



Making Home Possible in Arizona

Financing Homeownership & Rental Housing

Freddie Mac is supporting the housing market and answering the nation's call to assist with its recovery. Our top priorities are providing essential liquidity to the market and helping to stem the foreclosure crisis. Over the past decade, Freddie Mac has invested approximately **\$133 billion** in home loans, helping **959,768** Arizona families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$10 billion	49,889	8,669	55,557
Past 10 Years	\$133 billion	844,516	115,252	959,768

In 2008 Freddie Mac:

- Enabled 4,438 Arizona homebuyers to purchase their first home.
- Financed loans for 27,558 low- and moderate-income Arizona families.
- Funded home loans with an average mortgage of \$190,833.

Preventing Foreclosure

We are proud to play a key role in sustaining homeownership by supporting the President's Making Home Affordable program. Freddie Mac helped approximately **88,000** homeowners avoid foreclosure in 2008, and **2,567** in Arizona alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	1,210	926	51	380	2,567

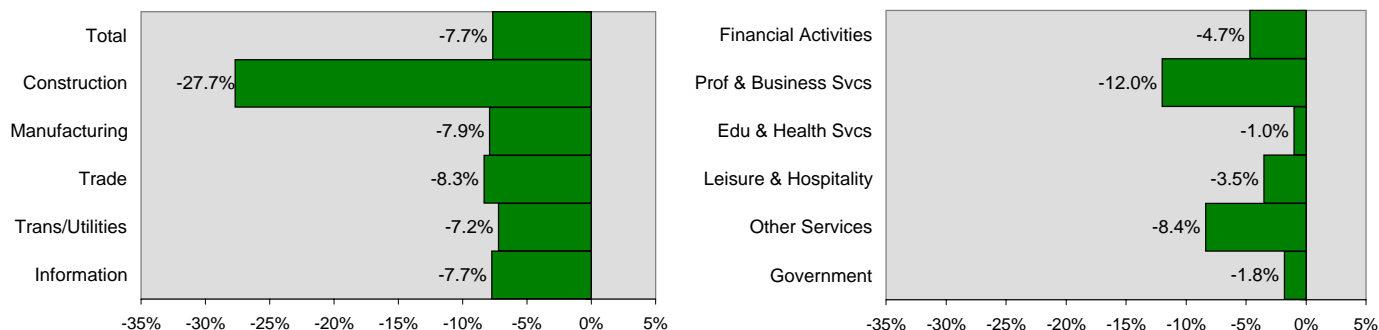
Homeowner Resources

- The mortgage lender, also called the "servicer." (Contact information located on mortgage statement.)
- www.MakingHomeAffordable.gov
- [Arizona Foreclosure Help-Line, \(877\) 448-1211](tel:8774481211)
- [Homeowner's HOPE™ Hotline, \(888\) 995-HOPE™](tel:8889954673)
- [HUD-Certified Housing Counselors, \(800\) 569-4287](tel:8005694287)
- www.FreddieMac.com/avoidforeclosure or (800) FREDDIE

For more information, please go to www.freddiemac.com/states

* Based on completed agreements. Periodically, there are differences in and changes to our reported numbers due to the timing of completion.

Employment declined the least in Arizona's education and health services sector over the year ended July 2009



