



## Making Home Possible in New Jersey

### 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 **\$152 billion** in home loans, helping **945,681** New Jersey families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$13.7 billion	61,105	6,221	67,326
Past 10 Years	\$152 billion	857,433	88,248	945,681

#### In 2008 Freddie Mac:

- Enabled 8,930 New Jersey homebuyers to purchase their first home.
- Financed loans for 24,970 low- and moderate-income New Jersey families.
- Funded home loans with an average mortgage of \$217,058.

### 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 **2,490** in New Jersey alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	1,031	1,294	54	111	2,490

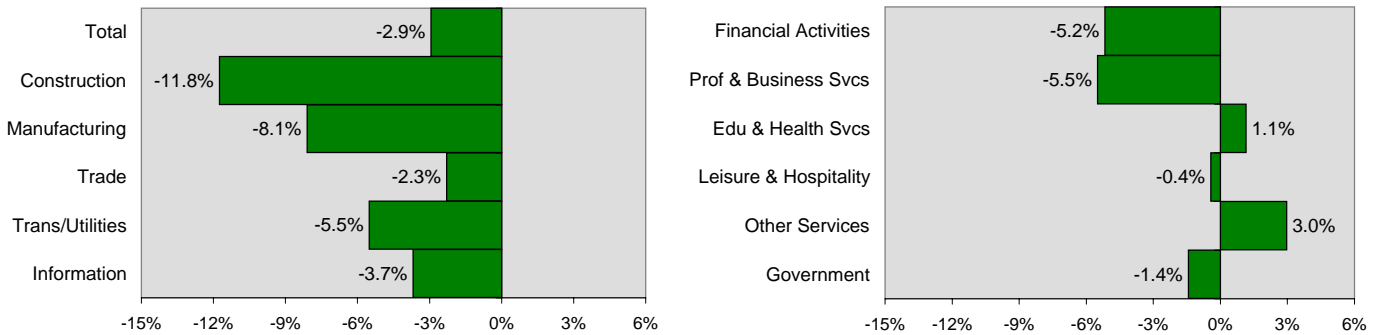
### Homeowner Resources

- The mortgage lender, also called the "servicer." (Contact information located on mortgage statement.)
- [www.MakingHomeAffordable.gov](http://www.MakingHomeAffordable.gov)
- [New Jersey Homeownership Preservation Effort \(NJ HOPE\)](#)
- [Homeowner's HOPE™ Hotline, \(888\) 995-HOPE™](#)
- [HUD-Certified Housing Counselors, \(800\) 569-4287](#)
- [www.FreddieMac.com/avoidforeclosure](http://www.FreddieMac.com/avoidforeclosure) or (800) FREDDIE

For more information, please go to [www.freddiemac.com/states](http://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 New Jersey's service sectors over the year ended July 2009

