



## Making Home Possible in Tennessee

### 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 **\$55.4 billion** in home loans, helping **507,070** Tennessee families own or rent a home.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2008	\$5.8 billion	36,199	9,034	45,233
Past 10 Years	\$55.4 billion	431,589	75,482	507,070

#### In 2008 Freddie Mac:

- Enabled 3,542 Tennessee homebuyers to purchase their first home.
- Financed loans for 23,642 low- and moderate-income Tennessee families.
- Funded home loans with an average mortgage of \$148,003.

### 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 **1,542** in Tennessee alone.

	Loan Modifications	Repayment Plans	Forbearance	Other Foreclosure Alternatives	Total Families Avoiding Foreclosure
2008*	522	884	98	38	1,542

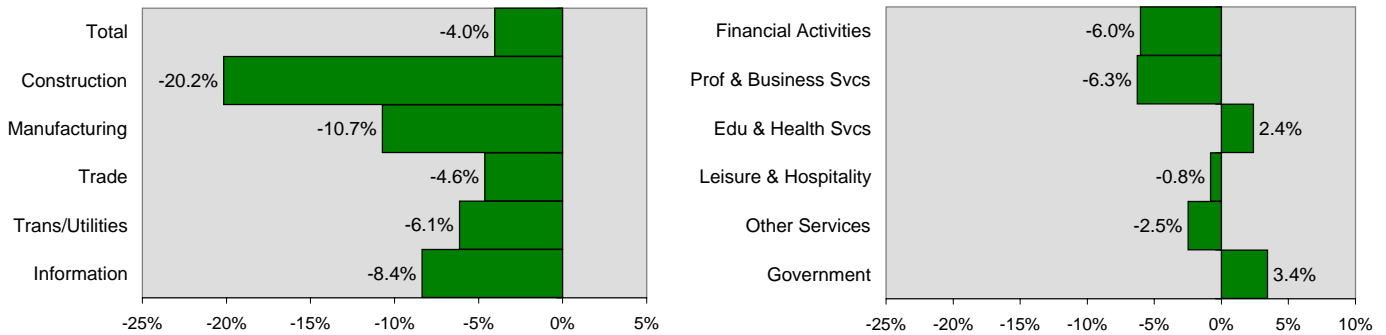
### Homeowner Resources

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

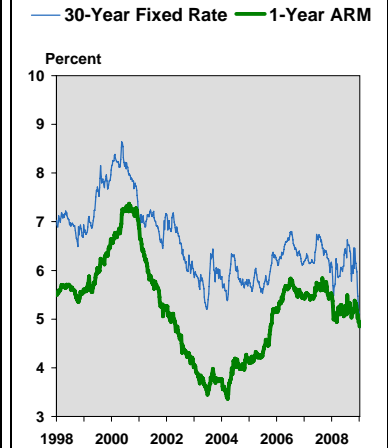


Source: Bureau of Labor Statistics, % change year ago

Indicators	2004	2005	2006	2007	2008
<b>Gross State Product, C\$B</b>	197,242	200,930	206,375	209,144	210,216
% Change	4.6	1.9	2.7	1.3	0.5
<b>Total Non-Farm Employment (ths.)</b>	2,706.1	2,743.1	2,782.7	2,797.4	2,776.1
% Change	1.6	1.4	1.4	0.5	-0.8
<b>Unemployment Rate (%)</b>	5.4	5.5	5.2	4.8	6.4
<b>Personal Income Growth (%)</b>	5.6	5.2	6.3	5.2	3.9
<b>Population (ths.)</b>	5,906.9	5,983.2	6,068.3	6,149.1	6,214.9
<b>Single-Family Permits</b>	37,826	40,174	39,196	29,518	16,240
<b>Multifamily Permits</b>	6,965	6,441	6,807	7,841	6,149
<b>Existing Median Home Sales Price (ths.)</b>	128.3	137.7	145.0	146.7	139.1
<b>Mortgage Originations (# of SF loans)</b>	235,301	249,660	242,605	207,607	n/a
<b>Personal Bankruptcies (total ch. 7 &amp; 13)</b>	60,502	65,298	32,329	39,028	46,606
<b>Existing Home Sales (ths.)</b>	154.6	169.9	175.0	147.4	117.7
<b>30-Year Fixed Mortgage Rate Average (%)</b>	5.84	5.87	6.41	6.34	6.07
<b>Rental Vacancy Rate (%)</b>	10.0	10.3	10.5	9.2	12.1
<b>Serious Mortgage Delinquency (% All Loans)</b>	2.08	2.34	2.54	3.52	4.57
<b>Foreclosure Rate (% All Loans)</b>	0.44	0.49	0.44	0.60	0.85
<b>Homeownership Rate (%)</b>	70.0	69.3	69.9	69.9	69.8

