

## Making Home Possible in Maryland

Over the past decade, Freddie Mac has invested **\$114.6 billion** in home loans, helping **772,678 Maryland families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$16.3 billion	71,879	20,477	92,356
Past 10 Years	\$114.6 billion	649,548	123,129	772,678

### In 2006 Freddie Mac:

- Enabled 6,935 Maryland homebuyers to purchase their first home.
- Financed loans for 59,506 low- and moderate-income Maryland families.
- Helped 764 Maryland families avoid foreclosure.
- Funded residential loans with an average mortgage of \$208,330.
- Since 2000, Freddie Mac funded \$223.9 million in mortgage revenue bonds, providing low-cost mortgages to Maryland families.
- Since 1998, Freddie Mac has invested \$199 million in low-income housing tax credits, creating 10,162 affordable homes for Maryland families.

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

### Holy Cross Hospital Workforce Home Benefit:

The *Holy Cross Hospital Workforce Home Benefit* initiative is an employer-assisted effort that provides direct assistance and information to help Holy Cross Hospital employees with the purchase of a home. In addition, the initiative helps the employer retain and recruit employees. Through this initiative, Holy Cross Hospital is positioned to help its employees purchase their first home by utilizing a variety of resources that include flexible mortgage products and homebuyer education classes. Key participants include Bank of America and HomeFree-USA.

**Northwest Baltimore County Homeownership Initiative:**

Freddie Mac, BB&T, and Union Bethel AME Church joined forces to promote financial literacy, homebuyer education, and home purchase opportunities for first-time homebuyers in Northwest Baltimore County.

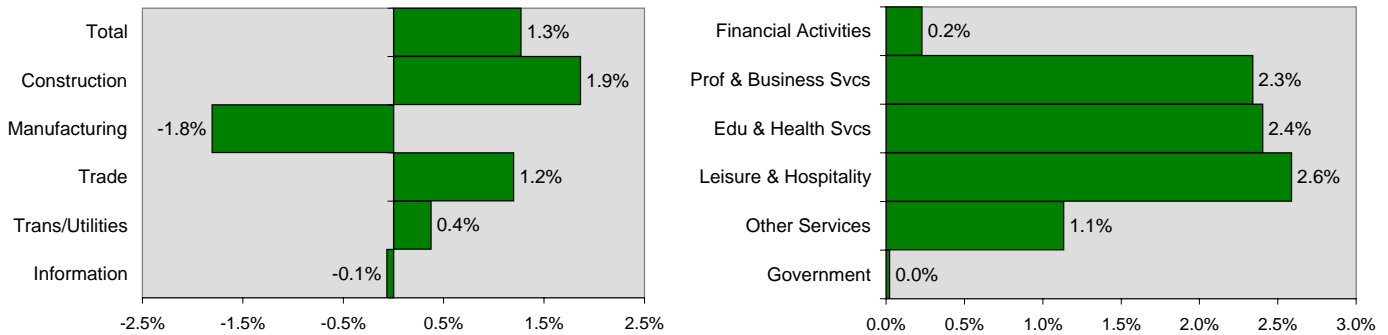
**Freddie Mac's Hoops for the Homeless®:**

*Hoops for the Homeless* is Freddie Mac's signature program designed to fight family homelessness in the Washington, DC region. A charitable basketball tournament, the event raises much needed awareness and funds to help alleviate homelessness, particularly among children and families in the region. The program is fully underwritten by Freddie Mac, and all funds raised go directly to six Washington, DC region homeless service organizations, including two in Maryland. In 2007, *Hoops for the Homeless* raised \$900,000.

**La Buena Vida "Live A Better Life" Latino Outreach Initiative:**

Freddie Mac joined Chevy Chase Bank and Telemundo to launch "La Buena VIDA," a community-based outreach campaign through which Telemundo viewers learn about financial literacy, home financing alternatives and predatory lending pitfalls. Casa de Maryland provides financial literacy training and homeownership education and counseling as part of a broader outreach effort in Maryland.

