorten the term of a Payment Capped ARM and result in the final payment of its outstanding principal amount prior to its stated maturity date.

ARM 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. Generally, for ARMs we acquire and pool with note dates before June 1, 2020, if an Index becomes unavailable, we will designate a new one based upon comparable information and methodology. For ARMs we acquire and pool with note dates on or after June 1, 2020, we require that the borrower notes for such ARMs include "fallback" language that has been recommended by the Alternative Reference Rates Committee (**"ARRC"**), which indicates the circumstances when a replacement Index would be selected. Sellers could have voluntarily elected to adopt the ARRC "fallback" language before June 1, 2020. This "fallback" language is found at *Appendix III* to this Offering Circular. If an existing Index is unavailable or if an alternative Index is selected by us, the market value and/or liquidity of ARM PCs based on such Index could be adversely affected.

- **"Federal COF Index":** The average of the interest rates for marketable U.S. Treasury bills and notes, as calculated and released by Freddie Mac.
- **"Prime Rate":** The prime lending rate of major banks as published in the H.15 Release.
- **"SOFR":** We began purchasing SOFR-based ARMs in November 2020. These SOFR-based ARMS use the compounded 30-day Average SOFR (Secured Overnight Financing Rate) as published on the website of the FRBNY. In the future, we may pool SOFR-indexed ARM loans with rates based on different tenors. See *Risk Factors — Investment Factors — Risks related to ARM PCs based on SOFR* and *— Changes to, or elimination of, SOFR could adversely affect investors in SOFR-based ARM PCs.*

We have ceased purchasing ARMs using the Indices below.

- **"CMT Index":** The weekly average yield on U.S. Treasury securities adjusted to a constant maturity of one, three, five, seven or 10 years or to some other constant maturity, as published by the Federal Reserve Board in the Federal Reserve Statistical Release entitled "H.15 Selected Interest Rates (Daily)" (the **"H.15 Release"**), which is published at www.federalreserve.gov/releases/H15/update. Yields on Treasury securities at constant maturity are determined by the U.S. Treasury from the daily yield curve, based on the closing market-bid yields on actively traded Treasury securities in the over-the-counter market. Effective October 1, 2021, we ceased purchasing CMT Index-based ARMs.
- **"Eleventh District COFI" and "Enterprise 11th District COFI Replacement Index":** Eleventh District COFI is the monthly weighted average cost of savings, borrowings and advances for member savings institutions of the Eleventh District of the Federal Home Loan Bank, as released by the Federal Home Loan Bank of San Francisco. The Federal Home Loan Bank of San Francisco ceased publishing this Index in January 2022. Freddie Mac has replaced Eleventh District COFI with the Enterprise 11th District COFI Replacement Index, which is a new Index administered by Freddie Mac that is based on the Federal COF Index currently published by Freddie Mac, with a spread adjustment. We began publishing the Enterprise 11th District COFI Replacement Index on February 28, 2022, and expect to publish the index on the last business day of every month.

- **"LIBOR":** The arithmetic mean of the London interbank offered quotations for U.S. dollar denominated deposits with a maturity of one month, three months, six months, one year or some other maturity, as reported in *The Wall Street Journal*. Effective January 1, 2021, we ceased purchasing LIBOR-based ARMs. In July 2023, the LIBOR ARMs underlying our legacy LIBOR-based ARM PCs began to transition to an index based on SOFR. For more information, see *Risk Factors — Investment Factors — Risks related to ARM PCs based on SOFR*.
- **"Twelve-Month Average CMT Index":** The 12-month average of the monthly yields on United States Treasury securities as published in the H.15 Release, adjusted to a constant maturity of one year. Yields on Treasury securities at 1-year constant maturity are determined by the U.S. Treasury from the daily yield curve, based on the closing market-bid yields on actively traded Treasury securities in the over-the-counter market. Effective October 1, 2021, we ceased purchasing CMT Index-based ARMs.

Special Mortgage Characteristics

General

We may acquire and pool a variety of fixed-rate Mortgages and ARMs with special characteristics. Pool Supplements for PC Pools consisting of Mortgages with these characteristics will identify them. These Mortgages may prepay differently than standard fixed-rate Mortgages and ARMs. The following are the more common types of Mortgages with special characteristics that we acquire and pool, but we may from time to time also acquire and pool other kinds of Mortgages with special characteristics:

- A **"40-year Mortgage"** amortizes over a 40-year period and, as a result, scheduled principal amortization will be slower than for a Mortgage with a shorter term. Depending on the underwriting guidelines of the seller, the lower monthly payments may allow the borrower to qualify to borrow a larger amount than would have been the case for a Mortgage with a shorter term. Consequently, 40-year Mortgages may (i) extend the weighted average lives of the PCs they back and (ii) result in a larger loss and prepayment in the case of a default or foreclosure or other repurchase or prepayment event. We ceased purchasing Mortgages with original maturities in excess of 30 years on August 1, 2014.
- An **"Alignment Overflow Mortgage"** has been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers. As of April 2021, we do not expect to create PC Pools of Alignment Overflow Mortgages (*i.e.*, Prefixes 7P and 7Q).
- An **"Assumable Mortgage"** is one that can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage, or one that does not contain an enforceable due-on-transfer clause permitting automatic acceleration upon the transfer of the property regardless of the creditworthiness of the transferee. Typically, ARMs and FHA/VA Mortgages are Assumable Mortgages. Most fixed-rate Conventional Mortgages and Modified Mortgages are not Assumable Mortgages. Some ARMs can be assumed during the initial fixed-rate period and during the adjustable rate period whereas other ARMs are only assumable during the adjustable rate period.
- A **"Biweekly Mortgage"** requires the borrower to make payments every 14 days rather than monthly. The borrower's biweekly payment is equal to one-half of the monthly payment that would be required on the basis of a monthly amortization schedule. The borrower makes 26 (or sometimes 27) payments each year, which is the equivalent of 13 (or sometimes 13½) monthly payments. A Biweekly Mortgage will remain outstanding for a shorter term than an otherwise identical monthly payment Mortgage. For example, a 30-year, fixed-rate, level

payment Mortgage with an interest rate of 7.5% would be paid in full in approximately 23 years under a biweekly payment arrangement. Some Biweekly Mortgages are convertible, permitting the borrower and/or the servicer to terminate the biweekly payment arrangement under certain circumstances. If a Biweekly Mortgage is converted, subsequent payments are required to be made monthly, which results in a slower rate of amortization after the conversion. We ceased purchasing Biweekly Mortgages on February 5, 2020.

- A **"Buydown Mortgage"** is originated with special payment arrangements by which the borrower, lender and/or third party deposits funds in a separate account and uses those funds to pay a portion of the scheduled monthly payment on the Mortgage for a "buydown period," usually 18 to 36 months. Using a buydown account effectively reduces the interest rate paid by the borrower during the buydown period. Throughout that period, the borrower's monthly payment increases at periodic intervals until it reaches its fully amortizing level. Frequently, the interest rate on a Buydown Mortgage exceeds the rate the same borrower would have paid on a similar Mortgage without a buydown. An **"Extended Buydown Mortgage"** is a Buydown Mortgage for which (a) the buydown period is longer than two years or (b) the effective interest rate during the buydown period is more than two percentage points below the interest rate of the Mortgage, regardless of the length of the buydown period.

- A **"Cooperative Share Mortgage"** is secured by a first lien or other security interest on (a) the stock or membership certificate (or similar arrangement) issued to the borrower as a tenant-stockholder or resident-member by a cooperative housing corporation (a **"Cooperative"**) and (b) the proprietary lease, occupancy agreement or right of tenancy granting the tenant-stockholder or resident-member rights to occupy a specific dwelling unit in the building owned by the Cooperative. Ownership interests and occupancy rights in a Cooperative generally are subject to restrictions on transfer, and also are subject to claims by the Cooperative for unpaid maintenance charges. The Cooperative, as owner of the building, is responsible for its management and typically pays certain costs. If there is a blanket mortgage on the building, the Cooperative is responsible for payments on that mortgage. Generally, tenant-stockholders or resident-members of the Cooperative make monthly payments to the Cooperative for their pro rata share of payments on the blanket mortgage, real property taxes, insurance, maintenance costs and other expenses. The lien of a Cooperative Share Mortgage on the ownership interest and right of tenancy of a tenant-stockholder or resident-member is subject to the prior lien of the Cooperative for unpaid maintenance and to the prior lien of the blanket mortgage on the building.

- A **"High LTV Mortgage"** is either (i) a Mortgage that has an LTV at origination of greater than 105% and equal to or lower than 125% and generally may be a fixed-rate Relief Refinance or Enhanced Relief Refinance Mortgage or a non-assumable Mortgage guaranteed by Rural Development or (ii) a fixed-rate Relief Refinance or Enhanced Relief Refinance Mortgage that has an LTV at origination of greater than 125%. We pool each category of High LTV Mortgages separately from our other Mortgages. It is possible that High LTV Mortgages will have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments. We ceased purchasing Relief Refinance Mortgages in September 2019 and our purchases of Enhanced Relief Refinance Mortgages were suspended on September 1, 2021. For more information about Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, see *Relief Refinance Programs*.

- An **"Initial Interest Mortgage"** permits borrowers to pay only accrued interest for extended periods without requiring scheduled principal payments. When scheduled principal payments

on these Mortgages commence, the required monthly payment is likely to increase substantially because scheduled principal payments are calculated to pay off such a Mortgage over its then remaining term at the then current interest rate. In addition, unless the borrower makes unscheduled principal payments during the interest only period, equity accretion for the borrower during that period will result solely from market price appreciation on the related property. These factors may affect borrowers' decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. We ceased purchasing Initial Interest Mortgages on September 1, 2010.

- A **"Jumbo-Conforming Mortgage"** is a Mortgage originated from July 1, 2007 through December 31, 2008 that we are able to buy as a result of the temporary increase in conforming loan limits that was adopted in the Economic Stimulus Act of 2008 (the **"Stimulus Act"**) (maximum of $729,750 for a one-family residence). We have purchased fixed-rate 15-, 20-, 30- and 40-year Jumbo-Conforming Mortgages. The fixed-rate 30-year Jumbo-Conforming Mortgages may be Initial Interest Mortgages that permit borrowers to pay only accrued interest for up to 10 years followed by a 20-year period over which principal is fully amortized. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.) Fixed-rate Jumbo-Conforming Mortgages have been pooled separately from, and not with, our other fixed-rate conforming Mortgages. We have also purchased Jumbo-Conforming Mortgages that are ARMs (**"Jumbo-Conforming ARMs"**), which have been pooled with other Jumbo-Conforming ARMs of the same type. Jumbo-Conforming Mortgages were associated with approximately 70 areas, as determined by HUD. The Jumbo-Conforming Mortgages we purchased may be geographically concentrated. See *Mortgage Purchase and Servicing Standards—Mortgage Purchase Standards*.

- A **"Prepayment Penalty Mortgage"** requires fees, or prepayment penalties, to be paid whenever prepayments made within a specified period exceed a specified percentage of the original principal balance of the Mortgage. A prepayment penalty may or may not discourage a borrower from prepaying the Mortgage during the applicable period. The requirement to pay a prepayment penalty may generally last up to, but no longer than, five years. In order to be characterized as a Prepayment Penalty Mortgage, the prepayment penalty must last for at least one year and must equal at least 1% of the amount prepaid. (We do not treat Mortgages having a shorter penalty period or smaller penalty as Prepayment Penalty Mortgages.) Generally, we did not purchase Prepayment Penalty Mortgages whose prepayment penalty periods last longer than three years. Various combinations of prepayment rates and penalty periods are possible within those limitations. For example:
    - A specified percentage of the prepayment amount (for example, 1%, 2% or 5%);
    - 5% on prepaid amounts if prepaid in the first year after origination, 4% if prepaid in the second year, or 3% if prepaid in the third year;
    - 6 months' advance interest at the interest rate on the Mortgage on prepaid amounts exceeding 20% of the original principal balance;
    - 2% or 5% on prepaid amounts exceeding 20% of the original principal balance;
    - A certain number of months (for example, 2, 3 or 6 months) of advance interest at the interest rate on the Mortgage on the original unpaid principal balance;
    - 2 months' advance interest at the interest rate on the Mortgage on one-third of the prepayment amount; and

- For a prepayment in full, the lesser of a specified percentage of the prepayment amount (for example, 2%) or a certain number of months (for example, 2 months) of advance interest at the interest rate on the Mortgage on 100% of the prepayment amount.

Currently, the servicer retains all prepayment penalties. Prepayment penalties are not passed through to PC Holders. We prohibit our servicers from collecting prepayment penalties in cases where the payoff of the Mortgage is received in connection with the workout of a delinquent Mortgage or due to a default. Servicers have the option not to enforce prepayment penalties if they result from a sale of the mortgaged property, but otherwise are generally required to enforce them according to the terms of the Mortgage and applicable laws, which laws may affect whether a prepayment penalty can be collected or limit the amount that can be collected. We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.

- A "**Reduced Minimum Servicing Mortgage**" has a minimum servicing fee level that is below 0.25% per annum of the principal balance of a Mortgage, which is the prevailing minimum servicing fee level for Mortgages we acquire. These Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or are included in PCs with similar pass-through rates. For more information, see *Description of the PCs — PC Pool Formation*. (We no longer purchase Reduced Minimum Servicing Mortgages.)

- A **"Reinstated FHA/VA Mortgage"** is insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs and has been repurchased by the seller from pools backing mortgage-backed securities guaranteed by the Government National Mortgage Association due to delinquencies and in accordance with its policies. However, we do not acquire such Mortgages unless the delinquency has been cured and no other default exists, the Mortgage is performing, there has been no modification of any of the terms of the Mortgage, and the Mortgage is sold to us with recourse to the seller. There can be no assurance that Reinstated FHA/VA Mortgages will remain current. If any of the Reinstated FHA/VA Mortgages meet the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Reinstated FHA/VA Mortgages from their PC Pools.

- A **"Reinstated Mortgage"** is a Conventional Mortgage that we have purchased from its related original PC Pool due to delinquencies and in accordance with our policies. As reported to us by the applicable servicers, at issuance of a PC backed by Reinstated Mortgages, (i) the Reinstated Mortgages will be performing and no other default will exist and (ii) there will have been no modification of any of the terms of the Reinstated Mortgages. There can be no assurance that Reinstated Mortgages will remain current. If any of the Reinstated Mortgages meet the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Reinstated Mortgages from their PC Pools.

- A **"Relocation Mortgage"** is a mortgage loan made to a transferred or newly-hired employee to finance a home purchase at a new job location. The Relocation Mortgage usually requires an employer contribution to mortgage funding, which may be significant. These Mortgages usually are originated by agreement between the employer and the lender under a relocation program administered by the employer or its agent, although sometimes they are made on a "spot" basis rather than under an established relocation program.

- A **"Simple Interest Mortgage"** is a Mortgage in which interest is computed on the basis of a year of 365 or 366 days and actual days elapsed. For other Mortgages, interest is typically computed on the basis of a year of 360 days consisting of twelve 30-day months. Each monthly payment of a Simple Interest Mortgage is applied first to the interest that has accrued as of the

date of payment, with the remainder being applied to principal. The total amount of interest that accrues on a Simple Interest Mortgage over its life may exceed or be less than the amount that accrues on other Mortgages having the same interest rate and maturity, depending on the timing of the borrower's payments. Moreover, there is no grace period on a Simple Interest Mortgage if the borrower makes a monthly payment after the due date, while most other Mortgages provide a grace period, typically of 15 days, during which additional interest does not accrue on a late payment. The borrower under a Simple Interest Mortgage pays additional interest if a payment is not timely made and less interest if a payment is made early.

- A **"Super-Conforming Mortgage"** is a Mortgage secured by a property located in a designated high-cost area with an original principal balance exceeding the base conforming loan limit (for 2026, $832,750 for a one-family residence). The loan limits for Super-Conforming Mortgages are established by the Reform Act (for 2026, the maximum is generally $1,249,125 for a one-family residence). For properties in Alaska, Hawaii, Guam and the U.S. Virgin Islands, different loan limit calculations may apply. We purchase fixed-rate 10-, 15-, 20- and 30-year Super-Conforming Mortgages and Super-Conforming Mortgages that are ARMs (**"Super-Conforming ARMs"**). Thirty-year fixed-rate Super- Conforming Mortgages and ARMs may be Initial Interest Mortgages that permit borrowers to pay only accrued interest for 10 years followed by a 20-year period over which principal is fully amortized. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.) The Super-Conforming Mortgages we purchase may be geographically concentrated. See *Mortgage Purchase and Servicing Standards—Mortgage Purchase Standards*.

As noted above, we currently do not purchase Biweekly Mortgages and certain other types of Mortgages listed above; however, a PC Pool may contain such Mortgages that were purchased previously. We may also recommence the purchase of any such Mortgages at any time.

Mortgages That Have Been Modified That We Subsequently Securitize

"Modified Mortgages" generally refer to Mortgages that backed our mortgage-related securities, became delinquent or were in imminent default, and were subsequently modified and repurchased from the applicable mortgage-related securities. See *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*. We may also modify Mortgages that we have purchased for cash that become delinquent or are in imminent default before we have the opportunity to securitize those Mortgages. Modified Mortgages may include Mortgages that we have modified pursuant to our Flex Modification and disaster-related modification initiatives, as well as Mortgages that we have modified pursuant to initiatives that have been discontinued. These initiatives are described below in *Mortgage Modification Programs*. Modified Mortgages may include Mortgages subject to Payment Deferral Solutions, as well as Mortgages that we modify pursuant to any future new or revised Mortgage modification programs. For information on Payment Deferral Solutions, see *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies.*

We may securitize fixed-rate Modified Mortgages in **"Modified Fixed Rate PCs."** Prior to July 2020, Modified Fixed Rate PCs did not include any Modified Mortgages with Step Rate Increases. However, as of July 2020, Modified Fixed Rate PCs may include Modified Mortgages with Step Rate Increases if the interest rate for any such Mortgage has reached its interest rate cap prior to the issuance of the related PC Pool. Once the cap is reached, the interest rate of such Mortgage will be fixed for the remaining term of the Mortgage.

