



Making Home Possible in Puerto Rico

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 **\$8 billion** in home loans, helping **89,768** Puerto Rico families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$444 million	4,001	0	4,001
Past 10 Years	\$8 billion	89,768	0	89,768

In 2008 Freddie Mac:

- Enabled 708 Puerto Rico homebuyers to purchase their first home.
- Financed loans for 642 low- and moderate-income Puerto Rico families.
- Funded home loans with an average mortgage of \$110,901.

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 **195** in Puerto Rico alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	25	70	100	0	195

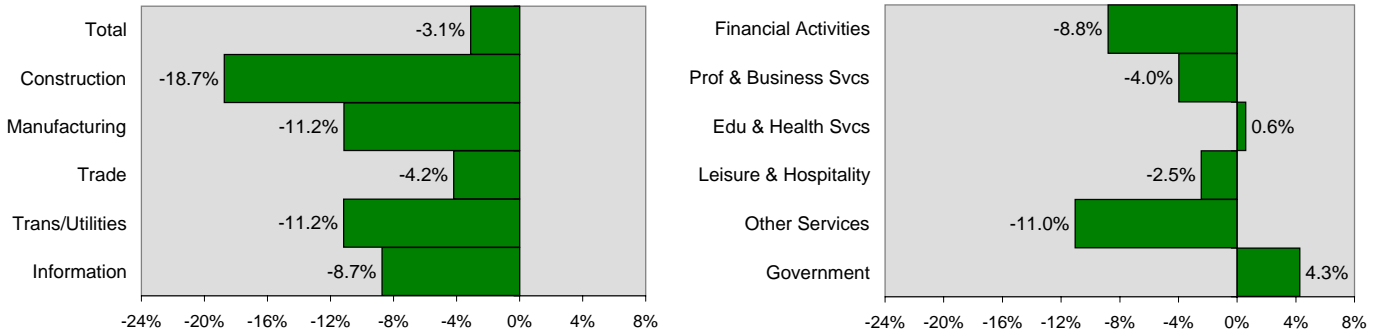
Homeowner Resources

- The mortgage lender, also called the "servicer." (Contact information located on mortgage statement.)
- www.MakingHomeAffordable.gov
- [Puerto Rico HUD](#)
- [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 Puerto Rico's government sector over the year ended July 2009

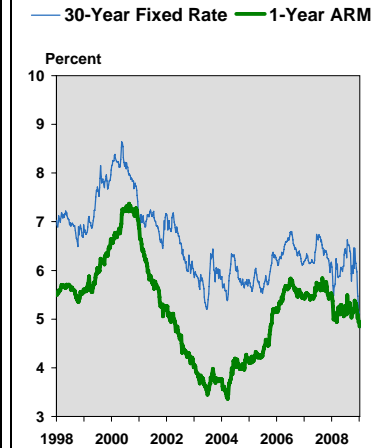


Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
Gross State Product, C\$B	50.70	53.80	56.70	58.60	60.80
% Change	6.8	6.0	5.5	3.2	3.8
Total Non-Farm Employment (ths.)	1,045.9	1,047.7	1,043.6	1,028.2	1,010.0
% Change	2.4	0.2	-0.4	-1.5	-1.8
Unemployment Rate (%)	10.6	11.3	11.1	10.9	11.5
Personal Income Growth (%)	3.1	7.1	4.1	2.9	7.5
Population (ths.)	3,893.9	3,910.7	3,926.7	3,941.2	3,954.0
Single-Family Permits	13,217	12,269	10,691	7,475	8,047
Multifamily Permits	4,297	5,077	4,027	4,672	5,050
Existing Median Home Sales Price (ths.)	128.0	128.0	136.0	139.0	145.0
% Change	-5.2	0.0	6.3	2.2	4.3
Mortgage Originations (# of SF loans)	104,275	101,151	73,373	56,984	n/a
Personal Bankruptcies (total ch. 7 & 13)	12,952	12,662	5,253	7,492	8,721
30-Year Fixed Mortgage Rate Average (%)	5.84	5.87	6.41	6.34	6.07
Rental Vacancy Rate (%)	n/a	7.4	6.9	7.4	n/a
Serious Mortgage Delinquency (% All Loans)	1.24	1.15	1.54	1.82	2.65
Foreclosure Rate (% All Loans)	0.87	0.78	0.94	0.87	1.51
Homeownership Rate (%)	na	74.5	74.1	74.3	72.4

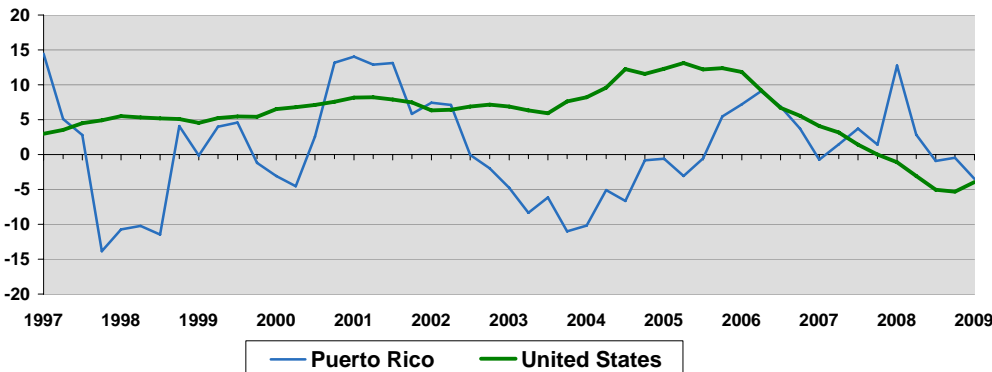
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Government Development Bank of Puerto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

