

# Bulletin

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NUMBER: 2010-32

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TO: Freddie Mac Servicers

December 17, 2010

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**SUBJECT: EXTENSION OF SERVICE MEMBER FORECLOSURE PROTECTION**

With this *Single-Family Seller/Servicer Guide* (“Guide”) Bulletin, we are revising the expiration date of the extended stay of foreclosure protections for service members originally provided under the Housing and Economic Recovery Act of 2008’s (HERA) amendments of the Servicemembers Civil Relief Act (SCRA).

HERA provided additional protections to service members by amending the SCRA to temporarily extend the stay of foreclosure and legal proceedings from 90 days to a period of nine months after the service member's release from active duty.

This HERA provision, as set forth in Guide Sections 66.12.1, *Approving Initiation of Foreclosure on Mortgaged Premises Owned by Borrowers in Active Military Service*, and 82.1, *Military Relief*, expires on December 31, 2010. However, with this Bulletin, Freddie Mac is extending the availability of these protections by revising the expiration date to **December 31, 2011**.

Effective immediately, Servicers must not initiate or resume foreclosure for at least nine months after a service member is released from active duty when the service member is released from active duty on or before December 31, 2011.

Applicable Guide sections will be updated in a future Bulletin to reflect these changes.

**Monthly reporting reminder**

Servicers must notify Freddie Mac via an Electronic Default Reporting (EDR) transmission within the first three Business Days of the month following the month that a Borrower is granted military relief that interferes with a foreclosure action. Servicers must indicate that the military relief is in effect by using a default action code of 32 and providing the date the relief was granted. Servicers must continue to report each month that the Borrower is receiving relief until it has ended.

**CONCLUSION**

If you have any questions about the changes announced in this Bulletin, please contact your Freddie Mac representative or call (800) FREDDIE and select Servicing.

Sincerely,



Tracy Mooney  
Senior Vice President  
Servicer Relationship & Performance Management