We may securitize Modified Mortgages with Step Rate Increases in **"Modified Step Rate PCs."** At the time of issuance of a Modified Step Rate PC, up to 10%, by unpaid principal balance, of the Modified Mortgages backing such PC may consist of fixed-rate Modified Mortgages.

As reported to us by the applicable servicers, at issuance of Modified Fixed Rate PCs and Modified Step Rate PCs, Modified Mortgages backing such PCs will be performing and not in default. However, there can be no assurance that the Modified Mortgages backing Modified Fixed Rate PCs and Modified Step Rate PCs will remain current. In addition, Modified Mortgages that include Step Rate Increases, which back Modified Step Rate PCs, may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rate of these Modified Mortgages is increasing. Step Rate Increases commenced in 2014 for certain Modified Mortgages with Step Rate Increases. If any Modified Mortgage backing Modified Fixed Rate PCs or Modified Step Rate PCs meets the applicable delinquency criteria described under *Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Modified Mortgage from its related Modified Fixed Rate PC Pool or Modified Step Rate PC Pool, which repurchase would have the effect of a prepayment in full of such Modified Mortgage.

We provide several unique pool-level and loan-level disclosures in the related Pool Supplement and on our website, respectively, for the Modified Fixed Rate PCs and Modified Step Rate PCs. As discussed above, as of July 2020, Modified Fixed Rate PCs may include Modified Mortgages with Step Rate Increases if the interest rate for any such Mortgage has reached its interest rate cap prior to the issuance of the related PC Pool. The pool- and loan-level disclosures related to such a Modified Mortgage may not include the unique disclosures related to Modified Mortgages with Step Rate Increases that are included in Modified Step Rate PCs.

We will generally repurchase from related Modified Fixed Rate PCs and Modified Step Rate PCs any Modified Mortgages that are further modified as described above. Such repurchases will result in a prepayment in the amount of the then unpaid principal balance of each such Mortgage. We cannot predict the number of borrowers with Modified Mortgages who will qualify for, and complete, a Flex Modification of their Modified Mortgages. Correspondingly, we cannot predict the potential resulting rate of repurchases. However, the number of Modified Mortgages that are further modified under the Flex Modification initiative and the resulting potential increase in prepayments may be material.

Mortgage Modification Programs

Our primary current and discontinued Mortgage modification programs are described below. We could elect or be required to expand existing programs or implement new programs at any time.

- *Freddie Mac Flex Modification® initiative.* In December 2016, we announced the new Freddie Mac Flex Modification (**"Flex Modification"**) initiative, which we implemented jointly with Fannie Mae at the direction of FHFA. The Flex Modification replaced our non-HAMP standard and streamlined modification initiatives effective October 1, 2017.

  A mortgage may be modified up to three times under our Flex Modification initiative. Our Flex Modification employs a trial period payment plan feature, which allows eligible borrowers to pay an estimate of the new modified monthly payment for at least three months to ensure that the borrower can afford the new payment. While the borrower is making the trial period payments, the mortgage may remain in a delinquent status. The mortgage will not be permanently modified and brought current until the end of the trial period and only if the borrower has otherwise complied with the terms of the trial period plan. A Flex Modification may be made from the time the borrower is current and found to be in imminent default to shortly before foreclosure sale. We also offer a streamlined Flex Modification to borrowers who are 90 or more days delinquent or who have a Modified Mortgage with Step-Rate Increases and have become 60 or more days delinquent within 12 months of the related step-rate payment adjustment. Under the streamlined offer for the Flex Modification initiative, the servicer may offer the borrower a loan modification (preceded by a three-month trial period plan) without having made an assessment of the borrower's hardship or income.

- *Disaster-Related Modification initiative.* This modification is limited to borrowers that became delinquent because their home or place of employment is located in a presidentially declared disaster area where the Federal Emergency Management Agency **("FEMA")** has made individual assistance available. Servicers may consider such borrowers for this modification once their hardship has been resolved if they were less than 31 days delinquent as of the date of the disaster, are between 29 and 361 days delinquent (at least one, but no more than 12 monthly payments are past due) at the time of evaluation and are able to resume making their contractual payments but are unable to bring their loan current through a reinstatement or repayment plan. The disaster-related modifications listed below will not take effect and the mortgage will not be brought current until the borrower makes three trial period plan payments and otherwise complies with the terms of the trial period plan. While the borrower is making the trial period payments, the mortgage will remain in delinquent status, but the servicer must not report the delinquency to credit repositories while the borrower is on an active trial period plan.
    - *Extend Modification.* Servicers must first consider such borrowers for our **"Extend Modification,"** under which the servicer does not capitalize arrearages, but rather extends the mortgage term by a number of months equal to the number of missed monthly payments that occurred during the borrower's preceding disaster forbearance plan. To the extent the servicer advanced escrow payments to a third party on behalf of the borrower and the borrower had not made such escrow payments to the servicer, the borrower must enter into a 60-month repayment plan to repay such advances in equal monthly installments to the servicer.
    - *Disaster Relief Modification.* If a borrower is not eligible for the Extend Modification, the servicer must next evaluate the borrower for our **"Disaster Relief Modification."** Under this modification, the servicer capitalizes arrearages and then extends the term of the mortgage in monthly increments until the monthly principal and interest due under the modified terms equals the pre-modification monthly principal and interest due. The servicer may not extend the term more than 480 months from the modification effective date. The servicer must evaluate the borrower for a Flex Modification if they are unable to achieve the pre-modification monthly payment by extending the term of the mortgage loan to the 480-month limit.

  On July 15, 2020, we announced that we are expanding the definition of Eligible Disaster to also include any mortgaged premises that has incurred an insured loss. Under the expanded definition, an **"Eligible Disaster"** is a financial hardship (*e.g.*, a loss or reduction of income or increase in expenses) that impacts the borrower's ability to pay its current contractual monthly payment and either:

    - The property securing the Mortgage experienced an insured loss;
    - The property securing the Mortgage is located in a FEMA-declared disaster area eligible for individual assistance; or
    - The borrower's place of employment is located in a FEMA-declared disaster area eligible for individual assistance.

  We also eliminated the requirement that servicers not report a borrower's delinquency to credit repositories while the borrower is on an active trial period plan.

  We also announced that borrowers who have been impacted by an Eligible Disaster would be eligible for a Payment Deferral Solution. The Payment Deferral Solution for Eligible Disasters was effective October 1, 2020, with earlier implementation encouraged. Effective October 1, 2020, the Payment Deferral Solution for Eligible Disasters replaced the Extend Modification

and the Disaster Relief Modification.

- *HAMP initiative.* The Home Affordable Modification Program (**"HAMP"**) expired on December 30, 2016. HAMP applied to Mortgages originated on or before January 1, 2009. Under this program, our servicers offered eligible borrowers in principal residences who were delinquent or at risk of imminent default on their Mortgages modifications that reduced their monthly principal and interest payments on their Mortgages. Under HAMP, servicers that service Mortgages were provided incentives to reduce at-risk borrowers' monthly Mortgage payments to a target payment of 31% of the borrower's gross monthly income, which was arrived at by modifying the terms of the Mortgage in a specific sequential order until the servicer achieved the target payment (that is, capitalization of arrearages, interest rate reductions (to a floor of 2%), term extensions and principal forbearance or reduction). The initial interest rate and monthly principal and interest payment of the modified Mortgage are fixed for the life of the Mortgage unless the initial modified interest rate was below current market interest rates at the time of the modification. In that case, the below market interest rate is fixed for five years. At the end of the fifth year, the interest rate on the modified Mortgage may increase by 1% (or less) per year until it reaches the cap described below. These increases in interest rate are referred to herein as **"Step Rate Increases."** The cap is equal to the market rate of interest (which is defined as the Freddie Mac Primary Mortgage Market Survey® rate for 30-year fixed-rate conforming mortgages, rounded to the nearest one-eighth of one percent (0.125%)) being charged by mortgage lenders on the day the modification agreement was prepared. Once the interest rate reaches the cap, it is fixed for the remaining term of the Mortgage. In order to receive a permanent modification, borrowers were subject to a trial period under which they were required to remit a number of monthly payments that were an estimate of the anticipated modified payment amount. After successfully meeting the requirements of the trial period, a borrower's Mortgage was modified. Servicers were paid certain incentive fees when they originally modified a loan and, for HAMP modifications that took effect on or before April 1, 2014, were paid certain incentive fees for three years, if the modified loan remained current. Borrowers whose Mortgages were modified through this program also accrue monthly incentive payments that are applied to reduce their principal as they successfully make timely payments over a period of five years.

  In January 2015, at the instruction of FHFA, we implemented a $5,000 principal reduction incentive payable to eligible borrowers who remain in good standing on their HAMP modified loans through the sixth anniversary of their modification. The incentive payment is effected by applying any remainder of the incentive to reduce the unpaid principal balance of the modified Mortgage. If this incentive is paid with respect to any modified Mortgage backing a related PC, any principal reduction will constitute a partial prepayment of the PC.

- *Non-HAMP Standard Modification initiative*. The non-HAMP standard modification initiative expired on September 30, 2017. The non-HAMP standard modification initiative was implemented in late 2011, replacing our previous non-HAMP modification initiative. Modifications under the non-HAMP standard modification initiative included capitalization of interest and certain non-interest arrearages, setting of interest rates (increasing or decreasing rates), extending the Mortgage term to 480 months and a borrower trial period of at least three months for the modifications before they were finalized. The non-HAMP standard modification initiative provided for a standard modified interest rate at the interest rate posted monthly by us. This initiative also provided for a servicer incentive fee schedule for non-HAMP modifications, comparable to the HAMP servicer incentive fee structure. The incentive fees were intended to provide greater incentives to our servicers to modify loans earlier in the delinquency. Unlike with HAMP modifications, our non-HAMP standard modification did not

provide for borrower incentive payments or recurring servicer incentive fees after the initial servicer incentive payment.

- *Principal Reduction Modification initiative.* Our Principal Reduction Modification initiative has been discontinued. On April 14, 2016, FHFA announced this initiative under which it directed Freddie Mac and Fannie Mae to modify certain loans. Servicers were required to have sent all required solicitations for this modification by December 31, 2016. In order to have qualified for the modification, as of March 1, 2016:
    - The borrower must have been at least 90 days delinquent under the Mortgage;
    - The Mortgage must have had an unpaid principal balance less than or equal to $250,000 before capitalizing eligible arrearages; and
    - The Mortgage must not have been originated for an investment property. In addition, as of the date of evaluation of eligibility:
    - The Mortgage must have had a post-modification current LTV ratio greater than 115%;
    - The Mortgage must have been a first lien Mortgage owned in whole or in part or guaranteed by Freddie Mac (or Fannie Mae);
    - The property securing the Mortgage could have been vacant or condemned;
    - The Mortgage must have been originated at least 12 months prior to the loan modification evaluation date;
    - The modification must result in a principal and interest payment that is less than or equal to the pre-modification principal and interest payment; and
    - If the Mortgage was secured by a leasehold estate, the term of the lease must not terminate earlier than five years after the maturity date of the proposed modified mortgage. If the current term of the lease terminates earlier than five years after the maturity date, the term of the lease must be renegotiated in order to satisfy this requirement prior to offering the borrower a trial period plan.

  Under the terms of this modification initiative:
    - Any arrearages, including forborne principal balances from a previous modification, were capitalized;
    - The modified interest rate was adjusted to the standard modification interest rate then in effect;
    - The term of the Mortgage was extended to 40 years;
    - Principal was forborne in an amount that was the lesser of an amount that would create a post-modification LTV ratio of 115% (using the interest-bearing principal balance) or 30% of the post-modified unpaid principal balance of the loan; and
    - The forborne amount was converted to a reduction in the principal balance no later than 90 days following finalization of the modification.
- *Classic Program.* Under our discontinued "classic" program, modifications to the Mortgages included capitalization of interest and non-interest arrearages that the borrower could not pay and may have included extensions of the term of the Mortgage and reductions in interest rate, but did not include forbearance or reductions of principal balances and borrower trial periods.
- *Streamlined Modification Initiative.* Under our discontinued streamlined modification initiative, we offered modifications to certain borrowers who were at least 90 days delinquent.

These borrowers were not required to apply for assistance or provide income or hardship documentation. However, they must have completed a trial period of at least three months prior to being offered a permanent modification, which generally provided the same modification terms and servicer incentives as the non-HAMP standard modification. The streamlined modification initiative was implemented in July 2013 (with earlier adoption permitted).

- *Alternative Modification Initiative.* The terms of the modifications under our discontinued alternative modification initiative generally were similar to those under our streamlined modification initiative; however, we generally offered the alternative modification to borrowers who were five to twenty-four months delinquent on their Mortgages. The alternative modification initiative was a one-time initiative and the final modification agreement must have been entered into no later than January 1, 2014.
- *HAMP Backup Initiative*. Our HAMP backup initiative has been discontinued. Certain borrowers who initially qualified for a HAMP modification and who made timely payments during a HAMP trial period, but who, because of income verification or other reasons, subsequently failed to qualify under the HAMP initiative, could have had their Mortgages modified under our HAMP backup initiative (which is a non-HAMP initiative). Modifications under our HAMP backup initiative generally have terms similar to modifications under the HAMP initiative.

See the Incorporated Documents and our Guide for additional information concerning our Mortgage modification programs.

Relief Refinance Programs

Our Enhanced Relief Refinance Program (which is currently suspended) and Relief Refinance Program (which has expired) are described below:

- *HARP initiative.* The Home Affordable Refinance Program (**"HARP"**) expired on December 31, 2018. We called our initiative in this area our **"Relief Refinance Program"** and the Mortgages that were originated thereunder **"Relief Refinance Mortgages℠."** Under this program, we set forth the terms and conditions under which we would purchase refinancings of Mortgages we owned or guaranteed. As originally designed, Relief Refinance Mortgage borrowers had to be current on their original Mortgages. Certain eligible borrowers applying for Relief Refinance Mortgages could be subject to streamlined underwriting procedures and, for certain eligible Mortgages, the value of eligible properties could be determined using an automated valuation model. The LTV ratio on fixed-rate Relief Refinance Mortgages could be up to 125%. A Relief Refinance Mortgage could be without mortgage insurance if the original Mortgage did not bear mortgage insurance. Relief Refinance Mortgages were required to be originated on or before December 31, 2018, with final settlement dates to occur on or before September 30, 2019.
- *Changes to the HARP initiative.* On October 24, 2011 FHFA, Freddie Mac and Fannie Mae announced a series of FHFA-directed changes to the HARP initiative in an effort to attract more eligible borrowers who could benefit from refinancing their Mortgages.

  The revisions to the initiative were available to borrowers with Mortgages that were sold to us on or before May 31, 2009 (effective October 27, 2013, this was revised to Mortgages having a note date on or before May 31, 2009), who had current LTV ratios above 80% and whose refinance loan application were dated on or after December 1, 2011. The program enhancements included:

  - Eliminating certain risk-based fees for borrowers who refinanced into shorter-term Mortgages and lowering fees for other borrowers;

- Removing the 125% LTV ratio ceiling for fixed-rate Mortgages;
- Eliminating the requirement for lenders to provide us with certain representations and warranties regarding the Mortgages to be refinanced; and
- Eliminating the need for a new property appraisal where there was a reliable automated valuation model estimate provided by the applicable government sponsored enterprise.

On November 15, 2011, following discussions with FHFA and Fannie Mae, we issued operational and other guidance for the changes to our Relief Refinance Program. We started purchasing fixed-rate Relief Refinance Mortgages with LTV ratios greater than 125% for cash in January 2012 and we commenced securitizing such Relief Refinance Mortgages under our Guarantor Swap Program on June 1, 2012. Generally, features of our revised Relief Refinance Program for Mortgages above 80% LTV, in addition to those described in the preceding paragraph, included the following:

- Permitting one 30-day delinquency within the preceding twelve months on the Mortgage being refinanced, provided that the delinquency did not occur within the preceding six months;
- Providing that at least one borrower had a verified source of income;
- Removing the requirement that the occupancy under the Mortgage being refinanced and the occupancy under the Relief Refinance Mortgage be the same; and
- Servicers generally could target Mortgages owned or securitized by us for refinancing, provided that the Servicer simultaneously applied the same advertising and solicitation activities to mortgages owned or securitized by Fannie Mae that were eligible to be refinanced under the HARP initiative. Our other limitations on targeted solicitations of Mortgages owned or securitized by us remained unchanged.

Borrowers who had refinanced once under the Relief Refinance Program were not eligible for additional refinancings under the program unless we had purchased their Mortgages prior to June 1, 2009. Participation by lenders and servicers in the HARP initiative and our Relief Refinance Program was voluntary and we cannot predict the effect of the above measures on the rate on prepayments of the Mortgages backing our PCs.

Underwriting procedures for Relief Refinance Mortgages were limited in many cases, and such procedures generally did not include all of the changes in underwriting standards we have implemented since 2008. As a result, Relief Refinance Mortgages generally may reflect many of the credit risk attributes of the original loans.

