



## New Freddie Mac Initiative Helps Renters Build Credit

November 3, 2021

### Freddie Mac Multifamily engages with Esusu to report on-time rent payments

MCLEAN, Va., Nov. 03, 2021 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today announced a new initiative to help renters build credit by encouraging operators of multifamily properties to report on-time rental payments to the three major credit-reporting bureaus. Presently, less than 10% of renters see their on-time rental payment history reflected in their credit scores, inhibiting their ability to access credit or obtain competitive rates for a range of financial products. The initiative, which incentivizes rent reporting via technology created by [Esusu Financial Inc.](#), will seamlessly deliver on-time rental payment data from property management software platforms to the credit bureaus. It will automatically unenroll renters when missed payments occur, preventing harm to those who struggle financially.

"Rent payments are often the single largest monthly line item in a family's budget but paying your rent on time does not show up in a credit report like a mortgage payment," said Michael DeVito, CEO of Freddie Mac. "That puts the 44 million households who rent at a significant disadvantage when they seek financing for a home, a car or even an education. While there remains more to do, this is a meaningful step in addressing this age-old problem."

Freddie Mac will provide closing cost credits on multifamily loans for owners of rental properties who agree to report on-time rental payments through Esusu's platform. Freddie Mac has also negotiated discounted fees for Esusu's services. The platform manages the end-to-end process of reporting rental payments to all three major credit bureaus while ensuring compliance with industry standards. This solution eliminates the administrative and compliance burden for property owners, which has been the largest hurdle facing industry efforts to report rental data. Esusu even reports up to 24 months of past on-time rent payments, resulting in an immediate positive impact to credit scores.

"At present, the most common way for rents to be reported to the credit bureaus is when there is a missed payment that has gone to a collections agency," said Alexis Sofyanos, senior director of Equity in Multifamily Housing at Freddie Mac. "Freddie Mac wants to flip that script, so that renters who pay their rent on time and in full each month get credit for doing so, while also putting in safeguards for the most vulnerable."

In addition to helping renters build credit, Esusu's platform enhances credit score awareness and helps renters verify their rental history. Esusu aims to provide a holistic platform for resident financial stability and the tools needed to strengthen relationships between renters and property owners.

"Esusu and Freddie Mac are committed to a more equitable housing market for homeowners and renters alike. Working with Freddie Mac allows us to address credit invisibility, which is an essential first step toward addressing renter financial stability," said Samir Goel and Abbey Wemimo, co-founders of Esusu. "Where you come from, the color of your skin and your financial identity should never determine where you end up in life. Today there are over 45 million adults in America with no credit score, the vast majority of whom are immigrants, minorities and low-to-moderate income households. The benefit of the Esusu platform is that everyone wins. It's a win for renters, property owners and society at large."

### About Freddie Mac

[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](#).

### About Esusu

Esusu is the leading financial technology platform that leverages data solutions to empower residents and improve property performance. Esusu's rent reporting platform captures rental payment data and reports it to credit bureaus to boost credit scores. This allows renters to build and establish their credit scores while helping property owners increase revenue, lower evictions, and fill vacancies powered by differentiated data and insights. Founded in 2018, Esusu reaches over two million rental units across all 50 states in the United States. Learn more at [www.esusurent.com](#) and follow us on Facebook [@myesusu](#) and on Twitter [@getesusu](#).

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