



FREQUENTLY ASKED QUESTIONS: FANNIE MAE AND FREDDIE MAC ASSISTANCE OPTIONS FOR FAMILIES IMPACTED BY COVID-19

What help is available for homeowners impacted by COVID-19?

Homeowners unable to make their mortgage payments resulting from the impact of COVID-19 may be eligible for a mortgage forbearance plan to reduce or suspend their mortgage payments for up to 12 months.

This assistance is available to homeowners with single family or condominium mortgages owned by Fannie Mae or Freddie Mac (the Enterprises) regardless of whether their property is owner occupied, a second home, or an investment property.

There may be state and local government mortgage assistance fund programs to assist homeowners who have been impacted by COVID-19. Homeowners should contact your state or local government housing agency to review eligibility for the Homeowner Assistance Fund (HAF), for more information please visit <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/homeowner-assistance-fund>

What is a forbearance plan?

A forbearance plan is an agreement between a homeowner and their mortgage servicer (the company they send their monthly mortgage payments to) that establishes an alternative payment schedule to reduce or suspend payments for a period of time. Importantly, mortgage forbearance plans do not reduce the principal amount owed on a mortgage, and interest continues to accrue for the duration of the plan. Homeowners who can afford to make partial payments should contact their servicer as this may lessen the amount due at the end of the forbearance.

Will the homeowner have to pay extra fees?

While in forbearance, homeowners do not incur late fees or other penalties. However, the terms of the mortgage are unchanged, and arrangements will need to be made with the servicer to make up missed payments.

What happens at the end of the forbearance?

At the end of the forbearance period, homeowners are still required to eventually fully repay the forbearance, but they will not have to repay it all at once unless they are able to do so. Servicers will reach out to homeowners in forbearance about 30 days before the scheduled end of forbearance to determine which assistance program works best for the homeowner at that point – a repayment plan, payment deferral, loan modification, or an extension of the forbearance period if needed.

How do homeowners in need of assistance enter into a forbearance plan?

Homeowners must contact their servicer to let them know they are impacted and having difficulty making their mortgage payment. Servicers will review the homeowner's situation to determine whether forbearance is appropriate. Homeowners do not need to provide extensive documentation to be placed in a forbearance plan.

When should a homeowner contact their mortgage servicer?

Forbearance is for homeowners in need of assistance, so only those unable to make their mortgage payment should request it. The first step homeowners should take is to determine whether they are able to make their next mortgage payment. Those homeowners still able to pay their mortgage, should continue to do so. Homeowners unable to make their next mortgage payment due to a decline in income resulting from the impact of COVID-19, should call their servicer immediately upon making that determination.



Where can homeowners go for more information or to find out if their mortgage is owned by one of the Enterprises?

Homeowners can use Fannie Mae or Freddie Mac’s “loan lookup” tools on their respective websites – <https://www.knowyouroptions.com/loanlookup> for Fannie Mae or <https://loanlookup.freddie.mac.com/> for Freddie Mac.

Is there any assistance available for renters?

Yes. Renters living in a property financed by Fannie Mae or Freddie Mac have access to housing counselors with expertise in rental assistance programs and other programs to overcome financial hardships ([Fannie Mae Disaster Response Network](#) 877-542-9723 & [Freddie Mac MyHome](#) 800-404-3097). These networks offer support from HUD-approved housing counselors, such as a personalized recovery assessment and action plan, financial coaching and budgeting, and ongoing check-ins.

The federal Emergency Rental Assistance program makes funding available to assist households that are unable to pay rent or utilities. Learn more by visiting the U.S. Department of the Treasury's website: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>.

