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Research commissioned by Freddie Mac

To better understand cultural norms and expectations of Asian first-time homebuyers

Home Buyers demographic profile

1. Age range
2. Years in the US
3. Extending family in the household
4. Small business owners

Research with Realtors

1. Asian American consumer needs
2. Reliance on professionals

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Home buyer psychographics



Independents
Younger, Acculturated



Semi-dependents
Language barriers, lack of knowledge of process



Entrusters
Trust real estate agent to do everything

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Most Asians are cost-conscious and debt averse

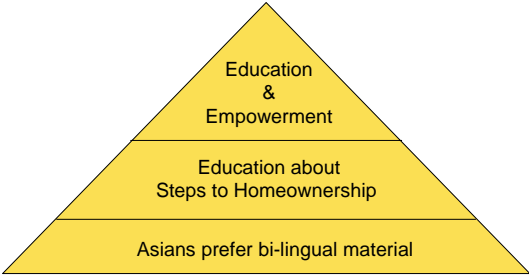
1. Must be financially ready (large down payment) - Typically save between 3 to 10 years
2. May pool money

Educating first time buyers

1. Greater interest in literature than classes
2. Areas of Education:
 - Benefits of homeownership
 - How to find the right real estate agent
 - How to be a qualified buyer
 - How to evaluate a home
 - Financial options

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Key Insights



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Reasons for Homeownership gap


Process is daunting

Cash income-limited documentation or credit history

Saving for college/education

Invest to business

Need to save for larger down payment



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CreditSmart Asian

Multilingual series of guidebooks designed to help Asian Americans build and maintain good credit, understand the home-buying process, and protect their home investment.

- Built on research and feedback from community
- Created three books
- Guidebooks led to greater interest in workshop classes



CreditSmart Asian

Importance of Good Credit

- Identified as barrier to homeownership
- Provides exercises and information

Steps to Homeownership

- Provides a roadmap
- Prepares consumer for first steps and beyond

Homeownership Benefits and Responsibilities

- Honest account of pros and cons of owning vs. renting
- Provides budget exercises for financial readiness



It's good business

Greater understanding of differences of Asian American consumers and homebuyers

Increase in homeownership, expanding markets

Asian American buying power \$600 billion in 2010

More research needed on how to reach the Asian homebuyer