

## Fannie Mae's REO Tenant-in-Place Rental Policy FAQs

Fannie Mae's rental policy allows renters in Fannie Mae-owned, single-family foreclosed properties the opportunity to stay in their homes by signing a new month-to-month lease with Fannie Mae.

### Who is affected by the rental policy?

The Tenant-in-Place rental policy applies to renters occupying a Fannie Mae-owned home at the time of foreclosure. Mortgagors may also have the opportunity to rent through Fannie Mae's Deed-for-Lease program (more information on this program is available at [www.fanniemae.com](http://www.fanniemae.com))

Renters occupying any type of single-family property will be eligible including residents of two- to four-unit properties, condos, co-op, single-family detached homes and manufactured housing, where the homeowners associations do not prohibit rentals. The policy applies to all renter-occupied single-family Fannie Mae-owned properties. Approval from the Department of Housing and Urban Development will be required on properties where the loans were insured by FHA.

### How do renters know if they are in a Fannie Mae-owned foreclosed property?

Property managers will contact occupants to notify them of their options and leave the Fannie Mae *Knowing Your Options* flyer at the property with contact details for more information.

The *Knowing Your Options* document sets forth some options available to renters after foreclosure such as a new lease with Fannie Mae, remaining under the terms of an existing lease or tenancy pursuant to federal or state law or relocation assistance. The document is not intended to cover all the options available to a renter. If you have questions regarding your rights, you should seek the advice of an attorney, see [www.findlegalhelp.org](http://www.findlegalhelp.org) for attorneys in your area.

### What are the requirements for a new lease with Fannie Mae?

The property must meet state laws and local code requirements for a rental property and otherwise be habitable. Renters must be occupying the property at the time of foreclosure. Fannie Mae will not require a payment history or credit check, but may require a background check.

If a property or potential renter does not meet these requirements, relocation assistance will be offered as an alternative.

### Can I remain as a tenant with my existing lease?

You may be entitled to remain under the terms of your existing lease pursuant to the Protecting Tenants at Foreclosure Act or other applicable law. Please contact the broker or property manager identified in the Fannie Mae "Knowing Your Options" document to provide information about your lease or tenancy. In addition, if you have any questions regarding the Protecting Tenants at Foreclosure Act or your rights as an occupant of the property, you should seek the advice of an attorney. You may find legal help at [www.findlegalhelp.org](http://www.findlegalhelp.org).



## **How will rent be established for new leases?**

Renters entering into new leases with Fannie Mae will be charged market rate rent under the new lease. Market rates may be determined by reviewing comparable local rents, conducting a neighborhood survey or through other relevant indicators.

## **What if a property is qualified as Section 8 or under rent control?**

Fannie Mae will request tenant to provide Section 8 voucher information and lease information in connection with Section 8 and rent control properties.

## **Will the property be for sale?**

Fannie Mae reserves the right to market the property for sale unless prohibited by a pre-existing bona fide lease. The property may undergo repair or rehab while occupied with a renter under a Fannie Mae lease. If the property sells, the lease may be transferred to the new owner.

## **How will the property be managed?**

Fannie Mae will manage the property through a real estate broker or a property management company. The real estate broker or property management company will collect rents, coordinate property repairs and respond to any property safety issues as appropriate.

## **Does the policy apply in all locations?**

Yes. Leases will be offered anywhere Fannie Mae does business and has eligible properties and tenants.

## **Who should I contact for more information?**

Contact Fannie Mae's Consumer Resource Center at 1-800-7FANNIE (1-800-732-6643) for additional information on the policy. You may find legal help at [www.findlegalhelp.org](http://www.findlegalhelp.org).