



Making Home Possible in California

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 **\$752 billion** in home loans, helping over **4.2 million** California families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$64 billion	232,467	40,789	273,256
Past 10 Years	\$752 billion	3,580,717	657,734	4,238,451

In 2008 Freddie Mac:

- Enabled 27,501 California homebuyers to purchase their first home.
- Financed loans for 109,610 low- and moderate-income California families.
- Funded home loans with an average mortgage of \$258,571

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 **6,411** in California alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	3,241	2,184	187	799	6,411

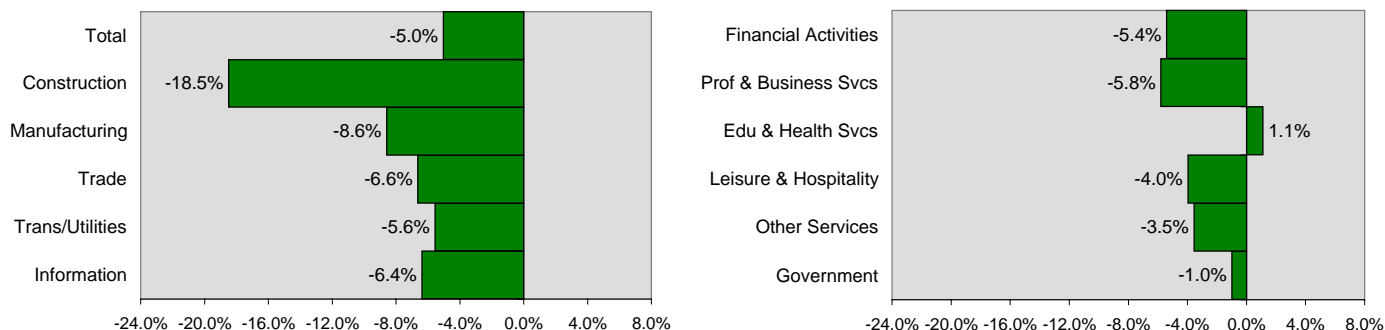
Homeowner Resources

- The mortgage lender, also called the "servicer." (Contact information located on mortgage statement.)
- www.MakingHomeAffordable.gov
- [The California Housing Finance Agency \(CalHFA\)](http://TheCaliforniaHousingFinanceAgency(CalHFA))
- [Homeowner's HOPE™ Hotline, \(888\) 995-HOPE™](http://Homeowner'sHOPEHotline(888)995-HOPE)
- [HUD-Certified Housing Counselors, \(800\) 569-4287](http://HUD-CertifiedHousingCounselors(800)569-4287)
- 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 growth was strongest in California's education and health services sector over the year ended July 2009



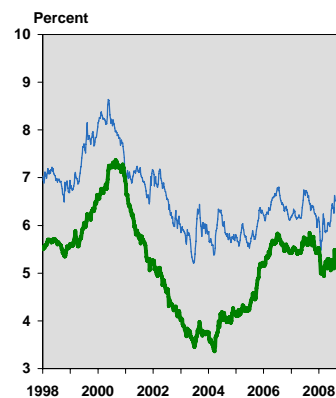
Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
Gross State Product, C\$B	1,406,810	1,467,890	1,512,850	1,539,440	1,546,130
% Change	5.2	4.3	3.1	1.8	0.4
Total Non-Farm Employment (ths.)	14,532.6	14,801.3	15,060.3	15,173.5	14,994.1
% Change	1.0	1.8	1.7	0.8	-1.2
Unemployment Rate (%)	6.3	5.4	4.9	5.4	7.2
Personal Income Growth (%)	6.6	6.1	7.7	5.2	3.2
Population (ths.)	35,629.7	35,885.4	36,121.3	36,377.5	36,756.7
Single-Family Permits	151,568	154,703	107,714	68,266	32,432
Multifamily Permits	55,822	50,317	52,788	41,807	30,249
Existing Median Home Sales Price (ths.)	393.3	462.6	488.7	481.0	347.4
Mortgage Originations (# of SF loans)	2,453,492	2,373,822	1,924,976	1,209,196	n/a
Personal Bankruptcies (total ch. 7 & 13)	118,648	162,408	37,092	69,011	126,621
Existing Home Sales (ths.)	605.2	598.6	460.6	365.5	440.1
30-Year Fixed Mortgage Rate Average (%)	5.84	5.87	6.41	6.34	6.07
Rental Vacancy Rate (%)	5.4	6.0	5.8	6.1	6.4
Serious Mortgage Delinquency (% All Loans)	0.34	0.46	1.58	5.36	8.11
Foreclosure Rate (% All Loans)	0.12	0.15	0.49	1.48	2.07
Homeownership Rate (%)	58.6	58.4	58.4	58.0	57.0

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

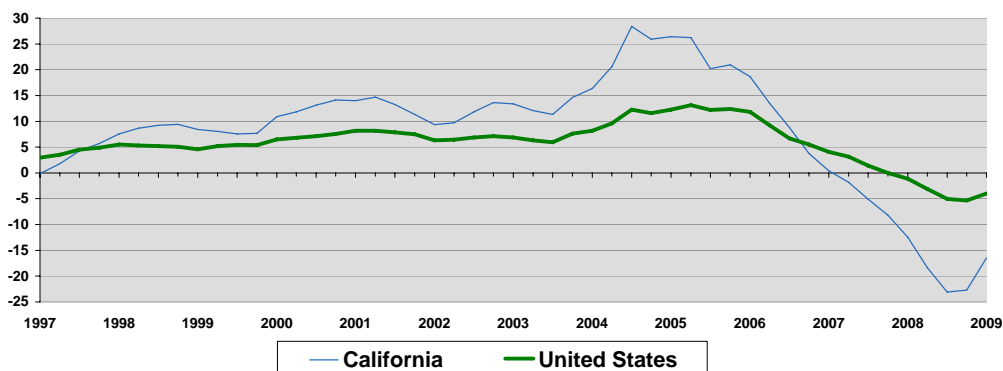
National Weekly Average Mortgage Interest Rates from Freddie Mac's Primary Mortgage Market Survey®

