



Freddie Mac Supports Housing Recovery

During one of the worst housing and financial crises in decades, Freddie Mac is working to support the housing market and answer the nation's call to assist with its economic recovery. We are doing this by helping to stem the foreclosure crisis and providing essential liquidity to the mortgage market.

Playing a Leading Role in Making Home Affordable

The Making Home Affordable (MHA) program is the company's number one focus and the centerpiece of its foreclosure-prevention efforts. Freddie Mac continued to enhance its infrastructure and capacity to support MHA in the third quarter of 2009, and saw significantly increased activity in both of its key programs — the Home Affordable Modification Program (HAMP) and the Freddie Mac Relief Refinance MortgageSM.

As of September 30, 2009, more than 88,000 struggling borrowers had accepted offers to modify their loans under HAMP. We have launched several initiatives to modify

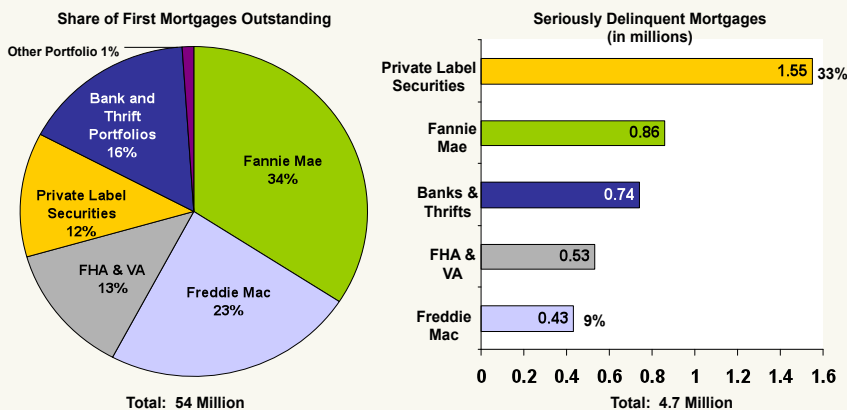
more loans under HAMP and to drive an increase in the number of successful trial period completions. These efforts include engaging vendors to help our servicers with document collection and signature services and to provide door-knocking services — visiting borrowers in their homes to help them complete the required trial period documents. Moreover, we implemented a second-level review program to ensure that borrowers are being properly considered for HAMP by servicers.

Freddie Mac helped refinance approximately 98,000 loans totaling \$20 billion of unpaid principal balance as of September 30, 2009, under the Freddie Mac Relief Refinance Mortgage. Recent enhancements to this product, which provide for the increase in the maximum allowable loan-to-value

ratio up to 125 percent and the ability to refinance through any servicer effective October 1, 2009, should enable more borrowers to take advantage of the program.

In addition to supporting the MHA program, Freddie Mac helped nearly 96,000 additional borrowers stay in their homes or sell their properties through our long-standing traditional foreclosure prevention programs in the first nine

Freddie Mac Holds a Disproportionately Small Percentage of the Nation's Seriously Delinquent Loans



While Freddie Mac holds 23% of the nation's single-family mortgages, these loans represent 9% of all serious delinquencies. In contrast, private-label securities hold 12% of the nation's mortgages but 33% of the serious delinquencies.

Sources: FDIC, Freddie Mac, Fannie Mae, Mortgage Bankers Association, HUD, First American CoreLogic (LoanPerformance).
Note: Data as of September 30, 2009. Seriously Delinquent loans were at least 90 days delinquent or in foreclosure. Components may not sum to 100% because of rounding. Freddie Mac and Fannie Mae figures include whole loans held in portfolio and in guaranteed securities outstanding. Seriously delinquent categories do not sum to 4.7 million because "Other Portfolio" is not shown.

Mortgage Landscape

Delinquency rates are at historically high levels. At the end of September 2009, the U.S. had more than 4.7 million seriously delinquent loans — Freddie Mac holds nine percent of these. So while we own approximately a quarter of all outstanding first home loans, we hold a disproportionately small percentage of seriously delinquent mortgages.

months of the year. We use a number of delinquency resolutions methods to prevent foreclosures whenever possible, including loan modifications, repayment plans, forbearance agreements and pre-foreclosure sales.