- *Enhanced Relief Refinance Program.* At the direction of FHFA and in coordination with Fannie Mae, Freddie Mac introduced the **"Enhanced Relief Refinance Program℠,"** which replaced the Relief Refinance Program and provides refinance opportunities to borrowers with existing Freddie Mac Mortgages who are current on their mortgage payments but whose LTV ratios exceed the maximum permitted for standard refinance products under our Single-Family Seller/Servicer Guide (the **"Guide"**). The program became available in January 2019 for mortgages originated on and after October 1, 2017. We refer to Mortgages originated under this program as **"Enhanced Relief Refinance Mortgages."** To be eligible for refinancing under the Enhanced Relief Refinance Program, the Mortgage being refinanced must, among other things:
  - be a first-lien, conventional Mortgage owned or securitized by Freddie Mac;

- have an LTV ratio exceeding 97% for one-unit principal residences or exceeding the maximum LTV ratios otherwise permitted under Freddie Mac's requirements for all other single-family property types;
- have a note date on or after October 1, 2017;
- have been originated at least 15 months prior to the note date of the Enhanced Relief Refinance Mortgage; and
- have had no 30-day delinquency in the immediately preceding six months, no more than one 30-day delinquency in the immediately preceding 12 months, and no 60 or more day delinquency in the most recent 12 months.

Mortgages that are subject to recourse, indemnification or other negotiated credit enhancement may be eligible for refinancing under this program if the Enhanced Relief Refinance Mortgage is also subject to a credit enhancement that meets Freddie Mac's requirements. Enhanced Relief Refinance Mortgages are subject to additional limitations and requirements, including borrower requirements, to maintain the risk profile of the existing loan. Enhanced Relief Refinance Mortgages may be underwritten using Loan Product Advisor or manually underwritten. Relief Refinance Mortgages and Mortgages subject to outstanding repurchase requests are not eligible to be refinanced under the Enhanced Relief Refinance Program. Although lenders are permitted under the Enhanced Relief Refinance Program to provide a contribution toward the payoff of the Mortgage being refinanced, principal forgiveness is not currently permitted under the program.

On May 26, 2021, Freddie Mac announced that the Enhanced Relief Refinance Program has been suspended until further notice for Mortgages with applications dated on or after July 1, 2021 and all Mortgages with settlement dates after August 31, 2021.

See the Incorporated Documents and our Guide for additional information concerning our refinance programs.

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.

We employ multiple strategies to maintain Mortgage quality:

- Our eligibility requirements are set forth in our underwriting standards, which are published in our Guide and included in various contracts with sellers, and incorporated where practical in Freddie Mac Loan Advisor®. These underwriting standards establish the requirements our sellers apply when originating loans in compliance with representations and warranties to us;
- Loan quality control practices, including post-closing review and our remedy management repurchase process, help to validate that the Mortgage origination process is acceptable to us; and
- Seller/servicer monitoring, including review of their in-house quality control as well as our Mortgage performance monitoring, helps to maintain quality control for Mortgages sold and/or serviced by third parties.

We use a delegated underwriting process in connection with our acquisition of Mortgages whereby we set eligibility and underwriting standards and sellers represent and warrant to us that Mortgages they sell

to us meet these standards. Our eligibility and underwriting standards are used to assess Mortgages based on a number of characteristics.

We establish more strict eligibility standards for Mortgages with certain higher risk characteristics. These standards are designed to balance our credit risk exposure while supporting affordable housing in a responsible manner. Our purchase guidelines generally provide for (i) a maximum original LTV ratio of 97% for purchase and no-cash-out refinance Mortgages and (ii) a maximum original LTV ratio of 80% for cash-out refinance Mortgages.

Loan Advisor is our main tool for assessing loan eligibility and documentation. Loan Advisor is a set of software applications and services designed to give lenders access to our view of risk, loan quality, and eligibility during the origination process. As a component of Loan Advisor, Loan Product Advisor helps lenders validate that submitted Mortgages meet our underwriting standards.

Substantially all of the Mortgages we purchase are assessed by our proprietary underwriting software tools, Loan Product Advisor or Loan Quality Advisor®, prior to purchase, helping validate their compatibility with our risk appetite. Any loans that are not assessed by our proprietary underwriting software are manually underwritten by the seller in accordance with contractual requirements.

We offer limited representation and warranty relief for certain Mortgage components that satisfy automated data evaluation related to appraisal quality, valuation, borrower assets, borrower income, borrower employment status and certain condominium project requirements. In general, limited representation and warranty relief is offered when information is validated through the use of independent data sources and/or Freddie Mac analytics and risk assessments.

If we discover that the seller representations or warranties related to a Mortgage were breached (i.e., that contractual standards were not followed), we can exercise certain contractual remedies to mitigate our actual or potential credit losses. These contractual remedies may include, but are not limited to, the ability to require the seller or servicer to repurchase the Mortgage at its current unpaid principal balance, reimburse us for losses realized with respect to the Mortgage after consideration of any other recoveries, and/or indemnify us. Our current remedies framework provides for the categorization of Mortgage origination defects for Mortgages with settlement dates on or after January 1, 2016. Among other items, the framework provides that "significant defects" may result in a repurchase request or a repurchase alternative, such as recourse or indemnification. We implemented a pilot program in 2024 that provides participating sellers with a fee-based alternative to performing loan repurchases. Beginning in the first quarter of 2025, the pilot program was expanded to all eligible sellers and now comprises a significant share of our new business activity. The pilot program continues to maintain the protections related to delinquent Mortgages and charter violations outlined in the selling and servicing representation and warranty framework. Sellers that choose not to participate in the pilot program still have access to other repurchase alternatives, including the new fee-only alternative we implemented in the first quarter of 2025 for eligible Mortgages. If the fee-only alternative is offered on a performing Mortgage, sellers will be able to pay a fee in exchange for immediate representation and warranty relief on that Mortgage.

The methods available to sellers (or servicers if they are responsible for the seller representations and warranties) for obtaining relief from repurchase obligations are generally dependent upon the date on which a Mortgage was acquired. Under our current selling and servicing representation and warranty framework for our Mortgages, we relieve sellers of repurchase obligations for breaches of certain selling representations and warranties for certain types of mortgages, including:

- Mortgages that have established an acceptable payment history for 36 months (12 months for Enhanced Relief Refinance Mortgages and Relief Refinance Mortgages) of consecutive, on-time payments after purchase, subject to certain exclusions; and
- Mortgages that have satisfactorily completed a quality control review.

Solely for the purpose of determining whether the acceptable payment history requirements are met, payments due during the COVID-19-related forbearance period are considered to have been made on time, provided that the Mortgage was reported by the servicer as having entered into a COVID-19-related forbearance plan between March 13, 2020 and October 31, 2023 and met certain other criteria as described in our Guide.

An independent dispute resolution process for alleged breaches of selling or servicing representations and warranties on our Mortgages allows for a neutral third party to render a decision on demands that remain unresolved after the existing appeal and escalation processes have been exhausted.

We employ a quality control process to review underwriting documentation and decision-making for compliance with our standards using both statistical random and targeted sampling. Pursuant to Guide requirements, we initiate these sampling reviews to timely identify breaches of representations and warranties. Sellers may appeal our ineligible loan determination.

We also perform quality control reviews on Mortgages that have defaulted and have not obtained representation and warranty relief under the representation and warranty relief framework. These Mortgages are subject to repurchase if a significant breach of our Guide is identified.

We actively monitor seller and servicer performance, including compliance with our standards. We maintain approval standards for our seller/servicers, which include requiring our sellers to maintain an in-house quality control program with written procedures that operates independently of the seller's underwriting and origination functions. We monitor servicer performance using our Servicer Success Scorecard. In addition, we perform servicing and Mortgage modification quality control reviews on selected servicers through random sampling of delinquent Mortgages and Mortgage modifications.

The Purchase Agreement restricts our Mortgage acquisitions, as described above in *Freddie Mac – Purchase Agreement*.

We summarize below certain of our Mortgage purchase standards and servicing policies. This summary, however, is qualified in its entirety by any applicable Mortgage purchase documents, servicing agreements and supplemental disclosures. Our current Mortgage purchase standards and servicing policies are generally set forth in our Guide, which is located on AllRegs Online at www.icemortgagetechnology.com/allregs. We amend our Guide and our purchase standards and servicing policies from time to time. Thus, it is possible that not all of the Mortgages in a particular Pool are subject to the same eligibility, underwriting and other purchase standards. The purchase and servicing standards and policies described in the current Guide may not be the same as the standards and policies that applied when Mortgages in a particular Pool were originated and the PC related to such Pool was issued. We may waive or modify our eligibility and underwriting requirements or policies when we purchase Mortgages. We may also waive or modify our servicing policies with respect to certain Mortgages. We also may undertake initiatives to evaluate potential changes to our underwriting requirements or policies; Mortgages sold to us under an initiative may be subject to different underwriting requirements or policies than other Mortgages sold to us. Similarly, we may undertake initiatives to evaluate potential changes to our servicing policies; Mortgages subject to a servicing initiative may be subject to different servicing policies than other Mortgages. FHFA has the power to require us from time to time to change our processes, take action and/or stop taking action, which could impact our business; FHFA exercises this power from time to time.

We have been required by FHFA to align certain of our Mortgage purchase offerings and servicing practices with Fannie Mae to achieve market acceptance of the UMBS. FHFA's UMBS Rule requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect the prepayment rates of their TBA-eligible mortgage-backed securities. Prior to the implementation of the UMBS, we and Fannie Mae had aligned certain standards for servicing non-performing Mortgages owned or backing mortgage-backed securities guaranteed by the Enterprises under the FHFA-directed servicing alignment initiative.

Mortgage Purchase Standards

The Freddie Mac Act establishes requirements for and limitations on the Mortgages we may purchase, as described below. We purchase and securitize "single-family mortgages," which are mortgages that are secured by one- to four-family properties.

The Freddie Mac Act places an upper limitation, called the "conforming loan limit," on the original principal balance of Mortgages we purchase. The conforming loan limit is determined annually based on changes in FHFA's housing price index. Any decreases in the housing price index are accumulated and used to offset any future increases in the housing price index so that loan limits do not decrease from year-to-year. The base conforming loan limit for a one-family residence has been set at $832,750 for 2026, and was set at $806,500 for 2025, $766,550 for 2024 and $726,200 for 2023. As discussed below, certain higher loan limits apply in certain "high-cost" areas. Higher limits also apply to two- to four-family residences.

As part of the Stimulus Act, the conforming loan limits were increased for Mortgages originated in certain "high-cost" areas from July 1, 2007 through December 31, 2008 to the higher of the applicable 2008 conforming loan limits ($417,000 for a one-family residence) or 125% of the median house price for a geographic area, not to exceed $729,750 for a one-family residence. We began purchasing these Jumbo Conforming Mortgages in April 2008.

The Reform Act permanently increased the conforming loan limits for Mortgages originated in "high-cost" areas — where 115% of the median house price exceeds the otherwise applicable conforming loan limit. Under the Reform Act's permanent "high-cost" area formula, the loan limit is the lesser of (i) 115% of the median house price or (ii) 150% of the conforming loan limit (for 2026, $1,249,125 for a one-family residence).

However, a series of legislative acts temporarily restored the Stimulus Act's "high-cost" area loan limit to up to $729,750. For Mortgages originated in 2009, the American Recovery and Reinvestment Act of 2009 (the **"Recovery Act"**) ensured that the loan limits for the "high-cost" areas determined under the Stimulus Act did not fall below their 2008 levels. Additional legislation extended the "high-cost" area loan limits established by the Recovery Act for Mortgages originated through September 30, 2011.

The conforming loan limits are 50% higher for Mortgages secured by properties in Alaska, Guam, Hawaii and the U.S. Virgin Islands.

In general, an LTV ratio is a ratio of (a) the total principal balance of a Mortgage to (b) the value of the property securing the Mortgage. Under the Freddie Mac Act, we may not purchase a Conventional Mortgage if, at the time of purchase, the outstanding principal balance of the Mortgage exceeds 80% of the value of the mortgaged property unless we have one or more of the following credit protections, which are designed to offset any additional credit losses that may be associated with higher LTV ratios: mortgage insurance from a qualified insurer, as determined by us, on the portion of the outstanding principal balance above 80%; a seller's agreement to repurchase or replace (for periods and under conditions as we may determine) any Mortgage that has defaulted; or retention by the seller of at least a 10% participation interest in the Mortgage. Under our Relief Refinance Program and Enhanced Relief Refinance Program, FHFA will allow Mortgages to be refinanced without obtaining additional credit enhancement in excess of that already in place for that Mortgage. Consequently, if the original Mortgages did not have credit enhancements, the resulting Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages with LTV ratios that exceed 80% will not be required to bear the credit protections described above.

Except for certain Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, which may have LTV ratios that can exceed 125%, the Mortgages we purchase generally do not have LTV ratios exceeding 97%. However, we may reduce or increase the required LTV ratios based on a number of factors, such as the borrower's intended use of Mortgage proceeds, the type of property securing the Mortgage, the existence of special financing arrangements and the market in which the mortgaged property is located.

We may from time to time purchase and pool Mortgages, in addition to Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, having LTV ratios in excess of 95% in order to enable borrowers to purchase homes or refinance existing mortgages and pay certain related expenses. However, except for Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages, we currently do not expect to purchase and pool Mortgages with LTV ratios exceeding 105%. We pool Relief Refinance Mortgages and Enhanced Relief Refinance Mortgages with LTV ratios exceeding 105% separately from our other Mortgages. See *Special Mortgage Characteristics—Relief Refinance Programs*.

We use mortgage information submitted to us as well as information obtained 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, LTV ratio, loan size and age, geographic distribution, weighted average interest rate, purpose or source of origination and credit scoring. Currently, most of the Mortgages we purchase will be securitized.

FHA/VA Mortgages are underwritten using the criteria specified by the Federal Housing Administration, the Department of Veterans Affairs, Rural Development or HUD, the federal government agencies which insure or guarantee them, rather than our underwriting standards. For example, FHA/VA Mortgages may have LTV ratios in excess of 95%.

We permit sellers to originate certain eligible Mortgages without a traditional appraisal by leveraging our proprietary models, along with historical data and public records through our Loan Product Advisor Automated Collateral Evaluation (**"ACE"**). For mortgaged properties meeting certain qualifications as specified in the Guide, the property value (purchase price for purchase transactions and borrower provided estimated value for refinances) and condition are assessed using ACE. ACE uses our in-house automated valuation model, Home Value Explorer®, which was built and is periodically enhanced for the express purpose of managing collateral risk at Freddie Mac. ACE leverages statistically based, empirically derived confidence scores to assess collateral risk.

We implemented certain changes to our underwriting standards during the COVID-19 pandemic, and some of these changes may negatively affect the expected performance of Mortgages purchased during the affected periods. All of such changes have expired. See the Incorporated Documents.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance. See *COVID-19 Borrower Assistance Measures and Related Programs*.

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. The seller or servicer of a Mortgage need not be the originator of that Mortgage. Our eligibility standards for sellers and servicers require the following: a demonstrated operating history in residential mortgage origination and servicing, or an eligible agent acceptable to us; a quality control program that meets our standards; and sufficient net worth, capital, liquidity, and funding sources, as well as adequate insurance coverage. In September 2022, we announced updated minimum financial eligibility requirements for sellers and servicers.

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 and credit reports.
- The validity of each Mortgage as a first or second 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 originator's compliance with applicable state and federal laws, including state anti-predatory lending statutes and other laws that protect borrowers.

Our Mortgage custodians check certain stated terms of the Mortgage documents, but we generally do not independently verify the accuracy of the seller's representations and warranties. See *—General* for more information regarding our underwriting processes and representation and warranty framework.

Servicing Responsibilities and Compensation

As Administrator, we generally supervise servicing of the Mortgages according to the policies in our Guide and in accordance with the Trust Agreement. Each servicer is required to perform all services and duties customary to the servicing of mortgages, either directly or through approved subservicers. Those responsibilities include all activities concerning the calculation, collection and processing of Mortgage payments and related borrower inquiries, as well as all Mortgage administrative responsibilities, including claims collection, workouts, foreclosures and reports. 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.

We compensate servicers for their services, generally at a servicing fee of at least 0.25% of the principal balance of the performing Mortgages they service. However, we may permit lower servicing fee rates for certain servicers or for certain PC Pools. See *Special Mortgage Characteristics* and *Description of the PCs—PC Pool Formation*.

Prepayments

A borrower may make a full or partial prepayment on a Mortgage backing a PC at any time without paying a penalty, except for Prepayment Penalty Mortgages. A borrower who partially prepays a Mortgage may request that the servicer enter into a recast modification agreement in order to reduce the number or size of future monthly payments, provided that the Mortgage is current and the prepayment will not result in an interest rate change or an extension of the term. We require our servicers to offer a recast modification to borrowers who received the $5,000 principal reduction incentive following the six-year anniversary of their HAMP modification. A borrower may fully prepay a Mortgage for several reasons, including an early payoff, a sale of the related mortgaged property or a refinancing of the Mortgage. We pass through all prepayments to the Holders of the related PCs.

Mortgage Repurchases

The Trust Agreement requires that we repurchase Mortgages from PC Pools in certain limited situations and gives us the option to repurchase Mortgages from PC Pools in other situations. See *The Trust Agreement—Repurchase and Substitution of Mortgages.* In determining whether a Mortgage should be repurchased, we consider various factors, including whether the repurchase will reduce our administrative costs or our possible exposure under our guarantees and our statutory and other legal obligations.

