**Fannie and Freddie Multifamily Loans (5+ unites).**

**Update as of 3.26.20**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|

|  |  |  |  |
| --- | --- | --- | --- |
|

|  |  |  |
| --- | --- | --- |
|

|  |  |
| --- | --- |
|

|  |
| --- |
| The COVID-19 forbearance policies issued by **Fannie Mae** and **Freddie Mac** are a welcome sign that stability is beginning to return to the markets and the economy. Their broad outlines are similar. They will both offer mortgage forbearance to qualified multifamily properties facing hardship as a result of COVID-19, specifically for owners that suspend evictions on the basis of nonpayment of rent. This forbearance guidance is applicable for agency loans that were closed on or before February 1, 2020 and current through their February payments, though guidance is subject to change based on final directions from the agencies and regulator. Other similarities of the two programs include:* A minimum forbearance period of 30 days, and up to 90 days, in accordance with applicable laws and regulations.
* The agencies will not assess interest penalties or late charges because of nonpayment during those three months, and there will be no additional interest assessed because of forbearance.
* To the extent property cash flow exists after operating expenses during the forbearance period, borrowers should plan to make partial payments toward debt service. These payments will be held in escrow and applied toward future repayment of amounts due.
* The requirement of a “Hardship Letter” that details the inability to pay and includes a delinquency report or estimate of loss rents due to disaster.

The programs do differ in terms of their details. Here are salient differences: **Program Period*** **Fannie Mae**. The program can begin with the April 1, 2020 payment, provided missed payment did not occur prior to that date. It will be available for payments through August 31, 2020, subject to Fannie Mae termination at its sole discretion.
* **Freddie Mac**. The program can begin with the April 1, 2020 payment. The latest date to enter a forbearance agreement is July 1, 2020, with a monthly start date no later than August 1, 2020.

**Repayment Requirements*** **Fannie Mae**. Repayment will be due over the 12-month period commencing with the monthly payment date immediately following the expiration of forbearance or the borrower’s receipt of business income insurance proceeds (or any other assistance or relief program proceeds).
* **Freddie Mac**. Repayment will be due over the 12-month period commencing with the monthly payment date immediately following the expiration of forbearance. It can include all amounts due (principal, interest, escrows, etc.).

You can find additional information about the Fannie Mae and Freddie Mac forbearance programs here. |

 |

 |

 |

 |
|

|  |  |  |
| --- | --- | --- |
|

|  |  |
| --- | --- |
|

|  |
| --- |
| [**Fannie Mae Forbearance Guidance**](https://hv.t.hubspotemail.net/e2t/c/%2AW1QbSr54dv07XW1xRj8w3Blrqq0/%2AW4xVdzB5FMSTHW65BSS_1PS6JZ0/5/f18dQhb0Sq5G8Y9Wm6W69_b921k63-nW1DpWG37wzQZzW6Dk5R21SrC8dVLDpF18B-Wz0VZ6Q4W1p7ybxW5yLrhL5wMw-5W3TJNkn643_N4W4Ws6gl2pCgtGW425k3w5Dbgq2W3zCRWz95RVC5W3JBp5R4tfZFvVb9-h461SSZmW7dDxTN7mWsnXW7dzcsS51vDDWW1bwwwg5rC5Q6W3lzN6v4Dl4vzW3sxGBh1wJDQ9W4ldc768hz0YsW806yj370ml3sW3pBydw31PJR1W4-Qmv35r57SXW7s1MWr5nCkXpW7hn_yC4lZ1xVW4K6-HQ4gwgr9W1sBhf17qR8gCW65Ptvj4p8Z0hW8DG5YL6D2dn4N5S4g1DpgJk2W3JcJRg5xWcsrW2YZCXb8FPDv7N7rBwNJTf6XzW7pyKLk8DGVmSVkbRqj7kJzP7VhV9W749kJ9cW7c9r_81Q68w6W1MMh8v6NWrvxW3Lrmxv3PvDPMVZC4z23Ht6NWW60n0K18q5l4YW1nPLyC1Ngx1cW51bF0j4ys7vGW369Y_N1MPFGCW6J0Fgy6NXbf7W1mHqKm4Btwt4M4ZDML2LMBkTGL6f5xT1BF103) |