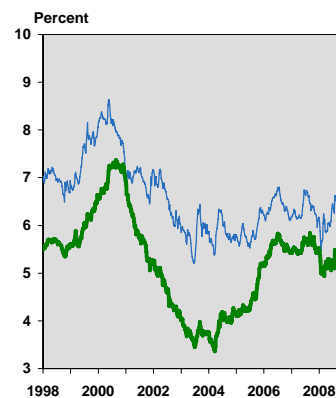
Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
Gross State Product, C\$B	180,539	196,176	208,619	211,570	210,235
% Change	3.6	8.7	6.3	1.4	-0.6
Total Non-Farm Employment (ths.)	2,381.3	2,508.8	2,634.5	2,673.7	2,616.3
% Change	3.7	5.4	5.0	1.5	-2.1
Unemployment Rate (%)	5.0	4.6	4.1	3.8	5.5
Personal Income Growth (%)	9.5	10.7	9.3	4.6	2.7
Population (ths.)	5,750.5	5,961.2	6,178.3	6,353.4	6,500.2
Single-Family Permits	80,778	80,804	55,633	37,666	19,153
Multifamily Permits	9,866	10,047	9,730	11,976	6,929
Existing Median Home Sales Price (ths.)	164.5	229.3	251.4	241.9	186.8
Mortgage Originations (# of SF loans)	408,268	567,487	464,492	281,940	n/a
Personal Bankruptcies (total ch. 7 & 13)	30,870	39,668	7,519	10,416	18,413
Existing Home Sales (ths.)	186.5	199.3	144.1	106.1	113.9
30-Year Fixed Mortgage Rate Average (%)	5.84	5.87	6.41	6.34	6.07
Rental Vacancy Rate (%)	11.3	11.6	9.3	9.6	14.1
Serious Mortgage Delinquency (% All Loans)	0.85	0.50	1.01	3.92	8.25
Foreclosure Rate (% All Loans)	0.48	0.49	0.46	0.61	0.82
Homeownership Rate (%)	68.7	68.2	68.5	68.1	68.1

Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

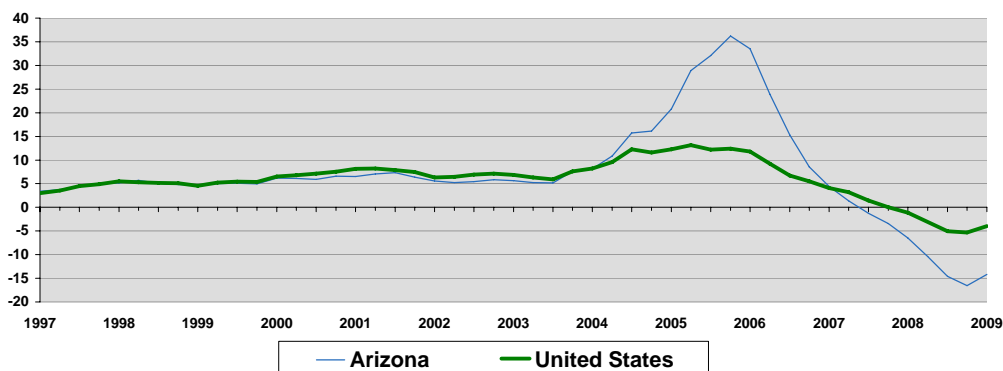
National Weekly Average Mortgage Interest Rates from Freddie Mac's Primary Mortgage Market Survey®

— 30-Year Fixed Rate — 1-Year ARM



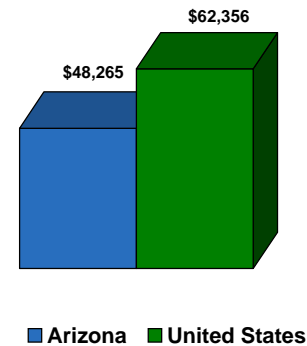
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



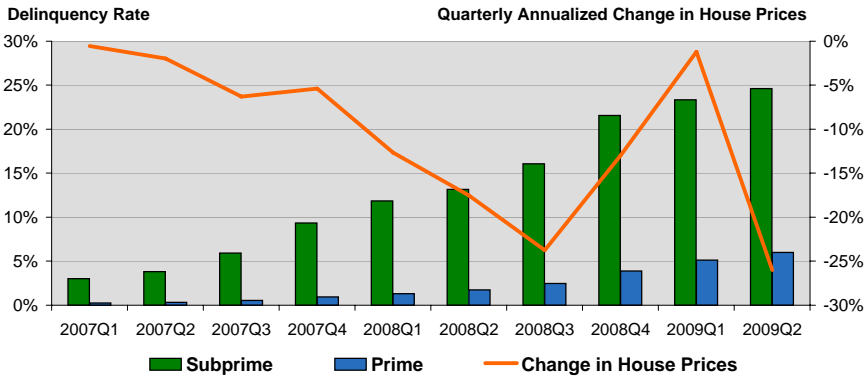
Source: Freddie Mac's Conventional Mortgage Home Price Index

