



Making Home Possible in Kansas

Over the past decade, Freddie Mac has invested **\$28.4 billion** in home loans, helping **274,237 Kansas families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$2.9 billion	24,212	4,046	28,258
Past 10 Years	\$28.4 billion	246,104	28,133	274,237

In 2006 Freddie Mac:

- Enabled 4,848 Kansas homebuyers to purchase their first home.
- Financed loans for 18,241 low- and moderate-income Kansas families.
- Helped 509 Kansas families avoid foreclosure.
- Funded residential loans with an average mortgage of \$111,867.
- Since 2000, Freddie Mac funded \$79 million in mortgage revenue bonds, providing low-cost mortgages to Kansas families.
- Since 1998, Freddie Mac has invested \$69.9 million in low-income housing tax credits, creating 3,785 affordable homes for Kansas families.

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

Home Possible® Neighborhood Solution (Military) -- Junction City:

Freddie Mac announced a *Home Possible* expansion aimed at active and reserve members of the Armed Forces and launched the *Home Possible Neighborhood Solution* initiative in Junction City with a primary focus on the military families at Fort Riley. The bank staff at Central National Bank was trained to use Freddie Mac's *Get The Facts!* and CreditSmart® products to address the homeownership and financial literacy needs of their communities. *Get The Facts!* is a dynamic outreach and education initiative intended to dispel common misconceptions about buying and owning a home, and CreditSmart® is a classroom-based consumer credit education initiative designed to help people better understand credit and its effect on homeownership.

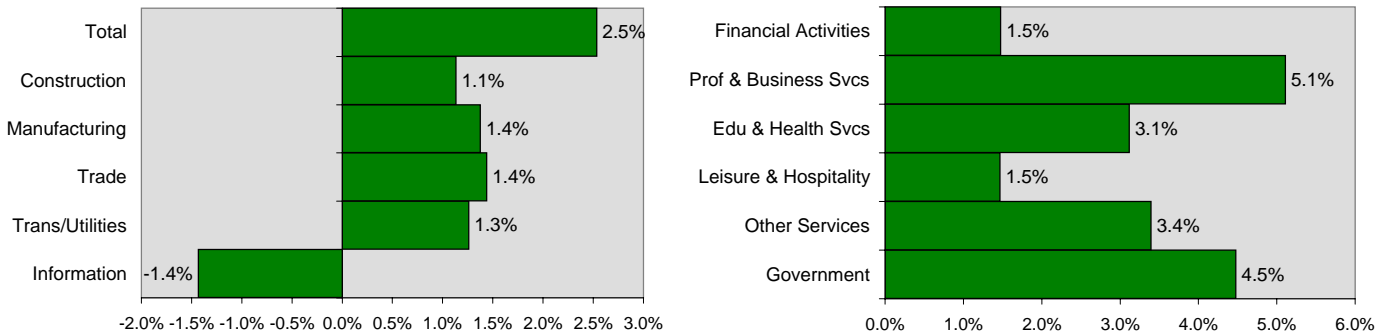


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CreditSmart® Campaign:

Freddie Mac launched *CreditSmart* and *CreditSmart Español*, a classroom-based consumer credit education initiative designed to help people better understand credit and its effect on homeownership. As part of the initiative, more than thirteen local organizations offer the financial literacy classes. Key participants include the National Urban League and the Urban League of the MidPlains.

Employment growth was strongest in Kansas's professional and business services sector in 2007

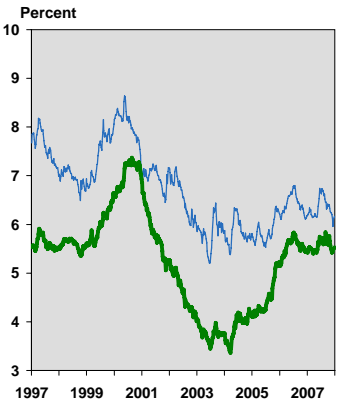


Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
Gross State Product, C\$B	85,259	86,726	88,913	91,508	94,647
% Change	1.6	1.7	2.5	2.9	3.4
Total Non-Farm Employment (ths.)	1,336.1	1,313.2	1,325.0	1,333.1	1,354.0
% Change	-0.9	-1.7	0.9	0.6	1.6
Unemployment Rate (%)	5.1	5.6	5.6	5.1	4.5
Personal Income Growth (%)	1.3	3.2	4.3	6.1	7.0
Population (ths.)	2,714.8	2,727.0	2,738.4	2,748.2	2,764.1
Single-Family Permits	10,325	11,494	11,548	11,626	11,133
Multifamily Permits	2,658	3,555	1,753	2,422	3,486
Existing Median Home Sales Price (ths.)	125.0	145.0	147.0	148.0	159.0
Mortgage Originations (# of SF loans)	125,170	157,683	106,241	105,068	96,630
Personal Bankruptcies (total ch. 7 & 13)	14,715	15,864	16,012	22,366	6,188
Existing Home Sales (ths.)	60.5	64.9	72.8	77.5	76.3
30-Year Fixed Mortgage Rate Average (%)	6.53	5.83	5.84	5.87	6.41
Rental Vacancy Rate (%)	11.6	10.5	13.6	12.8	11.3
Serious Mortgage Delinquency (% All Loans)	1.60	1.58	1.78	1.89	1.81
Foreclosure Rate (% All Loans)	0.63	0.68	0.65	0.66	0.59
Homeownership Rate (%)	69.6	68.6	69.5	69.5	69.9

