



Making Home Possible in Iowa

Over the past decade, Freddie Mac has invested **\$31.9 billion** in home loans, helping **314,404 Iowa families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$2.7 billion	22,610	2,847	25,457
Past 10 Years	\$31.9 billion	303,839	10,566	314,404

In 2006 Freddie Mac:

- Enabled 4,216 Iowa homebuyers to purchase their first home.
- Financed loans for 15,279 low- and moderate-income Iowa families.
- Helped 524 Iowa families avoid foreclosure.
- Funded residential loans with an average mortgage of \$116,149.

- Since 2000, Freddie Mac funded \$121.6 million in mortgage revenue bonds, providing low-cost mortgages to Iowa families.
- Since 1998, Freddie Mac has invested \$72.8 million in low-income housing tax credits, creating 2,494 affordable homes for Iowa families.

Working with our partners, Freddie Mac helps make home possible for Iowa 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

CreditSmart®:

Freddie Mac's *CreditSmart* is an award-winning financial education curriculum that helps consumers understand, build, and maintain better credit. *CreditSmart* training, which is typically provided by a community-based organization, also gives families in Iowa the knowledge to improve their financial outlook and achieve successful long-term homeownership.

Buying and Owning a Home: Freddie Mac's Online Guide to the Homebuying Process:

The free, online guide gives Iowa families the tools to help manage their finances, improve their credit, and reach their dreams, including homeownership. More information can be found at http://www.freddiemac.com/corporate/buying_and_owning.html

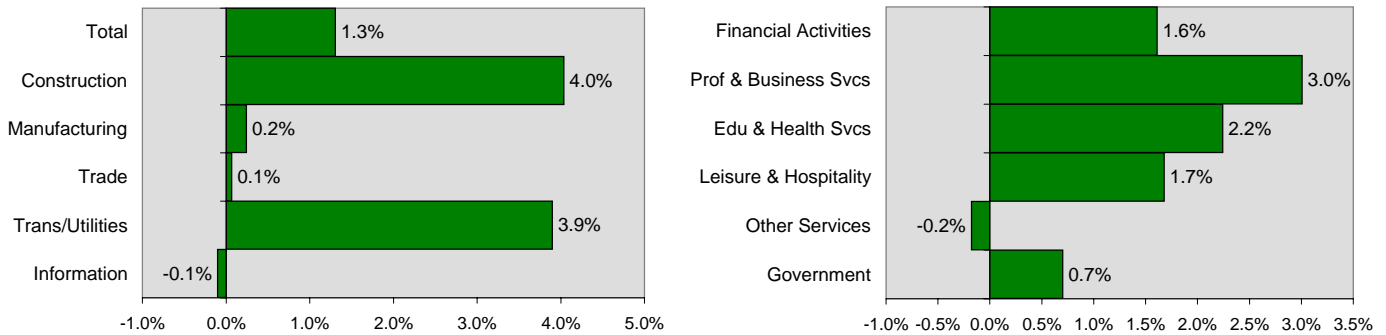
Home Possible® Mortgages:

Through Freddie Mac's *Home Possible* Mortgages, Iowa lenders can meet the home financing needs of borrowers looking for low down payments and flexible sources of funds, including first-time homebuyers, retirees, families in underserved areas, new immigrants and others. *Home Possible* Mortgages also offer greater flexibilities to those who serve Iowa communities like teachers, firefighters, healthcare workers, law enforcement officers, and military personnel.

Home Steps™:

HomeSteps is the second largest owner/seller of single-family real estate in America. It is a service brand of Freddie Mac, and its free-of-charge service allows homebuyers to search a database of houses for sale in Iowa or find a local agent to make the dream of homeownership a reality. More information can be found at www.homesteps.com.

