



# Forbearance Options and Resources

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**Participant Access Code: 520459**

**March 22, 2021**

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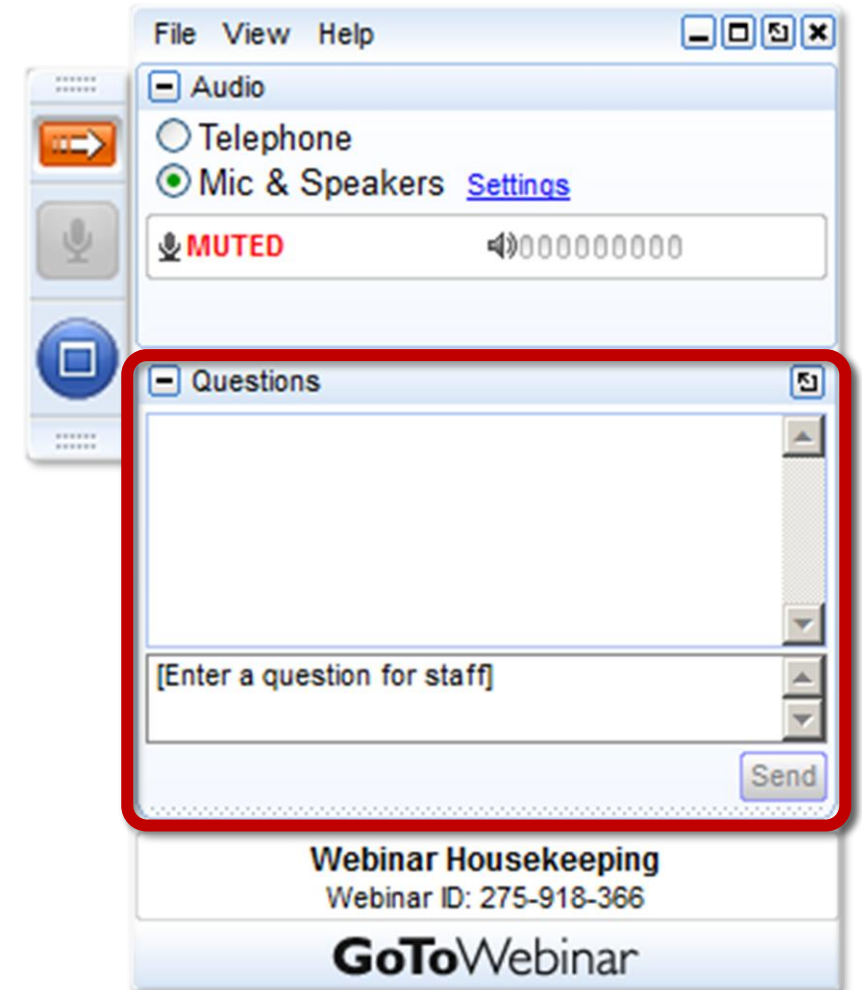
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- [Visit the Training Digest on the HUD Exchange](#)
- View upcoming training hosted by HUD & other partners



## Housing Counseling Weekly Training Digest

The Housing Counseling Training Digest is updated weekly to reflect trainings hosted by:

- HUD Office of Housing Counseling (OHC)
- OHC funded training partners
- Other partners that host trainings of interest to housing counselors

Please email [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) to notify HUD about upcoming training and events for housing counselors.

**Content current as of November 16, 2020**

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### Webinar Archive

View past webinars hosted by the Office of Housing Counseling and access related materials.



### Online Training

Access self-paced online training modules, such as Introduction to Housing Counseling.

# Polling Question



**So that we can know our audience,  
please tell us who you are:**

- Housing counselor or housing counseling agency
- Lender
- Real Estate professional
- Consumer
- Other





# Introduction

**David Berenbaum**

Deputy Assistant Secretary  
HUD Office of Housing Counseling (OHC)



# Presenters



## **Consumer Financial Protection Bureau**

Nora O'Reilly, Financial Analyst, Office of Mortgage Markets



## **HUD Office of Housing Counseling**

Rob Weber, Housing Program Specialist  
Office of Outreach and Capacity Building



## **Federal Housing Finance Agency**

Lori Bowers, Policy Analyst



## **U.S. Department of Agriculture**

Richard Kane, Deputy Director, Loan Servicing Branch  
Single Family Housing Guaranteed Loan Program



## **Office of Veterans Affairs**

Victoria Arnoldi, Loan Guaranty Service

# **Consumer Financial Protection Bureau Overview of Forbearance Protections and Resources**

Nora O'Reilly

Financial Analyst, Office of Mortgage Markets

March 22, 2021

# Welcome!

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Purpose: To provide information about forbearance protections and resources to assist homeowners.

Primary Audience: Housing counselors and intermediaries

- For homeowners on the call:
  - Visit our Housing Hub: [consumerfinance.gov/housing](https://consumerfinance.gov/housing)
  - Locate a housing counselor: [hud.gov/findacounselor](https://hud.gov/findacounselor)
  - Contact your servicer
  - Submit a complaint about a company: [consumerfinance.gov/complaint](https://consumerfinance.gov/complaint)

# Agenda

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- Basics of forbearance protections
- Review of recent market data and target populations
- Overview of CFPB resources for navigating forbearance

*Disclosure: This presentation is being made by a Consumer Financial Protection Bureau representative on behalf of the Bureau. It does not constitute legal interpretation, guidance, or advice of the Consumer Financial Protection Bureau. Any opinions or views stated by the presenter are the presenter's own and may not represent the Bureau's views. This document is being used in support of a live discussion. As such, it does not necessarily express the entirety of that discussion nor the relative emphasis of topics therein.*

# Overview of Forbearance Protections

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- Under the CARES Act, there are two protections for homeowners with federally or Government Sponsored Enterprise (GSE) backed mortgages.
  - The lender or loan servicer **may not foreclose until after June 30, 2021.**
  - If homeowners experience financial hardship due to the coronavirus pandemic, they have the **right to request and obtain a forbearance for up to 180 days** and an extension for up to another 180 days (for a total of up to 360 days). Depending on when they obtained an initial forbearance, some homeowners may be eligible for up to two additional three-month extensions.
- **Some federally backed mortgage loans have a June 30, 2021 deadline for requesting an initial forbearance.** Those facing financial hardships should ask for forbearance immediately.