We always repurchase or require or permit the seller or servicer to repurchase a convertible ARM from its PC Pool when the borrower exercises its option to convert it to a fixed-rate Mortgage.

In addition, we may, or we may require or permit the seller or servicer of a Mortgage to, repurchase any Mortgage or (within six months of the issuance of the related PCs) substitute for any Mortgage a Mortgage of comparable type, unpaid principal balance, remaining term and yield, if there is a material breach of a representation or warranty by a seller or servicer as to that Mortgage. Substitutions of Mortgages typically do not occur.

Mortgage repurchases may also occur due to modifications of Mortgages, including under our Mortgage modification programs. As discussed below in *Defaults and Delinquencies*, we may elect not to repurchase a modified Mortgage from its related PC Pool in certain cases, including our Payment Deferral Solution. Mortgage repurchases may also occur due to defaults and delinquencies, which may increase during periods, or due to the occurrence, of economic difficulty, higher unemployment, mortgage credit constriction, 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. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds*, *—Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect PC prepayment speeds, Risk Factors—Credit Factors,* and *Description of the Mortgages – Special Mortgage Characteristics – Relief Refinance Programs* and *– Mortgage Modification Programs,* and *—Mortgage Purchase and Servicing Standards — Defaults and Delinquencies*.

A Mortgage repurchase will be treated as a prepayment in full of the Mortgage being repurchased and the entire unpaid principal amount of that Mortgage will be passed through to the related Holders on the appropriate Payment Date.

In addition to representations and warranties for underwriting, our servicers are required to service Mortgages in accordance with our requirements. Similar to seller violations, we can require servicers to repurchase Mortgages or provide alternative remedies in the case of servicing violations. For certain servicing violations, we typically first issue a notice of defect and allow the servicer a period of time to correct the problem. If the servicing violation is not corrected, we then may issue a repurchase or alternative remedy request. See *—General* for more information regarding our representation and warranty framework.

COVID-19 Borrower Assistance Measures and Related Programs

At the direction of FHFA and in alignment with the Coronavirus Aid, Relief, and Economic Security Act of 2020 (the **"CARES Act"**), we and Fannie Mae implemented certain temporary measures during the COVID-19 pandemic to assist borrowers who experienced a COVID-19 related hardship. These temporary measures included requiring servicers to grant borrowers with a COVID-19 related hardship temporary payment forbearance on their Mortgage payments for up to 12 months. We refer to arrangements under which borrowers are granted temporary payment forbearance as "forbearance plans." Once the hardship is resolved, servicers are required to evaluate the borrowers for reinstatement or a repayment plan. If a borrower does not have the resources to reinstate or repay the Mortgage, servicers are required to evaluate such borrower for a Payment Deferral Solution. Borrowers that do not qualify for a Payment Deferral Solution would be evaluated for a Flex Modification. A significant number of borrowers have received forbearance plans under these temporary measures, and it is possible that these measures could result in further increases in the number of borrowers with forbearance plans. In turn, this could result in a significant increase in modifications over time, which could lead to a significant increase in prepayments of certain PCs. Generally, modifications of Mortgages (other than under the Payment Deferral Solution) result in prepayments under the related PCs in an amount equal to the unpaid principal balance of the affected Mortgages. Effective November 1, 2024, all requirements pertaining to the COVID-19 Payment Deferral Solution and to COVID-19 provisions for the Flex Modification were retired.

On April 10, 2023, the Biden administration signed Joint Resolution H.J.Res. 7 terminating the national emergency declared in March 2020 relating to the COVID-19 pandemic. Protections for borrowers

impacted by COVID-19 under the CARES Act have also terminated.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance with note dates on or after February 1, 2020 and on or before December 31, 2020, and settlement dates on or after May 1, 2020 and on or before February 28, 2021, provided that the borrower was no more than 30 days delinquent at the time of acquisition. For purposes of these requirements, Mortgages in forbearance include Mortgages for which the borrower (i) informed the seller or servicer that, after the note date, the borrower had suffered financial hardship caused directly or indirectly by COVID-19 or (ii) was approved for a forbearance plan based on a COVID-19 related hardship that occurred after the note date. Each such Mortgage that we acquired was subject to a specified credit fee payable to Freddie Mac. These Mortgages may be pooled with other Mortgages in PC Pools following our normal pooling practices. For more information, see *Description of the PCs – General Pooling Criteria.*

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 that provides the borrower a specified period of time to return to current status by paying the normal monthly payment plus additional agreed-upon delinquent amounts.
- Allow a forbearance period during which regular Mortgage payments may be reduced or suspended.
- Allow a Payment Deferral Solution.
- Approve a modification of certain terms of the Mortgage, including under our Mortgage modification initiatives. See Special Mortgage Characteristics—Mortgage Modification Programs.
- Pursue a pre-foreclosure contract for sale of the underlying property or other foreclosure alternative transaction.
- 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.

As Administrator, we generally demand accelerated payment of principal and initiate foreclosure proceedings with respect to a Mortgage in accordance with the provisions of our Guide. 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.

Under the Trust Agreement, we may repurchase a Mortgage from its PC Pool if the Mortgage is 120 days or more delinquent. Prior to 2021, we typically repurchased Mortgages from their related PC Pools

after the Mortgages become 120 days delinquent or more, subject to operational and regulatory constraints. As discussed below, effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related PC Pools from 120 days or more of delinquency to 24 months of delinquency. We also generally require a Mortgage to be repurchased in the event of modification or foreclosure, in each case if the Mortgage was 120 days or more delinquent. We may also require repurchase if we determine, on the basis of information from the related borrower or servicer, that loss of ownership of the mortgaged property is likely or default is imminent due to borrower incapacity, death or hardship or other extraordinary circumstances that made future payments on the Mortgage unlikely or impossible.

On April 13, 2020, FHFA instructed us to retain Mortgages in their related PC Pools while any such Mortgages remain subject to a forbearance plan. In addition, following the expiration of the forbearance plan, we must continue to have any such Mortgage retained in its related PC Pool (i) during such time as an offer to reinstate the Mortgage or enter into a Payment Deferral Solution, repayment plan or trial period plan remains outstanding, (ii) during the period of a repayment plan or trial period plan or (iii) after a Payment Deferral Solution takes effect and the Mortgage is reinstated. FHFA's instructions also provided that, if the related borrower has failed to timely accept or comply with the terms of a forbearance plan, Payment Deferral Solution, repayment plan or trial period plan, or upon such borrower's successful completion of a trial period plan, we must remove the Mortgage from the related PC Pool in accordance with our current practices. Due to operational constraints or servicer reporting errors, we may occasionally repurchase Mortgages from their related PC Pools earlier than the time requirements provided for in these instructions. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds*. Our repurchase practices with respect to Mortgages subject to trial period plans are generally similar to our repurchase practices with respect to Mortgages subject to forbearance plans. As discussed below, we repurchase a delinquent Mortgage from its PC Pool when it reaches 24 months of delinquency, regardless of whether the Mortgage is then subject to a forbearance plan or other borrower assistance plan.

Effective January 1, 2021, we extended the trigger to repurchase delinquent Mortgages from their related PC Pools from 120 days or more of delinquency to 24 months of delinquency (*i.e.*, the borrower has missed 24 full monthly payments). Under this policy and pursuant to the terms of the Trust Agreement or applicable law, we may repurchase the following delinquent Mortgages from their related PC Pools prior to such Mortgages reaching 24 months of delinquency: (i) Mortgages that are permanently modified (for this purpose, Mortgages subject to a Payment Deferral Solution are not considered to be "permanently modified"); (ii) Mortgages subject to a short sale or deed-in-lieu of foreclosure; (iii) Mortgages repurchased by a seller/servicer under applicable selling and servicing requirements; (iv) Mortgages that are paid in full, or for which the related lien is released and/or the note debt is satisfied or forgiven; and (v) Mortgages referred to foreclosure. Any change to this policy will not be effective for at least two years (from January 1, 2021) and market participants will be provided at least six months advance public notice of any such change. Furthermore, any future policy change will be applicable only to Mortgages in PC Pools that are current as of the effective date of such future change. Any Mortgage in a PC Pool that is delinquent at the effective date of a future policy change would remain subject to the policy requiring delinquent Mortgages to remain in their related PC Pools until reaching 24 months of delinquency, unless any such Mortgage subsequently cures. Many delinquent Mortgages are repurchased from PC Pools before they reach 24 months of delinquency under one of the exceptions provided.

In certain cases in which (i) the post-modification monthly principal and interest payment, (ii) the interest rate and (iii) the term to maturity of a modified Mortgage remain the same as the corresponding pre-modification terms, we may elect not to repurchase the modified Mortgage from its related PC Pool. In those instances, any delinquent payments will become non-interest bearing and their payment by the borrower will be deferred until the earlier of the maturity date of the modified Mortgage or its earlier payoff through a curtailment payment or refinancing or upon transfer or sale of the mortgaged property. However, payments on the modified Mortgage of scheduled principal and interest, in the case of Gold PCs, or

scheduled interest, in the case of ARM PCs, will continue to be made to PC Holders in accordance with Freddie Mac's guarantees. In the case of ARM PCs, we will also make a single payment to PC Holders at the time the Mortgage is modified to reflect any delinquent principal payments. (Loan level disclosures for any Modified Fixed Rate PC in which a Modified Mortgage is re-modified and is not repurchased from the Modified Fixed Rate PC will reflect any forborne balance.) We refer to these modified Mortgages as being subject to **"Payment Deferral Solutions."** Payment Deferral Solutions generally cover up to six months of delinquent payments. However, eligible borrowers that have been impacted by an Eligible Disaster may receive Payment Deferral Solutions covering up to 12 months of delinquent payments.

From time to time, we reevaluate our delinquent Mortgage repurchase practices and alter them if circumstances warrant.

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

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

Transfer and Assumption Policies

Most of the fixed-rate Conventional Mortgages that we acquire are not assumable because they contain "due-on-transfer" clauses permitting automatic acceleration of the Mortgage debt when the mortgaged property is transferred. As Administrator, we generally require servicers to enforce these due-on-transfer clauses and to demand full payment of the remaining principal balance of a fixed-rate Mortgage to the extent permitted under the mortgage documents and applicable state and federal law. We allow assumptions of fixed-rate Mortgages in limited circumstances, such as transfers between certain related persons. ARMs that we purchase are Assumable Mortgages.

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 FHFA's Credit Risk Retention Rule 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.

DESCRIPTION OF THE PCS

General

In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.

We issue two types of PCs — on or before May 31, 2019, Gold PCs and ARM PCs. Gold 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 45 days. ARM PCs have a payment delay of approximately 75 days.

Gold PCs are backed by (i) fixed-rate, level payment, fully amortizing Mortgages, (ii) fixed-rate Initial Interest Mortgages, or (iii) Modified Mortgages with or without Step Rate Increases. ARM PCs are backed by ARMs, including adjustable rate Initial Interest Mortgages.

Each PC represents an undivided beneficial ownership interest in the 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 minimum original principal balance for a PC Pool is generally $1,000,000 for Gold PCs and $500,000 for ARM PCs. ARM PCs backed by Initial Interest Mortgages delivered under our Guarantor Swap Program or Gold PCs backed by Initial Interest Mortgages delivered under our MultiLender Swap Program are not subject to a minimum original principal balance. We may change these minimum PC Pool sizes 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.

We announced our Green MBS Program on April 19, 2021 and our Social MBS Program on January 23, 2024. **"Green MBS"** are PCs or other securities that are backed by Mortgages where the related properties have certain characteristics related to renewable energy or energy efficiency. **"Social MBS"** are PCs or other securities that are backed by Mortgages that meet certain social criteria related to income, borrower or property. For more information, see our Single-Family Green and Social MBS webpage at Single-Family Green and Social MBS - Capital Markets (freddiemac.com). We designate a PC as a Green MBS or a Social MBS, as the case may be, at the time the PC is issued and are not obligated to update or correct that designation to reflect, for example, corrections of errors in the underlying information that was used to determine the designation.

Since February 2025, we have had the capability to create new Green MBS by resecuritizing previously-issued Green MBS or by commingling our Green MBS with Green MBS issued by Fannie Mae under Fannie Mae's Single-Family Green Bond Framework. In the case of Fannie Mae's Green MBS in connection with commingled resecuritizations, we rely on Fannie Mae's determination of mortgage eligibility under its Single-Family Green Bond Framework and the designation of its MBS as Green MBS.

In June 2025, we ceased issuing Green MBS through our Cash Window Program.

Since December 2024, we have had the capability to create new Social MBS by resecuritizing previously-issued Social MBS or by commingling our Social MBS with Social MBS issued by Fannie Mae under Fannie Mae's Social Bond Framework. In the case of Fannie Mae's Social MBS in connection with commingled resecuritizations, we rely on Fannie Mae's determination of mortgage eligibility under its Social Bond Framework and the designation of its MBS as Social MBS.

PC Pool Formation

We may purchase Mortgages for PC Pools from eligible sellers under various purchase programs. We typically purchase most Mortgages under our **"Guarantor Swap Program,"** in which we purchase Mortgages from a single seller and, as Depositor, transfer and deposit those Mortgages into a PC Pool established pursuant to the Trust Agreement and applicable Pool Supplement. As Administrator, on behalf of the Trustee, we create and issue under the Trust Agreement and that Pool Supplement, on behalf of the related PC Pool, PCs representing undivided interests in those same Mortgages. As Depositor, we deliver those PCs to the seller as consideration for the Mortgages. We also purchase Mortgages for cash under our **"Cash Window Program."** Mortgages purchased under our Cash Window Program are typically (i) held by us initially in our portfolio, (ii) transferred and deposited by us, as Depositor, into a PC Pool in exchange for PCs that we sell to third parties for cash through an auction or (iii) transferred and deposited by us, as Depositor, into a PC Pool together with other Mortgages that we purchase under our **"MultiLender Swap Program."** Under our MultiLender Swap Program, we (i) purchase Mortgages from various sellers, (ii) as Depositor, transfer and deposit those Mortgages into a PC Pool and (iii) as Administrator, on behalf of the Trustee, issue PCs from that PC Pool representing undivided interests in

the purchased Mortgages. To the extent Mortgages purchased under our Cash Window Program are pooled with Mortgages purchased under our MultiLender Swap Program, we may sell part of the resulting PCs to third parties for cash through an auction.

We acquire Mortgages under these programs on a daily basis in accordance with the terms contained in our applicable agreements with sellers. Our issuance of PCs in exchange for Mortgages is conditioned on the seller's compliance with the applicable terms and conditions of our applicable mortgage purchase documents, including the seller's obligations to timely deliver acceptable Mortgages in the agreed upon amount, and to make available to investors all required offering documents.

As Administrator, Freddie Mac assigns a six-character, unique numeric or alphanumeric designation, or **"PC Pool Number,"** to each PC Pool. The first two (or three, in some instances) characters of a PC Pool Number are known as its **"Prefix."** The Prefix indicates some basic information about the PC Pool, such as its term and 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. In some cases, Giant PCs use the same Prefixes as PCs.

Pursuant to FHFA direction, the Enterprises' pooling practices with respect to fixed-rate products provide that the rate on any mortgage in a pool backing a given security cannot be more than 112.5 basis points greater than the coupon on that security. Pursuant to FHFA direction, the Enterprises also limit the maximum servicing fee for each mortgage to no more than 50 basis points; the 50 basis point maximum servicing fee includes the standard 25 basis point servicing fee. FHFA has instructed the Enterprises to monitor the weighted average coupon of fixed-rate mortgage-backed securities and take actions as appropriate such that the weighted average coupon of fixed-rate mortgage-backed securities are generally consistent with historical levels.

General Pooling Criteria

Some of our general pooling practices for Gold PC Pools and ARM PC Pools are summarized below. Our pooling practices are subject to change. We may also grant exceptions to these practices in our sole discretion.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance with note dates on or after February 1, 2020 and on or before December 31, 2020, and settlement dates on or after May 1, 2020 and on or before February 28, 2021, provided that the borrower was no more than 30 days delinquent at the time of acquisition. These Mortgages may be pooled with other Mortgages in PC Pools, following our normal pooling practices, as described below. For more information, see *Description of the Mortgages – Mortgage Purchase and Servicing Standards – COVID-19 Borrower Assistance Measures and Related Programs*.

Gold and ARM PC Pools

- Conventional Mortgages are pooled separately from FHA/VA Mortgages.
- Initial Interest Mortgages are pooled separately from other Mortgages. We ceased purchasing Initial Interest Mortgages on September 1, 2010.
- Prepayment Penalty Mortgages are generally pooled separately from other Mortgages. A PC may be backed by Prepayment Penalty Mortgages with different prepayment penalty features. Under certain circumstances, Mortgages with waived prepayment penalties may be pooled with Mortgages that can be prepaid at any time without penalty. We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.

Gold PC Pools

- Historically, the interest rates of the Mortgages in a fixed-rate Gold PC Pool were generally within a range from (a) the PC Coupon plus any minimum required servicing fee through (b)

250 basis points above the PC Coupon. The FHFA has issued a directive to the Enterprises to limit the difference between the interest rate on Mortgages and the PC Coupon. See *PC Pool Formation*.

