



Freddie Mac Multifamily Extends Availability of COVID-19 Forbearance Program

September 24, 2021

MCLEAN, Va., Sept. 24, 2021 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) Multifamily announced that it will continue to offer COVID-19 forbearance agreements for its Multifamily loans. The program was previously set to terminate September 30, 2021. This program provides the option for qualifying multifamily operators experiencing hardship because of the pandemic to request a new or extended forbearance agreement, which includes renter protections such as a moratorium on evictions based solely on nonpayment of rent.

Freddie Mac established its COVID-19 Forbearance Relief program to aid multifamily borrowers and tenants affected by the coronavirus. Under the program, multifamily landlords whose properties are financed with a Freddie Mac Multifamily fully performing loan can defer their loan payments by showing hardship as a consequence of COVID-19 and by gaining lender approval.

"As the pandemic continues, Freddie Mac is providing relief where needed to the multifamily market and to renters financially impacted by COVID-19 through this forbearance program," said Debby Jenkins, head of Multifamily at Freddie Mac. "While we have seen only a few loans start a new forbearance program recently, we remain positioned to support the market and renters who may be impacted by the unpredictability of the pandemic going forward."

Borrowers who enter into a new forbearance arrangement with Freddie Mac must notify renters of all tenant protections, including:

- Renters may not be evicted or given notice of eviction for nonpayment of rent during the forbearance period.
- Renters may not be charged late fees, penalties or other charges related to nonpayment of rent during the forbearance period or the repayment period as well.
- Although rental payments will continue to be due and will accrue, renters in properties with forbearance agreements must be provided flexibility in repayment of back rent, allowing for it to be paid over a period of time and not in a lump sum.
- Renters in properties with forbearance agreements in place must be provided 30-days' notice prior to any eviction taking place following the forbearance repayment period.
- Renters need not show COVID-19 related hardship to be eligible for any of the protections listed above.

As of Freddie Mac's most recent [report](#), there are 304 forborne securitized loans, representing about 1.1% of Freddie Mac's total securitized loans as measured by unpaid principal balance. In recent months, very few loans have started a new forbearance agreement, and no new forbearances were started in August, a first for the program.

As a secondary mortgage market participant, Freddie Mac does not have a direct relationship with multifamily borrowers or renters, but it has established several tools to aid borrowers and renters throughout the pandemic. A first-of-its-kind loan lookup tool was designed to help renters understand whether they reside in a multifamily property that has a loan purchased or securitized by Freddie Mac. Freddie Mac also established a hotline staffed by HUD-certified counselors for renters facing financial distress as a result of the pandemic. Those resources are available at <http://myhome.freddiemac.com>.

[Freddie Mac Multifamily](#) is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income. Freddie Mac securitizes about 90% of the multifamily loans it purchases, thus transferring the majority of the expected credit risk from taxpayers to private investors.

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 [FreddieMac.com/blog](#).

MEDIA CONTACT: Kate Hartig
(703) 903-3802
Kate_Hartig@FreddieMac.com