Employment growth was strongest in Iowa's construction sector in 2007

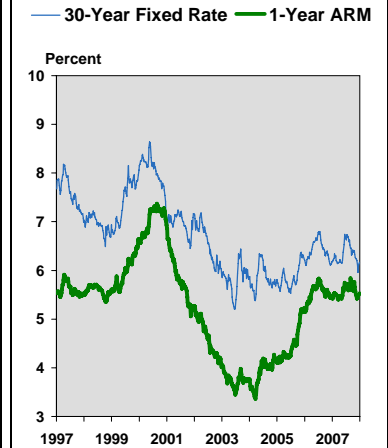


Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
Gross State Product, C\$B	92,821	95,254	100,655	103,648	106,346
% Change	3.9	2.6	5.7	3.0	2.6
Total Non-Farm Employment (ths.)	1,447.3	1,440.4	1,457.3	1,480.5	1,503.0
% Change	-1.2	-0.5	1.2	1.6	1.5
Unemployment Rate (%)	3.9	4.4	4.7	4.3	3.7
Personal Income Growth (%)	3.7	1.8	7.9	3.1	5.5
Population (ths.)	2,935.3	2,942.1	2,953.7	2,965.5	2,982.1
Single-Family Permits	10,004	11,841	12,374	12,812	10,250
Multifamily Permits	4,785	4,241	3,971	3,954	3,107
Existing Median Home Sales Price (ths.)	98.6	105.0	108.0	128.0	142.8
Mortgage Originations (# of SF loans)	127,594	169,707	111,278	111,748	103,201
Personal Bankruptcies (total ch. 7 & 13)	11,448	12,251	12,712	18,250	4,684
Existing Home Sales (ths.)	58.2	61.7	70.5	74.5	74.9
30-Year Fixed Mortgage Rate Average (%)	6.53	5.83	5.84	5.87	6.41
Rental Vacancy Rate (%)	8.6	8.3	9.4	13.1	13.5
Serious Mortgage Delinquency (% All Loans)	1.48	1.37	1.45	1.59	1.74
Foreclosure Rate (% All Loans)	0.79	0.83	0.74	0.77	0.86
Homeownership Rate (%)	72.7	73.6	73.8	73.1	73.3

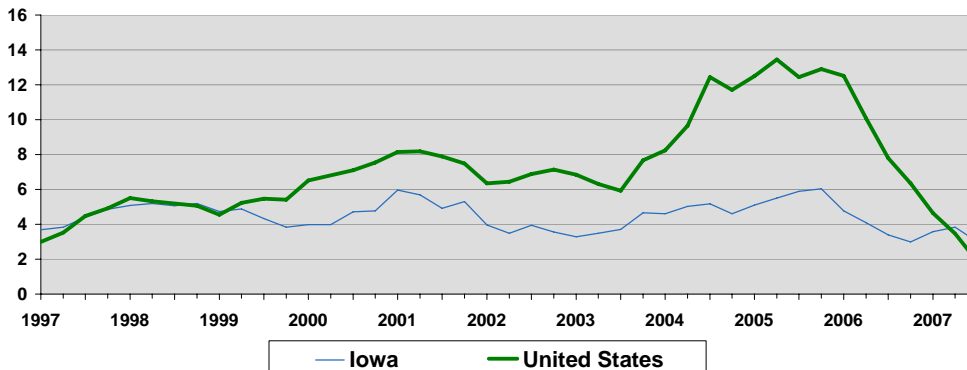
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, and Freddie Mac

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



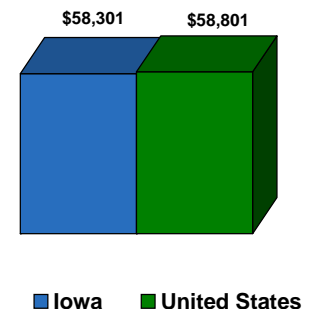
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