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

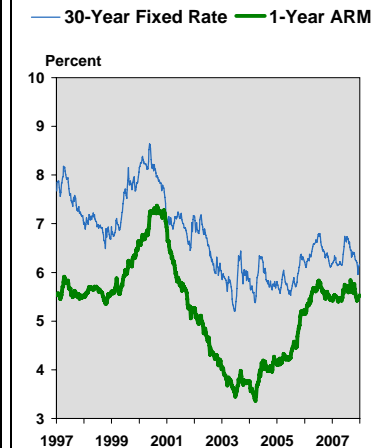


Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
<b>Gross State Product, C\$B</b>	193,490	198,008	206,320	213,775	219,919
% Change	3.2	2.3	4.2	3.6	2.9
<b>Total Non-Farm Employment (ths.)</b>	2,480.3	2,486.9	2,517.7	2,555.7	2,587.6
% Change	0.3	0.3	1.2	1.5	1.2
<b>Unemployment Rate (%)</b>	4.5	4.5	4.3	4.1	3.9
<b>Personal Income Growth (%)</b>	3.7	3.5	6.9	5.7	5.7
<b>Population (ths.)</b>	5,441.3	5,506.7	5,553.2	5,589.6	5,615.7
<b>Single-Family Permits</b>	24,004	23,398	21,553	22,909	17,858
<b>Multifamily Permits</b>	5,289	6,516	5,829	7,271	5,404
<b>Existing Median Home Sales Price (ths.)</b>	237.1	275.0	290.0	370.0	405.0
<b>Mortgage Originations (# of SF loans)</b>	382,137	544,477	386,518	434,798	379,132
<b>Personal Bankruptcies (total ch. 7 &amp; 13)</b>	34,676	33,692	29,042	34,594	9,255
<b>Existing Home Sales (ths.)</b>	118.2	120.0	139.0	134.9	114.2
<b>30-Year Fixed Mortgage Rate Average (%)</b>	6.53	5.83	5.84	5.87	6.41
<b>Rental Vacancy Rate (%)</b>	7.5	9.4	8.2	8.8	10.2
<b>Serious Mortgage Delinquency (% All Loans)</b>	2.51	1.97	1.47	1.05	0.98
<b>Foreclosure Rate (% All Loans)</b>	0.64	0.47	0.31	0.19	0.23
<b>Homeownership Rate (%)</b>	69.1	69.4	69.5	69.0	69.4

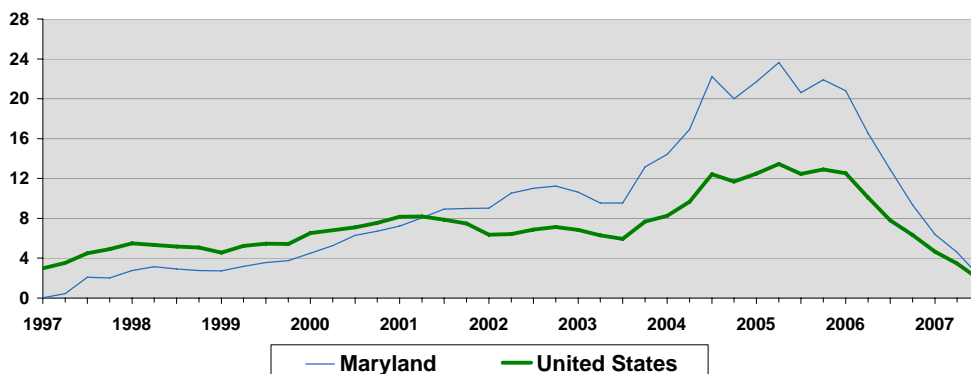
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



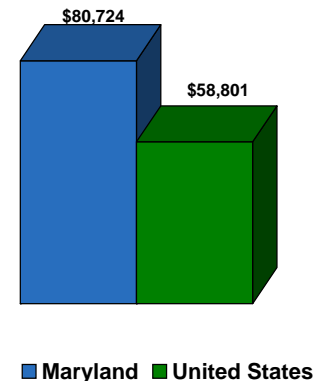
Source: Freddie Mac, Primary Mortgage Market Survey®