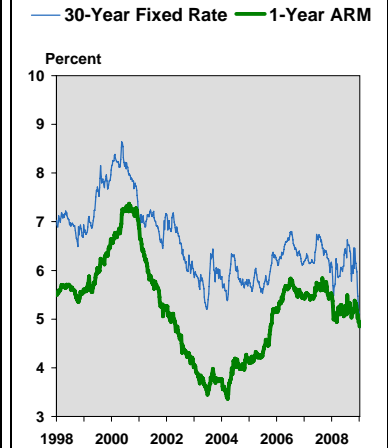


Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
<b>Gross State Product, C\$B</b>	375,788	379,080	384,591	387,955	390,350
% Change	2.5	0.9	1.5	0.9	0.6
<b>Total Non-Farm Employment (ths.)</b>	3,999.1	4,039.1	4,071.0	4,078.9	4,058.3
% Change	0.5	1.0	0.8	0.2	-0.5
<b>Unemployment Rate (%)</b>	4.9	4.5	4.6	4.3	5.5
<b>Personal Income Growth (%)</b>	5.5	4.2	7.3	5.9	3.2
<b>Population (ths.)</b>	8,620.8	8,634.7	8,640.2	8,653.1	8,682.7
<b>Single-Family Permits</b>	22,429	22,264	17,113	13,066	9,169
<b>Multifamily Permits</b>	13,507	16,324	17,210	12,323	9,194
<b>Existing Median Home Sales Price (ths.)</b>	299.7	347.3	365.4	369.8	346.6
<b>Mortgage Originations (# of SF loans)</b>	436,795	468,937	420,562	315,197	n/a
<b>Personal Bankruptcies (total ch. 7 &amp; 13)</b>	40,536	48,760	13,529	19,049	25,721
<b>Existing Home Sales (ths.)</b>	187.7	184.5	155.0	139.1	111.9
<b>30-Year Fixed Mortgage Rate Average (%)</b>	5.84	5.87	6.41	6.34	6.07
<b>Rental Vacancy Rate (%)</b>	6.2	6.2	7.3	6.8	6.4
<b>Serious Mortgage Delinquency (% All Loans)</b>	1.06	1.10	1.70	3.44	5.91
<b>Foreclosure Rate (% All Loans)</b>	0.62	0.50	0.42	0.59	1.12
<b>Homeownership Rate (%)</b>	68.1	67.3	67.3	67.3	67.0

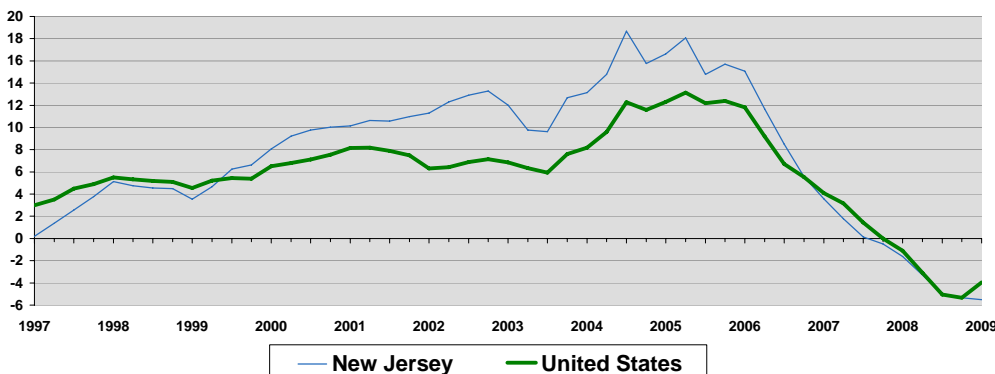
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



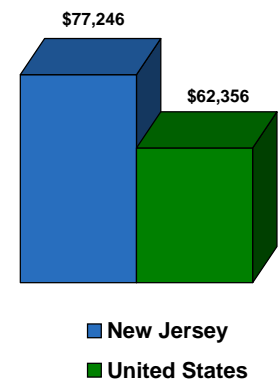
Source: Freddie Mac, Primary Mortgage Market Survey®

## Annual % Change in House Prices



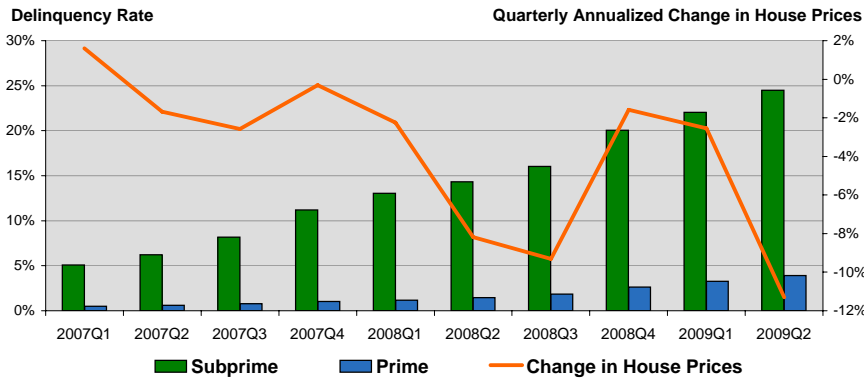
Source: Freddie Mac's Conventional Mortgage Home Price Index