 |

 |

 |

|  |  |  |  |
| --- | --- | --- | --- |
|

|  |  |  |
| --- | --- | --- |
|

|  |  |
| --- | --- |
|

|  |
| --- |
| [**Freddie Mac Forbearance Guidance**](https://hv.t.hubspotemail.net/e2t/c/%2AW1QbSr54dv07XW1xRj8w3Blrqq0/%2AW553XVr3GPDvpW2YyDLR9g57BK0/5/f18dQhb0Sq5B8YHrG2N7Nykf2HyjJqVRJrjY8rl79HW3hHhbQ5zh-NRVnQ9Qq8-y9tWW5866J-5p5NyMW2NTXSj2NTL-sW6BXl5_321_VyW2sd39y19R3L2W6KkMHH5rBWL_W9kwr5p6L170CW93Kyxx3DQxVDW6XXCTs9bTNXYW953-jP5ZpycSW57-ZBT83C5JPW1Z66s183KHrFW7J39pB2przrYN6W3RDgHd1h8MBr0q_YSX-5W7m_B1R5c8d-SW377W3C5Q1qWzW6Q6WmH3LzS0DW3Mqngf15vrW2W3szNK67dxMwRN7dHSFNfFxcrW4W_Z6t7fRLjlW6b2Xxl5XxrsFVS4ldg9h-TcBW7YFxfc6Z2P93W3h8H6D4TPcJnN1qcRfGGcHb1W8KMvw75P5RYbW7mLS1B5wFg_sW7dQrrG7mKccLN4WxktqhzVNsVnlkR-3RL9BPW8csLSq112nHyW5pd-Ps5B6cn6W3xc_4M3dM8wCW5B2twG5y60tqW6dB_031CksCfW7gYsvJ8kM8jpW6p-cXb85xKYxW3WS0p967hKRXW38RLlS4Hv3h3N4sPSdgrLh9QVrHSjS3mqbT5102) |

 |

 |

 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|

|  |  |  |  |
| --- | --- | --- | --- |
|

|  |  |  |
| --- | --- | --- |
|

|  |  |
| --- | --- |
|

|  |
| --- |
| We understand that **HUD** will also allow forbearance on **FHA** loans for multifamily properties, and we expect some similarities with the terms being offered by Fannie Mae and Freddie Mac. We will fill you in once details become available.  I will be happy to answer any questions you might have and do what I can to make the process of entering into your forbearance agreements as seamless as possible. Please don’t hesitate to reach out. |