## Annual % Change in House Prices



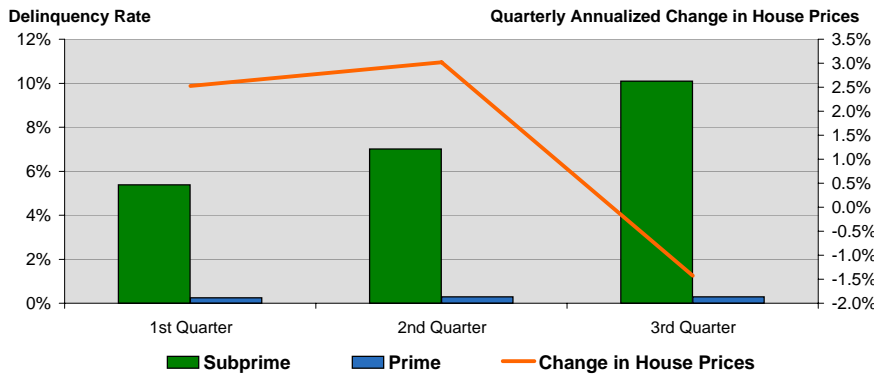
Source: Freddie Mac's Conventional Mortgage Home Price Index

## 2006 Median Family Income



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

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



Source: First American CoreLogic and Freddie Mac

## National Rankings

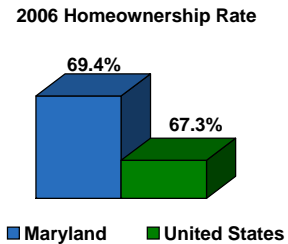
<b>Homeownership Rate</b>	<b>30</b>
1 = Highest	
<b>Mortgage Delinquency Rate</b>	<b>41</b>
1 = Most Delinquent	
<b>Median Family Income</b>	<b>1</b>
1 = Highest	
<b>Adjustable Rate Mortgage Share</b>	<b>6</b>
1 = Highest Share	
<b>Housing Affordability</b>	<b>38</b>
1 = Most Affordable	
<b>Employment Growth</b>	<b>28</b>
1 = Highest Growth	

## Homeownership Rates by Race and Ethnicity in Maryland

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	69.4%	--
White, Non-hispanic	78.0%	8.6%
Black	51.5%	-17.9%
Hispanic	53.3%	-16.1%
Asian or Pacific Islander	66.5%	-2.9%

Source: US Census Bureau - American Community Survey

## Homeownership is higher in MD than the national average



Source: US Census Bureau

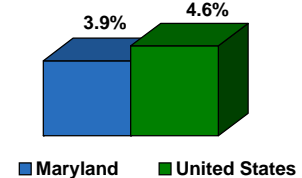
## Characteristics of Subprime Mortgage Originations by Year Maryland

	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	47%	60%	80%	83%	79%
Non-Traditional Mortgages (%)	2%	10%	42%	59%	55%
Non-Owner Share (%)	9%	10%	12%	12%	10%
Share of Low-No Documentation	47%	49%	49%	57%	66%
Debt-to-Income Ratio	38%	39%	40%	41%	42%
Average Loan-to-Value	86%	86%	83%	81%	81%
Average Fico Credit Score	674	676	681	682	680

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

## Unemployment is low in MD

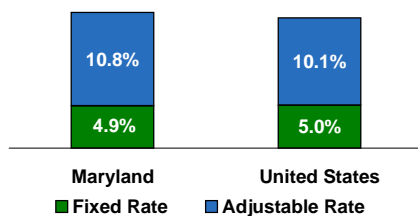
### 2007Q3 Unemployment Rate



Source: Bureau of Labor Statistics

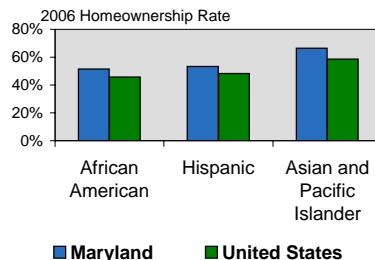
## The Subprime Picture

### Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

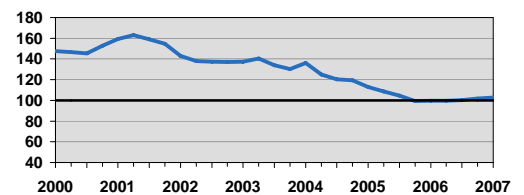
## Homeownership is higher within minority groups in MD than US



Source: US Census Bureau - American Community Survey

## State Housing Affordability Index Maryland

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