## 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 New Jersey and are exacerbated by falling home values**



Source: First American CoreLogic and Freddie Mac

## National Rankings

<b>Homeownership Rate</b>	<b>39</b>
1 = Highest	
<b>Mortgage Delinquency Rate</b>	<b>9</b>
1 = Most Delinquent	
<b>Median Family Income</b>	<b>5</b>
1 = Highest	
<b>Adjustable Rate Mortgage Share</b>	<b>15</b>
1 = Highest Share	
<b>Housing Affordability</b>	<b>49</b>
1 = Most Affordable	
<b>Employment Growth</b>	<b>19</b>
1 = Highest Growth	

### Homeownership Rates by Race and Ethnicity in New Jersey

	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	67.0%	-0.2%
White, Non-hispanic	78.1%	3.1%
Black	41.5%	-1.4%
Hispanic	39.6%	0.7%
Asian or Pacific Islander	62.2%	-1.1%

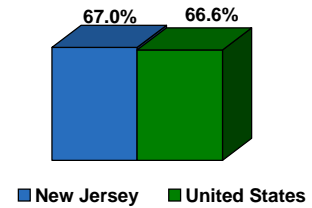
Source: US Census Bureau - American Community Survey

### Homeownership Rate in 2008

### Change in Homeownership Rate from 2007

**The homeownership rate in New Jersey is higher than the national average**

#### 2008 Homeownership Rate

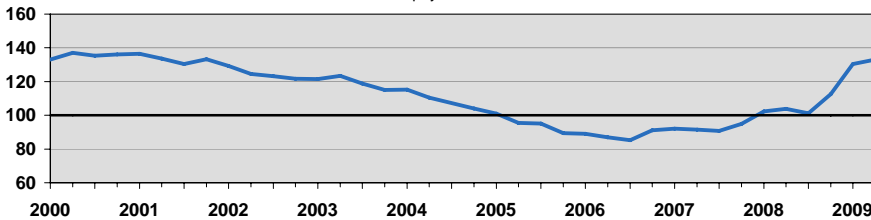


Source: US Census Bureau

### State Housing Affordability Index

#### New Jersey

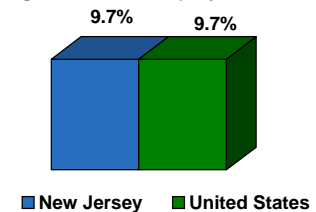
Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



Source: Moody's Economy.com

### Unemployment rate in NJ matches US

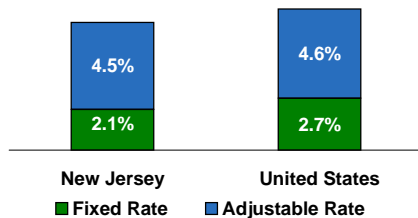
#### August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

### The Subprime Picture

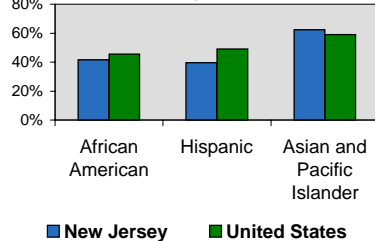
Subprime dollar share of all loans outstanding as of December 2008



Source: First American CoreLogic

### Homeownership is higher among Asian households in NJ

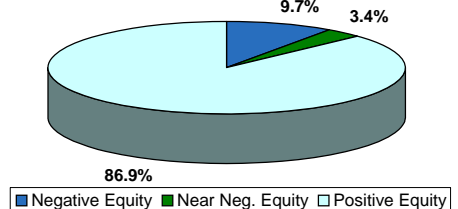
#### 2008 Homeownership Rate



Source: US Census Bureau - American Community Survey

### Share of Homes with Negative Equity New Jersey

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.