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By Moe Bedard.

Big mortgage lenders agree to help homeowners with bad drywall

WASHINGTON, D.C. (LoanSafe.org) — Some relief is coming for those with Chinese drywall in their [homes](#), U.S. Sen. Bill Nelson says. The defective drywall has been linked to possible health problems and causes corrosion of electrical wiring, appliances and air conditioning units.

At the urging of Nelson and others, some of the largest mortgage holders, Fannie Mae and Freddie Mac, now say they'll direct mortgage servicers to provide up to six months delay on affected homeowners' [loan](#) payments with Fannie and up to 12 months with Freddie. It will be done on a case-by-case basis and will require a [property](#) inspection to confirm the drywall problem. They made the announcement in a letter to Nelson yesterday.

"It's taken a long time for help to come," Nelson said. "But this is some welcome [news](#) for folks who are out there really struggling."

Tainted drywall was first investigated by Nelson more than a year ago with complaints that some wallboard made in China gave off a sulfuric gas that smelled bad, corroded metal in the home and caused health problems. The [Florida](#) Democrat was the first official to call for an investigation of the toxic drywall by the U.S. Consumer Product Safety Commission, which was in February 2009.

This past April, he and Sen. Mary Landrieu of Louisiana – another state hit hard by the drywall – wrote the Federal Housing Finance Agency seeking a hardship policy that would give homeowners with drywall problems up to six months forbearance on their mortgage. Also in April, Nelson raised the issue with China's President Hu Jintao in a

meeting between the two. Likewise, Nelson asked Secretary of State Hillary Clinton to make the issue a priority in U.S. talks with the Chinese.

There have been around 3,400 reported cases of toxic drywall in the U.S., with nearly 2,000 of these cases coming from Florida. Nelson got involved because a lot of Chinese drywall was brought into Florida to repair homes after hurricanes hit the state hard in 2004 and 2005. Likewise, Louisiana and other Gulf coast states are seeing reports of the drywall because it was used in rebuilding after Katrina. Many of those states, including Florida, also underwent a huge housing boom in the past decade.

Most instances in Palm Beach County seem to have been in Boynton Beach and Delray. "Folks need to know that relief is now available, so they can apply for it," Nelson said.

He's intending [today](#) to meet with representatives of a few local homeowner associations on the drywall development including Ken Lassiter, President of Coalition of Boynton West Residences Association, and a homeowners there, Mitchell Rubin, along with Robert Schulbaum, president of The Alliance of Delray.

If homeowners don't know whether their loan is owned or guaranteed by Fannie or Freddie, they can go to the Website of each and type in their address. Here are those links:

<http://www.fanniemae.com/loanlookup/>

About Moe Bedard

I am the founder of LoanSafe.org, LoanWorkout.org and CEO of MoeSeo Inc. My work has been featured in the New York Times, LA Times, Fox Business and many other media publications. My goal is to help people with my websites and restore hope through the internet. I was born and raised in Southern California and currently reside in Temecula, California with my wife and five children.