U.S. Housing Market Continues to Show Strong Improvement

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MCLEAN, VA--(Marketwired - Jan 27, 2016) - Freddie Mac (OTCQB: FMCC) today released its Multi-Indicator Market Index® (MiMi®), showing the U.S. housing market continuing to improve with one additional state -- Missouri -- entering its outer range of stable housing activity, as well as four more metro areas: Rochester, NY; St. Louis, MO; Birmingham, AL; and Milwaukee, WI.

The national MiMi value stands at 82.5, indicating a housing market that is on its outer range of stable housing activity, while showing an improvement of +0.82 percent from October to November and a three-month improvement of +2.09 percent. On a year-over-year basis, the national MiMi value has improved +7.23 percent. Since its all-time low in October 2010, the national MiMi has rebounded 39 percent, but remains significantly off from its high of 121.7.

News Facts:

- Thirty-three of the 50 states plus the District of Columbia have MiMi values in a stable range, with the District of Columbia (101), North Dakota (96.5), Hawaii (95.9), Montana (95.7) and Utah (93.3) ranking in the top five. Compared to the same time last year, 21 states and the District of Columbia had MiMi values in a stable range.
- Fifty-seven of the 100 metro areas have MiMi values in a stable range, with Austin, TX (97.5), Fresno, CA (102.9), Honolulu, HI (97.1), Salt Lake City, UT (96.7) and Denver, CO (96.5) ranking in the top five. Compared to the same time last year, 28 of the top 100 metros had MiMi values in a stable range.
- The most improving states month-over-month were Oregon (+2.04%), Colorado (+1.90%), Nevada (+1.88%), Florida (+1.66%) and Maine (+1.55%). On a year-over-year basis, the most improving states were Florida (+15.72%), Oregon (+14.03%), Colorado (+13.54%), Washington (+12.73 %) and Nevada (+12.26%).
- The most improving metro areas month-over-month were Orlando, FL (+2.21%), Denver, CO (+2.01%), Portland, OR (+2.00%), Albany, NY (+1.87) and Phoenix, AZ (+1.86%). On a year-over-year basis, the most improving metro areas were Orlando, FL (+19.48%), Cape Coral, FL (+18.27%), Tampa, FL (+17.65%), Denver, CO (+16.97%) and Portland, OR (+16.54).
- In November, 49 of the 50 states and 95 of the top 100 metros were showing an improving three-month trend. The same time last year, 34 of the 50 states, and 69 of the top 100 metro areas were showing an improving three-month trend.

Quote attributable to Freddie Mac Deputy Chief Economist Len Kiefer:

"We saw another strong year-over-year improvement at 7.23 percent in this month's MiMi, the best 12-month showing in a year. The regional variation of housing activity continues to become more pronounced. For example, we're still seeing declines in oil-dependent housing markets, whereas the hardest hit metros from the Great Recession continue to see some of the best improvement as they recover. And at the same time, other markets are seeing even stronger improvement because of robust home sales fueled by strong local economies that remain largely affordable for the typical homebuyer. And in the short-term, we expect homebuyer affordability to remain strong with mortgage rates continuing to look very attractive to prospective homebuyers."

The 2016 MiMi release calendar pdf is available online.

MiMi monitors and measures the stability of the nation's housing market, as well as the housing markets of all 50 states, the District of Columbia, and the top 100 metro markets. MiMi combines proprietary Freddie Mac data with current local market data to assess where each single-family housing market is relative to its own long-term stable range by looking at home purchase applications, payment-to-income ratios (changes in home purchasing power based on house prices, mortgage rates and household income), proportion of on-time mortgage payments in each market, and the local employment picture. The four indicators are combined to create a composite MiMi value for each market. Monthly, MiMi uses this data to show, at a

glance, where each market stands relative to its own stable range of housing activity. MiMi also indicates how each market is trending, whether it is moving closer to, or further away from, its stable range. A market can fall outside its stable range by being too weak to generate enough demand for a well-balanced housing market or by overheating to an unsustainable level of activity.

For more detail on MiMi see the FAQs. The most current version can be found at FreddieMac.com/mimi.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for approximately one in four home borrowers and is the largest sources of financing for multifamily housing. Additional information is available at FreddieMac.com, Twitter @FreddieMac and Freddie Mac's blog FreddieMac.com/blog.