



# Making Home Possible in Vermont

Over the past decade, Freddie Mac has invested **\$9.9 billion** in home loans, helping **86,047 Vermont families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2006	\$892 million	5,751	data not available	5,751
Past 10 Years	\$9.9 billion	85,856	191	86,047

**In 2006 Freddie Mac:**

- Enabled 560 Vermont homebuyers to purchase their first home.
- Financed loans for 2,546 low- and moderate-income Vermont families.
- Helped 60 Vermont families avoid foreclosure.
- Funded residential loans with an average mortgage of \$155,115.
- Since 2000, Freddie Mac funded \$89.9 million in mortgage revenue bonds, providing low-cost mortgages to Vermont families.
- Since 1998, Freddie Mac has invested \$1 million in low-income housing tax credits, creating 77 affordable homes for Vermont families.

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

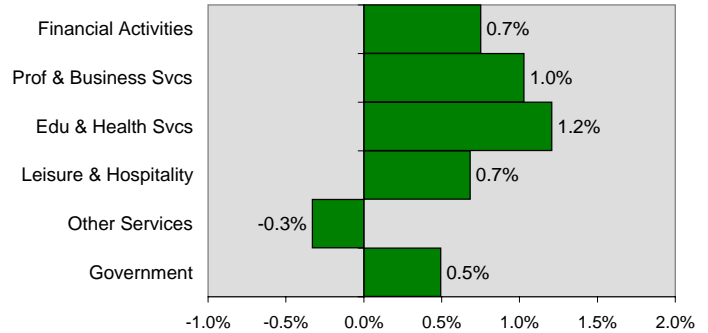
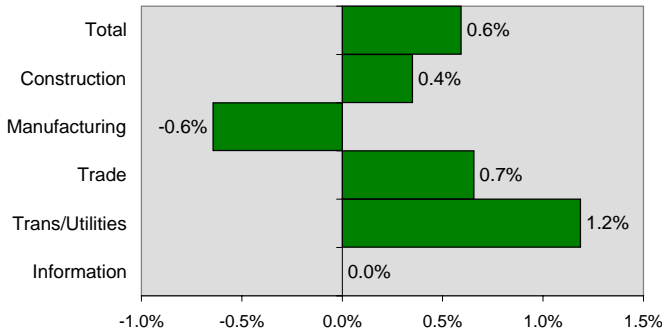
**Get The Facts! Vermont:**

Freddie Mac launched two homeownership outreach campaigns based on Freddie Mac's *Get The Facts!*, a dynamic outreach and education initiative intended to dispel common misconceptions about buying and owning a home. Freddie Mac's Loan Prospector® Outreach is used to determine if participants are ready to apply for a mortgage or if they need to continue counseling.

– **Brattleboro:** Key participants include Chittenden Bank and the Brattleboro Area Community Land Trust.

– **Rockingham:** Key participants include Chittenden Bank and the Rockingham Area Community Land Trust.

## Employment growth was strongest in Vermont's transportation and utilities and education and health services sectors in 2007



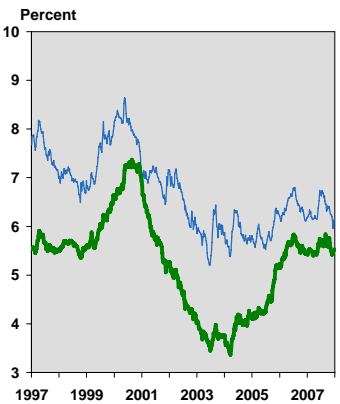
Source: Bureau of Labor Statistics, % change year ago