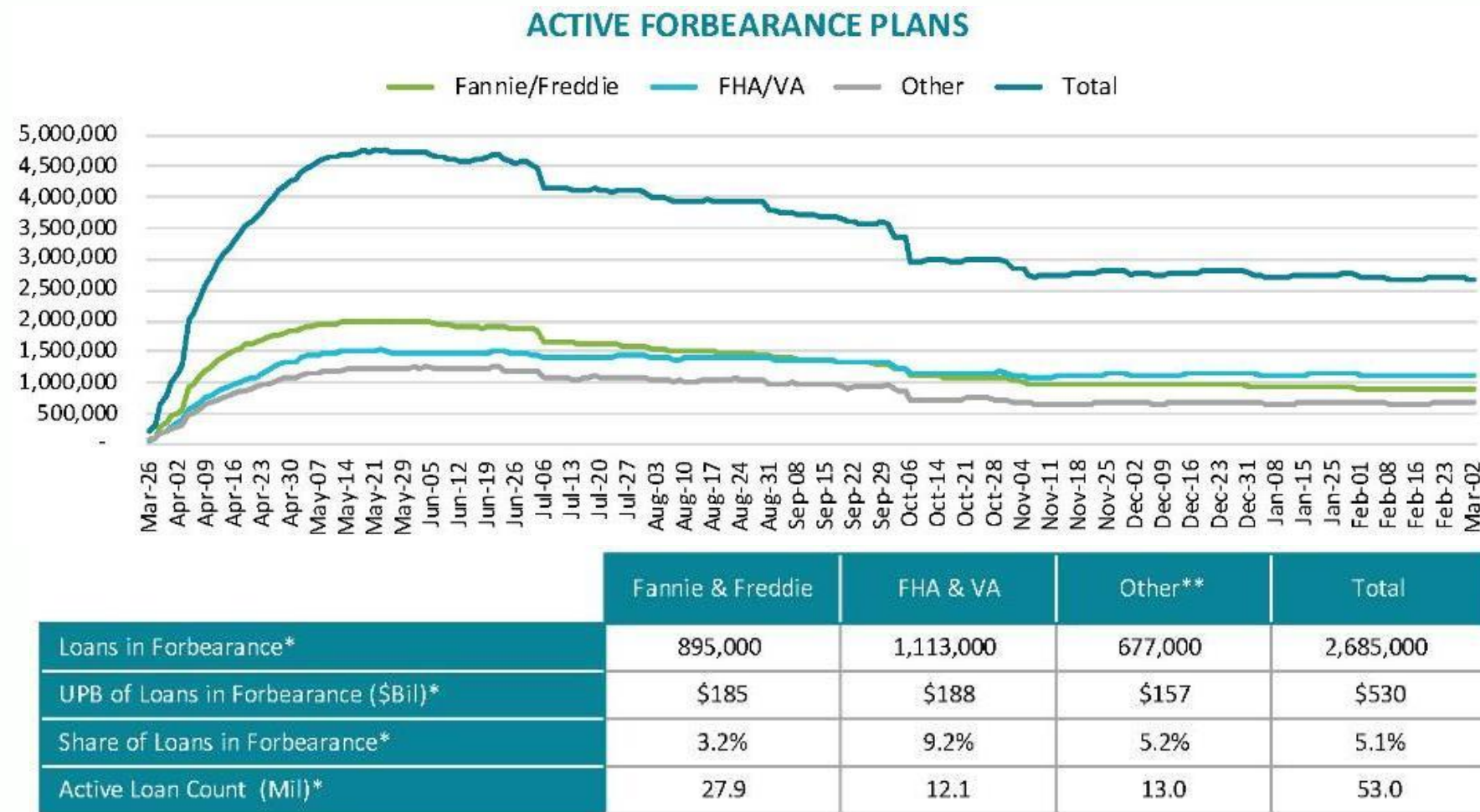
# Overview of Forbearance Protections

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- Under the CARES Act and HUD guidance, there are also protections for homeowners with Home Equity Conversion Mortgages (HECMs)
  - The lender or loan servicer **may not foreclose until after June 30, 2021.**
  - Homeowners may ask their lender or loan servicer to **delay calling their loan due and payable for up to six months**, with an additional six-month extension if needed. Homeowners who applied for their initial extension by June 30, 2020 may be eligible for up to two additional three-month extensions.
  - The eligible non-borrowing spouse or heirs may ask the lender or loan servicer for the above extensions when a reverse mortgage borrower dies.
  - The deadline to **request an initial extension is June 30, 2021.**

# Recent Market Data: Active Forbearance Plans

Of the approximately 6.9 million homeowners that have entered forbearance plans since the beginning of the pandemic, about 40% (2.7 million) remain in active forbearance as of early March.



\*Figures in this report are based on observations from Black Knight's McDash Flash data set and are extrapolated to estimate the full mortgage market

\*\*Other category includes held in portfolios, private labeled securities, or by other entities

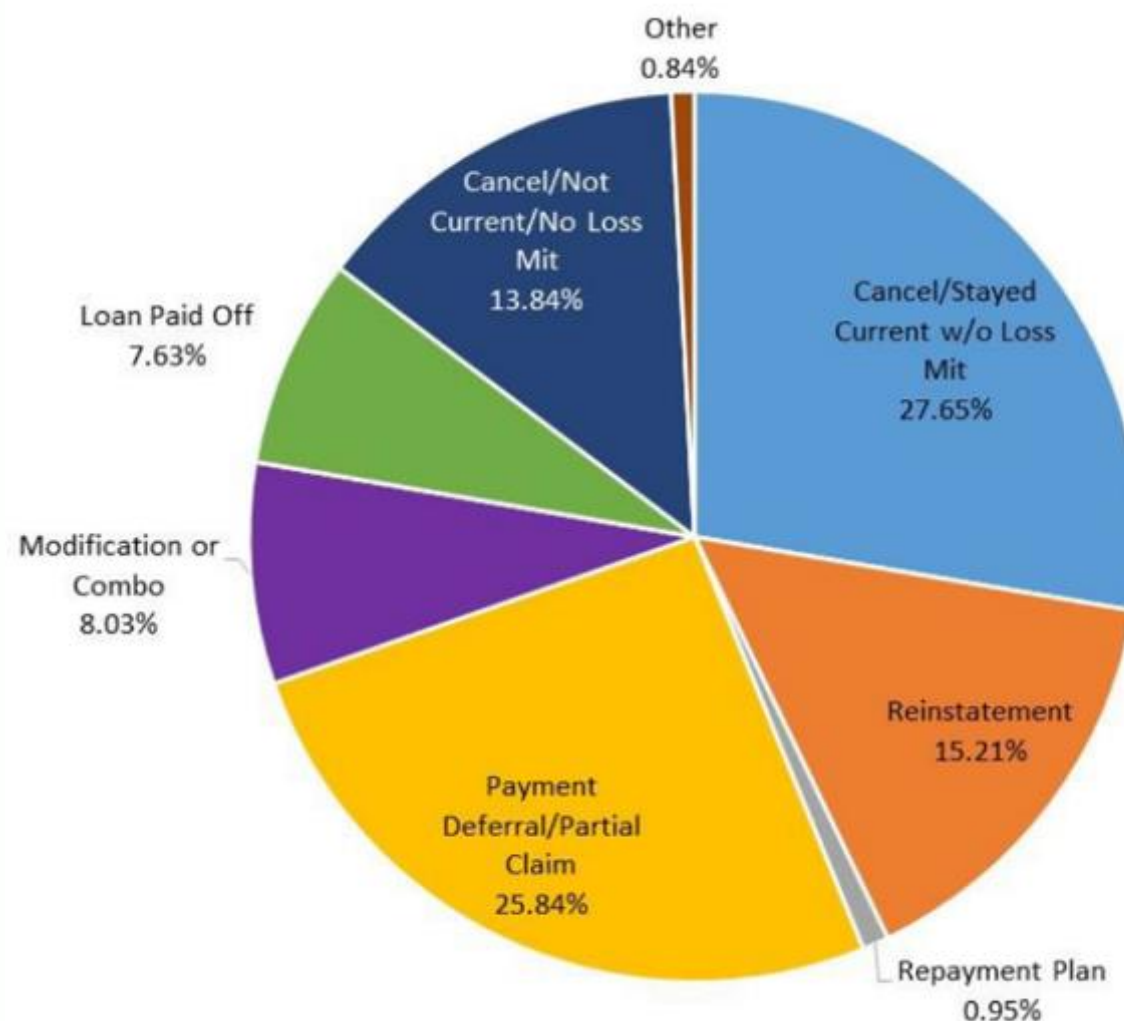
Source: McDash Flash via Black Knight



# Recent Market Data: Forbearance Exits

Approximately 4.2 million borrowers have exited forbearance as of late February. Of those borrowers, most have either deferred their missed payments to the end of their loan, made a lump-sum payment, or remained current throughout their forbearance.

