



# Making Home Possible in Ohio

Over the past decade, Freddie Mac has invested **\$140.9 billion** in home loans, helping **1,365,504 Ohio families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$11.7 billion	91,941	25,542	117,483
Past 10 Years	\$140.9 billion	1,266,580	98,925	1,365,504

**In 2006 Freddie Mac:**

- Enabled 10,742 Ohio homebuyers to purchase their first home.
- Financed loans for 72,581 low- and moderate-income Ohio families.
- Helped 2,503 Ohio families avoid foreclosure.
- Funded residential loans with an average mortgage of \$116,159.
- Since 2000, Freddie Mac funded \$471.7 million in mortgage revenue bonds, providing low-cost mortgages to Ohio families.
- Since 1998, Freddie Mac has invested \$429.6 million in low-income housing tax credits, creating 21,113 affordable homes for Ohio families.

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

**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 Columbus will be trained as *CreditSmart* instructors to conduct financial literacy workshops.

**Fifth Third Young Banker's:**

Freddie Mac, in conjunction with the Cincinnati School District, provided support of the *Fifth Third Young Banker's* financial literacy program.

**Don't Borrow Trouble® Anti-Predatory Lending Campaign:**

Freddie Mac joined the Cuyahoga County Treasurer's Office, the Cuyahoga County Board of Commissioners and the City of Cleveland to announce Freddie Mac's *Don't Borrow Trouble* campaign's merger with Cuyahoga County's Foreclosure Prevention Program. The goal of the expanded campaign is to help prevent predatory lending and decrease inappropriate mortgage lending and foreclosures through outreach, education, counseling, and legal advice.

**Nuestro Barrio -- Columbus:**

Freddie Mac launched "Nuestro Barrio" (Our Neighborhood), a Spanish-language TV mini-series about Hispanic life in the United States. The series educates viewers on important financial issues including money management, credit, homeownership, predatory lending and foreclosure prevention. Key participants include Homes on the Hill and Fifth Third Bank.

**Homeownership – Let The Truth Move You:**

Freddie Mac conducted a grassroots, bilingual, multifaceted outreach initiative to increase the homeownership rate of African Americans and Hispanic Americans, particularly those with misconceptions about homeownership. Key participants include Chase, National City, National Association of Realtors, National Association of Real Estate Brokers, NHS of Cleveland, Columbus Housing Partnership, and Freddie Mac.

**Columbus Homeownership Outreach:**

Freddie Mac provided assistance to King Lincoln District Redevelopment Corporation to support a homeownership marketing campaign to increase visibility of a downtown, single-family housing renovation and construction project. Key players include National City, City of Columbus, King Lincoln District Redevelopment Corporation, and Freddie Mac.

**Dayton Hope VI Homeownership Initiative:**

Freddie Mac, in conjunction with the Community Development Consortium Resource Consortium (CDCRC), launched the Dayton Hope VI Homeownership initiative. This initiative is revitalizing the Old Dayton View Neighborhood while providing an affordable homeownership opportunity for first-time homebuyers. This collaborative effort will also improve the financial literacy of low-and-moderate homebuyers in Dayton. In addition to the CDCRD and Freddie Mac, key players include Fifth Third and National City.

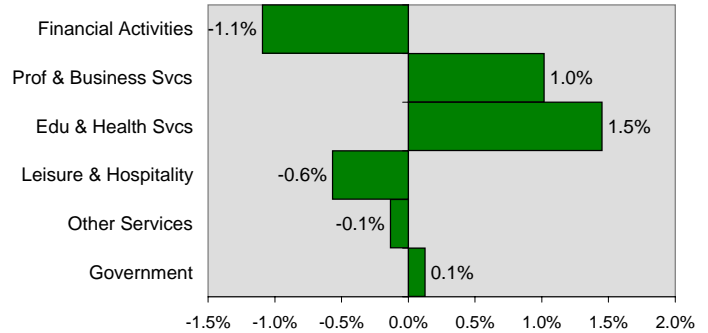
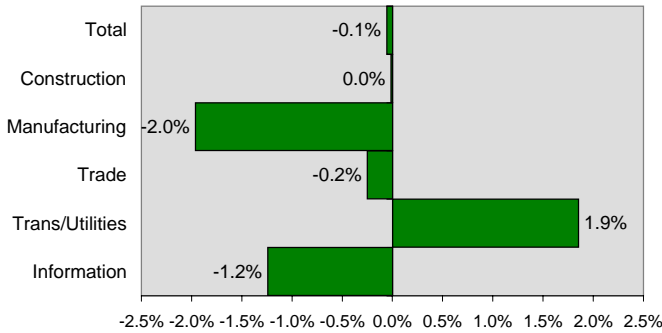
**CreditSmart® Español with the Spanish American Committee of Cleveland:**

The Spanish American Committee in Cleveland began offering Freddie Mac's *CreditSmart Español* consumer credit education workshops. The bilingual curriculum is designed to help increase consumers' financial literacy by providing life-long money management skills. Participants learn how lenders assess credit histories and how credit plays a role in achieving financial goals.

