

Making Home Possible in Florida

Over the past decade, Freddie Mac has invested **\$258.5 billion** in home loans, helping **2,184,769 Florida families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$42.4 billion	233,623	30,539	264,162
Past 10 Years	\$258.5 billion	1,931,460	253,309	2,184,769

In 2006 Freddie Mac:

- Enabled 19,291 Florida homebuyers to purchase their first home.
- Financed loans for 103,650 low- and moderate-income Florida families.
- Helped 2,809 Florida families avoid foreclosure.
- Funded residential loans with an average mortgage of \$174,486.
- Since 2000, Freddie Mac funded \$464.6 million in mortgage revenue bonds, providing low-cost mortgages to Florida families.
- Since 1998, Freddie Mac has invested \$334.2 million in low-income housing tax credits, creating 22,954 affordable homes for Florida families.

Working with our partners, Freddie Mac helps make home possible for Florida families every step of the way through the homebuying process.

Creating opportunities for successful homeownership through a comprehensive set of borrower education and outreach programs

Realizing possibilities by continually evolving our mortgage solutions to meet the individual needs of today's diverse borrowers

Preserving dreams by providing essential tools and education to help keep more of America's families in homes they can afford and keep

Neighborhood Revitalization Initiative – Gainesville:

The City of Gainesville, in collaboration with Freddie Mac, the University of Florida, Taylor, Bean & Whitaker and local community-based organizations, is expanding homeownership opportunities for low- and moderate-income minority families in Gainesville. The focus of this initiative is to build new architecturally compatible single-family homes on vacant lots, as well as restore vacant and abandoned single-family homes within the City of Gainesville.

HSBC SHOP – Miami:

SHOP Miami is a collaborative initiative between HSBC Bank (USA), HSBC Mortgage Corporation (USA), Miami Dade NHS and Freddie Mac. The initiative is designed to revitalize neighborhoods through retention and expansion of affordable homeownership opportunities for Miami-Dade County's hard working families, including minorities and low- to moderate-income households. HSBC SHOP Miami includes homebuyer outreach, borrower counseling, new counseling/prequalification technologies and affordable mortgage products.

Get The Facts!:

Freddie Mac launched five homeownership outreach campaigns in Florida that are based on Freddie Mac's *Get the Facts!* initiative, a dynamic outreach and education effort to dispel common misconceptions about buying and owning a home.

- **Palm Beach County:** Key participants in the "Get The Facts! Palm Beach County Initiative" include The Housing Partnership, Inc. and HSBC Mortgage Corporation (USA).
- **Ft. Lauderdale:** For the "Get The Facts! Ft. Lauderdale Initiative," New Visions CDC provides the homebuyer education and counseling, and HSBC Bank (USA) is the participating lender.
- **Miami-Dade:** The Miami Dade Affordable Housing Foundation, Inc. provides the homebuyer education and counseling, and Chase Home Mortgage is the participating lender for the "Get The Facts! Miami Dade Initiative."
- **Miami-Dade:** The Cuban American National Council (CANC) is educating its constituents on the facts of homeownership through the "CANC Get the Facts! Initiative." Key participants include HSBC Mortgage Corporation (USA).
- **Treasure Coast:** Key participants in the "Treasure Coast Get the Facts! Initiative" include Consumer Credit Counseling Services (CCCS) of Palm Beach County/Treasure Coast and HSBC Mortgage Corporation (USA).

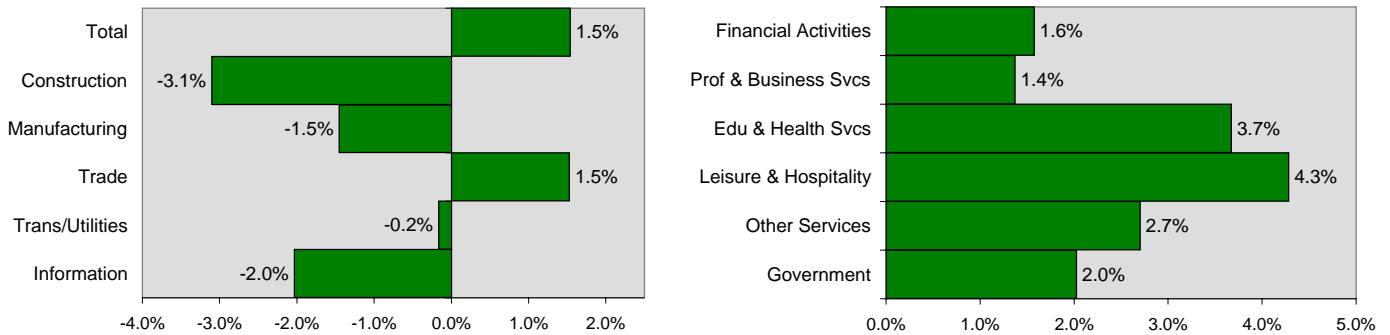
Nuestro Barrio – Miami:

Freddie Mac launched "Nuestro Barrio" (Our Neighborhood), a Spanish-language TV mini-series about Hispanic life in the United States. The series educates viewers on important financial issues including money management, credit, homeownership, predatory lending and foreclosure prevention. Key participants include the Miami-Dade Affordable Housing Foundation, Inc., the Cuban American National Council, and Bank of America.

