

Monday, February 16, 2009, 10:00am CST

Fannie, Freddie to suspend foreclosure sales

Fannie Mae and **Freddie Mac** said they will suspend all foreclosure sales involving occupied single-family and two- to four-unit properties through March 6.

The suspension will give loan servicers more time to help troubled borrowers find an alternative to foreclosure.

The housing giants, which were seized by the government last fall, had said they would suspend evictions and foreclosure sales between Nov. 26 and Jan. 9, a decision affecting thousands of proposed sales.

The latest suspension does not apply to vacant properties in foreclosure.

McLean, Va.-based Freddie (NYSE: FRE) and Washington D.C.-based Fannie (NYSE: FNM) own or guarantee almost half of the country's mortgages.

Freddie Mac said it gives lenders servicing its mortgages broad authority to provide forbearance to borrowers who are not yet delinquent. In addition, lenders can provide permanent rate reductions, mortgage term extensions, forbearance of principal or other modifications to borrowers who are already delinquent.

Courtesy of JB Goodwin