



Freddie Mac Expands Community Land Trust Mortgage Offering

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Collaborates with Leading Community Organizations

MCLEAN, Va., Sept. 26, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today announced that it is expanding its support for shared equity homeownership programs that focus on long-term affordability and will start purchasing [Community Land Trust Mortgages](#) to facilitate the preservation of affordable housing in low- to mid-income markets across the country.

In an era of tight housing inventory and rising home prices, shared equity homeownership offers prospective buyers a way to become homeowners and lenders an opportunity to support underserved communities. The Freddie Mac Community Land Trust Mortgage offering supports shared equity homeownership programs that not only make homes affordable for initial homeowners but also preserves home affordability for subsequent homeowners. This offering makes it easier for lenders to do business in the shared equity homeownership field by increasing communication and collaboration between the Servicer and the Community Land Trust organization.

"In developing the Community Land Trust Mortgage offering we were able to take a fresh look at existing mortgage products in this space, listen to the needs in the housing industry and collaborate with leading organizations to bring this innovative offering to market," said Mike Dawson, vice president of affordable strategy and policy at Freddie Mac's Single-Family Business. "Our offering and flexibilities aim to balance transactional ease for lenders with underwriting that promotes sustainable homeownership for borrowers. These combined efforts will facilitate the preservation of more affordable housing units over time for shared equity homeownership program providers."

As part of this expanded offering, Freddie Mac has built strategic alliances with national, state and local community organizations such as the Grounded Solutions Network, City First Enterprises and the Florida Housing Coalition, among others.

"Offerings that bolster shared equity homeownership in hot real estate markets like Washington, DC are essential to preserving the ability for its residents to remain and flourish," said Ginger Rumph, executive director, Douglass Community Land Trust / City First Enterprises. "Our collaboration with Freddie Mac to develop a product in support of a community land trust in the Historic Anacostia neighborhood, and Wards 7 and 8 in Washington, DC, will pave the way for a model that can be replicated in similar geographic areas across the country."

"Shared equity homeownership is the only homeownership model that preserves the affordability of owner-occupied homes for multiple generations, improving communities through investment, empowerment and lasting affordability," said Tony Pickett, CEO, Grounded Solutions Network. "Our collaboration with Freddie Mac on their expanded offering directly addresses one of the biggest challenges facing our network membership; establishing the standards required for greater mortgage lender adoption of shared equity homeownership."

"Community land trust homeownership is in demand due to rising land costs and gentrifying redevelopment," said Jaimie Ross, CEO, Florida Housing Coalition, Founder, Florida Community Land Trust Institute. "Freddie Mac's multi-faceted initiative supporting community land trust stewardship will enable more Floridians to enter the homeownership market and bring community land trust lending to scale."

Freddie Mac's new servicing requirements for Community Land Trust Mortgages are unique in providing shared equity homeownership with more opportunities and additional time to help borrowers who have missed their mortgage payments. This approach will help prevent foreclosures and help Community Land Trust organizations exercise their right of first refusal in extreme circumstances to preserve property affordability.

The Freddie Mac Community Land Trust Mortgage offering is available November 5. More information will be available at the Grounded Solutions [Intersection 2018](#) conference taking place October 1-4.

The Community Land Trust Mortgage offering is being adopted as part of Freddie Mac's [Duty to Serve](#) plan, which focuses on the nation's most persistent housing challenges in three historically underserved markets: manufactured housing, rural housing and affordable housing preservation. [The plan](#) aligns with Freddie Mac's community 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, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and [Freddie Mac's blog](#).

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