

Fannie Mae Announces National REO Rental Policy Renters in Fannie Mae-Owned Foreclosed Properties Eligible to Stay in Their Homes

WASHINGTON, DC -- Fannie Mae (FNM/NYSE) today announced the establishment of a new National Real Estate Owned (REO) Rental Policy that will allow qualified renters in Fannie Mae-owned foreclosed properties to stay in their homes. The company currently has an eviction suspension in place through the end of January which will allow for the new policy to be fully operationalized prior to the suspension concluding.

"Renters in foreclosed properties have often been a casualty of the foreclosure crisis the country is facing," said Michael Williams, chief operating officer of Fannie Mae. "This policy will allow qualified renters to remain in Fannie Mae-owned properties should they choose to do so, mitigate the disruption of personal lives that foreclosures can cause, and help bring a measure of stability to communities impacted by high foreclosure rates."

The new policy applies to renters occupying foreclosed properties at the time Fannie Mae acquires the property. Renters occupying any type of single-family property will be eligible including residents of two- to four-unit properties, condos, co-ops, single-family detached homes and manufactured housing. Eligible renters will be offered a new month-to-month lease with Fannie Mae or financial assistance for their transition to new housing should they choose to vacate the property. The properties must meet state laws and local code requirements for a rental property.

While the company markets the properties for sale, Fannie Mae will manage the properties through a real estate broker or a property management company. The company will not require security deposits to be posted in connection with this program.

Renters in the foreclosed properties will be asked to pay market rate rent under the new leases. Rates may be determined by reviewing local comparable rents, conducting a neighborhood survey, or through other relevant indicators. Rates will also be subject to any legal rent control restrictions. The company will review each instance where the market rate may require a tenant to pay additional rent and will work to reach an equitable resolution.

On behalf of the company, property managers are contacting renters in Fannie Mae-owned foreclosed properties to notify them of their options.

For more information, please review the [policy FAQs](#) at fanniemae.com.