**BREAKDOWN OF ALL FORBEARANCE EXITS THROUGH 2/28/2021**



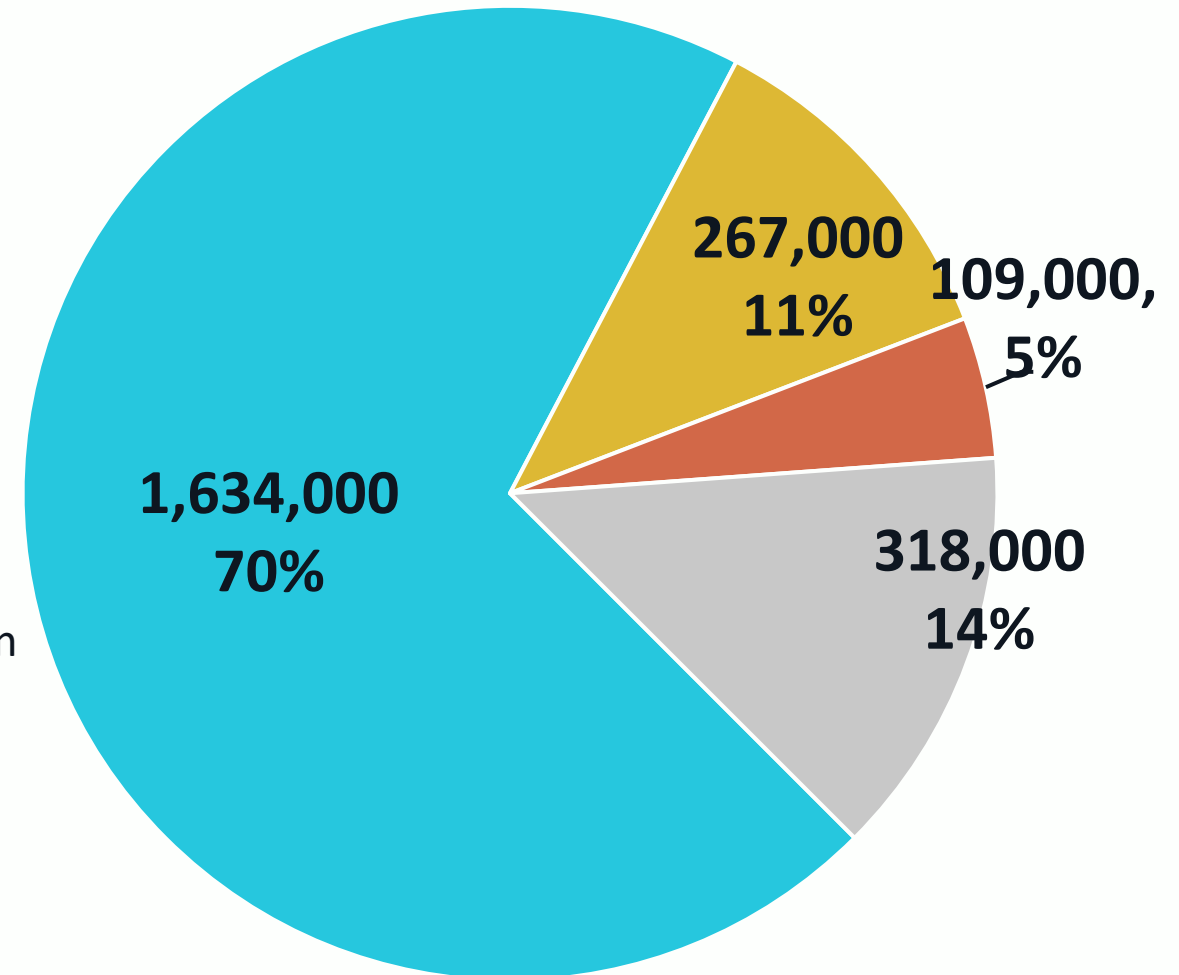
Source: Mortgage Bankers Association

# Target Population 1 - *Delinquent Borrowers*

A large portion of borrowers are behind on their mortgage payments and have not received forbearance, although they may be eligible (gray).

- Active Forbearance
- No Longer in Forbearance/Active Plan
- No Longer in Forbearance/No Plan
- Never Forbearance

**BREAKDOWN OF POST-COVID PAST DUE MORTGAGES  
– ENTERING JANUARY 2021**

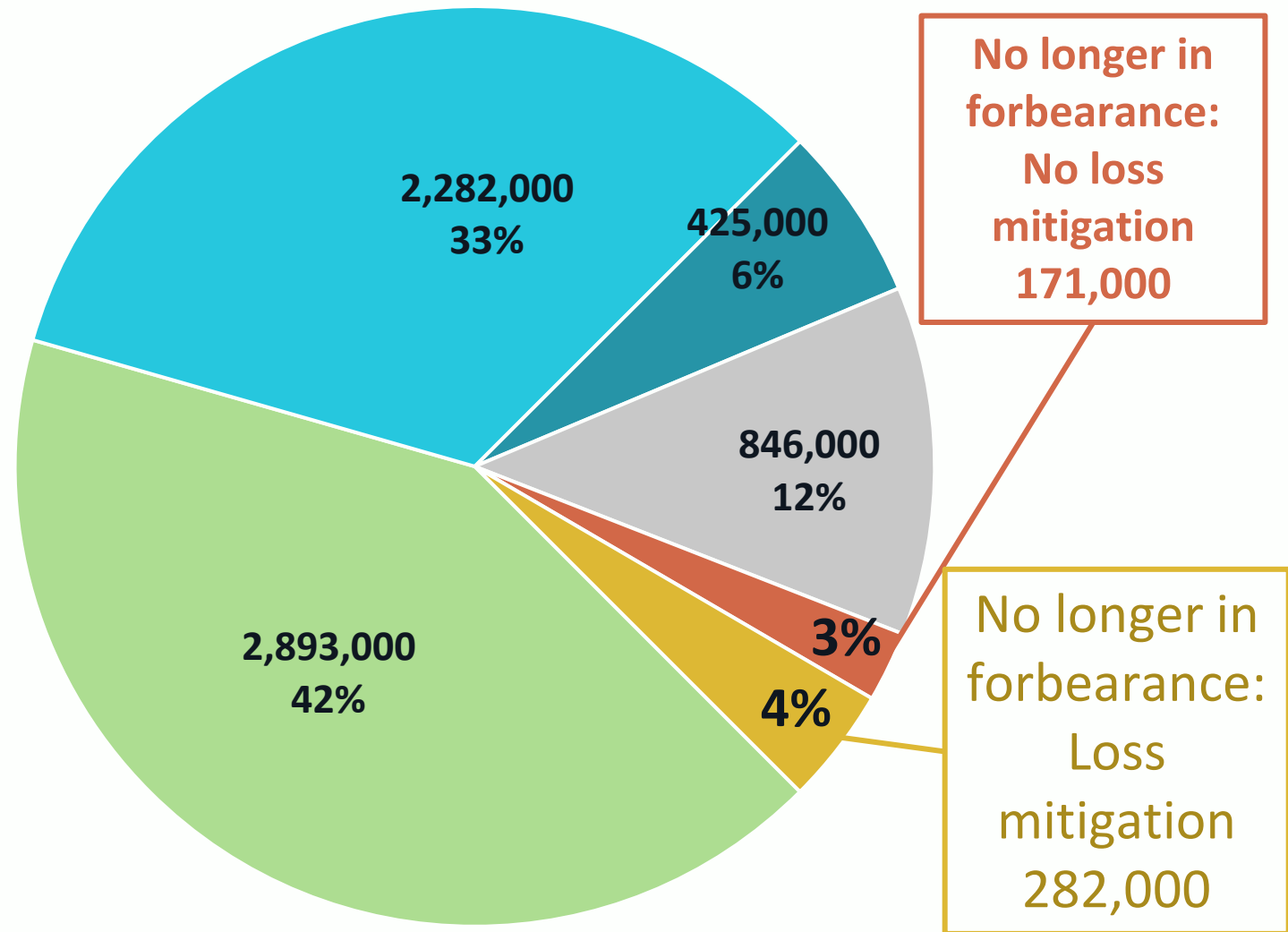


# Target Population 2 - *Forbearance Exits*

While most borrowers who have exited forbearance are back on track, some are still dealing with their missed payments (yellow) or are delinquent (red).