South Florida Homebuyer Education Initiative:

Freddie Mac launched an initiative to address the unique barriers that face the minority/immigrant community, such as cultural and language differences and lack of trust in financial institutions. GMAC Mortgage is conducting homebuyer seminars in Miami Gardens and Hialeah in conjunction with local community-based organizations. Key participants include War on Poverty Florida, Inc.

Employment growth was strongest in Florida's leisure and hospitality services sector in 2007

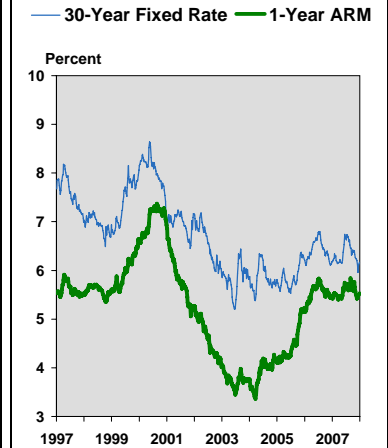


Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
Gross State Product, C\$B	497,343	520,413	548,141	585,113	609,958
% Change	2.6	4.6	5.3	6.7	4.2
Total Non-Farm Employment (ths.)	7,168.7	7,250.0	7,499.1	7,799.9	8,007.1
% Change	0.1	1.1	3.4	4.0	2.7
Unemployment Rate (%)	5.7	5.3	4.7	3.8	3.3
Personal Income Growth (%)	3.5	3.8	9.9	9.1	7.5
Population (ths.)	16,682.3	16,981.8	17,366.6	17,768.2	18,089.9
Single-Family Permits	128,719	156,852	187,463	209,162	146,236
Multifamily Permits	56,712	56,715	68,430	78,088	57,002
Existing Median Home Sales Price (ths.)	147.5	161.0	185.0	234.0	250.0
Mortgage Originations (# of SF loans)	973,170	1,330,375	1,066,182	1,312,643	1,188,599
Personal Bankruptcies (total ch. 7 & 13)	91,563	93,781	85,462	107,477	25,425
Existing Home Sales (ths.)	429.8	476.2	526.7	546.4	398.3
30-Year Fixed Mortgage Rate Average (%)	6.53	5.83	5.84	5.87	6.41
Rental Vacancy Rate (%)	10.2	11.5	11.7	10.1	10.7
Serious Mortgage Delinquency (% All Loans)	1.92	1.49	1.42	1.08	1.27
Foreclosure Rate (% All Loans)	0.73	0.55	0.38	0.26	0.47
Homeownership Rate (%)	70.4	70.2	70.5	69.6	70.3

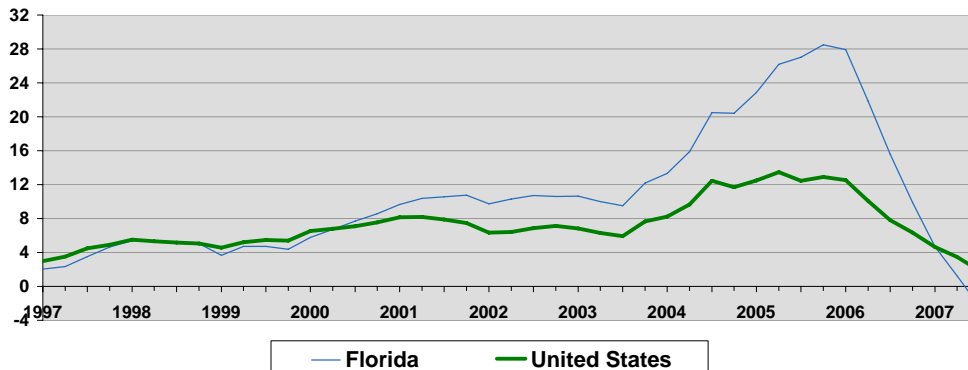
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, and Freddie Mac