Indicators	2002	2003	2004	2005	2006
<b>Gross State Product, C\$B</b>	18,909	19,603	20,416	20,930	21,507
% Change	2.0	3.7	4.1	2.5	2.8
<b>Total Non-Farm Employment (ths.)</b>	299.3	299.2	303.0	305.5	307.4
% Change	-0.9	-0.1	1.3	0.8	0.6
<b>Unemployment Rate (%)</b>	4.0	4.5	3.7	3.5	3.6
<b>Personal Income Growth (%)</b>	1.7	3.7	5.6	2.9	6.3
<b>Population (ths.)</b>	616.2	618.6	620.8	622.4	623.9
<b>Single-Family Permits</b>	2,451	2,430	2,686	2,360	2,071
<b>Multifamily Permits</b>	621	413	902	557	555
<b>Existing Median Home Sales Price (ths.)</b>	150.0	164.9	130.0	208.5	177.0
<b>Mortgage Originations (# of SF loans)</b>	28,763	42,153	24,785	25,384	22,466
<b>Personal Bankruptcies (total ch. 7 &amp; 13)</b>	1,735	1,825	1,611	2,543	619
<b>Existing Home Sales (ths.)</b>	13.0	14.4	14.1 na		14.7
<b>30-Year Fixed Mortgage Rate Average (%)</b>	6.53	5.83	5.84	5.87	6.41
<b>Rental Vacancy Rate (%)</b>	3.8	4.0	4.7	4.4	3.6
<b>Serious Mortgage Delinquency (% All Loans)</b>	0.57	0.52	0.59	0.59	0.81
<b>Foreclosure Rate (% All Loans)</b>	0.25	0.25	0.26	0.26	0.40
<b>Homeownership Rate (%)</b>	71.0	71.2	73.3	71.1	71.9

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

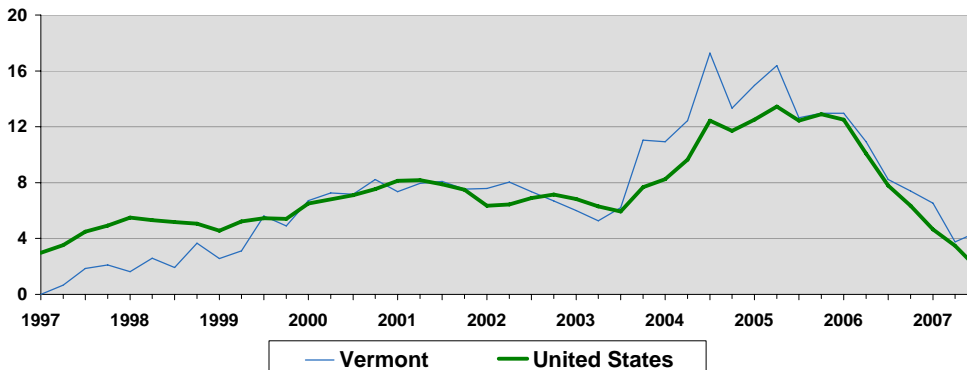
## National Weekly Average Mortgage Interest Rates from Freddie Mac's Primary Mortgage Market Survey®

— 30-Year Fixed Rate — 1-Year ARM



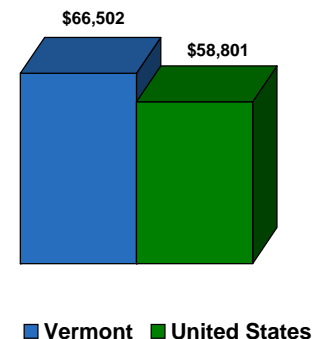
Source: Freddie Mac, Primary Mortgage Market Survey®

## Annual % Change in House Prices



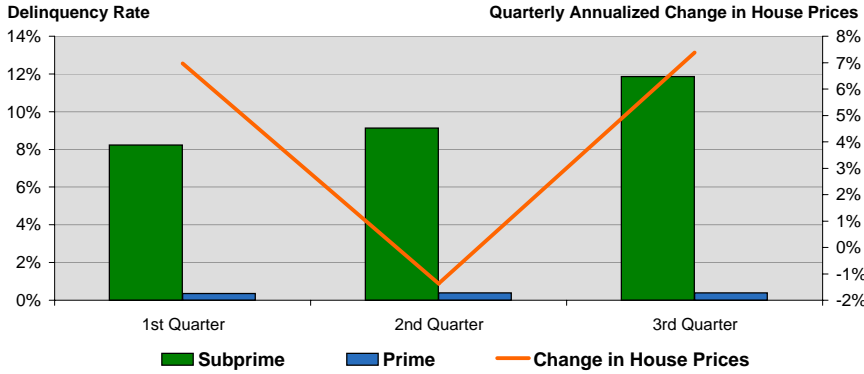
Source: Freddie Mac's Conventional Mortgage Home Price Index