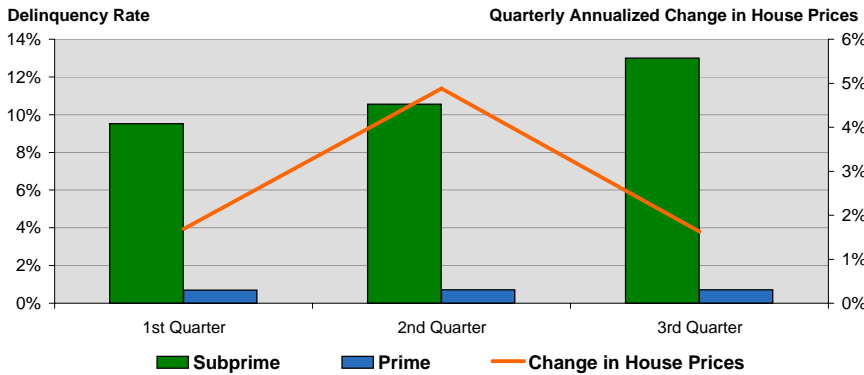
Source: Freddie Mac's Conventional Mortgage Home Price Index

2006 Median Family Income



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

Serious mortgage delinquencies are high and rising among subprime borrowers in 2007 and are exacerbated by slowing growth in house prices in IA



Source: First American CoreLogic and Freddie Mac

National Rankings

Homeownership Rate	4
1 = Highest	
Mortgage Delinquency Rate	6
1 = Most Delinquent	
Median Family Income	27
1 = Highest	
Adjustable Rate Mortgage Share	30
1 = Highest Share	
Housing Affordability	3
1 = Most Affordable	
Employment Growth	13
1 = Highest Growth	

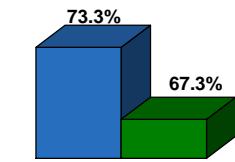
Homeownership Rates by Race and Ethnicity in Iowa

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	73.3%	--
White, Non-hispanic	74.7%	1.4%
Black	40.1%	-33.2%
Hispanic	54.1%	-19.2%
Asian or Pacific Islander	53.2%	-20.1%

Source: US Census Bureau - American Community Survey

Homeownership is higher in Iowa than the national average

2006 Homeownership Rate



■ Iowa ■ United States

Source: US Census Bureau

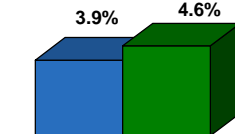
Characteristics of Subprime Mortgage Originations by Year

Iowa	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	68%	67%	73%	76%	73%
Non-Traditional Mortgages (%)	0%	2%	7%	13%	10%
Non-Owner Share (%)	3%	8%	8%	9%	8%
Share of Low-No Documentation	25%	27%	30%	29%	34%
Debt-to-Income Ratio	38%	38%	39%	40%	40%
Average Loan-to-Value	88%	90%	87%	85%	86%
Average Fico Credit Score	639	651	655	650	643

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

Unemployment is low in Iowa

2007Q3 Unemployment Rate

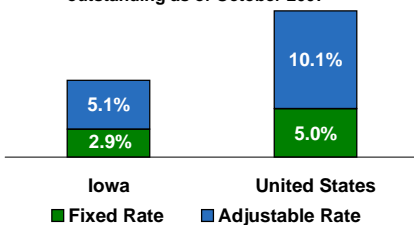


■ Iowa ■ United States

Source: Bureau of Labor Statistics

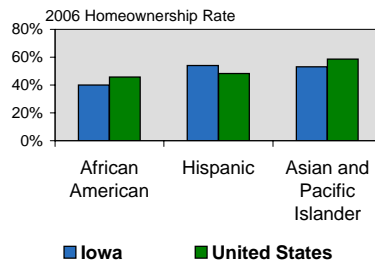
The Subprime Picture

Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

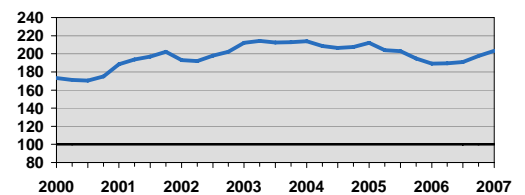
Hispanic homeownership is high in IA relative to US



Source: US Census Bureau - American Community Survey

State Housing Affordability Index Iowa

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