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



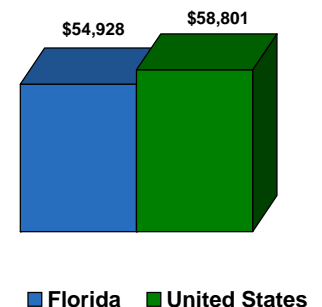
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



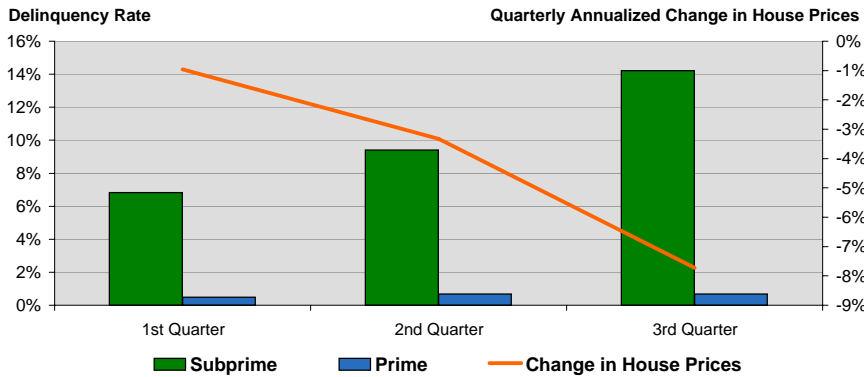
Source: Freddie Mac's Conventional Mortgage Home Price Index

2006 Median Family Income



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

Serious mortgage delinquencies are rising among subprime borrowers in 2007 and are exacerbated by declining house prices in FL



Source: First American CoreLogic and Freddie Mac

National Rankings

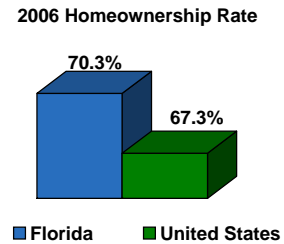
Homeownership Rate	23
1 = Highest	
Mortgage Delinquency Rate	26
1 = Most Delinquent	
Median Family Income	33
1 = Highest	
Adjustable Rate Mortgage Share	5
1 = Highest Share	
Housing Affordability	43
1 = Most Affordable	
Employment Growth	23
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Florida

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	70.3%	--
White, Non-hispanic	76.6%	6.3%
Black	48.8%	-21.5%
Hispanic	56.9%	-13.3%
Asian or Pacific Islander	66.1%	-4.2%

Source: US Census Bureau - American Community Survey

Homeownership in FL is higher than the national average



Source: US Census Bureau

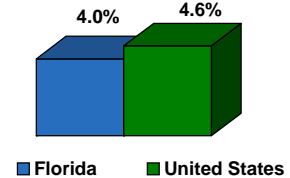
Characteristics of Subprime Mortgage Originations by Year Florida

	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	52%	60%	78%	84%	81%
Non-Traditional Mortgages (%)	3%	11%	36%	56%	52%
Non-Owner Share (%)	18%	20%	24%	30%	26%
Share of Low-No Documentation	54%	56%	57%	66%	72%
Debt-to-Income Ratio	38%	38%	37%	38%	39%
Average Loan-to-Value	85%	86%	83%	81%	81%
Average Fico Credit Score	659	665	677	686	684

Source: First American CoreLogic. First liens only; by dollar amount. Negative amortization shares are not available.

Unemployment is low in FL

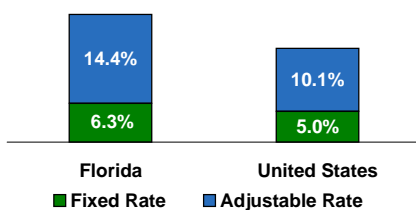
2007Q3 Unemployment Rate



Source: Bureau of Labor Statistics

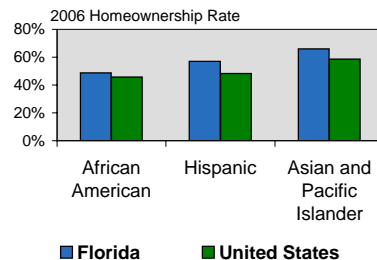
The Subprime Picture

Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

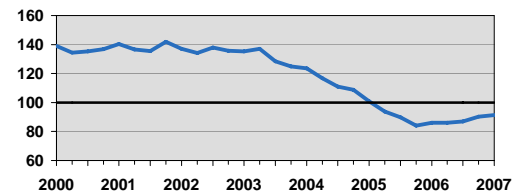
Homeownership is higher within Minority groups in FL than nationally



Source: US Census Bureau - American Community Survey

State Housing Affordability Index Florida

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