 |

 |

 |

 |

Here are a few sources that we found useful:* [**FHFA Moves to Provide Eviction Suspension Relief/Mortgage Forbearance in Multifamily Properties**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AVDms4B1Jq0cwW8tSV9k808HPN0/5/f18dQhb0S65M73F0FpW12gZmV61KJdsN19hS5rz76-1W2Rzdm_4VYY2kW2MvzRb7ZSkwyW3fWHRk8G06-yW5DsRPY7J3Y88W6BcmH82q5NkLW9l7d2m1MJpvqVPPlc17mGKyDW86wpYB8klN6GW8Wk9Nf8MhNS5W2QPTpn5sV7J6W4rmKwJ5q_PHhW3hH2sJ3hdRtTVsYqTB1jh1rrW26txDw8w-F2gVz65rn3fS8K5W3KKjtD5bDRlhVnypmg7l_4xFW7NSgXY8b3r3zW2KD_Qs8wnD4xW4-SSTZ3HvS-NW4JQ3Kl3X9-BCW8SjX896966TNW51t62X2PTfnnW5JTBpt8rsgmlW7-Ss_B32l0b7W6brH9v8gWq8DVzVwsh3tzRk9W1Py7PV5Mgm9bW1fDl5m2wCwBrW8v87S52FvSZRW5SkMWJ70nn-nW8VTfpB2CpjwxW3TMYph5T182tW7BtvV46MdZf9W5P5fkt4nZtWlW2HVX4P8D-sZYW9c88wd6KLvvjW4f22HF8Fs970W7cGMSF10Jk8pVc4pvR69768_W5GFVws6KRSpCW2lj7ll7d89wrW8DS31t6SVGX-W84FJKP5p5jvWW2K26bd22CFbyW2Bqhr2308ZP-W3k1jPq4hN1n6W9h1-tD2jFNxFW6WTMl07W7v5tW6Fc-4743_Gs-W6K8-vv47x8J1V3YZgP12QPxM103)**.** If you have a property that you believe qualifies for relief per the FHFA announcement, contact your relationship manager and servicing representative for further guidance.
* [**Mortgage Bankers Association Commercial/Multifamily-Specific Coronavirus Resources**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AW8Ml-Dl4VV6tFW4Tym7G4r8JW70/5/f18dQhb0S1Wd2WJLfhW12h79c2qy7p7W3j7p_z361djWW3ZwzJm6KrBFVW1kjXGW2HV77qW5yK3212HZfkQW7ZMcvn20nrzpW6YBJ4f4_lNWyW6z8shs3c7d-LW1LZvJM1rjYlGW4-gGgd2bVp7qW3V5M3y7rK-CWW8RKMbC8mM1qBW62mhLY2b8Pd5W7mvGXf5lm44bW5gcmQ98s3r8KW1bgsKd6YYGTQW2qq3CW603BY4W12j-jm5hbfMKW6fRP8b2WgH7fW3hQ1gW645WntW2q_5YF4YV-bnW70_dny7cJBGrW3wR9ZG4z33cdW39gctT1gkgsgW433fMR5tDL_YW3PZ8QD6ZP5vZV-Vtty1TpKSbW7ZdGGL126TkvW6wCPGf43HBQDVHDkkq6sYwN6W33lNmj8ZdccQW5j4gwd59m_ycW5Q37c612X5VXW5vhqfW1xcfvpW1_wXpP2N6mcYW1SXrL83Z5CNzW6v1c1z1nK9f5W5RHjBx4lxDYrW6Yg2Tq4xmgBcW1BPYW54DB62gW920xm23wTrL4W37pFwr8ZGq-qW3y313z56YMldV6B82B8KcX9dW52bRL65RyTqlW4XrVJK6R7dcyW1ksVXT2zdy3sW1MjYZY3p09pjW4xGjkf1zRFhkW92gJ2B2h2jNmW3w5FXs3phpNBW1zrhJj8XHxV3f42zmQm02). Upcoming MBA webinars and topline multifamily and healthcare insight, including “Contingency Plans for Closing Multifamily Loans and Similar Commercial Loans during the COVID-19 Pandemic.”
* [**NMHC Coronavirus Resources for Apartment Firms**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AW1-TkDQ7C7gNTW2L6LmS52PsW20/5/f18dQhb0S3j22k5LNLW12PbMJ2_V3SjVjqjFR2sxpNkW1njHgc4VY6vSW1cn0T27G5CrNW8SkPkX6TF0BDW5pZtQr2WMkLlW6C8XGx19zVDtW22Ym2d4fMCw_W6p-jj76qKpBkW4zB92J2dkw6pW91cP6z4DzFskW6b6fsk8zG0B4N37FmwYXCDMFW3_HK5y1fVtwCVmWzb63QcHcfW4_cVpD7lhv3VW5PB7fV8Nylw7MvFy18K1Gb8W23KqjX4-n4qTW2VhRLV2YT77zW6cZscP1k9np3W2zFp9K5_Tvj0W21ksnp7Md1sjW1MZ7bm2lQdZnW7cd9Zd2z1H0wW2BQ27l3QXrFxW8q04tY76tDXLMNP4FfFpsMmW7ZygDN8xnB41W5tkNH-11xf0HW7GnRJW5BLyL7W27W04422X5yTW4nrqR68CNztGN1-fHmj7T01JW7QV-Hx8Dd12zW3Z6G183Wvd3fW7P7Vcz4ccdDrV__GYj4SZBlhW4Q27pS7_44g4VWg06n91c-7JW9b80Kl3TrwTXN7LqdQ_51GSLW5pB9Wv659FLjW5x2tFc1BHKjsW2CTJZq7dXNMpW4pkYvD7fZLYqW1DFL8X6H3f9LW9f8Z-199LvcSW4F8fd36-QS8WW92vv0r8DChw9W43_MZb6p_PqsF30l4vG7f2MdhbM2n03). NMHC resources from legal issues and worker protection to handling packages and recommended cleaning protocols and disinfectants.