- Making Payments
- Active Forbearance (Term Extended)
- Active Forbearance (Original Term)
- Paid Off
- No Longer in Forbearance/No Loss Mitigation
- No Longer in Forbearance/Loss Mitigation

**CURRENT STATUS OF ALL COVID-19 RELATED FORBEARANCES**  
*STATUS AS OF FEBRUARY 23<sup>RD</sup>, 2021*

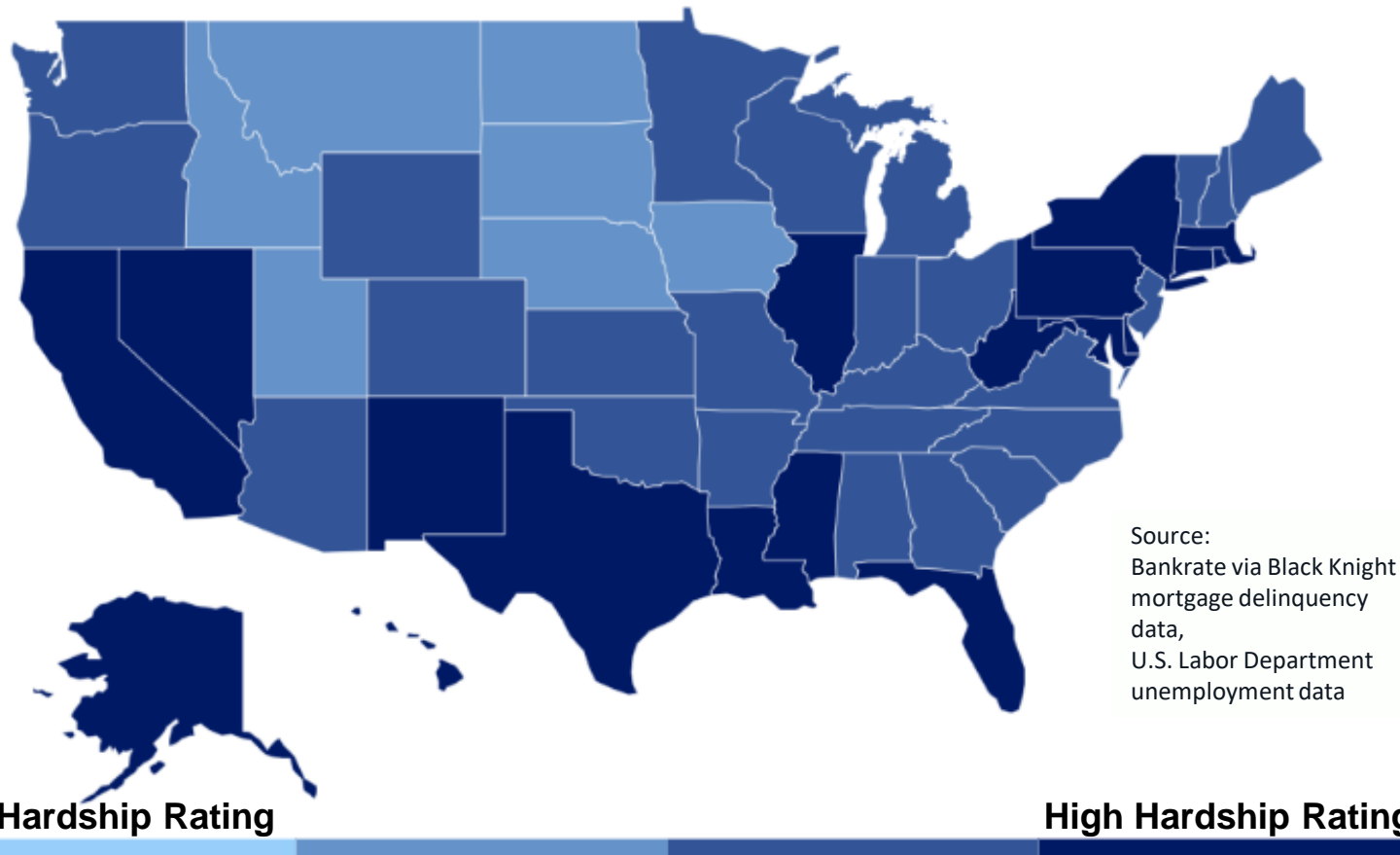


Source: McDash Flash via Black Knight

# Differential Impacts

The COVID-19 pandemic has impacted housing markets differently across the country. Hawaii, Nevada, Louisiana, Mississippi, and Rhode Island had the highest levels of unemployment and delinquency in September.