- Twenty-year Mortgages may be pooled with 30-year Mortgages and each type may be pooled separately.
- Ten-year Mortgages may be pooled with 15-year Mortgages and each type may be pooled separately.
- Prior to December 1, 2010, Jumbo-Conforming Mortgages were pooled separately from other conforming Mortgages. On or after December 1, 2010, Jumbo-Conforming Mortgages may be pooled with Super-Conforming and other conforming Mortgages.
- In general,
    - Cooperative Share Mortgages,
    - Extended Buydown Mortgages or
    - Relocation Mortgages

    may constitute up to 10% of the original principal balance of a Gold PC Pool without any special designation or disclosure to reflect that fact, so long as these types of Mortgages, in combination, do not constitute more than 15% of the original principal balance of the PC Pool.
- Super-Conforming Mortgages may constitute up to 10% of the original principal balance of a Gold PC Pool that is not backed by Mortgages with special characteristics, without any special designation or disclosure to reflect that fact.
- High LTV Mortgages will be pooled separately from other Mortgages.
- Modified Mortgages are pooled separately from other Mortgages.

ARM PC Pools

- Usually, the Mortgages in an ARM PC Pool adjust based on the same Index and have the same initial and periodic adjustment caps, adjustment frequency and lookback period.
- We usually pool Hybrid ARMs only with other Hybrid ARMs having the same original initial fixed-rate periods.
- We pool Initial Interest ARMs only with other Initial Interest ARMs having the same interest only period. We ceased purchasing Initial Interest Mortgages on September 1, 2010.
- Convertible ARMs still in their convertible periods may be pooled only with other convertible ARMs.
- Jumbo-Conforming ARMs and Super-Conforming ARMs may be pooled with other conforming ARMs of the same type.

Pooling Criteria for Mortgages with Special Characteristics

Some of our Mortgages have special characteristics, as described in *Description of the Mortgages–Special Mortgage Characteristics.* Typically, we pool these Mortgages only with Mortgages having the same characteristics, and they are identified in the applicable Pool Supplement. Some of these Mortgages, such as Cooperative Share Mortgages, have special characteristics that do not change and that generally result in their being pooled separately on a permanent basis. Others, when their special characteristics no longer apply, may be pooled with the types of Mortgages that they then resemble. For example, convertible

ARMs, which are typically convertible to a fixed interest rate during a specified conversion window, may be pooled with non-convertible ARMs if they are pooled after their conversion window has expired. For pooling purposes, we generally consider Mortgages to be Super-Conforming Mortgages based on the conforming loan limits in effect at the time the applicable PC Pool is formed.

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, for Gold PCs.
- In the following month, for ARM PCs.

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.

"Payment Capped ARM PCs," which are backed by Payment Capped ARMs, may experience negative amortization, as described in *Description of the Mortgages—Adjustable Rate Mortgages (ARMs)*. When negative amortization occurs, we will indicate this in the following month:

- By publishing a Negative Amortization Factor for the PC Pool.
- By including a corresponding amount in the related Pool Factor.

A **"Negative Amortization Factor"** is an exact decimal rounded (or, prior to the Negative Amortization Factors for the month of August 2016, truncated rather than rounded) to eight places that reflects the amount of deferred interest added to the principal balances of the Mortgages in a PC Pool in the preceding month. When negative amortization has occurred, we will make interest payments to you at the applicable PC Coupon, less the aggregate deferred interest indicated by the Negative Amortization Factor published in the previous month. We make Negative Amortization Factors available at the same time and in the same manner as the related 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, in the case of a Gold PC.
- The difference between its Pool Factors for the two preceding months, in the case of an ARM PC without a Negative Amortization Factor.
- The difference between its Pool Factors for the two preceding months, plus its Negative Amortization Factor, if any, for the preceding month, in the case of a Payment Capped ARM PC.

For any Payment Date, you can calculate interest payments on a Gold PC by multiplying its fixed PC Coupon by 1/12th, and then multiplying that amount by the principal balance of the PC immediately before that Payment Date (reflected by its Pool Factor published in the immediately preceding month), and you can calculate interest payments on an ARM PC (assuming no deferred interest) by multiplying its PC

Coupon published for the applicable Accrual Period by 1/12th, and then multiplying that amount by the principal balance of the PC immediately preceding that Payment Date (reflected by its Pool Factor published in the second preceding month). For a Payment Capped ARM PC, the amount of interest paid will be reduced by the amount of any deferred interest.

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"**).

Prior to the May 2019 Monthly Reporting Period, in the case of all payments other than full prepayments, the Monthly Reporting Period was generally from the 16th of a month through the 15th of the next month. Accordingly, for any Payment Date through and including the Payment Date in May 2019 (for Gold PCs) and June 2019 (for ARM PCs), the applicable Monthly Reporting Period in the case of such payments generally ended on:

- The 15th of the month preceding that Payment Date for Gold PCs.
- The 15th of the second month preceding that Payment Date for ARM PCs.

Prior to the May 2019 Monthly Reporting Period, in the case of full prepayments on the Mortgages (including prepayments resulting from the repurchase of the Mortgages), the Monthly Reporting Period was generally the preceding or second preceding calendar month. Accordingly, for any Payment Date through and including the Payment Date in May 2019 (for Gold PCs) and June 2019 (for ARM PCs), the applicable Monthly Reporting Period in the case of such full prepayments generally was:

- The calendar month preceding that Payment Date for Gold PCs.
- The second calendar month preceding that Payment Date for ARM PCs.

Commencing with the May 2019 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, with respect to Gold PCs, commencing with the June 2019 Payment Date, the applicable Monthly Reporting Period generally is the calendar month preceding that Payment Date and, with respect to ARM PCs, commencing with the July 2019 Payment Date, the applicable Monthly Reporting Period generally is the second 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.

Payment Dates

As Administrator, we make payments to the Holders on each Payment Date beginning in:

- The month after issuance, for a Gold PC.
- The second month after issuance, for an ARM PC.

The **"Payment Date"** is the 15th day of each month or, if the 15th 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.

In certain cases, the first monthly payment to the Holders of a PC may consist of interest alone (with no principal) with respect to one or more of the Mortgages in the underlying PC Pool. Whether the first payment to Holders includes principal from any particular Mortgage depends on several factors, including the date on which the Mortgage was deposited into the PC Pool and the date reported to Freddie Mac for the related borrower's next payment of principal on the Mortgage.

Calculation of Principal Payments for Gold PCs

The aggregate principal payment in any month on any Gold 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 full and, commencing in June 2019, partial, prepayments reported through the second 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 actual principal balance, interest rate and remaining term to maturity of each Mortgage in the Gold PC Pool. Our calculation of scheduled principal may not reflect actual payments on the Mortgages. For example, we calculate scheduled principal payments on Gold PCs backed by Biweekly Mortgages without regard to their special payment characteristics, which periodically result in partial prepayments. A Holder of such a PC receives payments once a month, regardless of how many payments the borrower makes in a month, in accordance with the payment calculations for Gold PCs.

Calculation of Principal Payments for ARM PCs

The principal payment in any month on an ARM PC reflects any principal payments on the related Mortgages reported by servicers for the applicable Monthly Reporting Period, including any prepayments, and the principal amount of any Mortgage repurchased during the applicable Monthly Reporting Period, as well as any full and, commencing in June 2019, partial prepayments reported through the second Business Day of the calendar month following that Monthly Reporting Period. Neither we nor servicers advance principal payments on ARM PCs in the event of delinquent payments on the related Mortgages. In the absence of reports from servicers, we do not adjust the related Pool Factor. Rather, we reconcile any differences between actual payments on the Mortgages and principal payments on the 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. We compute interest on the basis of a 360-day year of twelve 30-day months. In the case of a Gold PC, the PC Coupon is set at the time of issuance and does not change. In the case of an ARM PC, the PC Coupon adjusts periodically, as described below. We generally publish the applicable PC Coupon for ARM PCs for an Accrual Period on or about the fifth Business Day in the relevant month.

You can obtain the PC Coupons for ARM PCs for the current Accrual Period on our website or from Investor Inquiry as shown under *Additional Information*. Absent clear error, our determination of the applicable Index values and our calculation of the PC Coupon for each Accrual Period 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, for Gold PCs.
- The second month preceding the month of the Payment Date, for ARM PCs.

The **"Accrual Period"** relating to any Payment Date is:

- The calendar month preceding the month of the Payment Date, for Gold PCs.
- The second calendar month preceding the month of the Payment Date, for ARM PCs.

ARM PCs

ARM PCs have PC Coupons that are based on the weighted average of the interest rates of each Mortgage in the related PC Pool, less the rate equivalent to the servicing fees and guarantee fees applicable to each such Mortgage. The PC Coupon of an ARM PC is an exact decimal truncated to three places. *Description of the Mortgages—ARM Indices* describes the Indices most often used to adjust ARMs and ARM PCs. To the extent the interest rate is modified and reduced for a Mortgage underlying an ARM PC, we only guarantee the timely payment of the modified interest rate and we are not responsible for any shortfalls between the original contractual interest rate and the modified interest rate. However, generally it has been our practice, and it is our current practice, to purchase substantially all Mortgages out of their PC Pools at the time of modification, including Mortgages underlying ARM PCs. Depending on circumstances, we can alter this practice at any time.

We calculate the PC Coupon of an ARM PC monthly and adjust it to reflect changes in the unpaid principal balances and interest rates of the related Mortgages. This monthly adjustment has no prescribed limit, although the related Mortgages will be subject to any applicable initial and periodic adjustment caps, lifetime ceilings and, in some instances, lifetime floors. The PC Coupon used to calculate the interest payment in a given month reflects the interest rates on the ARMs in the related PC Pool in effect for the preceding month. Except as described below, the minimum PC Coupon for an ARM PC as of any Payment Date is the **"PC Margin,"** which equals the weighted average of the Net Margins of the ARMs backing such ARM PC. The **"Net Margin"** of an ARM means the Mortgage Margin of such ARM less the rate equivalent to the servicing fees and guarantee fees applicable to such ARM. The **"Mortgage Margin"** of an ARM means the number of percentage points that is added to the current Index value to establish the new interest rate at each interest adjustment date for such ARM. However, in certain cases, the initial fixed interest rate for an ARM, before any adjustments in interest rate for the ARM have occurred, may be less than the Mortgage Margin applicable to such ARM. Because the PC Coupon for an ARM PC is based on the weighted average of the interest rates of each ARM in the related ARM PC Pool less the rate equivalent to the servicing fees and guarantee fees applicable to each such ARM, it is possible in these instances, during the period before interest rate adjustments for the ARMs backing the ARM PC have occurred, that the PC Coupon for an ARM PC could be less than the related PC Margin.

The interest rates of the Mortgages underlying an ARM PC may adjust in different months and some, all or none of the Mortgages may adjust on a given date. As a result, the PC Coupon of an ARM PC may not fully reflect recent changes in the value of the applicable Index. In addition, disproportionate principal payments on the underlying Mortgages with different interest rates will affect the PC Coupon of an ARM PC. For example, if Mortgages with interest rates above the weighted average of the PC Pool are prepaid more frequently than Mortgages with interest rates at or below the weighted average, the weighted average of the interest rates in the PC Pool will decrease, and therefore the PC Coupon payable to Holders will be reduced.

ARM PCs backed by Hybrid ARMs that have the same initial fixed-rate period receive interest at a fixed PC Coupon until the ARMs begin to adjust. After that occurs, the PC Coupon on these PCs adjusts in the same manner as other ARM PCs.

The PC Coupon on a Payment Capped ARM PC is calculated in the same way as on other ARM PCs. When negative amortization occurs, however, a Holder receives interest at the PC Coupon, less accrued deferred interest, which is added to the principal balances of the related Payment Capped ARM PCs. Interest accrues afterwards on the outstanding principal balance, including the added deferred interest, at the applicable PC Coupon.

See *Risk Factors — Investment Factors — Risks related to ARM PCs being based on SOFR*.

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 (a) the preceding month for Gold PCs or (b) the second preceding month for ARM PCs.

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 Gold 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 (a) in the month of its Final Payment Date, for a Gold PC or (b) in the month after its Final Payment Date, for an ARM PC.

For Payment Capped ARM PCs, which are subject to negative amortization, our guarantee of principal includes, and our guarantee of interest excludes, any deferred interest added to the principal balances of the related Mortgages.

In addition, our guarantee covers any interest shortfalls on the PCs arising from reductions in Mortgage interest rates pursuant to application of the Servicemembers Civil Relief Act and similar state laws.

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 us and 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 any fees and charges paid by borrowers, such as late payment fees, prepayment penalties, fees payable upon exercise of an ARM conversion option 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. We have attached as *Appendix II* to this Offering Circular an example of a Pool Supplement for each of a PC backed by fixed-rate Mortgages and a PC backed by Hybrid ARMs. Definitions of terms we use in Pool Supplements can be found at www.freddiemac.com/mbs/docs/Pool_Level_Disclosure_Glossary.pdf. In some cases, a Pool Supplement may not include all of the information specified in *Appendix II*, and in other cases, additional information or legends may be included.

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.

Pool- and Cohort-Level Data

Each month, in addition to the Pool Factors, as Administrator, we make available on our website certain updated information on a pool-level basis as to each PC Pool. Generally, this information corresponds to the information provided in the Pool Supplement for the relevant PC Pool to the extent such original information changes over time. In some cases, our monthly updates may not include all of that information, and in other cases, additional information or legends may be included. If the information on our website as to a PC Pool is inconsistent with information in the related Pool Supplement, you should rely on the updated information on the website as to the PC Pool it describes. Much of this pool-level information is calculated based on information furnished to us by the sellers and/or servicers of the underlying Mortgages; as a result, this information is subject to the risks and limitations described below in *Loan-Level Data* and errors in loan-level information may result in errors in the related pool-level information. We change our practices relating to our monthly updating of pool-level data from time to time. We may discontinue providing on our website, or change the methodology used to calculate, any pool- or cohort-level data at any time.

Commencing December 2, 2022, Freddie Mac began publishing Social Index scores for newly-issued PC Pools. The Social Index disclosures consist of the Social Criteria Share and the Social Density Score. Beginning on March 1, 2024, the Social Index was rebranded as the **"Mission Index"** and the corresponding disclosures renamed as the Mission Criteria Share (**"MCS"**) and the Mission Density Score (**"MDS"**). The MCS is intended to provide the pool-level share of Mortgages in each PC Pool meeting specified mission criteria. The MDS is intended to provide the pool-level average for each PC Pool of loan-level scores, reflecting layering of mission attributes across multiple dimensions. The MCS and MDS are calculated based on information furnished to us by the sellers of the underlying Mortgages; as a result, these disclosures are subject to the risks and limitations described below in *Loan-Level Data*. For more information, see our Mission Index disclosures webpage at Mission Index - Capital Markets (freddiemac.com).

Commencing March 8, 2023, Freddie Mac began publishing a weekly report that provides daily prepayment information at the cohort level. The reports contain full voluntary payoff transactions processed

by Freddie Mac for each day of the prior week. The reports are generally subject to the risks and limitations described below in *Loan-Level Data*. The reports are calculated differently from the monthly Pool Factors for our PCs and may not be predictive of the results of any future monthly Pool Factor for any specific PC. For more information, see our daily prepayment report webpage at Daily Prepayment Report - Capital Markets (freddiemac.com).

Loan-Level Data

Based on information furnished by sellers of Mortgages, as Administrator, we provide on our website certain data for each Mortgage underlying PCs issued on or after December 1, 2005. Based on information furnished by servicers of Mortgages, since August 2006 we have provided on our website monthly updates of certain of the loan-level data for these PCs. We generally do not verify information furnished to us by the sellers and servicers of the Mortgages prior to our publication of the information, and we make no representations or warranties concerning the accuracy of that information. Given the volume of information furnished to us and our limited review procedures, it is possible that some of the information is incorrect. We are not obligated to update the loan-level data. However, if we are made aware of an error, we generally publish the correct information if possible. We also furnish on our website information concerning the methodologies we use to calculate loan-level data and statistical information in the Pool Supplement. Some of these methodologies incorporate assumptions as to permitted Mortgage characteristics and variables therein. As a result, in some cases the application of these methodologies could result in minor differences between the actual characteristics of a given Mortgage and the reported characteristics. We change our practices relating to the loan-level data from time to time. We may discontinue providing on our website, or change the methodology used to calculate, any loan-level data at any time. The loan-level information provided should be used only for its intended purpose, *i.e.*, an evaluation of the potential acquisition of the offered PCs. We assume no responsibility for damages incurred in connection with the use of the information contained in the loan-level data for other than its intended purpose.

We have various policies and procedures related to the data we receive from sellers and servicers of Mortgages. These policies and procedures do not focus on the loan-level data that we publish for our PCs. Instead, the policies and procedures are generally designed to assess whether Mortgages sold to us meet our standards. The policies and procedures include the following:

- Sellers and servicers provide us with representations and warranties with respect to the accuracy of any information furnished to us in connection with our purchase of a Mortgage and on a monthly basis thereafter.
- Our custodians verify that the terms of the mortgage notes match the information provided to us by the sellers.
- We use automated checks to determine whether Mortgages meet certain of the purchase standards in our Guide.
- Sellers are required to a conduct data integrity review on a small sample of the Mortgages they sell to us to assess whether the loan data submitted with respect to those sampled Mortgages was accurate. We also review a small sample of the Mortgages we purchase.

Our policies and procedures may not be adequate to identify errors in the loan-level data that we publish on our PCs. For example, the Mortgage sampling procedures involve a small percentage of our Mortgages, and the review procedures are limited in scope, so there is no assurance that the sampling and review procedures will uncover relevant data errors even as to the Mortgages reviewed; further, such procedures will not uncover any data errors as to Mortgages not reviewed. For more information, see *Description of the Mortgages that back PCs – Mortgage Purchase and Servicing Standards* and *Risk Factors – Credit Factors – Mortgage information may be incorrect. Credit scores may not accurately predict the likelihood of default*.

