



Making Home Possible in Indiana

Over the past decade, Freddie Mac has invested **\$74.9 billion** in home loans, helping **775,457 Indiana families**.

	Freddie Mac Investment	Homeowners Served	Renters Served	Total Families Served
2007	\$6.8 billion	52,955	11,913	64,868
Past 10 Years	\$74.9 billion	709,365	66,092	775,457

In 2007 Freddie Mac:

- Enabled 8,565 Indiana homebuyers to purchase their first home.
- Financed loans for 41,765 low- and moderate-income Indiana families.
- Helped 1,419 Indiana families avoid foreclosure.
- Funded residential loans with an average mortgage of \$119,784.

- Since 2000, Freddie Mac funded \$296.2 million in mortgage revenue bonds, providing low-cost mortgages to Indiana families.
- Since 1988, Freddie Mac has invested \$86.4 million in low-income housing tax credits, creating 4,373 affordable homes for Indiana families.

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

Nuestro Barrio -- Northwest Indiana:

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 Harris Bank, the Spanish Coalition for Housing (SCH), and Latin United Community Housing Association (LUCHA).

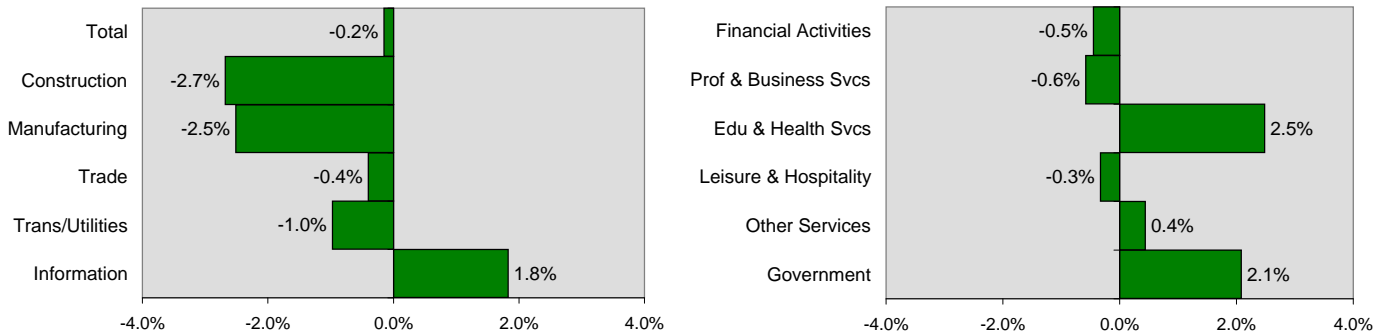
Own Your Own Home Initiative – Northwest Indiana:

Freddie Mac launched the *Own Your Own Home* financial outreach and education initiative to help reach low- to moderate-income, minority, and first-time homebuyers. The initiative creates greater awareness regarding homeownership opportunity, educates consumers on the importance of understanding, building, and maintaining good credit, and promotes affordable and sustainable homeownership financing. Key participants include Consumer Credit Counseling Services of Northwest Indiana and Centier Bank.

Northern Indiana Homeownership Initiative:

Freddie Mac launched this initiative to promote affordable, sustainable homeownership. The *Northern Indiana Homeownership Initiative* educates consumers about the importance of understanding, building, and maintaining good credit. It also prepares families to become homeowners through homebuyer readiness classes in the Northern Indiana areas of St. Joseph, Elkhart, and South Bend. The initiative includes Freddie Mac's *Get the Facts!*, a dynamic outreach and education effort to dispel common misconceptions about buying and owning a home, and Freddie Mac's Loan Prospector® Outreach, a tool used to determine if participants are ready to apply for a mortgage or if they need to continue counseling. Key participants include LaCasa of Goshen and First Federal Savings Bank of Rochester.

