

Arbor is working to make the industry more equitable for everyone. This includes establishing new ways to improve economic mobility and narrow the wealth gap renters may face today. There are 44+ million renter households in the U.S., but less than 10% of on-time rents are reported to credit bureaus. Overall, renters have much lower credit scores than homeowners and some renters have no score at all (i.e., “credit invisible”). To address these disparities, Freddie Mac<sup>®</sup> will incentivize borrowers to report on-time rents through credit-reporting services, such as Esusu Financial Inc. Esusu’s platform enables reporting on-time rent payments to the three major credit bureaus, helping build renters’ credit scores.

### Benefits for Renters

- Establishes credit scores for renters who are currently “credit invisible” and gives them the ability to improve credit scores for those with existing records
- A stronger credit score may enable renters to access diverse financing, obtain financing with lower interest rates, avoid unbreakable debt traps, and qualify for future mortgages
- Only on-time rental payments are reported to the credit bureaus; renters are automatically unenrolled with a late or missed payment

### Benefits for Borrowers

- Improves property collections – rent reporting motivates residents to make on-time payments
- A year of credit-reporting services at a significant discount or at no cost
- Improves marketability and reduces turnover – two out of three surveyed renters would favor a property that offers these services
- Improves net operating income – more stable collections and lower turnover mean a better bottom line

### Rent Reporting – How Esusu Works with Borrowers

- **Comprehensive Reporting:** Esusu reports on-time rent payments to all three major credit bureaus
- **Immediate Impact:** Esusu’s ability to report up to 24 months of historical payments means that the credit scores of some renters’ will increase immediately
- **Ease of Reporting:** Esusu’s software links to existing property management software; this means no added work for borrowers or property managers to enroll renters
- **Impact Visibility:** Borrowers receive feedback on property-level credit building through a real-time dashboard

### Enroll Now

Please reach out and enroll with Esusu directly at [FRE@esusu.org](mailto:FRE@esusu.org)

Borrowers participating in Freddie Mac’s credit-building program are eligible for the following discounts. Please reach out to your Arbor representative for more details, including available subsidies.

	Esusu Market Rates	Freddie Mac Discounted Rates
<b>Targeted Affordable Housing (TAH) and Conventional</b>		
Onboarding Fee	\$3,500	\$3,500
Maximum Monthly Fees	\$2.00/unit	\$1.50/unit
<i>*If multiple properties are enrolled at once, the enrollment fee is waived for each additional property after the first.</i>		
<b>Small Balance Loans (SBL)</b>		
Delivery Fee	\$3,500	No onboarding fee
Maximum Monthly Fee	\$2.00/unit	No monthly fee
Maximum Annual Fee	N/A	5-50 units: \$1,000 >50 units: \$2,000
Volume Discount	N/A	Enroll 10+ properties: 30% Enroll 20+ properties: 50%