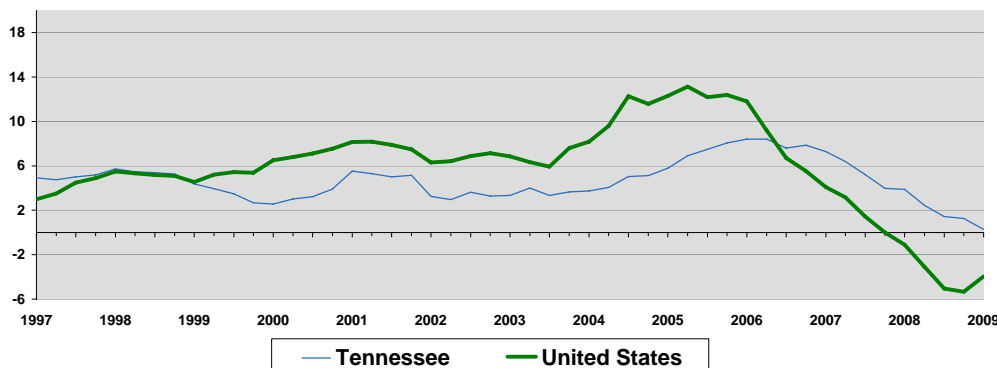
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



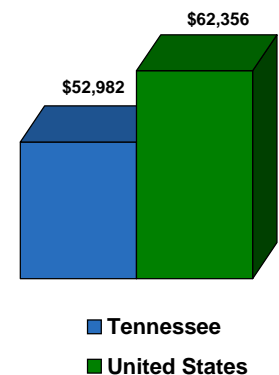
Source: Freddie Mac, Primary Mortgage Market Survey®

## Annual % Change in House Prices



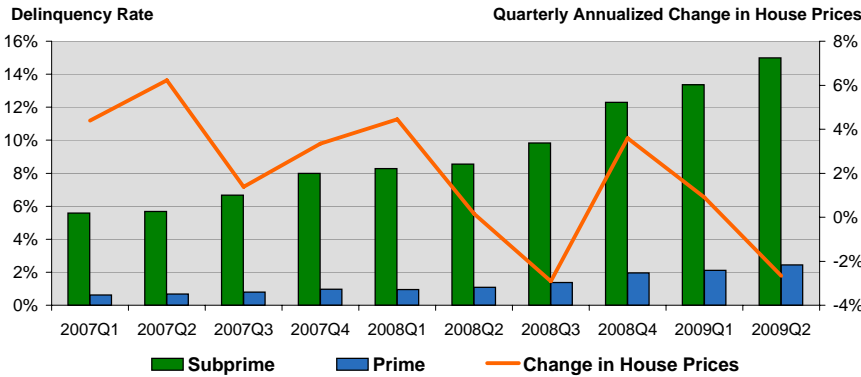
Source: Freddie Mac's Conventional Mortgage Home Price Index

