

Making Home Possible in Missouri

Over the past decade, Freddie Mac has invested **\$81.1 billion** in home loans, helping **752,386 Missouri families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2007	\$8.4 billion	59,128	8,856	67,984
Past 10 Years	\$81.1 billion	706,989	45,397	752,386

In 2007 Freddie Mac:

- Enabled 8,288 Missouri homebuyers to purchase their first home.
- Financed loans for 39,385 low- and moderate-income Missouri families.
- Helped 1,073 Missouri families avoid foreclosure.
- Funded residential loans with an average mortgage of \$136,036.

- Since 2000, Freddie Mac funded \$298.3 million in mortgage revenue bonds, providing low-cost mortgages to Missouri families.
- Since 1988, Freddie Mac has invested \$67.9 million in low-income housing tax credits, creating 4,720 affordable homes for Missouri families.

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

Don't Borrow Trouble® Anti-Predatory Lending Campaigns in St. Louis and Springfield:

To help families avoid abusive lending practices, such as exorbitant interest rates, excessive fees and pressuring tactics, Freddie Mac launched consumer education campaigns in St. Louis and Springfield. The campaigns use television, radio, billboard advertising and grassroots consumer education programs to warn residents about predatory lending. Consumers receive guidance on how to avoid predatory loans. And for those who are already in a predatory loan situation, legal assistance is provided. The lead participant in the St. Louis campaign is Beyond Housing/Neighborhood Housing Services. The lead participant in the Springfield campaign is Urban Neighborhood Alliance.

CreditSmart® with the Fraternal Order of Police:

Freddie Mac and the Fraternal Order of Police (FOP) launched a financial outreach and education initiative to help FOP members in eight cities improve their financial decision-making skills. As part of the initiative, several FOP members in St. Louis will be trained as *CreditSmart* instructors to conduct financial literacy workshops.

Springfield "Teacher On The Block" Workforce Home Benefit:

The Springfield "Teacher On The Block" Workforce Home Benefit initiative is an employer-assisted housing initiative that provides direct help and information to aid employees with the purchase of a home. In addition, the initiative helps employers recruit and retain employees. The purpose of this initiative is to assist Springfield Board of Education, Springfield R-12, Title I, and center-city school employees purchase homes in economically underserved neighborhoods. Key participants include Urban Neighborhood Alliance, Great Southern Bank, and Empire Bank.

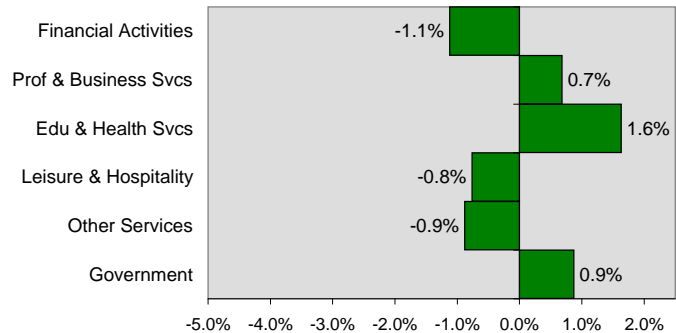
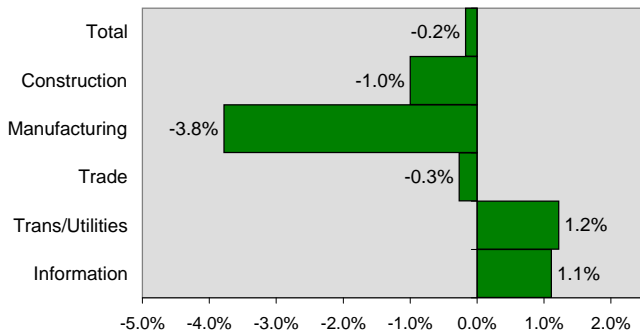
St. Louis -- A Great Place to Live, A Better Place to Work Workforce Home Benefit:

The "St. Louis -- A Great Place to Live, A Better Place to Work" Workforce Home Benefit initiative is an employer-assisted housing initiative that works in conjunction with non-profit organizations, lenders, and employers to market and administer a program of homebuyer education and financial literacy to increase homeownership in St. Louis. Key participants include FOCUS St. Louis, Beyond Housing and Anheuser Busch Employees Credit Union (ABECU).

