

---

# FEDERAL HOUSING FINANCE AGENCY



## NEWS RELEASE

---

For Immediate Release  
December 18, 2008

**Contact:** Corinne Russell (202) 414-6921  
Stefanie Mullin (202) 414-6376

### **FHFA ANNOUNCES IMPLEMENTATION PLANS FOR STREAMLINED LOAN MODIFICATION PROGRAM**

**Washington, DC** – Representatives of the Federal Housing Finance Agency, Fannie Mae, Freddie Mac and Hope Now announced today that the Streamlined Modification Program (SMP) was launched December 15<sup>th</sup> as planned. The SMP, which was developed by FHFA in conjunction with Fannie Mae, Freddie Mac, Hope Now and mortgage servicers, is already making progress in preventing foreclosures.

“Foreclosure prevention is critical for individuals and families, their communities and the overall housing market,” said FHFA Director James B. Lockhart. “I am pleased that our program is being rolled out right on schedule and that servicers are already working at modifying delinquent loans with the goal of keeping people in their homes.”

As announced in November, the SMP is an expedited program that targets troubled borrowers. To be considered for the program, a seriously delinquent borrower should contact his or her servicer who will try to arrange an affordable monthly mortgage payment. If the servicer is unable to create an affordable payment with this streamlined program, it will further evaluate the borrower’s situation through a customized process. The key to success is the borrower’s ongoing cooperation and communication with the servicer.

At a background briefing today, representatives of FHFA, Fannie Mae, Freddie Mac and Hope Now outlined the guidelines and demonstrated the qualification tools being used to expedite the loan modification process.

“FHFA has been working with program participants to get the program up and running as quickly as possible,” said Lockhart. “The SMP is on track and is fast becoming the industry standard for other loan modification programs also being developed,” said Lockhart. “Together these efforts are expected to prevent hundreds of thousands of foreclosures, which will help homeowners, the housing market and ultimately, the economy overall.”

Links to Briefing Materials:

Freddie Mac's Bulletin with program guidelines:  
<http://www.freddiemac.com/sell/guide/bulletins/pdf/bll121208.pdf>

Fannie Mae's Announcement with program guidelines:  
<https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2008/0833.pdf>

###

*The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$6.2 trillion in funding for the U.S. mortgage markets and financial institutions.*