## HOUSING HARDSHIP INDEX: STATES HIT HARDEST BY CORONAVIRUS – SEPT 2020

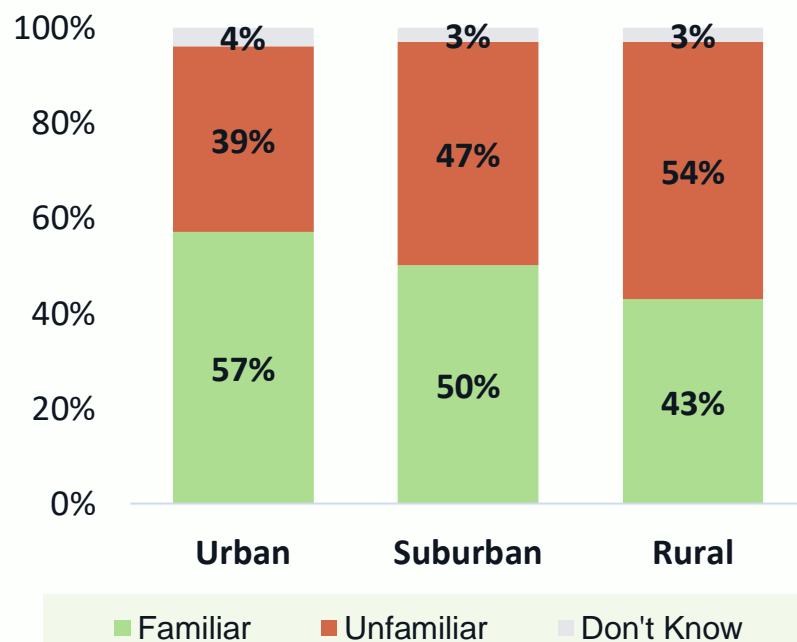


# Awareness Levels

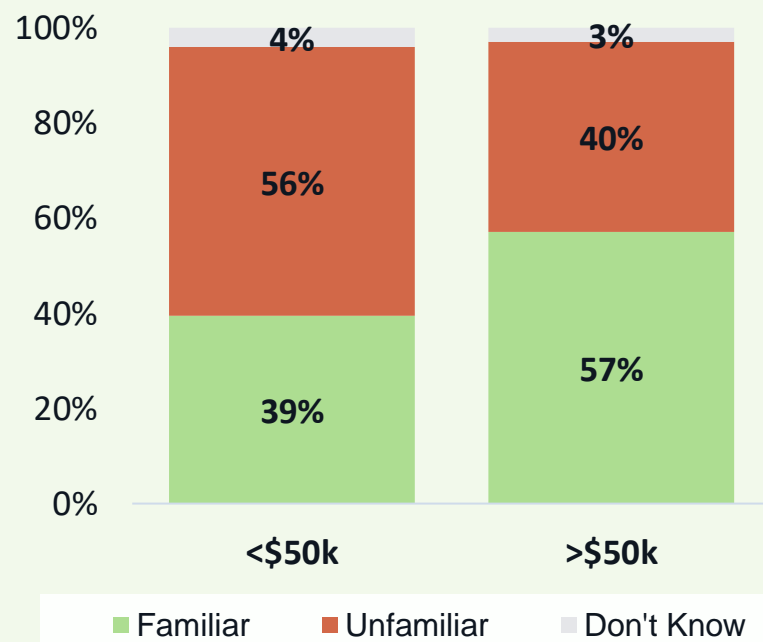
Rural and lower income mortgage borrowers are more likely to be unfamiliar with relief options. White and Asian mortgage borrowers are more likely than homeowners of other races to be familiar with relief options.

## FAMILIARITY WITH MORTGAGE RELIEF OPTIONS – AUG 2020

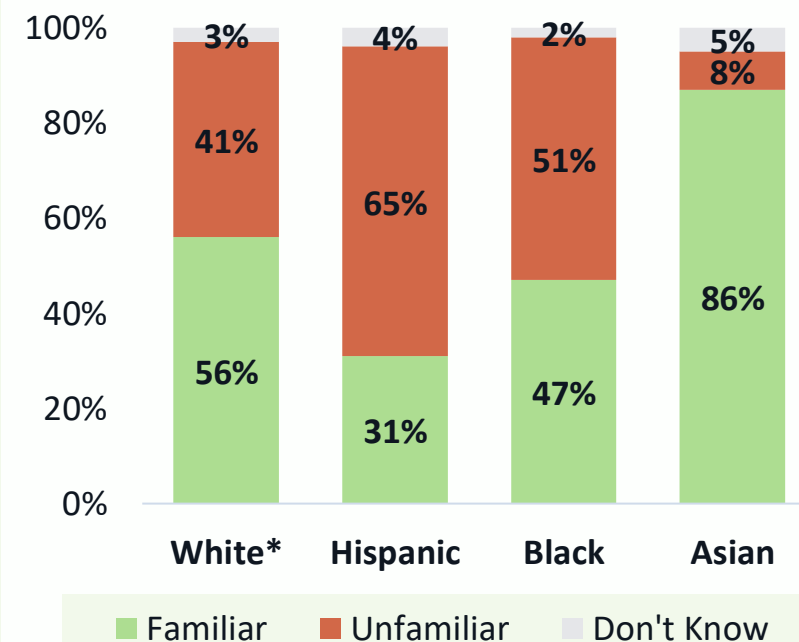
AMONG MORTGAGE HOLDERS, BY AREA TYPE



AMONG MORTGAGE HOLDERS, BY INCOME



AMONG MORTGAGE HOLDERS, BY RACE



# Common Misconceptions

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“Forbearance ends with a lump-sum payment.”

**Homeowners who receive forbearance under the CARES Act are not required to repay their skipped payments in a lump sum once the forbearance period ends.**

“My servicer will be hard to reach and will ask for proof.”

**Now, many mortgage servicers have increased their capacity to respond to customers. For a federally backed loan, the mortgage servicer is not permitted to ask you for proof of hardship.**

“I can’t afford to get help.”

**HUD-approved housing counselors provide their services (potentially in numerous languages) at no cost to borrowers requesting forbearance.**

# Bureau COVID-19 Resources

## Protecting your finances during the coronavirus pandemic

The CFPB is committed to providing consumers with up-to-date information and resources to protect and manage their finances during this difficult time.



[Español](#) | [中文](#) | [Tiếng Việt](#) | [한국어](#) | [Tagalog](#)

## Resources to help you make financial decisions

### Mortgage and housing assistance

If you're concerned about how to pay your mortgage or rent, we have information on what to do now, and what your options are for mortgage and rental relief.

### Managing your finances

We have resources to help you protect and manage your finances if you are facing financial difficulties as a result of the pandemic.

## FEDERAL CORONAVIRUS RESOURCES

### White House Coronavirus Task Force

Information about COVID-19 from the White House Coronavirus Task Force in conjunction with CDC, HHS, and other agency stakeholders.

[Visit coronavirus.gov](https://www.whitehouse.gov/coronavirus) 

### Centers for Disease Control and Prevention

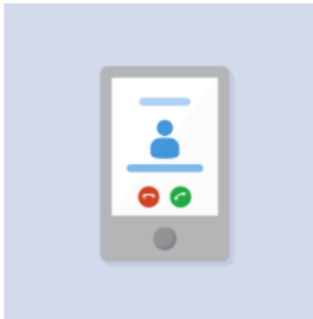


# Housing Hub Portal

Help for homeowners and renters during the coronavirus national emergency



Find help for your situation



Get mortgage help if you're struggling

We've got some information to help.

[Request forbearance or mortgage relief](#)



Take action if you're in forbearance

Learn what to do whether you just entered forbearance, need more time or are ready to exit.

[Take action now](#)



Get help if you're a renter

Take action to protect yourself against eviction.

[Learn what this means for you](#)



The Consumer Financial Protection Bureau (CFPB), [Federal Housing Finance Agency \(FHFA\)](#), [U.S. Department of Housing and Urban Development \(HUD\)](#), [U.S. Department of Veterans Affairs \(VA\)](#), and [U.S. Department of Agriculture \(USDA\)](#) are working together to help homeowners and renters during the coronavirus pandemic.

**FEDERAL CORONAVIRUS RESOURCES**

**White House Coronavirus Task Force**



# Web Resources

## Request forbearance or mortgage relief

[Español](#) | [繁體中文](#) | [简体中文](#) | [Tiếng Việt](#) | [한국어](#) | [Tagalog](#)

To request forbearance, you'll need to reach out to your servicer. To ensure that you are ready for that conversation, we've got some information to help you prepare.

SHARE & PRINT



### Contact your servicer

For homeowners with mortgages covered by the CARES Act, you only need to explain that you have a pandemic-related financial hardship, directly or indirectly related to the pandemic. Even for those loans not covered under the CARES Act, mortgage servicers are generally required to discuss relief options with you.

<https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/request-forbearance-or-mortgage-relief/>

## What to do after you receive forbearance

[Español](#) | [繁體中文](#) | [简体中文](#) | [Tiếng Việt](#) | [한국어](#) | [Tagalog](#)

While you're in forbearance, it is important to monitor your loan and be ready to act when the end of the forbearance period nears. Contact your servicer in order to extend your forbearance or develop a plan to repay your missed payments.