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

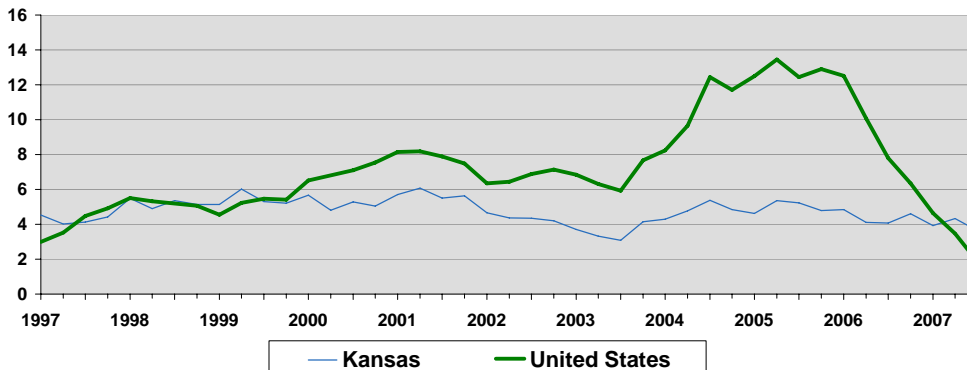
— 30-Year Fixed Rate — 1-Year ARM



Source: Freddie Mac, Primary Mortgage Market Survey®

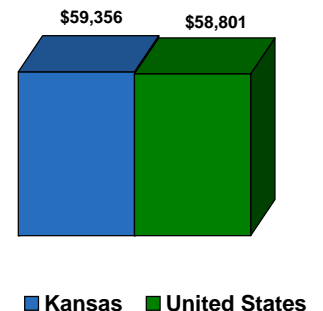
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

Annual % Change in House Prices



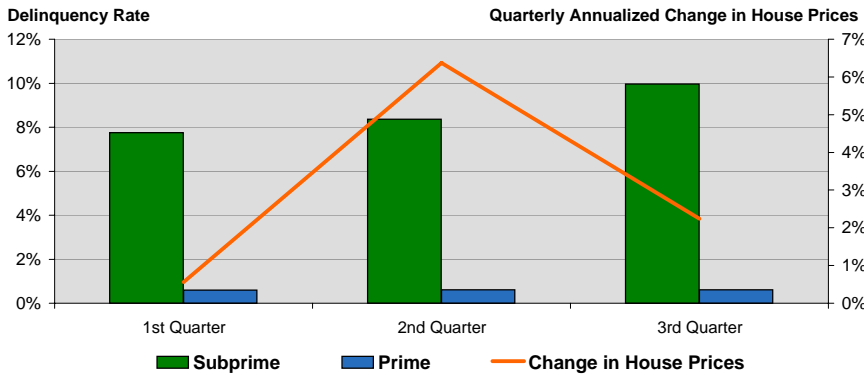
Source: Freddie Mac's Conventional Mortgage Home Price Index

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 slowing growth in house prices in KS



Source: First American CoreLogic and Freddie Mac

National Rankings

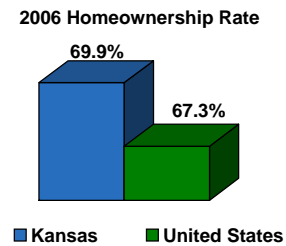
Homeownership Rate	25
1 = Highest	
Mortgage Delinquency Rate	19
1 = Most Delinquent	
Median Family Income	26
1 = Highest	
Adjustable Rate Mortgage Share	44
1 = Highest Share	
Housing Affordability	9
1 = Most Affordable	
Employment Growth	18
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Kansas

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	69.9%	--
White, Non-hispanic	72.8%	2.9%
Black	45.9%	-24.1%
Hispanic	51.9%	-18.1%
Asian or Pacific Islander	56.7%	-13.2%

Source: US Census Bureau - American Community Survey

Homeownership is higher than the national average in KS



Source: US Census Bureau

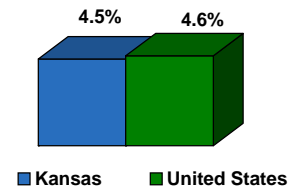
Characteristics of Subprime Mortgage Originations by Year

	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	55%	62%	70%	68%	67%
Non-Traditional Mortgages (%)	1%	2%	13%	22%	19%
Non-Owner Share (%)	9%	11%	11%	11%	11%
Share of Low-No Documentation	29%	31%	33%	34%	38%
Debt-to-Income Ratio	37%	37%	38%	39%	40%
Average Loan-to-Value	88%	90%	87%	84%	85%
Average Fico Credit Score	652	661	664	666	659

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

Unemployment is low in KS

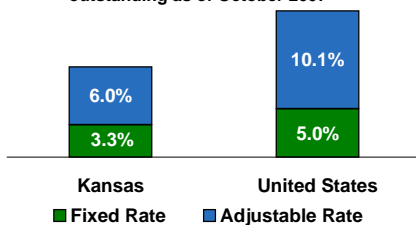
2007Q3 Unemployment Rate



Source: Bureau of Labor Statistics

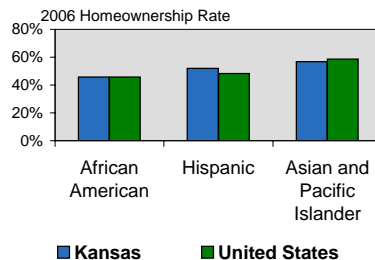
The Subprime Picture

Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

Homeownership is higher among Hispanics in KS than US

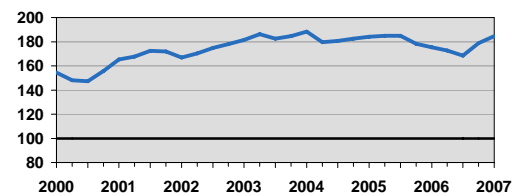


Source: US Census Bureau - American Community Survey

State Housing Affordability Index

Kansas

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