



Making Home Possible in Minnesota

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 **\$135 billion** in home loans, helping **937,356** Minnesota families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$7.4 billion	38,016	3,183	41,199
Past 10 Years	\$135 billion	894,950	42,406	937,356

In 2008 Freddie Mac:

- Enabled 4,622 Minnesota homebuyers to purchase their first home.
- Financed loans for 22,514 low- and moderate-income Minnesota families.
- Funded home loans with an average mortgage of \$189,539.

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 **2,669** in Minnesota alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	1,189	1,244	79	157	2,669

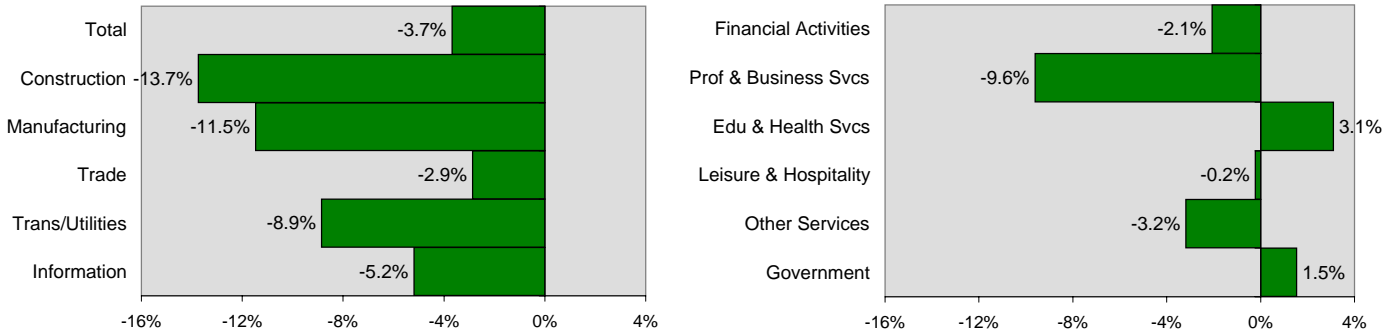
Homeowner Resources

- The mortgage lender, also called the "servicer." (Contact information located on mortgage statement.)
- www.MakingHomeAffordable.gov
- [Minnesota Homeownership Center](#)
Borrowers: (866) 462-6466, Counselors: (651) 296-2569
- [Homeowner's HOPE™ Hotline, \(888\) 995-HOPE™](#)
- [HUD-Certified Housing Counselors, \(800\) 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 Minnesota's education and health services sector over the year ended July 2009

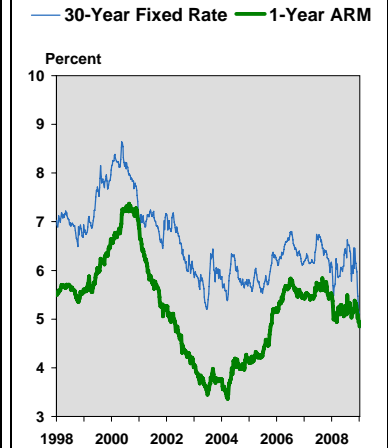


Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
Gross State Product, C\$B	205,055	208,444	209,424	212,790	217,028
% Change	4.2	1.7	0.5	1.6	2.0
Total Non-Farm Employment (ths.)	2,681.0	2,723.3	2,758.2	2,771.3	2,758.7
% Change	0.8	1.6	1.3	0.5	-0.5
Unemployment Rate (%)	4.6	4.2	4.1	4.6	5.5
Personal Income Growth (%)	6.0	3.5	5.3	6.4	4.8
Population (ths.)	5,078.0	5,104.9	5,143.1	5,182.4	5,220.4
Single-Family Permits	32,580	29,566	20,901	14,508	8,908
Multifamily Permits	9,263	6,943	5,451	3,422	2,643
Existing Median Home Sales Price (ths.)	173.8	185.7	187.2	177.7	160.7
Mortgage Originations (# of SF loans)	276,710	274,328	228,697	168,375	n/a
Personal Bankruptcies (total ch. 7 & 13)	16,598	24,069	7,650	11,376	15,741
Existing Home Sales (ths.)	135.0	135.2	117.9	102.0	94.1
30-Year Fixed Mortgage Rate Average (%)	5.84	5.87	6.41	6.34	6.07
Rental Vacancy Rate (%)	9.1	10.5	8.9	7.6	6.8
Serious Mortgage Delinquency (% All Loans)	0.85	1.28	2.10	3.36	3.96
Foreclosure Rate (% All Loans)	0.29	0.40	0.59	0.87	1.11
Homeownership Rate (%)	75.3	75.8	76.3	75.2	74.7

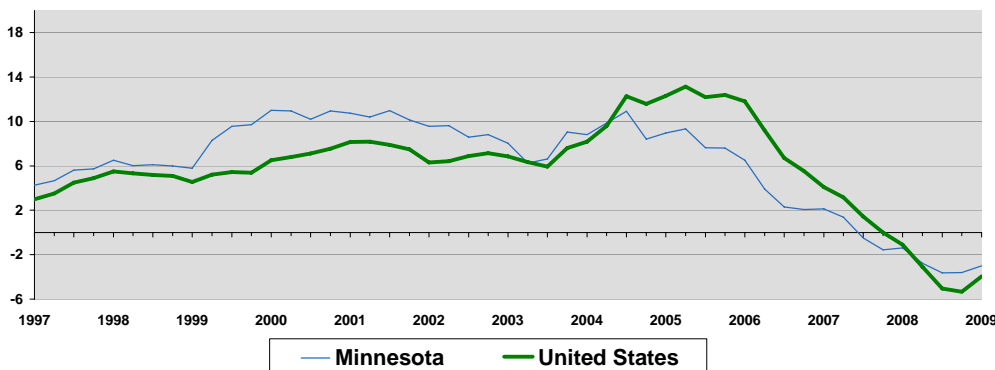
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