Providing Essential Liquidity

Throughout the downturn, Freddie Mac has continued to support the market by providing a stable source of home mortgage funding. In fact, the government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac provided approximately 70 percent of all the liquidity to the mortgage market in the third quarter of 2009. Freddie Mac alone purchased or guaranteed \$444 billion in mortgage loans and mortgage-related securities

Keeping People in Their Homes Remains a Top Priority for Freddie Mac

Single-family Foreclosure Alternatives

	Q3 2009	Q2 2009	Q1 2009
Loan Modifications	9,013*	15,603	24,623
Repayment Plans	7,716	7,409	10,459
Forbearance Agreements	3,481	1,564	1,853
Pre-foreclosure Sales	6,628	4,821	3,093
Total completed foreclosure alternatives	26,838	29,397	40,028
HAMP trial period loans**	78,484	10,129	--

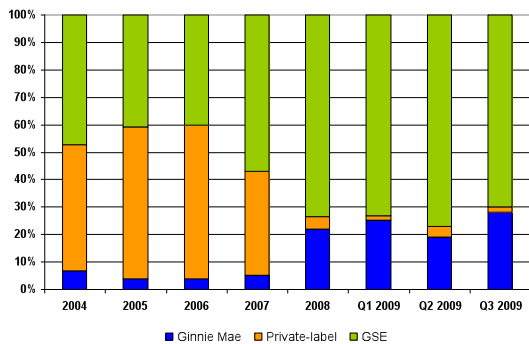
*Includes 471 completed HAMP modifications
 **Home Affordable Modification program (HAMP) began in April 2009

Since the beginning of 2005, Freddie Mac has provided foreclosure alternatives for nearly 450,000 borrowers.

in the first nine months of 2009, including the mortgages that it has refinanced for approximately 1.5 million borrowers — saving them \$3.8 billion annually. Furthermore, our presence in the market has helped keep mortgage rates low for homebuyers.

The GSEs Provided 70% of the Liquidity to the Mortgage Market in the Third Quarter of 2009

Percent of MBS issuances



Freddie Mac purchased or guaranteed \$444 billion in mortgages and mortgage-related securities in the first nine months of 2009.

Chart Source: Inside Mortgage Finance

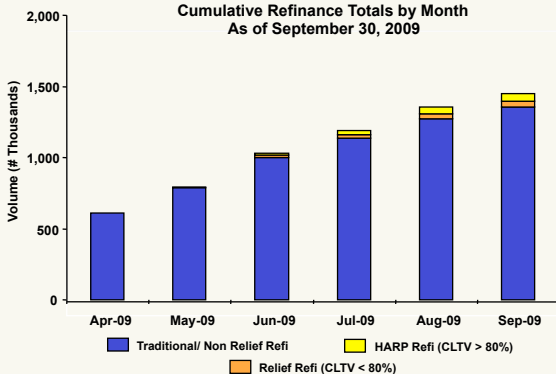
Commitment to Affordable Housing

Freddie Mac remains committed to affordable housing. Every American deserves a decent, affordable place to live and given today's economic environment this increasingly means rental housing. We continued to meet that need through our multifamily business in 2009, helping to finance approximately 253,000 units of rental housing in the first nine months of the year. We also financed more than 625,000 single-family homes to families with low- or moderate-income.

In addition, we are delivering affordable housing credit to local markets across the nation by supporting the Administration's HFA Initiative for state and local finance agencies. This initiative will provide hundreds of thousands of affordable mortgages for working families and enable the development and rehabilitation of tens of thousands of affordable rental properties.

Freddie Mac Has Refinanced Approximately 1.5 billion Borrowers Year-to-Date

Cumulative Refinance Totals by Month As of September 30, 2009



*Annual savings represents the reduction of interest paid by borrower during the first year of refinance (note rate reduction multiplied by new mortgage balance).

Total annual borrower savings of \$3.8 billion*
 Estimated annual savings of \$2,600 per refinanced borrower