

Freddie Mac Duty to Serve Community Land Trusts Mortgages

Making and Keeping Homes Affordable

We've reimagined the mortgage process for Community Land Trusts (CLTs) and properties subject to resale restriction. We believe we've found the right balance among the interests of CLTs, borrowers and lenders. Our updates preserve affordable housing units over time, promote sustainable homeownership for borrowers and provide simpler underwriting requirements for lenders.

Helping You Support Affordable Housing Preservation

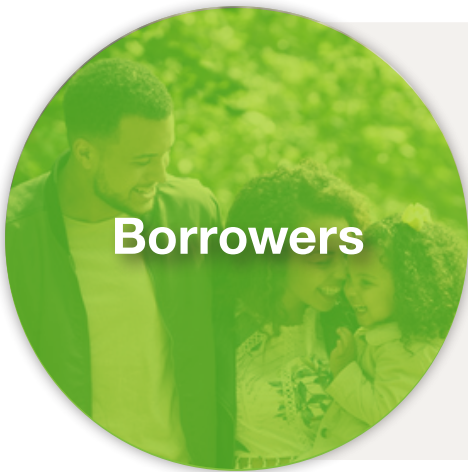
Our mortgage offerings allow CLTs and lenders to provide more families with low and moderate incomes with access to credit.

Here is what our offerings mean for you:



Our mortgage offerings will help you:

- Preserve affordability over time and keep affordable homes in your inventory.
- Require servicers to notify you of a borrower's default so you can intervene. CLT Ground Lease Rider does just that. It requires servicers to notify you of a borrower's default to provide you with more time and choices to prevent foreclosure and to coordinate loss mitigation activities.
- Diversify the mortgage products your homebuyers and homeowners can access for purchase and refinance.



Borrowers now have:

- Additional options for permanently affordable homeownership.
- Access to pre- and post-home purchase counseling and support.
- Access to Freddie Mac's affordable lending product, Home Possible®, which allows higher loan-to-value ratios.



We're giving you guidance so you can be comfortable increasing your participation in the shared equity homeownership field. This means:

- Simpler requirements to evaluate CLTs.
- Clearer and simpler requirements for appraisal of leasehold interests.
- Specific guidance to collaborate with CLTs on delinquency management.

To sell CLT Mortgages to Freddie Mac, Sellers must obtain our written approval. Contact your Freddie Mac account representative or the Customer Support Contact Center (800-FREDDIE) to learn how. Additionally, Sellers must complete Freddie Mac's Seller/Service Community Land Trust training that is available on the Freddie Mac Learning Center (www.freddiemac.com/learn/)

For more information on selling and servicing CLT mortgages to Freddie Mac:

Read our *Single-Family Seller/Service Guide* Bulletin 2018-16

Contact your Freddie Mac account representative or the Customer Support Contact Center (800-FREDDIE)

Visit our Single-Family Duty to Serve web page (www.freddiemac.com/singlefamily/duty-to-serve/) and click the Affordable Housing Preservation tab.