Employment growth was strongest in Indiana's education and health services sector in July 2008

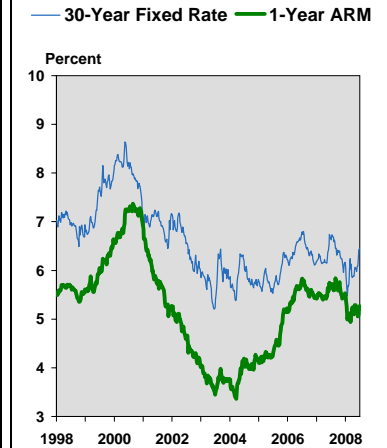


Source: Bureau of Labor Statistics, % change year ago

Indicators	2003	2004	2005	2006	2007
Gross State Product, C\$B	203,459	209,523	207,692	207,031	207,644
% Change	3.4	3.0	-0.9	-0.3	0.3
Total Non-Farm Employment (ths.)	2,895.3	2,928.9	2,955.2	2,973.7	2,988.1
% Change	-0.2	1.2	0.9	0.6	0.5
Unemployment Rate (%)	5.3	5.3	5.3	4.9	4.6
Personal Income Growth (%)	3.6	4.2	3.8	5.3	4.8
Population (ths.)	6,184.5	6,218.9	6,257.1	6,302.6	6,345.3
Single-Family Permits	31,891	32,172	32,116	24,438	19,232
Multifamily Permits	7,530	7,061	6,360	4,631	4,609
Existing Median Home Sales Price (ths.)	104.8	106.7	111.2	109.8	109.4
Mortgage Originations (# of SF loans)	431,619	270,697	261,506	237,050	n/a
Personal Bankruptcies (total ch. 7 & 13)	55,148	53,922	78,171	22,137	30,458
Existing Home Sales (ths.)	119.7	129.2	138.2	n/a	141.8
30-Year Fixed Mortgage Rate Average (%)	5.83	5.84	5.87	6.41	6.34
Rental Vacancy Rate (%)	12.8	12.9	14.2	14.0	13.3
Serious Mortgage Delinquency (% All Loans)	3.01	3.29	3.55	3.57	3.41
Foreclosure Rate (% All Loans)	1.45	1.37	1.44	1.52	1.71
Homeownership Rate (%)	71.8	71.8	72.0	72.1	n/a

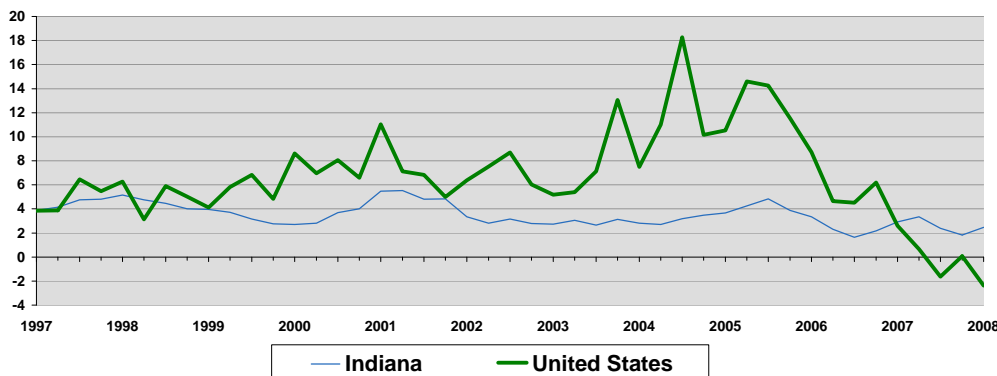
Sources: Moody's Economy.com, Bureau of Economic Analysis, Bureau of Labor Statistics, US Census Bureau, Federal Housing Finance Board, US District Courts, National Association of Realtors, First American CoreLogic, Federal Financial Institutions Examination Council, Freddie Mac

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



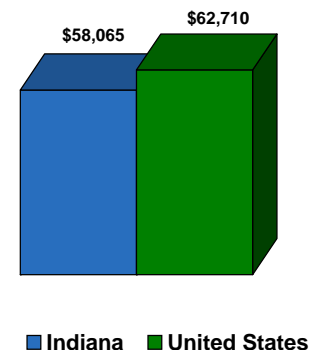
Source: Freddie Mac, Primary Mortgage Market Survey®