Get The Facts! -- Kansas City:

Freddie Mac launched *Get The Facts!*, a dynamic outreach and education initiative intended to dispel common misconceptions about buying and owning a home in America. The Get The Facts! workshops are facilitated by Guadalupe Centers Inc. and supported by James B. Nutter Mortgage.

Employment growth was strongest in Missouri's education and health services sector in July 2008



Source: Bureau of Labor Statistics, % change year ago

Indicators	2003	2004	2005	2006	2007
Gross State Product, C\$B	183,237	186,375	188,373	189,068	191,577
% Change	1.8	1.7	1.1	0.4	1.3
Total Non-Farm Employment (ths.)	2,680.5	2,694.5	2,735.3	2,774.2	2,795.6
% Change	-0.7	0.5	1.5	1.4	0.8
Unemployment Rate (%)	5.6	5.7	5.3	4.8	5.0
Personal Income Growth (%)	3.1	4.7	4.6	5.2	5.6
Population (ths.)	5,706.0	5,744.8	5,787.9	5,837.6	5,878.4
Single-Family Permits	22,730	26,269	25,949	19,926	14,905
Multifamily Permits	6,579	6,522	7,165	9,246	6,620
Existing Median Home Sales Price (ths.)	112.0	118.6	127.6	130.8	127.9
Mortgage Originations (# of SF loans)	413,329	275,087	282,461	256,185	n/a
Personal Bankruptcies (total ch. 7 & 13)	37,445	37,238	52,018	15,573	20,859
Existing Home Sales (ths.)	130.5	140.8	142.8	135.4	123.7
30-Year Fixed Mortgage Rate Average (%)	5.83	5.84	5.87	6.41	6.34
Rental Vacancy Rate (%)	9.5	10.3	13.8	11.3	11.7
Serious Mortgage Delinquency (% All Loans)	1.55	1.68	1.74	1.89	1.96
Foreclosure Rate (% All Loans)	0.46	0.44	0.40	0.45	0.60
Homeownership Rate (%)	70.4	70.8	70.6	70.7	n/a

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

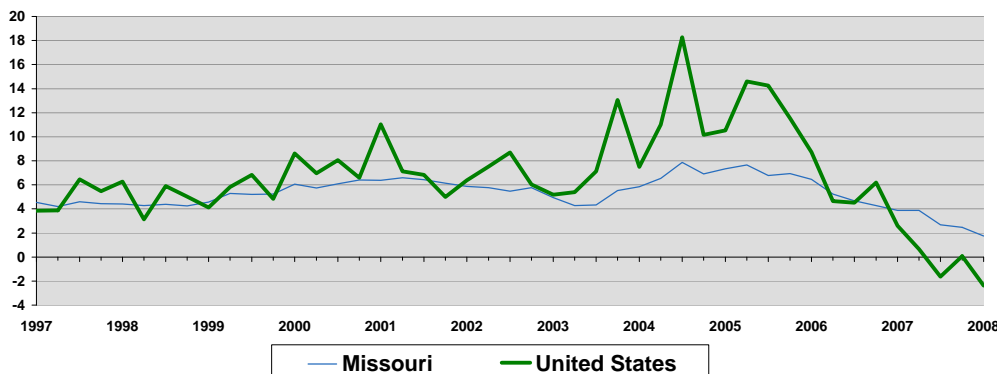
National Weekly Average Mortgage Interest Rates from Freddie Mac's Primary Mortgage Market Survey®

— 30-Year Fixed Rate — 1-Year ARM



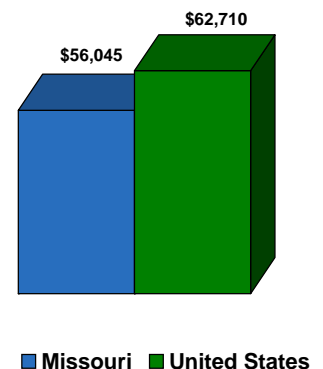
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



