



Tenant Advancement: Credit Building through Rent Reporting Help Your Renters, Improve Your Property Performance

We are working to make our industry more equitable for everyone. This includes establishing new ways to improve economic mobility and narrow the wealth gap many renters 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 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 to build renters’ credit scores.

Benefits for Renters

- Establish credit scores for renters who are currently “credit invisible” and 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

- Improve property collections — rent reporting motivates residents to make on-time payments
- Improve marketability and reduce turnover — 2 out of 3 surveyed renters would favor a property that offers these services
- Improve 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 some renters’ credit scores 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

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

	Esusu Market Rates	Freddie Mac Discounted Rates	
Targeted Affordable Housing (TAH) and Conventional			
Onboarding Fee	\$3,500	\$3,500*	
Maximum Monthly Fee	\$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>			
Small Balance Loans (SBL)			
Onboarding 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%