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



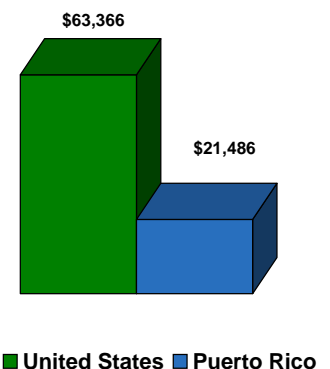
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



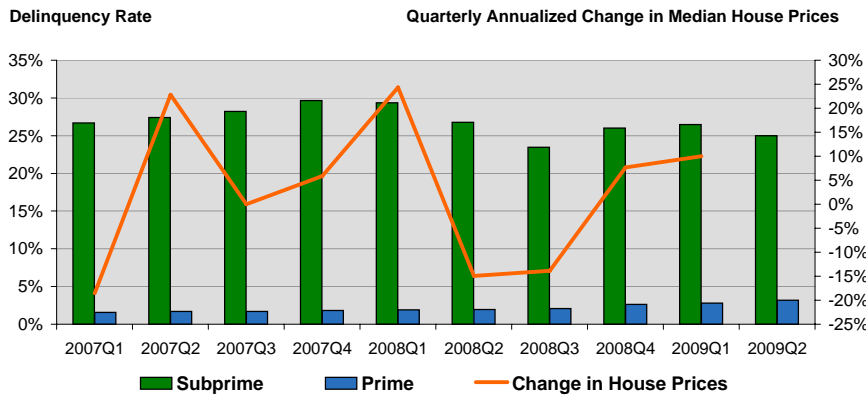
Source: Freddie Mac's Conventional Mortgage Home Price Index for United States; Puerto Rico median home value calculated using CMHPI data.

2008 Median Family Income



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

Serious mortgage delinquency rates in Puerto Rico are falling among subprime loans, which are a small share of all mortgage loans outstanding, and rising among prime loans



Source: First American CoreLogic and Freddie Mac

2008 Economic Snapshot

Growth in Real Gross State Product	3.8%
Consumer Price Growth (Inflation)	9.6%
Unemployment Rate	11.5%
Annual House Price Appreciation	4.3%
Average 30-Year Fixed Mortgage rate	6.1%
Homeownership Rate	72.4%

Homeownership Rates by Race and Ethnicity in Puerto Rico

Race/Ethnicity	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	72.4%	-1.8%
White, Non-hispanic	68.5%	-3.7%
Black	65.1%	4.3%
Hispanic	72.5%	-1.8%
Asian or Pacific Islander	45.2%	15.8%

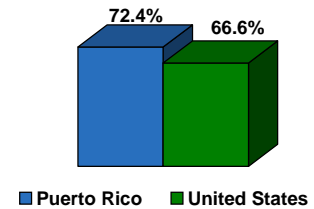
Source: US Census Bureau - American Community Survey

Homeownership Rate in 2008

Change in Homeownership Rate from 2007

Homeownership is higher in Puerto Rico than the national average

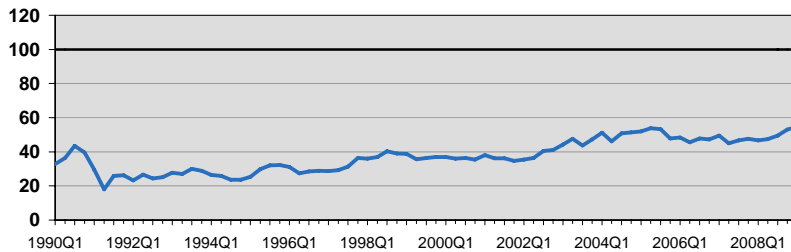
2008 Homeownership Rate



Source: US Census Bureau

Housing Affordability Index Puerto Rico

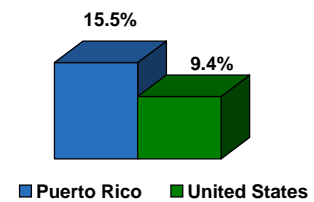
Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



Source: Moody's Economy.com, Freddie Mac

The unemployment rate is high in PR

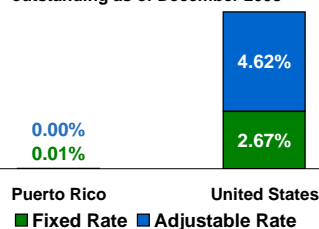
August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

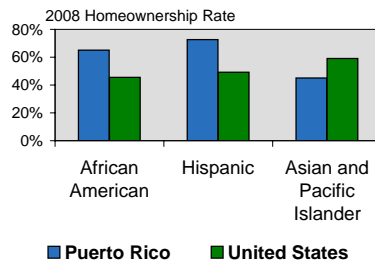
The Subprime Picture

Subprime dollar share of all loans outstanding as of December 2008



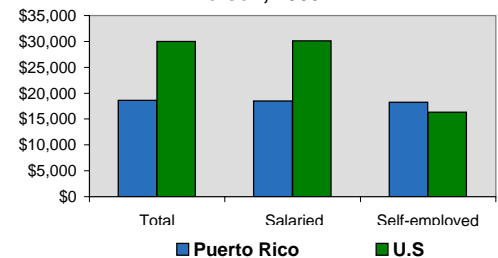
Source: First American CoreLogic

Homeownership is high among African American and Hispanic groups in Puerto Rico



Source: US Census Bureau - American Community Survey

Social Security Taxable Earnings per Person, 2005



Source: Social Security Administration