## 2006 Median Family Income



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

## Serious mortgage delinquencies are rising among subprime borrowers in VT in 2007 and home prices are volatile



Source: LoanPerformance, a subsidiary of First American Real Estate Solutions and Freddie Mac

## National Rankings

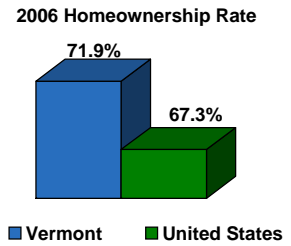
<b>Homeownership Rate</b>	<b>12</b>
1 = Highest	
<b>Mortgage Delinquency Rate</b>	<b>39</b>
1 = Most Delinquent	
<b>Median Family Income</b>	<b>11</b>
1 = Highest	
<b>Adjustable Rate Mortgage Share</b>	<b>10</b>
1 = Highest Share	
<b>Housing Affordability</b>	<b>18</b>
1 = Most Affordable	
<b>Employment Growth</b>	<b>45</b>
1 = Highest Growth	

## Homeownership Rates by Race and Ethnicity in Vermont

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	71.9%	--
White, Non-hispanic	71.4%	-0.4%
Black	24.3%	-47.5%
Hispanic	42.2%	-29.7%
Asian or Pacific Islander	81.6%	9.7%

Source: US Census Bureau - American Community Survey

## Homeownership in Vermont is higher than the national average



Source: US Census Bureau

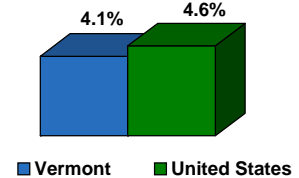
## Characteristics of Subprime Mortgage Originations by Year Vermont

	2002	2003	2004	2005	2006
Adjustable Rate Mortgages (%)	42%	42%	59%	64%	63%
Non-Traditional Mortgages (%)	0%	5%	13%	20%	26%
Non-Owner Share (%)	25%	32%	35%	31%	31%
Share of Low-No Documentation	48%	49%	52%	57%	53%
Debt-to-Income Ratio	36%	38%	38%	40%	40%
Average Loan-to-Value	83%	83%	81%	81%	81%
Average Fico Credit Score	669	677	685	682	684

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

## Unemployment is low in Vermont

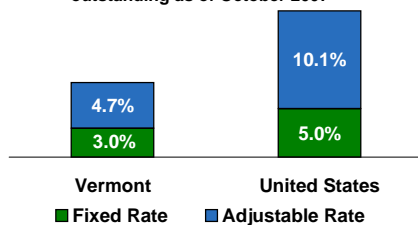
### 2007Q3 Unemployment Rate



Source: Bureau of Labor Statistics

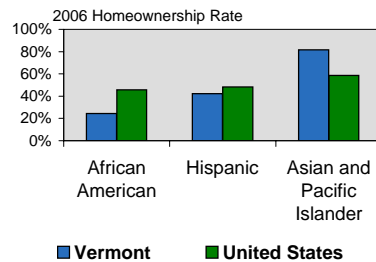
## The Subprime Picture

Subprime dollar share of all loans outstanding as of October 2007



Source: First American CoreLogic

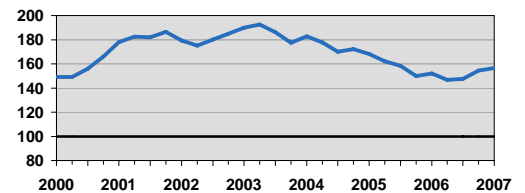
## Homeownership in VT is higher than US among Asian households



Source: US Census Bureau - American Community Survey

## State Housing Affordability Index Vermont

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