Annual % Change in House Prices



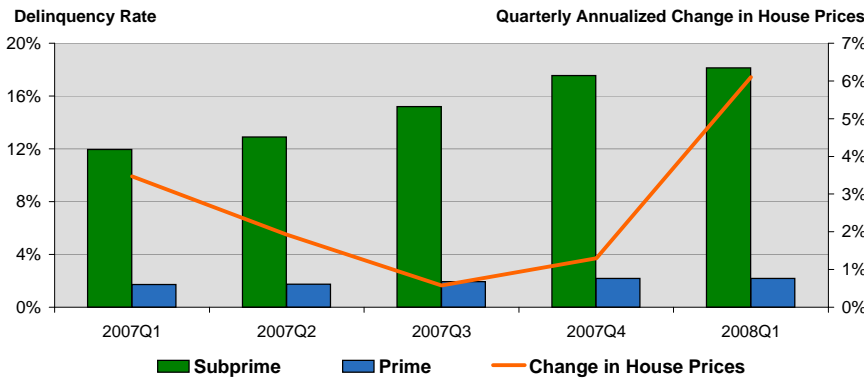
Source: Freddie Mac's Conventional Mortgage Home Price Index

2008Q1 Median Family Income



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

Serious mortgage delinquencies are high and rising among prime and subprime borrowers in Indiana even though house prices continue to rise there



Source: First American CoreLogic and Freddie Mac

National Rankings

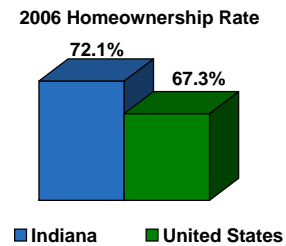
Homeownership Rate	7
1 = Highest	
Mortgage Delinquency Rate	4
1 = Most Delinquent	
Median Family Income	34
1 = Highest	
Adjustable Rate Mortgage Share	1
1 = Highest Share	
Housing Affordability	1
1 = Most Affordable	
Employment Growth	33
1 = Highest Growth	

Homeownership Rates by Race and Ethnicity in Indiana

	Homeownership Rate in 2006	Homeownership Rate Gap Relative to All Households
All Households	72.1%	--
White, Non-hispanic	76.1%	3.9%
Black	43.0%	-29.1%
Hispanic	52.5%	-19.7%
Asian or Pacific Islander	51.4%	-20.8%

Source: US Census Bureau - American Community Survey

Homeownership is higher than the national average in IN



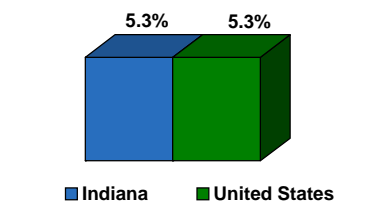
Source: US Census Bureau

Characteristics of Nonprime Mortgage Originations by Year Indiana

	2003	2004	2005	2006	2007
Adjustable Rate Mortgages (%)	60%	72%	76%	72%	60%
Non-Traditional Mortgages (%)	2%	8%	16%	15%	18%
Non-Owner Share (%)	15%	18%	17%	21%	24%
Share of Low-No Documentation	30%	31%	33%	39%	42%
Debt-to-Income Ratio	37%	38%	39%	39%	39%
Average Loan-to-Value	90%	88%	86%	87%	88%
Average FICO Credit Score	655	654	653	653	666

Source: First American CoreLogic. First liens only; by dollar amount. Nonprime loans include subprime and Alt-A loans in ABS securities.

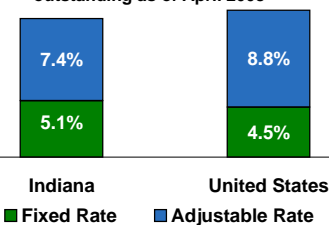
Unemployment in the US equals IN



Source: Bureau of Labor Statistics

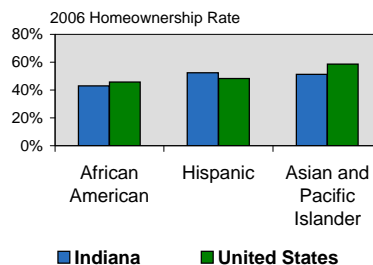
The Subprime Picture

Subprime dollar share of all loans outstanding as of April 2008



Source: First American CoreLogic

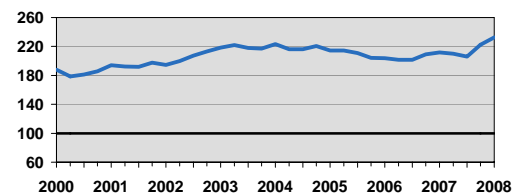
Homeownership is higher among Hispanics in IN than US



Source: US Census Bureau - American Community Survey

State Housing Affordability Index Indiana

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