2008Q4 Median Family Income



Source: US Census Bureau, Moody's Economy.com

Serious mortgage delinquencies are rising sharply among prime and subprime borrowers in Arizona and are exacerbated by rapidly declining house prices



Source: First American CoreLogic and Freddie Mac

National Rankings

Homeownership Rate	34
1 = Highest	
Mortgage Delinquency Rate	3
1 = Most Delinquent	
Median Family Income	50
1 = Highest	
Adjustable Rate Mortgage Share	11
1 = Highest Share	
Housing Affordability	29
1 = Most Affordable	
Employment Growth	51
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Arizona

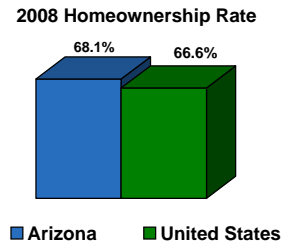
	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	68.1%	0.0%
White, Non-hispanic	73.7%	2.7%
Black	43.4%	-1.9%
Hispanic	56.9%	0.7%
Asian or Pacific Islander	61.6%	-4.5%

Source: US Census Bureau - American Community Survey

Homeownership Rate in 2008

Change in Homeownership Rate from 2007

Homeownership is higher in AZ than the national average

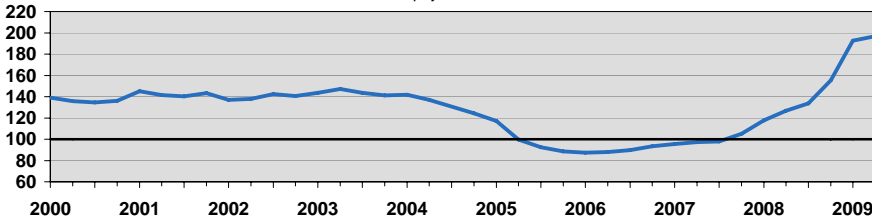


Source: US Census Bureau

State Housing Affordability Index

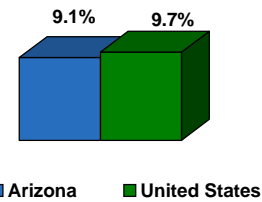
Arizona

Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



The unemployment rate is lower in AZ

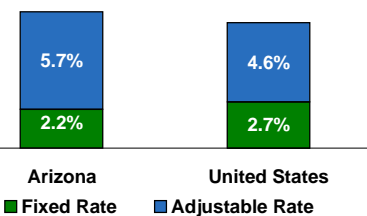
August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

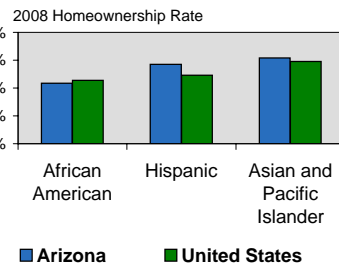
The Subprime Picture

Subprime dollar share of all loans outstanding as of December 2008.



Source: First American CoreLogic

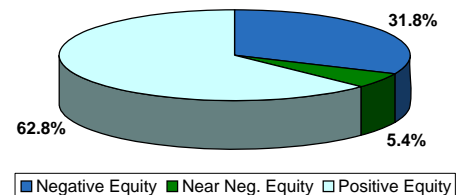
AZ Homeownership rates are higher among Hispanic and Asian groups



Source: US Census Bureau - American Community Survey

Share of Homes with Negative Equity Arizona

US: 19.8% Negative Equity Share & 5.2% Near Negative Equity



Source: First American CoreLogic. Data represent share of homes where total mortgage debt is higher than home value.