



Freddie Mac Announces New Employment Initiative for Homeowners in High-Needs Areas

June 14, 2018

Partnership with NextJob supports commitment to underserved markets

MCLEAN, Va., June 14, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB:FMCC) today announced a new partnership with re-employment solutions company NextJob to provide job search assistance to current and aspiring homeowners living in high-needs and other persistent poverty areas. The initiative, undertaken as part of Freddie Mac's three-year [Duty to Serve](#) plan, serves as an expansion of the partnership between the two companies that will help financially distressed homeowners in these underserved markets.

The effort will assist homeowners who have Freddie Mac Home Possible[®] mortgages increase their re-employment prospects after circumstances such as job loss, reduced hours or other employment challenges that threaten their ability to make timely mortgage payments. The initiative will also provide assistance to aspiring homeowners in their job search with the hopes of increasing their income to a level that will help qualify them for Freddie Mac affordable loan offerings.

"While some parts of the country are benefitting from low unemployment rates, many rural areas continue to see limited opportunities and flattening or declining wage growth," said Mike Dawson, vice president of single-family affordable lending strategies and initiatives at Freddie Mac. "Through our work with NextJob, and by partnering with leading local organizations on the front lines of this problem, we are capitalizing on the success of our past employment programs to help the next frontier of unmet workforce development needs. This partnership will provide meaningful opportunities to create and sustain homeownership for families across rural America."

"We're thrilled to expand our partnership with Freddie Mac. They are on the forefront of exploring ways to help aspiring and existing homeowners who need a job to achieve or maintain homeownership," said John Courtney, CEO of NextJob. "Many rural job seekers have fewer job opportunities, so they must excel in finding jobs that translate their prior skills into new occupations and positioning themselves to grow within an organization."

Designated [high-needs areas](#) under the Duty to Serve regulation include middle Appalachia, the lower Mississippi Delta, Colonias and other tracts located in persistent poverty counties. Initial partners include CDC of Brownsville Texas, D&E in Mississippi, FAHE in Kentucky's Appalachia region and HOPE Enterprise Corporation, headquartered in Jackson, Mississippi. In some of these designated high-needs areas, the unemployment rate is much higher compared to the national average. For example, in the Mississippi Delta, the unemployment rate was 6.2 percent compared to the national average of 3.8 percent for April 2018. Issaquena county of the Mississippi Delta had an unemployment rate as high as 11.6 percent in 2017.

"It can be difficult to have a direct plan of action to get you from where you are to where you want to be—this partnership will provide our members with that plan and get them to where they want to be faster," said James Hunter, senior vice president of mortgage lending at HOPE Enterprise Corporation.

"It's not just about a job. It's about building a career to sustain homeownership for the long run. This initiative is really groundbreaking in underserved markets and we expect it to be very successful," added Hunter.

To help struggling homeowners, Freddie Mac will alert its servicers who have Home Possible mortgages and determine if the borrowers are eligible to receive NextJob services. Once an approved borrower is engaged with NextJob, they will be eligible for one-on-one job coaching, access to "Job Talk" webinars and NextJob's proprietary online job search training program. Additionally, partner organizations can refer prospective borrowers to receive employment or re-employment services under the initiative.

Freddie Mac launched its first homeowner re-employment pilot in June 2015 with NextJob and other lenders to help borrowers secure employment and avoid foreclosure. Homeowners who took part in the pilot increased their job search skills by 32 percent and acquired jobs at nearly triple the normal rate of re-employment. Many borrowers were classified as long-term unemployed before the program and, on average, borrowers acquired new employment in just over four months.

Freddie Mac's [Duty to Serve plan](#) focuses on supporting underserved markets by financing more rural and manufactured housing and preserving more affordable housing for homebuyers and renters nationwide. [The plan](#) aligns with our mission to stabilize communities, prevent foreclosures, responsibly expand credit, educate future borrowers, counsel current borrowers and build a better housing finance system.

About Freddie Mac

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and [Freddie Mac's blog](#).

MEDIA CONTACT: Chad Wandler

703-903-2446

Chad_Wandler@FreddieMac.com

 Primary Logo

Source: Freddie Mac