



**California Wildfires:  
Natural Disaster Relief for Loan Collateral  
February 19, 2025**

In response to the California Wildfires, FHLBank Atlanta has implemented its natural disaster relief policy for loan collateral. Eligible loan collateral must be secured by property within counties currently designated as areas qualifying for individual assistance by the Federal Emergency Management Agency (FEMA) for the [California Wildfires](#).

Please contact your [collateral relationship specialist](#) at **800.536.9650** with any questions or to request approval to participate in any of the relief options.

**Loans with Forbearance Agreements**

The Bank will accept loan collateral under a forbearance agreement in conjunction with the California Wildfires in all loan portfolios, with the exception of loans reported in the Residential Available for Sale program, assuming the following requirements are met:

1. Members should request approval to report loans under a forbearance agreement in conjunction with the California Wildfires.
2. Only loans on property within those counties designated by FEMA as qualifying for individual assistance are eligible under the Bank's natural disaster policy.
3. The original, wet ink paper note is in the member's possession, or the member maintains control via a document custody or servicing agreement and can deliver the original note for review.
4. Loans exceeding 30 days past due at the time forbearance was granted due to the California Wildfires are acceptable, provided that the loans cannot have exceeded 30 days past due as of the initial FEMA disaster declaration date (Initial Date). The Initial Date for the California Wildfires disaster is 01/08/2025.
5. Forbearance agreements due to the California Wildfires must be dated between the Initial Date and six months from the Initial Date to be eligible.
6. Loan forbearance agreements may provide forbearance from repayment terms for up to six months.
7. In order to be eligible for reporting, members must have provided, at a minimum, written notification to the borrower of the forbearance status of the loan at the time forbearance was granted. A forbearance agreement executed by the borrower must exist prior to the end of the forbearance period, with the following exceptions:

- The borrower resolves the deferred payments in a lump sum at the conclusion of the forbearance period;
  - The initial forbearance notification or a subsequent notification delivered to the borrower, prior to the end of the forbearance period, details the approved repayment option requested by the borrower, including the terms of the repayment (e.g., six-month repayment plan, or extension of maturity [when automatically permitted by the note or loan agreement], etc.);
  - If a loan modification follows the forbearance period, the loan modification agreement executed by the borrower resolves the requirement for a forbearance agreement executed by the borrower.
8. Loan forbearance agreements executed by electronic signature or wet signed and then scanned or imaged would be subject to the Bank's [existing requirements](#) for copies of note modifications and note modifications that are electronically signed.
  9. All other loan collateral eligibility requirements remain in effect, including, but not limited to, the Guidelines to Promote Responsible Lending.

Members required to deliver loan files due to credit score must have a forbearance agreement executed by the borrower.

The Bank will contact members reporting via loan listings with instructions on reporting loans under forbearance due to the California Wildfires, or members may contact Nick Aston, Mortgage Valuation Manager, at **800.536.9650 ext. 8172**.

Members requesting relief for loans under forbearance will need to report the percentage of loans under forbearance on page three of QCRs. An example showing the page three reporting fields is shown below.

**1. Mitigated Environmental Risk Loans** Required

Reported loans secured by properties with potential environmental risk, and that have a related clean or resolved Phase 1 environmental report 0 %

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**2. Reported UPB Under Natural Disaster Forbearance** Required  
Total must equal 100%

Loans under forbearance related to Hurricane Debby, Helene or Milton	1 %
Loans under forbearance related to the CA Wildfires	1 %
Loans without forbearance related to Hurricane Debby, Helene, Milton or the CA Wildfires	98 %

0%  
Remaining

SAVE AND FINISH LATER CLEAR ALL CANCEL CONTINUE