**Homeownership e-Bus:**

Freddie Mac joined key nonprofit organizations in Dayton, Cleveland, Toledo, Cincinnati, and Columbus to provide the *e-Bus*, a full-size, commercial bus retrofitted as a self-contained mobile homeownership technology center. The bus includes internet-equipped computers with bilingual tutorials, loan officers, and access to counselors.

## Employment growth was strongest in Ohio's transportation and utilities sector in 2007

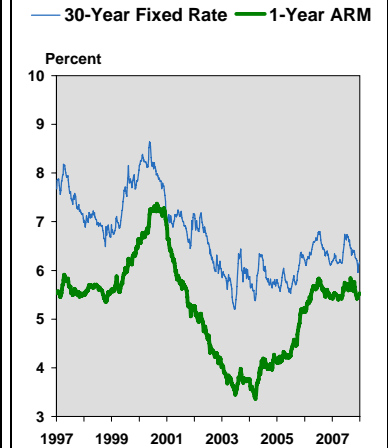


Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
<b>Gross State Product, C\$B</b>	373,457	378,719	388,624	392,872	397,243
% Change	2.1	1.4	2.6	1.1	1.1
<b>Total Non-Farm Employment (ths.)</b>	5,445.0	5,397.7	5,408.4	5,426.7	5,441.3
% Change	-1.8	-0.9	0.2	0.3	0.3
<b>Unemployment Rate (%)</b>	5.7	6.2	6.2	5.9	5.5
<b>Personal Income Growth (%)</b>	2.3	2.4	3.1	3.9	4.4
<b>Population (ths.)</b>	11,414.5	11,437.9	11,461.3	11,470.7	11,478.0
<b>Single-Family Permits</b>	39,785	42,703	42,543	38,306	27,514
<b>Multifamily Permits</b>	11,461	10,338	9,152	9,421	6,908
<b>Existing Median Home Sales Price (ths.)</b>	153.0	189.9	180.0	230.8	233.0
<b>Mortgage Originations (# of SF loans)</b>	628,272	789,052	493,971	468,303	407,254
<b>Personal Bankruptcies (total ch. 7 &amp; 13)</b>	77,266	88,310	88,375	133,509	34,457
<b>Existing Home Sales (ths.)</b>	237.1	250.7	272.5	287.3	276.8
<b>30-Year Fixed Mortgage Rate Average (%)</b>	6.53	5.83	5.84	5.87	6.41
<b>Rental Vacancy Rate (%)</b>	11.0	11.8	13.0	13.4	12.3
<b>Serious Mortgage Delinquency (% All Loans)</b>	3.04	3.10	3.48	3.72	3.76
<b>Foreclosure Rate (% All Loans)</b>	1.55	1.68	1.63	1.58	1.68
<b>Homeownership Rate (%)</b>	69.3	70.2	69.8	69.9	70.0

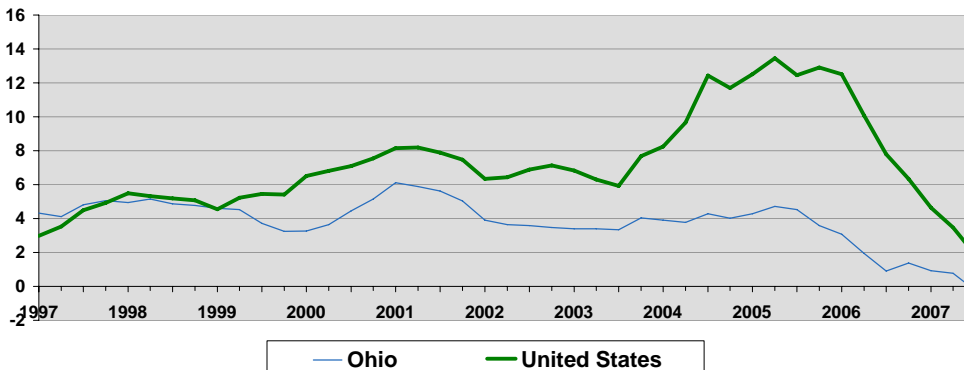
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