SHARE & PRINT



### Where are you in the process?

[Just entered forbearance](#)

[Need more time](#)

[Ready to exit](#)

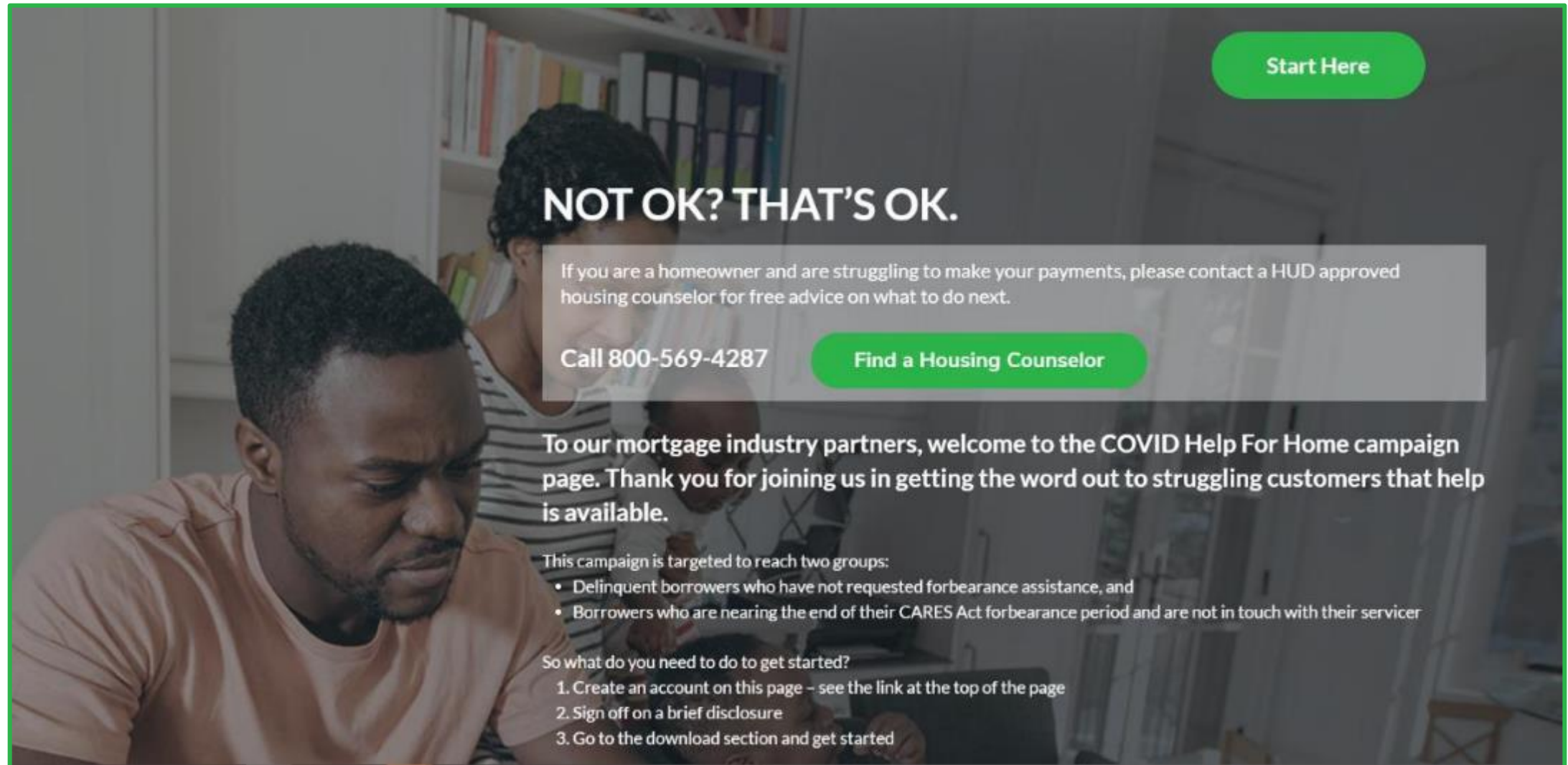
<https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/after-you-receive-relief/>

# Translated Resources

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- Spanish, Chinese, Vietnamese, Korean, Tagalog, and Arabic language materials are available online. Resources include:
  - Consumer guides
  - Housing portal pages
  - Blog describing forbearance outreach initiative
- Additional Spanish language videos are available online and more will soon be available:
  - Video: *Aplazamientos de hipotecas en la Ley CARES*

# Mortgage Servicing Collaborative



**Start Here**

## NOT OK? THAT'S OK.

If you are a homeowner and are struggling to make your payments, please contact a HUD approved housing counselor for free advice on what to do next.

Call 800-569-4287 **Find a Housing Counselor**

**To our mortgage industry partners, welcome to the COVID Help For Home campaign page. Thank you for joining us in getting the word out to struggling customers that help is available.**

This campaign is targeted to reach two groups:

- Delinquent borrowers who have not requested forbearance assistance, and
- Borrowers who are nearing the end of their CARES Act forbearance period and are not in touch with their servicer

So what do you need to do to get started?

1. Create an account on this page – see the link at the top of the page
2. Sign off on a brief disclosure
3. Go to the download section and get started

# Mortgage Servicing Collaborative PSAs



**NOT OK? THAT'S OK.**  
Immediate mortgage help may be available.

We all hit rough patches. If you're struggling to pay your mortgage due to COVID-19, there may be immediate help available.

Don't stress. Take action. Contact us today or talk to a HUD-approved housing counselor for free advice on what to do next.

Contact Us: Find a HUD-Approved Housing Counselor:  
Call: <<SERVICERNUMBER>> Call: 800-569-4287  
Online: <<ServicerURL>> Online: [www.cfpb.gov/housing](http://www.cfpb.gov/housing)

**CALL US TODAY <<SERVICE NUMBER>>**



**NOT OK? THAT'S OK.**  
Forbearance ending? Get a plan to get back on your feet.

Just because your forbearance is ending, doesn't mean you're on your own. We're here to help you get back on your feet. You may be eligible for an extension or other assistance.

Contact us today or talk to a HUD-approved housing counselor for free advice on what to do next.

Contact Us: Find a HUD-Approved Housing Counselor:  
Call: <<SERVICERNUMBER>> Call: 800-569-4287  
Online: <<ServicerURL>> Online: [www.cfpb.gov/housing](http://www.cfpb.gov/housing)

**CALL US TODAY <<SERVICE NUMBER>>**





# Take Action: Put resources in the hands of consumers who need them

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- **Share our Housing Hub:** [consumerfinance.gov/housing](https://consumerfinance.gov/housing)
- **Share our consumer guides with homeowners**
  - Link to or share our informational videos:
    - [COVID-19 Mortgage relief: 4 things to know](#)
    - [5 Steps to Ask for Mortgage Forbearance Due to the Coronavirus](#)
    - [COVID-19 Mortgage Forbearance: Understanding how to repay](#)
  - [Download consumer guides](#) or [place free bulk orders](#) of the guides in print formats at: [pueblo.gpo.gov/CFPBPubs/CFPBPubs.php](https://pueblo.gpo.gov/CFPBPubs/CFPBPubs.php)
- **Let us know about other opportunities to get the word out**
  - If you know of other organizations who may be interested in joining the effort, let us know

# Questions?

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## Reminders:

- Visit our Housing Hub: [consumerfinance.gov/housing](https://consumerfinance.gov/housing)
- Locate a housing counselor: [hud.gov/findacounselor](https://hud.gov/findacounselor)
- Contact your servicer
- Submit a complaint about a company: [consumerfinance.gov/complaint](https://consumerfinance.gov/complaint)



# HUD Office of Housing Counseling

**Rob Weber**

**Housing Program Specialist**

**Office of Outreach and Capacity Building**

A large, stylized graphic element consisting of a thick red curved line and a thinner blue curved line sweeping across the bottom right corner of the slide.