— 30-Year Fixed Rate — 1-Year ARM



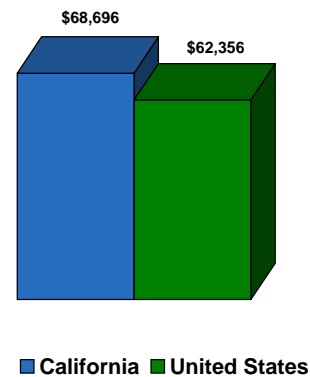
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



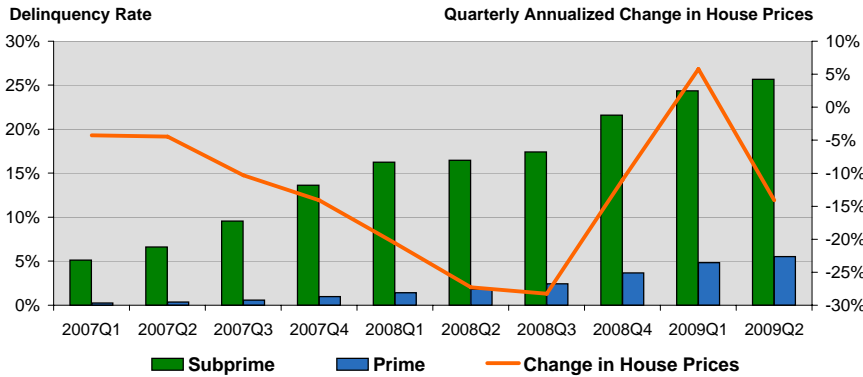
Source: Freddie Mac's Conventional Mortgage Home Price Index

2008Q4 Median Family Income



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

Serious mortgage delinquencies continue to rise among prime and subprime borrowers in California and are exacerbated by declining house prices



Source: First American CoreLogic and Freddie Mac

National Rankings

Homeownership Rate	49
1 = Highest	
Mortgage Delinquency Rate	4
1 = Most Delinquent	
Median Family Income	14
1 = Highest	
Adjustable Rate Mortgage Share	6
1 = Highest Share	
Housing Affordability	50
1 = Most Affordable	
Employment Growth	43
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in California

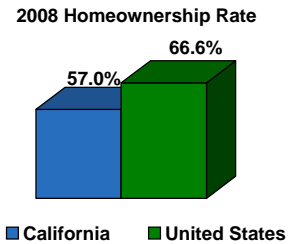
	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	57.0%	-1.0%
White, Non-hispanic	65.1%	3.1%
Black	37.9%	-2.0%
Hispanic	46.2%	-1.6%
Asian or Pacific Islander	56.9%	-2.1%

Source: US Census Bureau - American Community Survey

Homeownership Rate in 2008

Change in Homeownership Rate from 2007

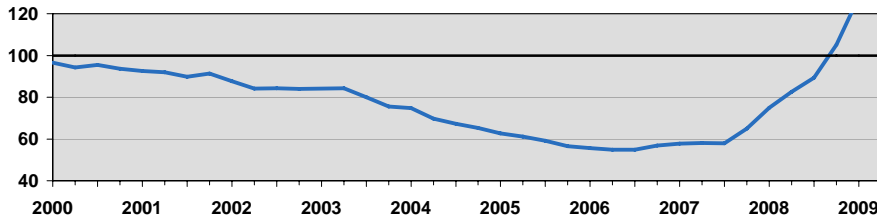
Homeownership is lower in CA than the national average



Source: US Census Bureau

State Housing Affordability Index California

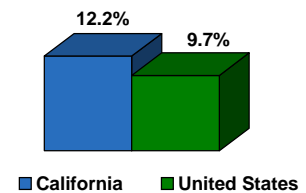
Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



Source: Moody's Economy.com

The unemployment rate is higher in CA

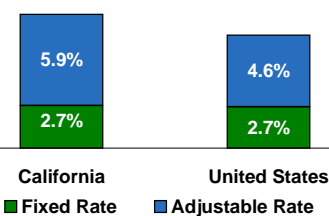
August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

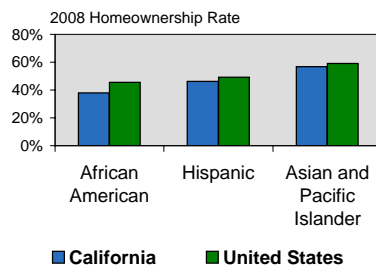
The Subprime Picture

Subprime dollar share of all loans outstanding as of December 2008



Source: First American CoreLogic

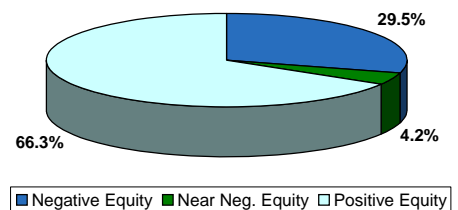
CA minority homeownership rates are lower than those of the US



Source: US Census Bureau - American Community Survey

Share of Homes with Negative Equity California

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.