For more information on our loan- and pool-level data, see our Single-Family Disclosure Guide, which is available at www.freddiemac.com/mbs.

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 that 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 (including under our Enhanced Relief Refinance Program and Refi Possible) or the repurchase of Mortgages from a PC Pool due to defaults, delinquencies and modifications (including under our mortgage modification programs), inaccurate representations and warranties made by sellers or servicers or other factors. See *Description of the Mortgages – Special Mortgage Characteristics – Mortgage Modification Programs* and – *Relief Refinance Programs.* See also *Risk Factors—Prepayment and Yield Factors*.

Mortgages may be voluntarily prepaid in full or in part at any time, in most cases without payment of a penalty.

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 number of borrowers and Mortgages that qualify to be refinanced or modified under our Enhanced Relief Refinance Program, Refi Possible and mortgage modification programs or otherwise. See *Description of the Mortgages – Special Mortgage Characteristics – Mortgage Modification Programs* and – *Relief Refinance Programs.*
- Levels of current mortgage interest rates and borrower refinancing activity.
- The age, principal amount, geographic distribution and payment terms of Mortgages, and whether Mortgages are secured by primary residences, second homes or investment properties.
- Characteristics of the borrowers (such as credit score) and their equity positions in their houses (whether the LTV ratio is high or low). In particular, borrowers with substantial equity in their houses may be inclined to engage in cash-out refinancings. This technique enables the borrower to convert all or a portion of the equity into cash. Depending on the economic environment, Pools with concentrations of such borrowers may prepay more quickly than otherwise similar PCs. High LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default.
- Borrower decisions to take certain actions, including a borrower's request to reamortize a Mortgage after a large principal prepayment or a borrower's decision after Mortgage origination to enter into (i) an agreement to have the monthly payment on the Mortgage cancelled or reduced in the event of an adverse event in the borrower's life or (ii) a biweekly or other non-standard payment collection option that results in the regular collection of unscheduled principal and a faster rate of amortization of principal.
- Procedures implemented by Mortgage originators and servicers to ease the burden on themselves and borrowers of processing refinance loans. These changes may include reducing the amount of documentation and costs required to refinance and easing underwriting

standards, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates. Any changes we make to streamline the processes required by our underwriting standards could have a similar effect. Some of our Mortgage purchase programs may facilitate these practices. For example, certain eligible borrowers applying for Refi Possible may be subject to streamlined underwriting and other procedures. On the other hand, the tightening of underwriting standards could make it more difficult for borrowers to refinance their Mortgages, which could decrease prepayment rates. See Description of the Mortgages—Special Mortgage Characteristics—Relief Refinance Programs.

- 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. The existence of a second lien reduces the borrower's equity in the home and, therefore, can increase the risk of default. We report combined LTV ratios that reflect second liens known to us at the time of Mortgage origination. However, borrowers are free to obtain second lien financing after origination, and we typically are not entitled to receive notification when a borrower does so. 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. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds* and *—Credit Factors.* Other factors affecting an individual borrower's default on a Mortgage include a borrower's death or change in family status, and borrower bankruptcy or other insolvency. Changes in U.S. federal policy can impact a borrower's ability to repay, such as changes regarding income tax rates and student loan repayment assistance.

- Active solicitation by originators and servicers. Many mortgage servicers, including sellers of Mortgages to Freddie Mac, solicit borrowers to refinance their Mortgages. In particular, servicers may solicit borrowers to refinance in an effort to preserve servicing income, which could increase prepayment rates. To mitigate this risk generally, our Guide places certain restrictions on servicers' ability to solicit borrowers to refinance their Mortgages; these restrictions are intended to prevent servicers from targeting borrowers under Mortgages they service for us more actively than they target other borrowers. We may waive these requirements for certain servicers. See *Description of the Mortgages – Special Mortgage Characteristics – Relief Refinance Programs*.

- Repurchases of Mortgages from PC Pools may occur when the terms of those Mortgages are modified as a result of default or imminent default, including under our mortgage modification programs. See *Description of the Mortgages – Special Mortgage Characteristics – Mortgage Modification Programs* and *Risk Factors—Prepayment and Yield Factors—Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect PC prepayment speeds.*

- Changes in local industry and population migration and relocation as they affect housing turnover.

- Servicing fee rates. PC Pools containing Mortgages that are subject to servicing fee rates that are relatively low may experience different prepayment rates than PC Pools in which relatively high servicing fee rates predominate.

- The use of special financing arrangements, including buydown plans or other provisions that cause the amount of the borrower's payment to change during the term of the Mortgage.
- In the case of ARMs, fluctuations in the reference Index values, the extent of periodic adjustments on the underlying Mortgage interest rates, the extent to which the initial Mortgage interest rates are discounted from their fully indexed rates and the extent to which borrowers exercise conversion options on convertible ARMs.
- The desire of borrowers to reduce the LTV ratio to 80% or below to eliminate the requirement for mortgage insurance on a Mortgage.
- Repurchases of Mortgages from PC Pools may occur due to breaches of representations and warranties by sellers or servicers of the Mortgages. See *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of Mortgages from PC Pools due to breaches of representations and warranties by sellers and servicers could materially affect PC prepayment speeds*, and *Description of the Mortgages—Mortgage Purchase and Servicing Standards—Mortgage Repurchases*.
- Repurchases of Mortgages from PC Pools could also occur due to errors by sellers or servicers. For example, seller or servicer reporting errors could cause a Mortgage's delinquency status to be incorrectly reported, leading to the Mortgage being repurchased from its PC Pool earlier than would otherwise be required.
- The prepayment behavior of relatively small PC Pools is likely to be less consistent and less predictable than is the prepayment behavior of larger PC Pools.
- Mortgages that have been underwritten using automated underwriting tools, such as ACE, may prepay more quickly than otherwise similar Mortgages. We continue to increase our use of automated underwriting tools. These tools also generally reduce the amount of documentation and costs required to refinance, which could encourage borrowers to refinance their Mortgages and thus increase prepayment rates.
- Mortgages from certain sellers tend to exhibit relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.

Prevailing mortgage interest rates especially influence prepayment rates. In general, as mortgage interest rates decline, borrowers tend to refinance their current, higher rate Mortgages, which results in faster prepayment rates on the related PC Pools. On the other hand, as mortgage interest rates increase, borrowers tend not to refinance their Mortgages, which results in slower prepayment rates on the related PC Pools. Rapid changes in interest rates may influence borrower behavior and performance in ways that we may not anticipate.

Various types of Mortgages may have special prepayment characteristics. For example:

- ARMs tend to have higher default rates than fixed-rate Mortgages.
- Hybrid ARMs may be prone to refinancing toward the end of their fixed-rate periods.
- Convertible ARMs may be converted to fixed-rate Mortgages, which will be repurchased from the PC Pool shortly before their conversion dates and such repurchases will be treated as full prepayments of the related convertible ARMs.
- Payment Capped ARMs have weighted average lives that can lengthen if negative amortization occurs and shorten if accelerated amortization occurs.

- Alignment Overflow Mortgages have been purchased from a seller whose mortgages have, in our experience, demonstrated relatively faster prepayment speeds than average for comparable Mortgages sold to us by most other sellers.
- Biweekly Mortgages have weighted average lives that are shorter than those of otherwise similar monthly payment Mortgages. (We ceased purchasing Biweekly Mortgages on February 5, 2020,)
- Prepayment Penalty Mortgages may tend to prepay differently than Mortgages without prepayment penalties. Depending on a variety of factors, including possible waivers of the penalty, the timing of any notification to the borrower of applicable waivers and the interest rate environment, the prepayment behavior of Prepayment Penalty Mortgages is difficult to predict. (We ceased purchasing Prepayment Penalty Mortgages on August 1, 2014.)
- Initial Interest Mortgages, which permit borrowers to pay only accrued interest for extended periods without requiring principal amortization, may affect borrower decisions regarding the sale of property or refinancing because the borrower may not have reduced the principal balance of the Mortgage by making unscheduled principal payments. Unless the borrower makes unscheduled principal payments during the interest only period, equity accretion for the borrower during that period will result solely from market price appreciation on the related property. In addition, borrowers could be motivated to refinance prior to the expiration of the interest only period because it is likely that the amount of each monthly payment will increase substantially when scheduled principal amortization on these Mortgages commences. (We ceased purchasing Initial Interest Mortgages on September 1, 2010.)
- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may tend to prepay differently than other conforming Mortgages because of a number of factors, including their larger relative principal balance (and larger resulting savings in the case of refinancing in a low interest rate environment), the presence of Freddie Mac and Fannie Mae in the secondary market for such Mortgages (which may tend to reduce the prevailing interest rates offered by lenders for extending such Mortgages and to increase funds available for such Mortgages) and the possible geographic concentration of such Mortgages.
- Modified Mortgages may have a greater risk of borrower delinquency and may generally have different prepayment and default characteristics than other Conventional Mortgages. In addition, Modified Mortgages with Step Rate Increases may have a greater risk of borrower delinquency and may experience faster prepayment rates during the periods when the interest rates of these Modified Mortgages are increasing.
- Reduced Minimum Servicing Mortgages have a minimum servicing fee level that is below 0.25% per annum of the principal balance of the Mortgages, which is the prevailing minimum servicing fee level for Mortgages we acquire. Reduced Minimum Servicing Mortgages may experience different prepayment rates than Mortgages to which our prevailing minimum servicing fee level applies and which have similar interest rates or which are included in PC Pools with similar pass-through rates. (We no longer purchase Reduced Minimum Servicing Mortgages.)
- FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria and are usually Assumable Mortgages.

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:

- Extended Buydown Mortgages may experience higher default rates than other Buydown Mortgages because they provide for larger increases in the effective interest rates to borrowers.

- Jumbo-Conforming Mortgages and Super-Conforming Mortgages may experience higher default rates than other Mortgages because, among other factors, they require relatively higher monthly payments.
- Cooperative Share Mortgages may experience different prepayment rates than other types of Mortgages due to various factors, including, but not limited to, the structure of Cooperatives, the geographic location of the related Cooperative, the characteristics of the borrower, and the borrower's ability to obtain refinancing.
- Relocation Mortgages could be less sensitive than other types of Mortgages to prepayments resulting from decreasing interest rates and more sensitive than other types of Mortgages to prepayments resulting from home sales. The prepayment behavior of Relocation Mortgages also generally depends on the circumstances of individual employees and employers and the characteristics of the specific relocation programs involved, including whether such Mortgages are made in connection with a permanent relocation of a corporate headquarters, the likelihood that the borrower will be relocated again and the frequency with which further relocations occur. We do not collect information relating to these factors from mortgage sellers or servicers. Borrowers under Relocation Mortgages may be more likely to be transferred by their employers than mortgage borrowers generally. However, we cannot predict the likelihood of future employment related transfers or the rate of prepayments on Relocation Mortgages.
- Assumable Mortgages could be less sensitive than other types of Mortgages to prepayments due to home sales because they may not have to be prepaid when the mortgaged property is sold to a qualified borrower.
- High LTV Mortgages may have different prepayment and default characteristics than our other Mortgages. In general, high LTV ratios are frequently associated with a lower likelihood of voluntary prepayments and a greater rate of default. However, if the High LTV Mortgage is a refinance mortgage with a lower interest rate than the predecessor mortgage, the borrower may experience less difficulty in continuing to make payments.
- Reinstated FHA/VA Mortgages may exhibit different prepayment behavior than Conventional Mortgages because they are underwritten using different criteria, they have experienced previous periods of serious delinquency and they can be assumed by a creditworthy purchaser of the related mortgaged property at the applicable interest rate for the remaining term of the Mortgage.
- Reinstated Mortgages may have different prepayment and default characteristics than other Conventional Mortgages because they have experienced previous periods of serious delinquency.
- Although Reinstated FHA/VA Mortgages and Reinstated Mortgages will be performing and not in default at issuance of their related new PCs, there can be no assurance that such Mortgages will remain current after issuance of the related PCs. If any Reinstated FHA/VA Mortgage or Reinstated Mortgage meets the applicable delinquency criteria described under *Description of the Mortgages—Mortgage Purchase and Servicing Standards—Defaults and Delinquencies*, we could repurchase such Mortgage from its related PC Pool, which repurchase would have the effect of a prepayment in full of such Mortgage.

As directed by FHFA, on a temporary basis, we and Fannie Mae acquired certain purchase and no-cash-out refinance Mortgages that were in forbearance. These Mortgages may perform differently than otherwise similar Mortgages with no history of forbearance and may have a higher risk of future delinquency and eventual foreclosure, resulting in a faster rate of prepayment relative to Mortgages with

no history of delinquency. See *Description of the Mortgages – Mortgage Purchase and Servicing Standards – COVID-19 Borrower Assistance Measures and Related Programs.*

The timing and rate of defaults also may be affected by "debt cancellation" arrangements that borrowers may enter into at origination with some lenders. These arrangements relieve the borrower of making Mortgage payments under certain circumstances involving interruption of income, including involuntary unemployment, disability and death. Under these arrangements, Mortgage payments will be made on behalf of the borrower for a period of time or, in rare circumstances, the remaining principal balance of the Mortgage will be paid off on behalf of the borrower. As a result, the timing and rate of prepayments on the related PCs could be affected.

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 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. In addition, 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 specific loan characteristics, such as borrower credit rating or loan size.

We make no representation concerning 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.

FHFA's UMBS Rule requires Fannie Mae and Freddie Mac to align programs, policies and practices that affect the prepayment rates of their TBA-eligible mortgage- backed securities. See *Freddie Mac—Single Security Initiative, the Status of the Gold PC, the Mortgage Securitization Platform and Commingling—FHFA UMBS Rule*.

Yields

General

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

- The price you paid for your PCs.
- The PC Coupon for your PCs.
- The rate of principal prepayments on the underlying Mortgages.
- The payment delay of your PCs.
- In the case of ARM PCs, the values of the applicable Index.
- In the case of ARM PCs, the effect of any periodic interest rate and payment adjustments (and any associated adjustment caps, lifetime ceilings and lifetime floors) on the underlying ARMs.
- In the case of Payment Capped ARM PCs, whether your PC experiences negative or accelerated amortization.
- If your PCs are backed by Initial Interest Mortgages, the fact that the weighted average life of an Initial Interest Mortgage will differ from the weighted average life of a level payment, fully amortizing, fixed-rate Mortgage having the same principal amount, interest rate and maturity

(or an otherwise similar ARM, as applicable). As a result, the yield of an Initial Interest Mortgage may be more or less than the yield of the level payment, fully amortizing, fixed-rate Mortgage (or otherwise similar ARM, as applicable), depending on its purchase price. PC Pools containing Initial Interest Mortgages may therefore have different yields than PC Pools containing level payment, fully amortizing, fixed-rate Mortgages having otherwise similar terms (or otherwise similar ARMs, as applicable). Moreover, prepayments of Initial Interest Mortgages during the interest only period may affect yields on the PC Pools that contain them more than similar prepayments would affect the yields on PC Pools containing level payment, fully amortizing, fixed-rate Mortgages (or otherwise similar ARMs, as applicable). We ceased purchasing Initial Interest Mortgages on September 1, 2010.

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.
- 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 ARM PCs

If you invest in ARM PCs, you should consider the following additional risks:

- PC Coupons for 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, or high, interest rates compared to the other Mortgages in the same PC Pool will affect the level of the PC Coupon for the related ARM PCs, even if the interest rates on the remaining Mortgages do not change.
    - The PC Coupon of your 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. In addition, the interest rates of the underlying Mortgages typically adjust based on an Index value published some time before such adjustment (the lookback period) and there may be a gap of up to several months from the publication of the applicable Index value until the PC Coupon reflects the adjusted value.
    - Although there are generally no limits on monthly PC Coupon adjustments for ARM PCs, interest rates on the underlying ARMs may be subject to adjustment caps,

lifetime ceilings and, in some cases, lifetime floors. As a result of these limitations, the PC Coupon on an ARM PC at any time may not reflect the applicable Index value or changes in that value from period to period. See *Description of the Mortgages—Adjustable Rate Mortgages (ARMs)* and *Description of the PCs—Payments of Interest—ARM PCs*.

- 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 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 your yield on the 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 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.
- SOFR tends to reflect current market rates, and its values may be more volatile than the value of Indices which reflect averages of rates in effect over longer periods of time.
- If you invest in Payment Capped ARM PCs, the application of payment caps may result in negative amortization or accelerated amortization, which may affect your yield.

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 the first Payment Date, 30 days' interest will be payable on the PC even though interest began to accrue approximately 45 days earlier, in the case of Gold PCs, or 75 days earlier, in the case of ARM PCs.
- 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 15 or 45 days before that Payment Date (for Gold PCs and ARM PCs, respectively).

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. Neither we nor any other party is obligated to make a market in the PCs.

- 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.
- The secondary markets for some PCs have experienced periods of illiquidity in the past, and can be expected to do so again 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, market and other 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 PC Master Trust Agreement dated as of July 30, 2022, as amended from time to time, as Depositor, we transfer and deposit Mortgages that we have acquired into various trust funds. As Administrator, on behalf of the Trustee, 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 Investor Inquiry as shown under *Additional Information*. 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 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.

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 an insurer exercises an option under an insurance contract to purchase an insured Mortgage or 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 unpaid principal amount of that Mortgage will be passed through to PC Holders on the appropriate Payment Date. Substitutions of Mortgages rarely occur.