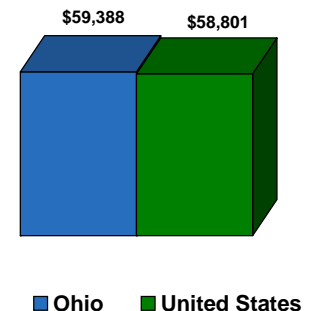
Source: Freddie Mac, Primary Mortgage Market Survey®

## Annual % Change in House Prices



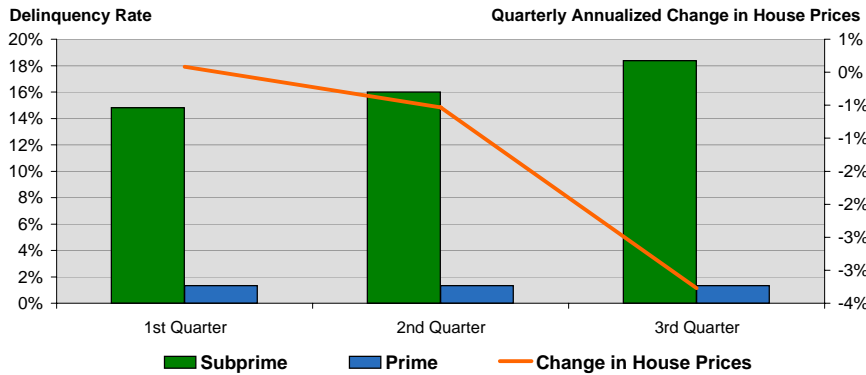
Source: Freddie Mac's Conventional Mortgage Home Price Index

## 2006 Median Family Income



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

## Serious mortgage delinquencies are high and rising in Ohio 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>19</b>
1 = Highest	
<b>Mortgage Delinquency Rate</b>	<b>1</b>
1 = Most Delinquent	
<b>Median Family Income</b>	<b>24</b>
1 = Highest	
<b>Adjustable Rate Mortgage Share</b>	<b>38</b>
1 = Highest Share	
<b>Housing Affordability</b>	<b>4</b>
1 = Most Affordable	
<b>Employment Growth</b>	<b>49</b>
1 = Highest Growth	

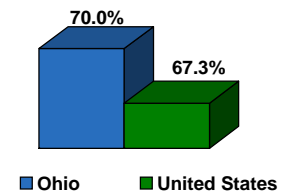
## Homeownership Rates by Race and Ethnicity in Ohio

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	70.0%	--
White, Non-hispanic	75.0%	5.0%
Black	40.8%	-29.2%
Hispanic	45.6%	-24.4%
Asian or Pacific Islander	55.1%	-14.9%

Source: US Census Bureau - American Community Survey

## Homeownership is higher in Ohio than the national average

### 2006 Homeownership Rate



Source: US Census Bureau

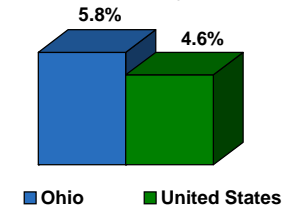
## Characteristics of Subprime Mortgage Originations by Year Ohio

	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	63%	63%	72%	75%	69%
Non-Traditional Mortgages (%)	1%	5%	19%	27%	23%
Non-Owner Share (%)	15%	16%	17%	16%	17%
Share of Low-No Documentation	27%	29%	33%	34%	39%
Debt-to-Income Ratio	38%	38%	39%	39%	40%
Average Loan-to-Value	87%	89%	87%	86%	86%
Average Fico Credit Score	644	653	656	656	655

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

## The unemployment rate is higher in OH

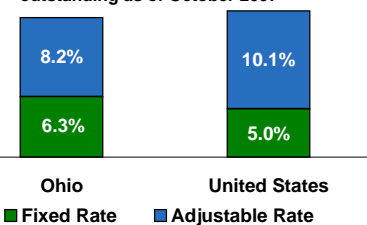
### 2007Q3 Unemployment Rate



Source: Bureau of Labor Statistics

## The Subprime Picture

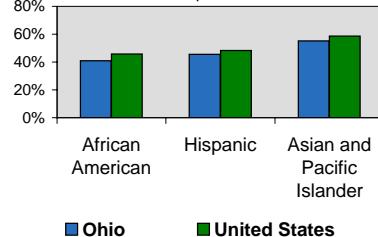
Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

## Homeownership is lower among minority groups in OH relative to US

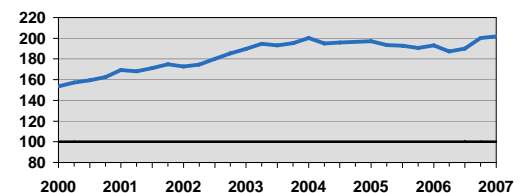
### 2006 Homeownership Rate



Source: US Census Bureau - American Community Survey

## State Housing Affordability Index Ohio

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