# HUD ML 2021-05 Summary of Changes

Key Changes to HUD's Loss Mitigation Policy for Borrowers Affected by the COVID-19 National Emergency include:

- **Allowing additional Borrowers impacted by COVID-19, regardless of delinquency status or participation on a COVID-19 Forbearance, to utilize FHA's COVID-19 Loss Mitigation options;**
- **Providing up to two additional three-month COVID-19 Forbearance periods or HECM extension periods for borrowers who entered forbearance prior to June 30, 2020.**
- **All Late Charges, fees, and penalties are waived except if accumulated prior to March 1, 2020;**
- **Removing the restriction on Borrowers receiving more than one COVID-19 Home Retention option.**

**The policies announced in [Mortgage Letter 2021-05](#) are effective immediately.**



# Overview — Loss Mitigation for Borrowers Affected by the COVID-19 National Emergency

## COVID-19 Home Retention Options for Borrowers who are able to resume monthly or modified monthly Mortgage payments:

- Owner-Occupant Borrowers are eligible to be reviewed in the following order:
  - COVID-19 Standalone Partial Claim;
  - COVID-19 Owner-Occupant Loan Modification;
  - COVID-19 Combination Partial Claim and Loan Modification; and
  - COVID-19 FHA Home Affordable Modification Program (FHA-HAMP) Combination Loan Modification and Partial Claim *with Reduced Documentation*
- Non-Occupant Borrowers are eligible to be reviewed for the COVID-19 Non-Occupant Loan Modification.

## COVID-19 Home Disposition Options are available to Owner-Occupant and Non-Occupant Borrowers:

- COVID-19 Pre-Foreclosure Sale (PFS); and
- COVID-19 Deed-in-Lieu (DIL) of Foreclosure.

# Required Housing Counseling Notifications

**Mortgagees must provide delinquent borrowers with notice describing availability of housing counseling offered by HUD-approved housing counseling agencies.**

- Informs delinquent borrowers of the availability of housing counseling services provided by HUD-approved housing counseling agencies
- Is provided in accessible formats or languages when such borrower communications have been requested by persons with disabilities and persons with limited English proficiency
- Provides instructions for locating a HUD-approved housing counseling agency in the borrower's area
- Describes housing counseling and the potential benefits of engaging in housing counseling

# COVID-19 Outreach Materials

HUD's Office of Housing Counseling is making social media materials available to HUD-approved housing counseling agencies, housing finance agencies, and intermediaries to assist in reaching those struggling to make their mortgage payments as a result of COVID-19.

<https://www.hudexchange.info/programs/housing-counseling/covid-19/outreach/>

- HUD-approved housing counseling agencies may use these materials if they choose, but use is not mandatory.

# COVID-19 Outreach Materials (cont.)

## Web Banners, Electronic Communications, and Social Media

Customize materials by adding agency-specific logos and contact information at the bottom.

### **You've Worked Hard for Your Home... Now Take the Steps to Keep It.**

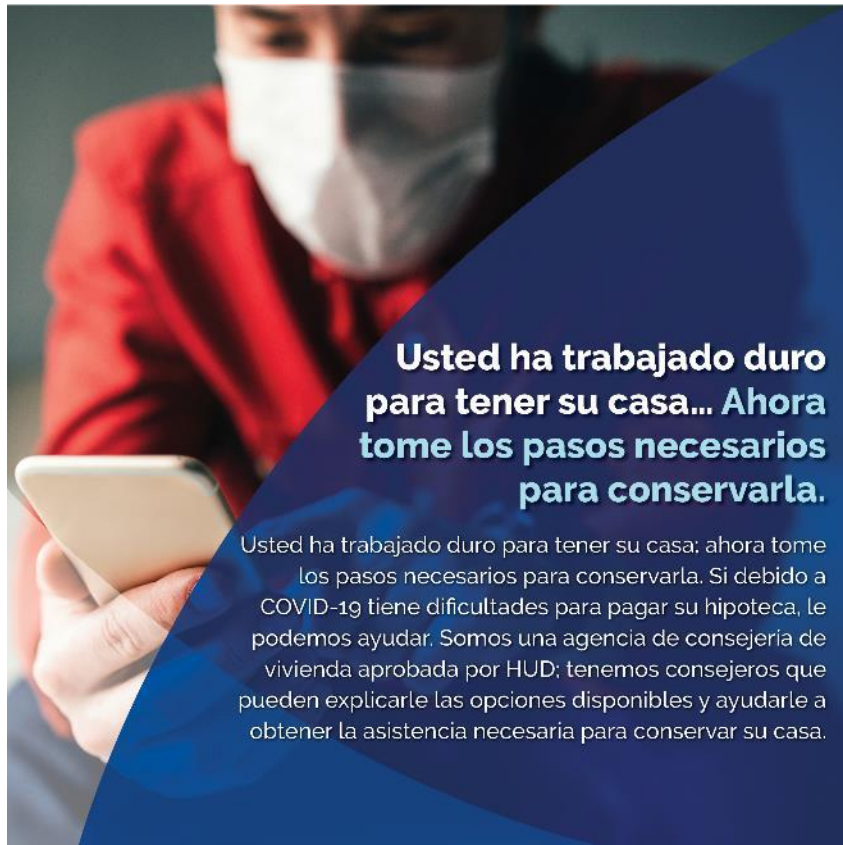
You've worked hard to get your home, now take the steps to keep it. If you're struggling with your mortgage payment because of COVID-19, we can help. We're a HUD-approved housing counseling agency, with counselors available who can explain the options and help you obtain the assistance you need to keep your home.





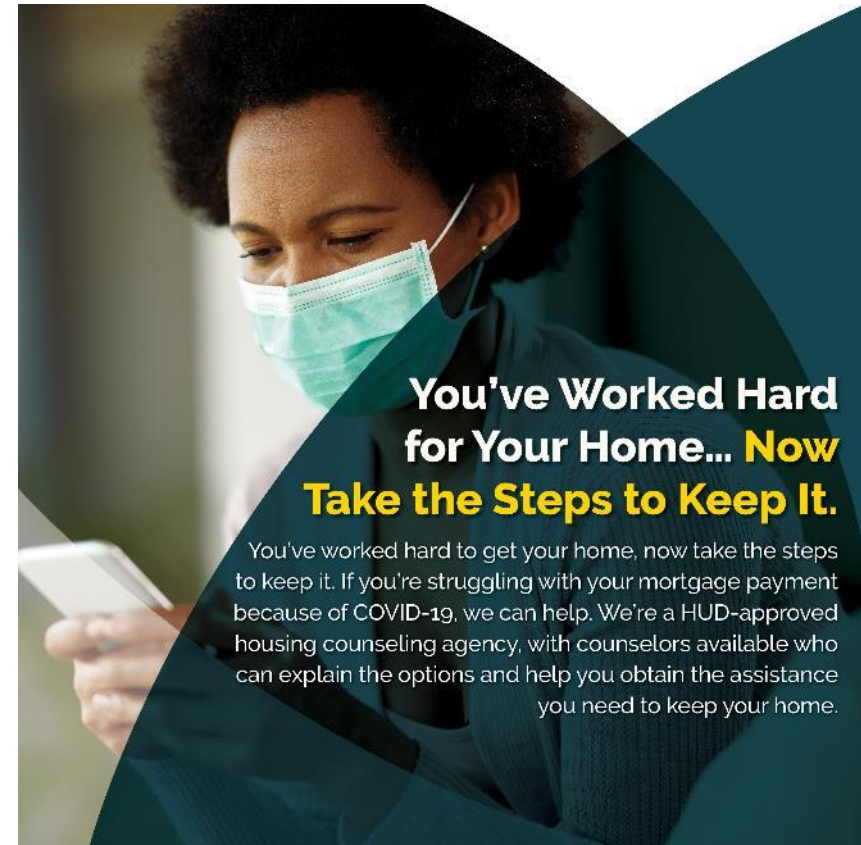
# COVID-19 Outreach Materials (cont.)