Repurchases or substitutions may occur in the following situations:

- As Guarantor, we may repurchase a Mortgage in connection with a payment on our guarantee of that Mortgage.
- As Administrator, we may repurchase, or require or permit a seller or servicer to repurchase, a Mortgage if a repurchase is necessary or desirable:
    - to maintain servicing of the Mortgage in accordance with provisions of the Guide, or
    - to maintain the status of the PC Pool as a grantor trust for federal income tax purposes, or to the extent not inconsistent with the immediately preceding clause, to maintain the REMIC status of any assets with respect to which a REMIC election is made.
- As Guarantor, we may repurchase under our guarantees, or require or permit a seller or servicer of a Mortgage to repurchase, any Mortgage if:
    - such Mortgage is 120 days or more delinquent, or
    - we determine, on the basis of information from the related borrower or servicer, that loss of ownership of the property securing such Mortgage is likely or default is imminent due to borrower incapacity, death or hardship or other extraordinary circumstances that make future payments on such Mortgage unlikely or impossible.
- As Guarantor, we may repurchase a Mortgage if a bankruptcy court approves a plan that materially affects the terms of the Mortgage or authorizes a transfer or substitution of the underlying property.
- As Administrator, we may, or we may require or permit the seller or servicer of a Mortgage to, repurchase any Mortgage or (within six months of the issuance of the related PCs) substitute for any Mortgage a Mortgage of comparable type, unpaid principal balance, remaining term and yield, if there is:
    - a material breach of warranty by a seller or servicer of the Mortgage,
    - a material defect in the documentation for the Mortgage, or
    - a failure by a seller or servicer to comply with any requirements or terms set forth in the Guide and Mortgage purchase documents.
- As Administrator, we will repurchase a Mortgage or (within two years of the issuance of the related PCs) substitute for the Mortgage 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 the Mortgage was unauthorized and Freddie Mac determines that a cure is not practicable without unreasonable effort or expense, or
    - such court or government agency requires a repurchase of the Mortgage.
- As Administrator, we will repurchase or require or permit the seller or servicer to repurchase a convertible ARM when the borrower exercises the option to convert the related interest rate from an adjustable rate to a fixed rate.

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 Freddie Mac. Freddie Mac's

repurchase of any Mortgage will be at its then unpaid principal balance, less any outstanding advances of principal on the Mortgage that Freddie Mac 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. 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 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, 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 10 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 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.

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 Freddie Mac and 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* 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* and *Risk Factors—Prepayment and Yield Factors—Substantial repurchases of seriously delinquent Mortgages from PC Pools could materially affect PC prepayment speeds*, *—Substantial repurchases of Mortgages from PC Pools due to breaches of representations and warranties by sellers and servicers could materially affect PC prepayment speeds*, and *—Substantial participation in borrower assistance programs, including refinance and modification programs, could materially affect PC prepayment speeds*.

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.

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. In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs.**

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.

If you deliver Mortgages under our MultiLender Swap Program in exchange for PCs, you should be aware that you may be required to recognize gain or loss on all or a portion of such Mortgages.

Except as described below, we expect that all Gold PCs, with the exception of Gold PCs backed by High LTV Mortgages or Reduced Minimum Servicing Mortgages that bear Prefixes 3H, 3I, 3X, 3W or 3V, 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. Notwithstanding the preceding sentence, we do not intend to file a REMIC election with respect to the beneficial interests in the principal and interest payments on Mortgages in a Gold PC Pool if the related Gold PCs would be treated as having been issued with original issue discount. Such elections will not alter the treatment of the Gold 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.

Under Section 162 or 212 of the Code, your pro rata share of servicers' fees or any of our 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 may be deductible, in accordance with your method of accounting. Notwithstanding the foregoing, miscellaneous itemized deductions described in Section 67 of the Code, which were previously available (subject to certain limitations) to investors who are individuals, estates or trusts are not deductible. If you are an individual, estate or trust, you should consult your tax advisor regarding the limitations on the deductibility of such items.

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 generally 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. In the event that any Mortgage has an LTV ratio in excess of 100% (that is, the principal balance of any Mortgage exceeds the fair market value of the real property securing it), the interest income on the excess portion of the Mortgage will not be "interest on obligations secured by mortgages on real property" within the meaning of Section 856(c)(3)(B) of the Code and such excess portion of the Mortgage will not be a "real estate asset" within the meaning of Section 856(c)(5)(B) of the Code. The excess

portion will represent a "Government security" within the meaning of Section 856(c)(4)(A) of the Code. If a PC contains a Mortgage with an LTV ratio in excess of 100%, a Holder that is a real estate investment trust should consult its tax advisor concerning the appropriate tax treatment of such excess portion.

It is not certain whether or to what extent Mortgages with LTV ratios above 100% qualify as loans secured by an interest in real property for purposes of Section 7701(a)(19)(C)(v) of the Code. Even if the property securing the Mortgage does not meet this test, the PCs will be treated as "obligations of a corporation which is an instrumentality of the United States" within the meaning of Sections 7701(a)(19)(C)(ii) and 7701(a)(19)(C)(xi) of the Code, as applicable. 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 an 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." Because a Modified Mortgage is a mortgage that has been modified as a result of default or a reasonably foreseeable default, a Modified Mortgage 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.

Buydown or Extended Buydown Mortgages

It is not clear for federal income tax purposes whether buydown funds advanced by the originator of the Mortgage would be treated as funds of the borrower, with the borrower correspondingly treated as obligated for the full stated interest rate on the Mortgage. We plan to report for federal income tax purposes using the stated interest rate on the Mortgage. If the Internal Revenue Service (the **"Service"**) were to view the borrower's obligation on a net basis, you would be treated as owning two separate debt instruments, one an obligation of the borrower and the other a separate obligation of the originator for the "bought down" amounts. In such event, you would recognize some acceleration of taxable income to the period of the buydown accounts and the obligation of the originator may fail to qualify for the special treatments under Sections 856(c)(3)(B), 856(c)(5)(B), 7701(a)(19)(C)(v) and 7701(a)(19)(C)(xi) of the Code described under *Tax Status* above.

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. We intend to treat deferred interest on a Payment Capped ARM as original issue discount, which you will be required to include in income in the period in which such deferred interest accrues. We do not intend to file a REMIC election with respect to the beneficial interests in the principal and interest payments on Mortgages in a PC Pool, if the related PC would be treated as having been issued with OID.

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 includible 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 Service's consent. 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*.

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.

Payments to an investor who is not a U.S. Person that represent interest on Mortgages originated before July 19, 1984 may be subject to federal withholding tax at the rate of 30% or any lower rate provided by an applicable tax treaty.

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 Pool 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, the Department of the 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 1, 2026 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 owned by a PC trust, an investor acquiring 100% of the applicable PCs 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 PCs, investors are encouraged to consult their own accountant for advice on the appropriate accounting treatment for their PCs.

DISTRIBUTION ARRANGEMENTS

In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019. Any references in this Offering Circular to Gold PCs and the Mortgages that back such Gold PCs relate to Gold PCs issued by us on or before May 31, 2019 and the Mortgages that back those Gold PCs. PCs are issued through cash sales or in exchange for Mortgages. PCs are offered under our Cash Window Program on a daily basis 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 also issue PCs under our Guarantor Swap and MultiLender Swap Programs, which are described in *Description of the PCs – PC Pool Formation*.

SECONDARY MARKETS

In connection with the implementation of the single security initiative, we ceased issuing new Gold PCs after May 31, 2019.

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, the applicable Pool Supplement and any applicable Additional 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*. We also provide a list of dealers in our various mortgage security products on the mortgage securities section of our website at www.freddiemac.com/mbs/products/dealer-groups.

From time to time, we work with FHFA, other regulators, self-regulatory organizations and industry groups to attempt to ensure that our PCs are consistently and fairly treated as potential investments.

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 financial transactions with us, resecuritize PCs or other securities we have issued, or enter into licensing or other commercial agreements with us.

Appendix I

INDEX OF TERMS

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Appendix II

EXAMPLE POOL SUPPLEMENT

This example Pool Supplement illustrates the form and content of the Pool Supplement we post on our website for each PC Pool. It is not provided to describe any existing PC Pool. Pool Supplements for PC Pools containing fixed-rate Mortgages generally will exclude the data fields which are applicable only to ARM and Modified Step Rate PCs and include the data fields which apply to Gold PCs. Definitions of terms we use in Pool Supplements can be found at www.freddiemac.com/mbs/docs/pc_disclosure_glossary.pdf.

PC Pool Number XXXXXX

Pool Supplement
(To PC Offering Circular)

FREDDIE MAC
Mortgage Participation Certificates

Capitalized terms used in this Pool Supplement (other than capitalized terms that are defined in this document) have the same meanings as in Freddie Mac's Mortgage Participation Certificates Offering Circular in effect as of the date of this Pool Supplement (including any applicable supplements or amendments thereto in effect as of such date, the "PC Offering Circular"). This Pool Supplement incorporates by reference the PC 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 and market risks of investing in them, as described in the PC Offering Circular. This Pool Supplement supplements the PC Master Trust Agreement in effect as of the date of this Pool Supplement, including any applicable amendments thereto in effect as of such date, and constitutes the Pool Supplement within the meaning of that Trust Agreement for the PC Pool described herein.

You should read and understand this Pool Supplement, the PC Offering Circular, any related Additional Supplement and any documents that we have incorporated by reference in the PC Offering Circular before considering the purchase of the PCs.

We guarantee the payment of interest and principal on the PCs as described in the PC Offering Circular. You can find a description of the applicable PC Coupon in the PC Offering Circular under "Description of the PCs—Payments of Interest." For an initial period of time, we will pay scheduled installments of interest at the PC Coupon rate. After this initial period, we will pay principal together with interest at the PC Coupon rate. 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. Income associated with the PCs is subject to federal and state income tax. Because of applicable securities law exemptions, Freddie Mac has not registered the PCs with any federal or state securities commission. No securities commission has reviewed this Pool Supplement.

PC Pool Supplement dated_____

The PC Pool number in the pool statistics of this Pool Supplement identifies the pool of Mortgages to which the PCs relate. The pool statistics of this Pool Supplement contain statistical information about the PC Pool, including a PC Prefix that identifies the specific type of mortgages in the PC Pool. Certain information in this Pool Supplement is updated monthly on our website.

We also provide information (**"Loan Level Disclosures"**) relating to each of the Mortgages included in this PC Pool as of the time of issuance of the PC and, for PCs issued on or after December 1, 2005, monthly updates of that information. You can find the Loan Level Disclosures relating to this PC Pool at http://www.freddiemac.com/mbs/security-lookup. Sellers of the Mortgages furnish us with data for the Loan Level Disclosures and represent to us that such data are true, complete and accurate. We generally do not verify the accuracy of such data prior to our publication of the relevant Loan Level Disclosures. Given the volume of data furnished to us and our limited review procedures, it is possible that some of the data is incorrect. None of Freddie Mac or its affiliates has made or will make any representation or warranty as to the accuracy of the Loan Level Disclosures or of the information contained in this Pool Supplement and any related Additional Supplement. In addition, we are not obligated to update the Loan Level Disclosures.

We also furnish certain information concerning the methodologies we use to calculate certain Loan Level Disclosures and certain of the statistical information in this PC Pool Supplement. You will find the information concerning those methodologies at http://www.freddiemac.com/mbs/docs/pc_algorithms.pdf. Certain of these methodologies incorporate assumptions as to permitted Mortgage characteristics and variables therein. As a result, in some cases the application of these methodologies could result in minor differences between the actual characteristics of a given Mortgage and the reported characteristics.

PC Pool Supplement dated _____

INFORMATION RELATING TO EXAMPLE 30-YEAR FIXED RATE PC

SECURITY DESCRIPTION

PREFIX	Q5
SECURITY IDENTIFIER/POOL NUMBER	Q5XXXX
CUSIP	XXXXXXXXX
INVESTOR SECURITY UPB ($)	7,014,895.00
WEIGHTED AVERAGE NET INTEREST RATE (%)	4.500
ISSUE DATE	03/01/2020
FIRST PAYMENT DATE	04/15/2020
MATURITY DATE	04/2050
GREEN INDICATOR	YES
SOCIAL INDICATOR	YES
INTEREST ONLY SECURITY INDICATOR	NO
PREPAYMENT PENALTY INDICATOR	NO
REDUCED MINIMUM SERVICING INDICATOR	NO

SECURITY STATISTICS (AS OF ISSUE DATE)

LOAN COUNT	37
AVERAGE MORTGAGE LOAN AMOUNT ($)	189,648.00
WEIGHTED AVERAGE MORTGAGE LOAN AMOUNT ($)	189,972.00
WEIGHTED AVERAGE INTEREST RATE (%)	4.999
WEIGHTED AVERAGE LOAN AGE	1-
WEIGHTED AVERAGE LOAN TERM	360
WEIGHTED AVERAGE REMAINING MONTHS TO MATURITY	360
WEIGHTED AVERAGE LOAN-TO-VALUE (LTV)	78
WEIGHTED AVERAGE COMBINED LOAN-TO-VALUE (CLTV)	78
WEIGHTED AVERAGE CLASSIC FICO®	752
WEIGHTED AVERAGE VANTAGESCORE® 4.0	9999
WEIGHTED AVERAGE DEBT-TO-INCOME (DTI)	36
THIRD PARTY ORIGINATION UPB PERCENT	100.000
MISSION INDEX VERSION	V1.1
MISSION DENSITY SCORE	7.77
MISSION CRITERIA SHARE	777.77
SELLER NAME(S)	XXXXXXX
SERVICER NAME(S)	XXXXXXX

QUARTILE DISTRIBUTION

	MORTGAGE LOAN AMOUNT ($)	INTEREST RATE (%)	NET INTEREST RATE (%)	LOAN TERM	LOAN AGE	LOAN-TO-VALUE (LTV)	REMAINING MONTHS TO MATURITY	COMBINED LOAN-TO-VALUE (CLTV)	DEBT-TO-INCOME (DTI)
MAXIMUM	200,000.00	5.625	4.500	360	0	97	360	97	50
75%	196,000.00	5.250	4.500	360	-1	80	360	80	40
MEDIAN	190,000.00	4.875	4.500	360	-1	79	360	79	38
25%	182,000.00	4.750	4.500	360	-1	73	360	73	31
MINIMUM	175,000.00	4.750	4.500	360	-1	50	360	50	18

	CLASSIC FICO®	VANTAGESCORE® 4.0
MAXIMUM	809	9999
75%	789	9999
MEDIAN	755	9999
25%	725	9999
MINIMUM	655	9999

UNAVAILABLE DATA

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
LOAN-TO-VALUE	0	0.00	0.00	0.00
COMBINED LOAN-TO-VALUE	0	0.00	0.00	0.00
DEBT-TO-INCOME	0	0.00	0.00	0.00
CLASSIC FICO®	0	0.00	0.00	0.00
VANTAGESCORE® 4.0	37	100.00	7,014,895.00	100.00

LOAN PURPOSE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
PURCHASE	21	56.76	3,962,120.00	56.48
REFINANCE - CASH OUT	13	35.14	2,478,075.00	35.33
REFINANCE - NO CASH OUT	3	8.11	574,700.00	8.19
REFINANCE - NOT SPECIFIED	0	0.00	0.00	0.00
MODIFICATION - LOSS MITIGATION	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

OCCUPANCY STATUS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
PRIMARY RESIDENCE	21	56.76	4,008,820.00	57.15
SECOND HOME	1	2.70	175,200.00	2.50
INVESTMENT PROPERTY	15	40.54	2,830,875.00	40.36
NOT AVAILABLE	0	0.00	0.00	0.00

PROPERTY TYPE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
COOPERATIVE	0	0.00	0.00	0.00
CONDOMINIUM	7	18.92	1,311,000.00	18.69
PLANNED UNIT DEVELOPMENT	7	18.92	1,338,725.00	19.08
SINGLE-FAMILY	23	62.16	4,365,170.00	62.23
MANUFACTURING HOUSING	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

ORIGINATION YEAR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
2020	37	100.00	7,014,895.00	100.00

CHANNEL

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
BROKER	32	86.49	6,060,495.00	86.39
CORRESPONDENT	5	13.51	954,400.00	13.61
RETAIL	0	0.00	0.00	0.00
THIRD-PARTY ORIGINATION - NOT SPECIFIED	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

MORTGAGE INSURANCE CANCELLATION INDICATOR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
YES	0	0.00	0.00	0.00
NO	8	21.62	1,528,200.00	21.79
NOT AVAILABLE	29	78.38	5,486,695.00	78.21

MORTGAGE INSURANCE COVERAGE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
LOANS WITH MORTGAGE INSURANCE	8	21.62	1,528,200.00	21.79
LOANS WITHOUT MORTGAGE INSURANCE	29	78.38	5,486,695.00	78.21
NOT AVAILABLE	0	0.00	0.00	0.00

FIRST TIME HOME BUYER INDICATOR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
YES	6	16.22	1,124,000.00	16.02
NO	31	83.78	5,890,895.00	83.98
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF BORROWERS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
1	27	72.97	5,099,395.00	72.69
2	10	27.03	1,915,500.00	27.31
>2	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF UNITS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
1	33	89.19	6,243,975.00	89.01
2	3	8.11	591,000.00	8.42
3	1	2.70	179,920.00	2.56
4	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

NOT PAYING PRINCIPAL IN FIRST DISTRIBUTION

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
NOT PAYING PRINCIPAL IN FIRST DISTRIBUTION	29	78.38	5,518,395.00	78.67

