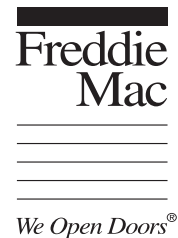


Supplement dated December 23, 2003 to  
Information Statement dated March 29, 2002



**FREDDIE MAC REPORTS BUSINESS INFORMATION  
FOR NOVEMBER 2003**  
*Risks Remain Low; Liquidations Slow*

Freddie Mac today reported business performance and risk measures for November 2003 in the company's [November 2003 Monthly Volume Summary](#).

- Freddie Mac's interest rate risk levels remain low. The company's average **portfolio market value sensitivity ("PMVS")**, a measure of interest-rate risk, was 3.7% in November, down from October. Freddie Mac's average duration gap was zero in November, unchanged from October.
- For full year 2003, Freddie Mac now anticipates that the growth rate of the company's **Total PC Portfolio** will be between 7% and 8%, which is less than the expected overall mortgage debt outstanding ("MDO") growth of 11%.
- Freddie Mac's **retained portfolio** growth realized during the balance of 2003 will depend upon a variety of factors, including the availability of attractive investment opportunities and the level of portfolio liquidations. Given current market conditions, the company expects retained portfolio growth for the fourth quarter to be relatively flat.
- The company has seen a significant slowdown in **liquidation levels**, reflecting the rise in long-term interest rates during the summer. November's liquidation rate was the lowest in the past 12 months.

**FREDDIE MAC AND CITIBANK AGREE TO MULTIFAMILY MORTGAGE LOAN  
SWAP TRANSACTION**

*Transaction Will Contribute Significantly to Freddie Mac's Ability to Meet Its Affordable  
Housing Goals*

Freddie Mac announced today that it has agreed to purchase a portfolio of multifamily mortgages from Citibank, NA, Citibank, FSB and Citibank West, FSB (collectively, Citibank)

in exchange for Freddie Mac PCs. The total value of the multifamily mortgages to be exchanged for PCs under this agreement could reach approximately \$5 billion.

The transaction will contribute significantly to Freddie Mac's ability to meet the affordable housing goals set by the Department of Housing and Urban Development. The purchase of this portfolio, which consists primarily of 5- to 50-unit mortgages, is especially significant because affordable housing goal regulations provide special incentives for purchases of mortgages on apartment buildings of this size. For that reason, Freddie Mac is providing a number of contractual incentives to Citibank, including fees totaling approximately \$65 million.

The first of the Freddie Mac securities associated with this transaction were issued during December 2003 and the remaining PCs are expected to be issued in the first quarter of 2004.

"Freddie Mac and Citibank share a commitment to financing small multifamily properties, because we recognize that these apartments offer an attractive housing option for millions of Americans," said Adrian Corbiere, senior vice president of Freddie Mac's multifamily division.

Since the introduction of the Freddie Mac Program Plus network of multifamily loan originators and servicers in 1993, Freddie Mac has provided financing for over 20,000 multifamily properties totaling more than \$55 billion. That volume represents nearly two million rental units across the country, a large portion of which are affordable to people whose income levels are at or below area median income – including newly established households, single-parent households, large family households at lower salaries as well as other renters.

## **RECENT EVENTS**

### **Voluntary Commitments**

Freddie Mac has posted an update regarding the current status of its compliance with the Voluntary Commitments (announced in October 2000) on the Investor Relations page of its website, [www.freddiemac.com](http://www.freddiemac.com).