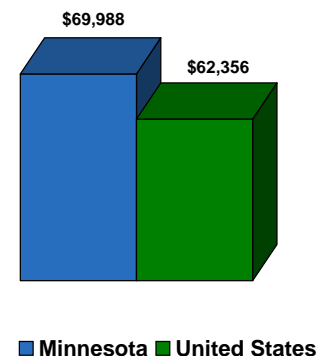
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



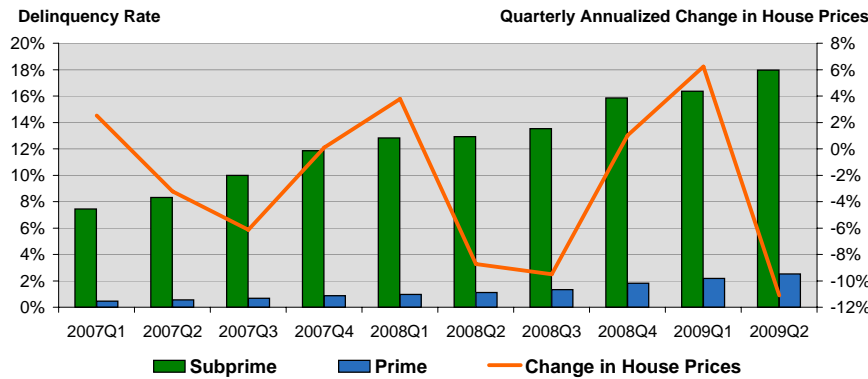
Source: Freddie Mac's Conventional Mortgage Home Price Index

2008Q4 Median Family Income



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

Serious mortgage delinquencies are high and rising among prime and subprime borrowers in Minnesota



Source: First American CoreLogic and Freddie Mac

National Rankings

Homeownership Rate	1
1 = Highest	
Mortgage Delinquency Rate	28
1 = Most Delinquent	
Median Family Income	11
1 = Highest	
Adjustable Rate Mortgage Share	36
1 = Highest Share	
Housing Affordability	12
1 = Most Affordable	
Employment Growth	28
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Minnesota

	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	74.7%	-0.6%
White, Non-hispanic	78.0%	-0.1%
Black	29.2%	-0.2%
Hispanic	51.2%	2.2%
Asian or Pacific Islander	63.3%	0.4%

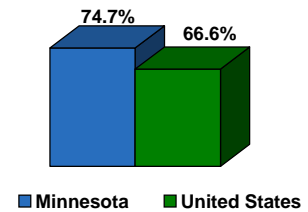
Source: US Census Bureau - American Community Survey

Homeownership Rate in 2008

Change in Homeownership Rate from 2007

Homeownership rate for MN is higher than the national average

2008 Homeownership Rate

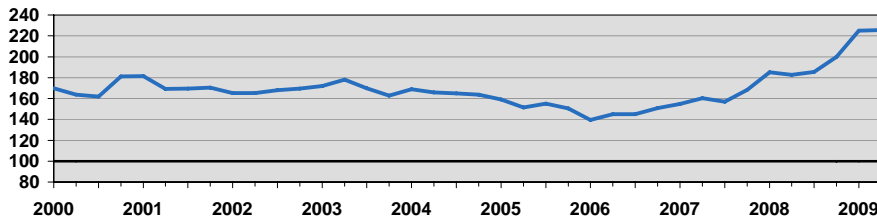


Source: US Census Bureau

State Housing Affordability Index

Minnesota

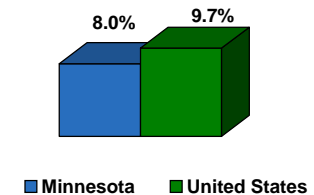
Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



Source: Moody's Economy.com

Unemployment is lower in MN

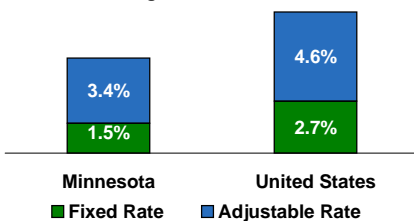
August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

The Subprime Picture

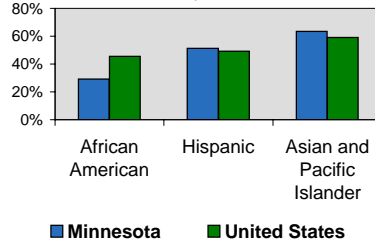
Subprime dollar share of all loans outstanding as of December 2008



Source: First American CoreLogic

Homeownership among Hispanic and Asian families is high in MN

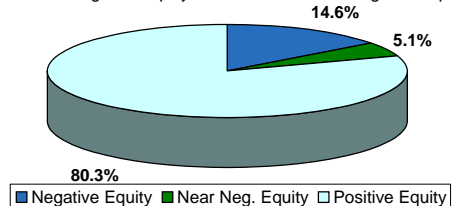
2008 Homeownership Rate



Source: US Census Bureau - American Community Survey

Share of Homes with Negative Equity Minnesota

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.