

# Overview: Selling Rep and Warranty Framework and Disaster-Related Forbearance

The Disaster-Related Forbearance policy accounts for eligible borrowers affected by disasters who received assistance with their mortgage payments. Loans covered by this policy may still be eligible for early selling representation and warranty (R&W) relief, contingent upon proper Servicer reporting. Refer to *Single-Family Seller/Server Guide (Guide) Bulletin 2017-28* and Guide Section 1301.11 for more details.



## Important Terms



### Alternative Payment Plan (APP)

When the servicer provides an approved alternative to the current payment schedule.



### Disaster Relief Forbearance

Allows eligible borrowers to make reduced or no payments during the term of the plan, which, in turn, impacts their delinquency status.



### Disaster Relief Remedies

Approved remedies can close the APP and bring a loan back to current or “full reinstatement,” so the seller may be eligible for relief.

- Full reinstatements: Report alone; ends coverage in the prior month
- Loan mods: Report and settle on Freddie Mac’s system to end the APP
- Repayment plans: Report each month until delinquency cured

## Disaster-Related Loan Events in Loan Coverage Advisor

You can now easily access and track relief status and disaster-related APP information.



### Search

New advanced search options and updated search results offer loan-level information related to APP events:

- New “Default Management Reported” event & sub-event types
- New Selling R&W Relief reason: “Acceptable Pay History (Alternative Payment Plan)”
- Updated one 30 day and two 30 day delinquency searches to exclude all loans that have an APP



### View

The Loan Risk Details page, shows if the loan has been affected by an eligible disaster and APP:

- New Alternative Payment Plan Status and Alternative Payment Plan Period sub sections added to Current Coverage
- PDF download displays the APP
- Event details table displays loan event & sub-event details, including new info icons with event descriptions



### Report

Updated reports show APP information and relief status of disaster-impacted loans:

- Updated Planned Relief Date Trend Report includes: “Planned R&W Period Changes Due To Default Management Reported and Loan Modification” which may contain loans affected by an eligible disaster
- Selling R&W Relief Summary and Relief Date reports include new Selling R&W Relief reason “Acceptable Pay History (Alternative Payment Plan)”

## Resources



### Policy Guidelines

Refer to Single-Family Seller/Servicer [Guide Bulletin 2017-28](#)



### Quick Guides & Education

Find resources and information online:

- [Natural Disaster Relief](#)
- [FEMA Disaster Declarations](#)
- [Freddie Mac Learning](#)



### Loan Coverage Advisor Updates

Refer to Loan Coverage Advisor [release notes](#) and [web page](#) for additional information



### End User Support

Reach out directly to Customer Support Contact Center (800-FREDDIE) or the [Loan Coverage Advisor Business Operations team](#)

Questions? Please visit the Loan Coverage Advisor [web page](#) or contact us at [RW\\_Ops@freddiemac.com](mailto:RW_Ops@freddiemac.com).