## 2008Q4 Median Family Income



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

## Serious mortgage delinquencies are rising sharply among prime and subprime borrowers in Tennessee



Source: First American CoreLogic and Freddie Mac

## National Rankings

<b>Homeownership Rate</b>	<b>19</b>
1 = Highest	
<b>Mortgage Delinquency Rate</b>	<b>20</b>
1 = Most Delinquent	
<b>Median Family Income</b>	<b>45</b>
1 = Highest	
<b>Adjustable Rate Mortgage Share</b>	<b>28</b>
1 = Highest Share	
<b>Housing Affordability</b>	<b>26</b>
1 = Most Affordable	
<b>Employment Growth</b>	<b>34</b>
1 = Highest Growth	

## Homeownership Rates by Race and Ethnicity in Tennessee

	Homeownership Rate in 2008	Change in Homeownership Rate from 2007
All Households	69.8%	-0.1%
White, Non-hispanic	74.7%	0.1%
Black	49.9%	0.4%
Hispanic	39.5%	1.8%
Asian or Pacific Islander	65.7%	4.3%

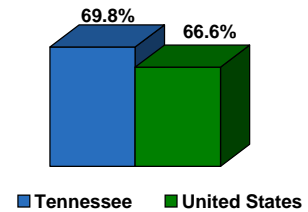
Source: US Census Bureau - American Community Survey

## Homeownership Rate in 2008

## Change in Homeownership Rate from 2007

## Homeownership in Tennessee is higher than the national average

### 2008 Homeownership Rate

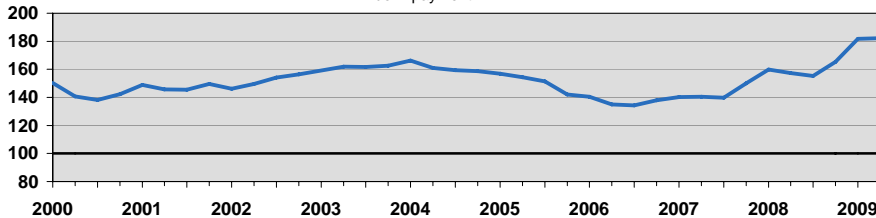


Source: US Census Bureau

## State Housing Affordability Index

### Tennessee

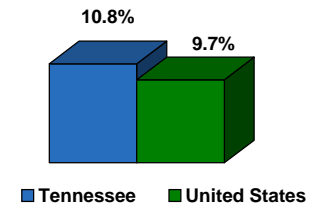
Share of the median-priced home affordable to the median-income family with a 30-year fixed-rate mortgage and 20% downpayment.



Source: Moody's Economy.com

## The unemployment rate is higher in TN

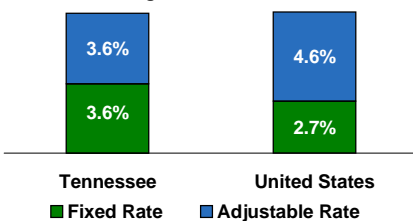
### August 2009 Unemployment Rate



Source: Bureau of Labor Statistics

## The Subprime Picture

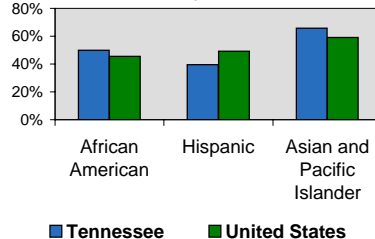
Subprime dollar share of all loans outstanding as of December 2008



Source: First American CoreLogic

## Homeownership in TN is higher among African Americans and Asians

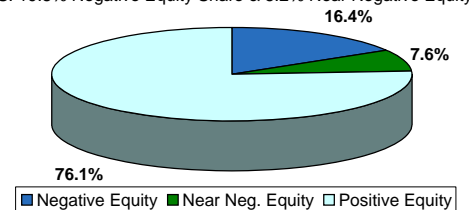
### 2008 Homeownership Rate



Source: US Census Bureau - American Community Survey

## Share of Homes with Negative Equity Tennessee

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.