PROPERTY STATE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
ARIZONA	2	5.41	392,000.00	5.59
CALIFORNIA	8	21.62	1,543,750.00	22.01
COLORADO	2	5.41	382,500.00	5.45
FLORIDA	7	18.92	1,287,920.00	18.36
GEORGIA	1	2.70	190,000.00	2.71
ILLINOIS	1	2.70	177,750.00	2.53
KENTUCKY	1	2.70	199,200.00	2.84
LOUISIANA	1	2.70	181,500.00	2.59
MICHIGAN	3	8.11	564,600.00	8.05
MISSOURI	1	2.70	180,000.00	2.57
NEVADA	1	2.70	175,200.00	2.50
NEW JERSEY	1	2.70	200,000.00	2.85
OHIO	2	5.41	393,800.00	5.61
TEXAS	3	8.11	564,125.00	8.04
UTAH	3	8.11	582,550.00	8.30

SELLER NAME(S)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB	REMAINING MONTHS TO MATURITY			LOAN AGE			INTEREST RATE (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

SERVICER NAME(S)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB	REMAINING MONTHS TO MATURITY			LOAN AGE			INTEREST RATE (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

PROPERTY VALUATION METHOD

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
APPRAISAL	15	40.54	4,056,055.00	57.82
APPRAISAL WAIVER	22	59.46	2,958,840.00	42.18
APPRAISAL WAIVER PLUS PROPERTY DATA COLLECTION - CONDITION	0	0.00	0.00	0.00
APPRAISAL WAIVER PLUS PROPERTY DATA COLLECTION - VALUE	0	0.00	0.00	0.00
GSE TARGETED REFINANCE PROGRAMS	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

SPECIAL ELIGIBILITY PROGRAM

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
HFA PREFERRED / HFA ADVANTAGE	5	13.51	797,864.00	11.37
HOMEREADY / HOME POSSIBLE	17	45.95	2,958,840.00	42.18
REFINOW / REFI POSSIBLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	15	40.54	3,258,191.00	46.45
NOT AVAILABLE	0	0.00	0.00	0.00

INTEREST RATE BUYDOWN TYPE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
MODERATE / TEMPORARY	0	0.00	0.00	0.00
SIGNIFICANT / EXTENDED	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

GREEN PROGRAM CRITERIA (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
GREEN BUILDING CERTIFICATION	0	0.00	0.00	0.00
ENERGY RATING INDEX	0	0.00	0.00	0.00
RENEWABLE ENERGY	0	0.00	0.00	0.00
MULTIPLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

GREEN BUILDING CERTIFICATION (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
ENERGYSTAR	0	0.00	0.00	0.00
DOE ZERO ENERGY READY HOME	0	0.00	0.00	0.00
NATIONAL GREEN BUILDING STANDARD	0	0.00	0.00	0.00
NEEM	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

ENERGY RATING INDEX (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
HOME ENERGY RATING SCORE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

RENEWABLE ENERGY (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
SOLAR	0	0.00	0.00	0.00
GEOTHERMAL	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

WATER CERTIFICATION (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
WATERSENSE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

INFORMATION RELATING TO EXAMPLE 30-YEAR HYBRID ARM PC

SECURITY DESCRIPTION

PREFIX	2B
SECURITY IDENTIFIER/POOL NUMBER	2BXXXX
CUSIP	XXXXXXXXX
INVESTOR SECURITY UPB ($)	11,509,420.00
WEIGHTED AVERAGE NET INTEREST RATE (%)	3.091
ISSUE DATE	03/01/2020
FIRST PAYMENT DATE	05/15/2020
MATURITY DATE	03/2050
GREEN INDICATOR	YES
SOCIAL INDICATOR	YES
INTEREST ONLY SECURITY INDICATOR	NO
PREPAYMENT PENALTY INDICATOR	NO
REDUCED MINIMUM SERVICING INDICATOR	NO

SECURITY STATISTICS (AS OF ISSUE DATE)

LOAN COUNT	27
AVERAGE MORTGAGE LOAN AMOUNT ($)	426,555.00
WEIGHTED AVERAGE MORTGAGE LOAN AMOUNT ($)	486,081.00
WEIGHTED AVERAGE INTEREST RATE (%)	3.711
WEIGHTED AVERAGE LOAN AGE	0
WEIGHTED AVERAGE LOAN TERM	360
WEIGHTED AVERAGE REMAINING MONTHS TO MATURITY	360
WEIGHTED AVERAGE LOAN-TO-VALUE (LTV)	62
WEIGHTED AVERAGE COMBINED LOAN-TO-VALUE (CLTV)	63
WEIGHTED AVERAGE CLASSIC FICO®	763
WEIGHTED AVERAGE VANTAGESCORE® 4.0	9999
WEIGHTED AVERAGE DEBT-TO-INCOME (DTI)	39
MISSION INDEX VERSION	V1.1
MISSION DENSITY SCORE	7.77
MISSION CRITERIA SHARE	777.77
SELLER NAME(S)	XXXXXXX
SERVICER NAME(S)	XXXXXXX

ARM DETAIL INFORMATION

INDEX	LIBOR_1YR_WSJ_DLY
INITIAL FIXED-RATE PERIOD (MONTHS)	79 - 90
INTEREST RATE ADJUSTMENT FREQUENCY	12
INITIAL INTEREST RATE CAP UP (%)	5.000
INITIAL INTEREST RATE CAP DOWN (%)	5.000
PERIODIC INTEREST RATE CAP UP (%)	2.000
PERIODIC INTEREST RATE CAP DOWN (%)	2.000
WEIGHTED AVERAGE LIFE INTEREST RATE CEILING (%)	8.711
WEIGHTED AVERAGE NET LIFE INTEREST RATE CEILING (%)	8.091
WEIGHTED AVERAGE LIFE INTEREST RATE FLOOR (%)	2.250
WEIGHTED AVERAGE NET LIFE INTEREST RATE FLOOR (%)	1.630
FIRST INTEREST RATE ADJUSTMENT DATE	02/2027
WEIGHTED AVERAGE MONTHS TO NEXT INTEREST RATE ADJUSTMENT DATE	84
INTEREST RATE LOOKBACK	45
WEIGHTED AVERAGE MORTGAGE MARGIN (%)	2.250
WEIGHTED AVERAGE MBS MARGIN (%)	1.630
SUBTYPE	
CONVERTIBILITY INDICATOR	NO

QUARTILE DISTRIBUTION

	MORTGAGE LOAN AMOUNT ($)	INTEREST RATE (%)	NET INTEREST RATE (%)	LOAN TERM	LOAN AGE	LOAN-TO-VALUE (LTV)	REMAINING MONTHS TO MATURITY	COMBINED LOAN-TO-VALUE (CLTV)	DEBT-TO-INCOME (DTI)
MAXIMUM	200,000.00	5.625	4.500	360	0	97	360	97	50
75%	196,000.00	5.250	4.500	360	-1	80	360	80	40
MEDIAN	190,000.00	4.875	4.500	360	-1	79	360	79	38
25%	182,000.00	4.750	4.500	360	-1	73	360	73	31
MINIMUM	175,000.00	4.750	4.500	360	-1	50	360	50	18

	CLASSIC FICO®	VANTAGESCORE® 4.0
MAXIMUM	809	9999
75%	789	9999
MEDIAN	755	9999
25%	725	9999
MINIMUM	655	9999

UNAVAILABLE DATA

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
LOAN-TO-VALUE	0	0.00	0.00	0.00
COMBINED LOAN-TO-VALUE	0	0.00	0.00	0.00
DEBT-TO-INCOME	0	0.00	0.00	0.00
CLASSIC FICO®	0	0.00	0.00	0.00
VANTAGESCORE® 4.0	37	100.00	7,014,895.00	100.00

LOAN PURPOSE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
PURCHASE	21	56.76	3,962,120.00	56.48
REFINANCE - CASH OUT	13	35.14	2,478,075.00	35.33
REFINANCE - NO CASH OUT	3	8.11	574,700.00	8.19
REFINANCE - NOT SPECIFIED	0	0.00	0.00	0.00
MODIFICATION - LOSS MITIGATION	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

OCCUPANCY STATUS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
PRIMARY RESIDENCE	21	56.76	4,008,820.00	57.15
SECOND HOME	1	2.70	175,200.00	2.50
INVESTMENT PROPERTY	15	40.54	2,830,875.00	40.36
NOT AVAILABLE	0	0.00	0.00	0.00

PROPERTY TYPE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
COOPERATIVE	0	0.00	0.00	0.00
CONDOMINIUM	7	18.92	1,311,000.00	18.69
PLANNED UNIT DEVELOPMENT	7	18.92	1,338,725.00	19.08
SINGLE-FAMILY	23	62.16	4,365,170.00	62.23
MANUFACTURING HOUSING	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

ORIGINATION YEAR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
2020	37	100.00	7,014,895.00	100.00

CHANNEL

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
BROKER	32	86.49	6,060,495.00	86.39
CORRESPONDENT	5	13.51	954,400.00	13.61
RETAIL	0	0.00	0.00	0.00
THIRD-PARTY ORIGINATION - NOT SPECIFIED	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

MORTGAGE INSURANCE CANCELLATION INDICATOR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
YES	0	0.00	0.00	0.00
NO	8	21.62	1,528,200.00	21.79
NOT AVAILABLE	29	78.38	5,486,695.00	78.21

MORTGAGE INSURANCE COVERAGE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
LOANS WITH MORTGAGE INSURANCE	8	21.62	1,528,200.00	21.79
LOANS WITHOUT MORTGAGE INSURANCE	29	78.38	5,486,695.00	78.21
NOT AVAILABLE	0	0.00	0.00	0.00

FIRST TIME HOME BUYER INDICATOR

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
YES	6	16.22	1,124,000.00	16.02
NO	31	83.78	5,890,895.00	83.98
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF BORROWERS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
1	27	72.97	5,099,395.00	72.69
2	10	27.03	1,915,500.00	27.31
>2	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

NUMBER OF UNITS

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
1	33	89.19	6,243,975.00	89.01
2	3	8.11	591,000.00	8.42
3	1	2.70	179,920.00	2.56
4	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

NOT PAYING PRINCIPAL IN FIRST DISTRIBUTION

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
NOT PAYING PRINCIPAL IN FIRST DISTRIBUTION	29	78.38	5,518,395.00	78.67

PROPERTY STATE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
ARIZONA	2	5.41	392,000.00	5.59
CALIFORNIA	8	21.62	1,543,750.00	22.01
COLORADO	2	5.41	382,500.00	5.45
FLORIDA	7	18.92	1,287,920.00	18.36
GEORGIA	1	2.70	190,000.00	2.71
ILLINOIS	1	2.70	177,750.00	2.53
KENTUCKY	1	2.70	199,200.00	2.84
LOUISIANA	1	2.70	181,500.00	2.59
MICHIGAN	3	8.11	564,600.00	8.05
MISSOURI	1	2.70	180,000.00	2.57
NEVADA	1	2.70	175,200.00	2.50
NEW JERSEY	1	2.70	200,000.00	2.85
OHIO	2	5.41	393,800.00	5.61
TEXAS	3	8.11	564,125.00	8.04
UTAH	3	8.11	582,550.00	8.30

SELLER NAME(S)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB	REMAINING MONTHS TO MATURITY			LOAN AGE			INTEREST RATE (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

SERVICER NAME(S)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB	REMAINING MONTHS TO MATURITY			LOAN AGE			INTEREST RATE (%)		
					HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE	HIGH	LOW	WEIGHTED AVERAGE
XXXXXXX	37	100.00	7,014,895.00	100.00	360	360	360	0	-1	-1	5.625	4.75	4.999

PROPERTY VALUATION METHOD

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
APPRAISAL	15	40.54	4,056,055.00	57.82
APPRAISAL WAIVER	22	59.46	2,958,840.00	42.18
APPRAISAL WAIVER PLUS PROPERTY DATA COLLECTION - CONDITION	0	0.00	0.00	0.00
APPRAISAL WAIVER PLUS PROPERTY DATA COLLECTION - VALUE	0	0.00	0.00	0.00
GSE TARGETED REFINANCE PROGRAMS	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

SPECIAL ELIGIBILITY PROGRAM

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
HFA PREFERRED / HFA ADVANTAGE	5	13.51	797,864.00	11.37
HOMEREADY / HOME POSSIBLE	17	45.95	2,958,840.00	42.18
REFINOW / REFI POSSIBLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	15	40.54	3,258,191.00	46.45
NOT AVAILABLE	0	0.00	0.00	0.00

INTEREST RATE BUYDOWN TYPE

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
MODERATE / TEMPORARY	0	0.00	0.00	0.00
SIGNIFICANT / EXTENDED	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00
NOT APPLICABLE	0	0.00	0.00	0.00
NOT AVAILABLE	0	0.00	0.00	0.00

GREEN PROGRAM CRITERIA (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
GREEN BUILDING CERTIFICATION	0	0.00	0.00	0.00
ENERGY RATING INDEX	0	0.00	0.00	0.00
RENEWABLE ENERGY	0	0.00	0.00	0.00
MULTIPLE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

GREEN BUILDING CERTIFICATION (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
ENERGYSTAR	0	0.00	0.00	0.00
DOE ZERO ENERGY READY HOME	0	0.00	0.00	0.00
NATIONAL GREEN BUILDING STANDARD	0	0.00	0.00	0.00
NEEM	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

ENERGY RATING INDEX (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
HOME ENERGY RATING SCORE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

RENEWABLE ENERGY (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
SOLAR	0	0.00	0.00	0.00
GEOTHERMAL	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

WATER CERTIFICATION (IF APPLICABLE)

	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB
WATERSENSE	0	0.00	0.00	0.00
OTHER	0	0.00	0.00	0.00

NEXT INTEREST RATE ADJUSTMENT DATE

NEXT INTEREST RATE ADJUSTMENT DATE	MONTHS TO NEXT INTEREST RATE ADJUSTMENT	INTEREST ONLY FIRST P&I PAYMENT	AGGREGATE LOAN COUNT	PERCENTAGE LOAN COUNT	AGGREGATE INVESTOR LOAN UPB ($)	PERCENTAGE INVESTOR LOAN UPB	WEIGHTED AVERAGE INTEREST RATE - CURRENT	INTEREST RATE HIGH CURRENT	INTEREST RATE LOW CURRENT (%)	WEIGHTED AVERAGE NET INTEREST RATE
02/2027	83		1	3.70	257,969.35	2.240	3.130	3.130	3.130	
04/2027	85		26	96.29	11,251,451.04	97.750	3.091	4.130	2.755	

NEXT INTEREST RATE ADJUSTMENT DATE DISTRIBUTION	NET INTEREST RATE HIGH CURRENT (%)	NET INTEREST RATE LOW CURRENT (%)	WEIGHTED AVERAGE MORTGAGE MARGIN (%)	MORTGAGE MARGIN HIGH (%)	MORTGAGE MARGIN LOW (%)	WEIGHTED AVERAGE MBS/PC MARGIN (%)	MBS/PC MARGIN HIGH (%)	MBS/PC MARGIN LOW (%)	WEIGHTED AVERAGE NET LIFE INTEREST RATE CEILING (%)	NET LIFE INTEREST RATE CEILING HIGH (%)
02/2027						1.630	1.630	1.630	8.130	8.130
04/2027						1.630	1.630	1.630	8.091	9.130

NEXT INTEREST RATE ADJUSTMENT DATE DISTRIBUTION	NET RATE INTEREST RATE CEILING LOW (%)	WEIGHTED AVERAGE LIFE INTEREST RATE CEILING (%)	LIFE INTEREST RATE CEILING HIGH (%)	LIFE INTEREST RATE CEILING LOW (%)	WEIGHTED AVERAGE NET LIFE INTEREST RATE FLOOR (%)	NET LIFE INTEREST RATE FLOOR HIGH (%)	NET LIFE INTEREST RATE FLOOR LOW (%)	WEIGHTED AVERAGE LIFE INTEREST RATE FLOOR (%)	LIFE INTEREST RATE FLOOR HIGH (%)	LIFE INTEREST RATE FLOOR LOW (%)
02/2027	8.130				1.630	1.630	1.630			
04/2027	7.755				1.630	1.630	1.630			

APPENDIX III

ARRC Fallback Language

Section (G)

Replacement Index and Replacement Margin

The Index is deemed to be no longer available and will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the Administrator has permanently or indefinitely stopped providing the Index to the general public; or (ii) the Administrator or its regulator issues an official public statement that the Index is no longer reliable or representative.

If a Replacement Event occurs, the Note Holder will select a new index (the "Replacement Index") and may also select a new margin (the "Replacement Margin"), as follows:

> (1) If a replacement index has been selected or recommended for use in consumer products, including residential adjustable-rate mortgages, by the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York at the time of a Replacement Event, the Note Holder will select that index as the Replacement Index.
>
> (2) If a replacement index has not been selected or recommended for use in consumer products under Section (G)(1) at the time of a Replacement Event, the Note Holder will make a reasonable, good faith effort to select a Replacement Index and a Replacement Margin that, when added together, the Note Holder reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Index and the Replacement Index.

The Replacement Index and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine my interest rate and monthly payments on Change Dates that are more than 45 days after a Replacement Event. The Index and Margin could be replaced more than once during the term of my Note, but only if another Replacement Event occurs. After a Replacement Event, all references to the "Index" and "Margin" will be deemed to be references to the "Replacement Index" and "Replacement Margin."

The Note Holder will also give me notice of my Replacement Index and Replacement Margin, if any, and such other information required by applicable law and regulation.

Freddie Mac