

Summary of Relief Available for Certain Mortgage Borrowers Impacted by the Presidentially Declared COVID-19 National Emergency

The information summarized below regarding FHA-insured, USDA, and VA loans, and loans owned by Fannie Mae and Freddie Mac, is current as of March 20, 2020. Updates to this Summary, as well as any new information that is announced regarding mortgage loans owned by other entities, such as private label securitized loans, will be posted on NFHA's [COVID-19 Updates webpage](#).

General Policy for All Types of Mortgage Loans:

- Borrowers impacted by COVID-19 **must** contact their mortgage servicer if they are unable to make mortgage payments.

I. FHA Insured Single-Family Mortgages and Home Equity Conversion Mortgages

HUD Mortgagee Letter 2020-04

- Initiation of Foreclosures and conducting Foreclosure Sales immediately suspended for 60 days (May 17, 2020).
- Evictions of persons from properties secured by FHA-Insured Single-Family Mortgages suspended for 60 days.
- Borrowers impacted by COVID-19 should contact their mortgage servicer if they are unable to make mortgage payments.
- FHA Servicers must review impacted borrowers for short and long-term forbearance options, loan modifications, and other options based on the borrower's individual circumstances.
- HUD has sold many FHA-insured loans to private investors. Remind your clients to confirm with their Servicer whether their loan is still FHA-insured.

II. USDA Rural Development March 17, 2020 Bulletin

- USDA encourages SFHGLP loan servicers to extend forbearance alternatives to borrowers whose health or employment has been impacted as a result of COVID-19.
- USDA Rural Development requires that holders suspend all foreclosure activity until April 30, 2020.
- Foreclosure suspension applies to the initiation of new foreclosure actions and to foreclosure actions already in process.

III. VA Circular 26-20-08

- VA strongly encourages loan holders to establish a sixty-day moratorium beginning March 18, 2020, on completing pending foreclosures or initiating new foreclosures on loans.

HUD/FHA, USDA and VA Announcements Did Not Address These Issues:

- Whether Credit Bureau Reporting of unpaid payments during a forbearance plan related to COVID-19 will be suspended.
- Whether Servicers are required to obtain documentation of the hardship.
- Whether borrowers in a forbearance plan will or will not incur late fees.

IV. Single Family Mortgage Loans Owned by Fannie Mae and Freddie Mac

Fannie Mae Lender Letter 2020-02

Freddie Mac Bulletin 20204

- Foreclosure Sales and Evictions are suspended for at least 60 days (May 17, 2020).
 - Applies to principal residence, second homes, and investment property.
 - Does not apply to properties that Servicers have determined are vacant or abandoned.
- Borrowers impacted by COVID-19 should contact their mortgage servicer if they are unable to make mortgage payments.
- Impacted Borrowers can request “forbearance” – a suspension or reduction in mortgage payments for up to 12 months. Borrowers in a forbearance plan will not incur late fees.

- Borrowers in a forbearance plan will not incur late fees.
- Credit Bureau Reporting of unpaid payments during a forbearance plan related to COVID-19 is suspended.
- Servicers are not required to obtain documentation of the hardship.
- Near the end of the forbearance period, Servicers must work with borrowers to provide a permanent solution to bring the loan current, including review for a loan modification.
- Fannie Mae Disaster Response Network at 1-877-542-9723; Monday to Friday, 7 a.m. to 7 p.m. ET; Call will be answered by "Porchlight Disaster Recovery Assistance Team.
- 1-800-FREDDIE (1-800-373-3343); Monday – Friday, 8:30 a.m. to 7 p.m. ET; Select option 2 to be connected to a live agent to assist.

To Determine Whether a Loan is Owned by Fannie Mae or Freddie Mac:

Fannie Mae Loan Lookup

Freddie Mac Loan Lookup

- Fannie Mae and Freddie Mac have sold many delinquent loans to private investors.
- Remind your clients to confirm with their Servicer or use the websites above to confirm whether their loan is owned by Fannie Mae or Freddie Mac.

V. Individual Bank Announcements

Several banks have announced that customers may request to defer payments on mortgages, Home Equity Loans and Lines of Credit that are owned by the banks. Customers must contact their bank to determine eligibility to defer payments

VI. Local and Statewide Court Orders Prohibiting Foreclosure Sales and Evictions

Many state courts have issued administrative orders suspending trials, foreclosure sales, and evictions.

If your local or state court has issued such an order, all homeowners are protected, regardless of the entity that owns or insures their loan.

This [link](#) contains information about many local and statewide orders, including links to some court orders.