* [**National Apartment Association Guidance for Dealing with the Coronavirus**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AW7jhBSS1S4rdlVlTQff75SDTW0/5/f18dQhb0S1Wd2Rwhz9Tv_k04RB8q_N6sj_5dRWMHDW6G834K1t_sy4W6DNgkV12Pv0XW85dPl_3hgqbXN2p83LfM4GZLW8vtfF88wrWLqW41JkXR8pLpdrW8k5Cm45bccXJW39Y8lV41DSZLW3CLy_M4tlvc2W5c-pkD7y1rtCW4rts6n5VnC2TW6Bt5mC1hMN3yW70ZM6050t5KRW82523C6vggwLW50CNTY1sYqSKW3nkt-X63D3HyV3j8G73NtXvwW2tZF112nxVvqW52VdRS6s6sNgW5XQTnJ4r70zDW1xFgq425pb1lMr1v3XjYfv4W6n4fsB2-gyNTW4Gbz2f42ql6KW4sjzfw8MzXr_W31MC3k6vqcRYW52TvxT6Kd6P6W3w77vt3jWyL7W4JJDDN7dVyJWW20rMKt38Yj3RW39w49M7yMLzzW6l-VZL5NyJ-mW6V-6mc1WlSY-W5qMf-x8LvJ1MW8d2lLv1CV1CwN6DhH__MvGRnW4F5gCy4k0H2TW7q57Cx3dQlNfN59MVdT8xpqMW2QyflB7g7zKrW6KHdZ_6pGv8jW8NxdJr7VNv3wW1qTGkS94N-rPVmR86s3Njdlqf87-MMy11). A useful, regularly updated source for the latest news, best operational practices, federal, state, and local regulatory updates, and more.
* [**Fannie Mae**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AW1Ywt0p5Z8BlyW6Nhsxz7cVwMz0/5/f18dQhb0Sq5K8YHtdnN7Nykf2HyjJqMRJd0zf6M1WW3hHhd92P7_nXVcnTGj992gLmW4txBkr4rY3rmW51DnZV96Ls5VW95RRpw26px4tW3KsY6T4XySn5W1nrjx661SSZmW7mG7sD51vX4yW6HbF4t2xrgDbW5XqrwH5ZpycSW57-Ml490Zmb0W3dv1Ss3M3KtLW3dDvyr1cyTfXW1ks0Kj7SfkBcW2tFBr62z_scnW6x2RKS5-lMJcW5tkYHT2-CSCjW3dnDK0483SkRW3Y516z36g-jFW2X1TGN62RYvfW2pJWQL2CNx8sN3M6vh-XZfWHW7DGnxt1MlLtBW1-881l7WzlWPW1DfRV188h7GLW72wjT267VxHSW1S7bZK7sVmlnW1G3WpZ81PWPrW24clvN1gPc_2W76pXKr6CGpMhW65LgqR82G-VBMk_RtVVzQv-VVn7DD83vYWPW6zfHKL1Vg27PVvPj_f1SGmXpW7s5YHn2M1vgnV10N9F5xftxmW1MHjN89bY8vJV79PQS24xt43W226sSC1xMWhpN9dkdvjLG01PMrTzpY1nWFhf7S4K1F03)**/**[**Freddie Mac**](https://hv.t.hubspotemail.net/e2t/c/%2AW1nSC-P9bnxZcW2SG9wz6M6Gkq0/%2AW1wsDWd8-zCXXVg245m8-Xyw-0/5/f18dQhb0SbTJ8XJ8hgN7Nykf2HyjJqMRJd0zf6M1WW3hHh8k2P7_nXVcnTGj98JMXRW3SKmsS1x4m8yW51TK8196Ls9CW9hXpQ06R1FvzW90G7th8S3yR5VbY02S4s84PfW69_6661bnTsnW7JCxGl81bhBlW5TXwsM1Z66s1W83KHrF7J39pBW2przrY6W3RDgMHd1gvBr0q_VYSX-57m_B1RW5c8d-S377W1QW2ykwwQ3zqDSVW7f9vrV6pdN61W3600gp2h19nPN5t7V8DfJMmwW15YNfB5Dn4cLW3LMMfn2mlRnBW6_nY8x7MH6FzW3FSrdh6zYZLqF4GKCxhQfZvW5VkcGz7sss8WW1T6Xtt6K9-KwW3ZZDwz8gSB7NN538lwKnlmXQW7CtRwp5KHXhpW49kJ931rWYfzW3Cdk0d3wv7SmW4bJ00X7vSgz8W7y0K921Xb964W7jZK2C2JCK1SW7t4Q7V4rtTgfW2L5Ghq8ksMY1W1VPXm77ZBlY5W8cVrL_9gqGtJW2XhzGK6QTdJ9MlJKk6ZpcmqV9ZLcK2gYz1z111)**Covid-19 Updates**. Get the latest announcement and authoritative information on such issues as property inspections and risk mitigation.
 |

 |