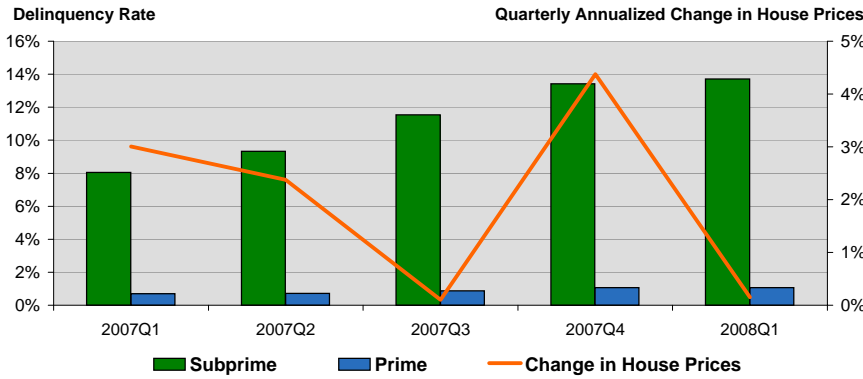
Source: Freddie Mac's Conventional Mortgage Home Price Index

2008Q1 Median Family Income



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

Serious mortgage delinquencies are rising among prime and subprime borrowers in Missouri but home prices, while volatile, continue to rise there



Source: First American CoreLogic and Freddie Mac

National Rankings

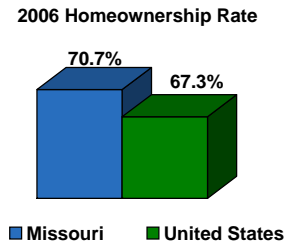
Homeownership Rate	15
1 = Highest	
Mortgage Delinquency Rate	24
1 = Most Delinquent	
Median Family Income	37
1 = Highest	
Adjustable Rate Mortgage Share	33
1 = Highest Share	
Housing Affordability	8
1 = Most Affordable	
Employment Growth	37
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Missouri

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	70.7%	--
White, Non-hispanic	74.6%	3.9%
Black	46.3%	-24.3%
Hispanic	53.7%	-17.0%
Asian or Pacific Islander	58.5%	-12.1%

Source: US Census Bureau - American Community Survey

Homeownership is higher in Missouri than the national average



Source: US Census Bureau

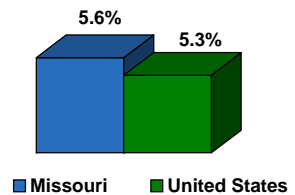
Characteristics of Nonprime Mortgage Originations by Year Missouri

	2003	2004	2005	2006	2007
Adjustable Rate Mortgages (%)	70%	76%	77%	73%	57%
Non-Traditional Mortgages (%)	2%	12%	22%	21%	30%
Non-Owner Share (%)	14%	17%	17%	19%	28%
Share of Low-No Documentation	30%	33%	38%	45%	51%
Debt-to-Income Ratio	39%	38%	39%	40%	39%
Average Loan-to-Value	89%	86%	84%	85%	85%
Average FICO Credit Score	649	655	658	657	682

Source: First American CoreLogic. First liens only; by dollar amount. Nonprime loans include subprime and Alt-A loans in ABS securities.

The unemployment rate is higher in MO

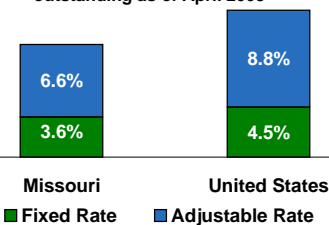
July 2008 Unemployment Rate



Source: Bureau of Labor Statistics

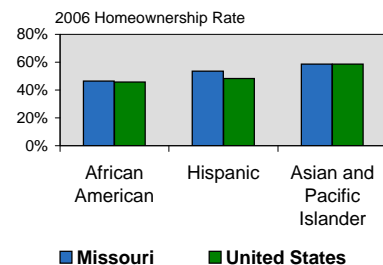
The Subprime Picture

Subprime dollar share of all loans outstanding as of April 2008



Source: First American CoreLogic

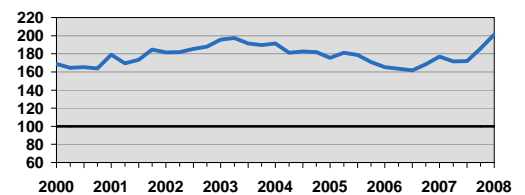
Homeownership among Hispanics is higher in MO than US



Source: US Census Bureau - American Community Survey

State Housing Affordability Index Missouri

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