## Web Buttons and Web Promotional Ads



**Usted ha trabajado duro para tener su casa... Ahora tome los pasos necesarios para conservarla.**

Usted ha trabajado duro para tener su casa; ahora tome los pasos necesarios para conservarla. Si debido a COVID-19 tiene dificultades para pagar su hipoteca, le podemos ayudar. Somos una agencia de consejería de vivienda aprobada por HUD; tenemos consejeros que pueden explicarle las opciones disponibles y ayudarle a obtener la asistencia necesaria para conservar su casa.



**You've Worked Hard for Your Home... **Now Take the Steps to Keep It.****

You've worked hard to get your home, now take the steps to keep it. If you're struggling with your mortgage payment because of COVID-19, we can help. We're a HUD-approved housing counseling agency, with counselors available who can explain the options and help you obtain the assistance you need to keep your home.

# Resources



- [HUD COVID-19 Resources](#)
- [HUD Exchange: COVID-19 Emergency Information for Housing Counselors](#)
- [Mortgagee Letter 2021-05](#)
- [FHA Resource Center](#)



## HELP WITH YOUR MORTGAGE

# OPTIONS FOR ENTERPRISE BORROWERS WITH COVID-19 HARDSHIPS

Presented by Lori Bowes, Policy Analyst



March 22, 2021



# FANNIE MAE AND FREDDIE MAC POLICY

**If a borrower is experiencing a financial hardship related to the COVID-19 pandemic or other hardships and is struggling to make their mortgage payments, they may be eligible for mortgage assistance and should contact their servicer.**

## **What is a hardship?**

Examples of hardships include unemployment, reduction in income, increase in housing-related expenses, divorce or separation, long-term or permanent disability or serious illness, death of a homeowner or primary or secondary wage-earner, distant employment transfer, or a natural disaster.

Financial hardship resulting from COVID-19 may include unemployment, reduction in regular work hours, or illness of a borrower/co-borrower or dependent family member that has impacted a homeowner's ability to make their monthly mortgage loan payment.





# FANNIE MAE AND FREDDIE MAC POLICY

## Who is my servicer?

Your servicer is the company to which you send your monthly mortgage payment.

## Options to stay in your home

The options described in the following slides may be available depending on circumstances and the borrower may need to complete a Mortgage Assistance Application for some of these options.



# OPTIONS TO STAY IN YOUR HOME

	Overview	Benefit
<b>Forbearance plan</b>	<ul style="list-style-type: none"> <li>Make reduced payments or no payments for a specific period (for example, six months). During this time, foreclosure proceedings will be delayed or suspended, but your mortgage will become increasingly delinquent.</li> </ul>	<ul style="list-style-type: none"> <li>Allows you time to resolve your hardship.</li> <li>You will not be charged late fees during your forbearance plan as long as you are performing according to the terms of the plan</li> <li>You have the option to pay all past due amounts immediately or through a short-term repayment plan, if you can. Alternatively, you will be evaluated for other home retention options.</li> </ul>
<b>Reinstatement</b>	<ul style="list-style-type: none"> <li>Pay all past due amounts in a single payment.</li> <li>Available if you have the funds to pay now.</li> </ul>	<ul style="list-style-type: none"> <li>Allows you to bring your mortgage current immediately, if you can.</li> </ul>
<b>Repayment plan</b>	<ul style="list-style-type: none"> <li>Pay past due amounts over an extended period in addition to your regular monthly payments.</li> <li>May be available if you have sufficient income to cover more than your regular monthly payment.</li> </ul>	<ul style="list-style-type: none"> <li>Allows you time to bring your mortgage current over a period of time by making additional monthly payments to cover past-due amounts.</li> </ul>
<b>Payment Deferral</b>	<ul style="list-style-type: none"> <li>Delay repayment of past-due principal and interest payments and other past-due amounts, which will become due at the earlier of the mortgage maturity date, payoff date, or sale or transfer of the property.</li> </ul>	<ul style="list-style-type: none"> <li>May be available if you can resume your monthly mortgage payment.. Your monthly payment may increase if needed to cover escrowed amounts that are not deferred.</li> <li>Allows you to bring your mortgage current immediately by delaying (deferring) repayment of past-due amounts without changing other terms of your mortgage loan. Interest is not charged on the past-due amounts deferred.</li> </ul>



## OPTIONS TO STAY IN YOUR HOME

	Overview	Benefit
<b>Modification</b>	<ul style="list-style-type: none"> <li>• Permanently change some of the terms of your mortgage, such as the interest rate or mortgage term, to modify your monthly payment amount.</li> <li>• May require you to make three months of trial-period plan payments to ensure you can afford the new payment.</li> <li>• May be available if you cannot resume making your existing mortgage payment.</li> </ul>	<ul style="list-style-type: none"> <li>• Allows you to bring your mortgage current by permanently modifying your mortgage terms making your payment more sustainable and typically results in a lower monthly payment.</li> </ul>

Your credit score may be impacted by many factors. Under the CARES Act, a federal law that helps consumers impacted by COVID-19, special credit reporting may apply for consumers impacted by COVID-19. A consumer whose account was not previously delinquent is reported as current on their loan if they have received an accommodation, such as forbearance, and make any payments the accommodation requires (if any). You should talk with your servicer if you have questions about how your payment activity will be reported and how you can find out more about potential impact to your credit score.



## OPTIONS TO LEAVE YOUR HOME

	Overview	Benefit
<b>Short Sale</b>	<ul style="list-style-type: none"> <li>• Sell your house and pay off your mortgage for less than the full amount you owe on your mortgage.</li> <li>• There may be tax consequences — you should consult a tax advisor.</li> </ul>	<ul style="list-style-type: none"> <li>• Depart your home without experiencing foreclosure.</li> <li>• You may also be eligible for relocation funds to help you with your move.</li> </ul>
<b>Mortgage release/ Deed-in-lieu of foreclosure</b>	<ul style="list-style-type: none"> <li>• Transfer ownership of your home to the company that owns your mortgage in exchange for a release from your mortgage debt.</li> <li>• There may be tax consequences — you should consult a tax advisor.</li> </ul>	<ul style="list-style-type: none"> <li>• Depart your home without experiencing foreclosure.</li> <li>• You may also be eligible for relocation funds to help you with your move.</li> </ul>

While it may be difficult to think about leaving your home, it may be the best option if other solutions to keep you in your home are no longer possible. Your servicer should be able to answer any questions you may have about the options described below.



# FORECLOSURE AND REO EVICTION MORATORIUMS & COVID FORBEARANCE

**FHFA has extended the moratoriums on Enterprise single-family foreclosures and real estate owned (REO) evictions to June 30, 2021.**

- Foreclosure moratorium applies to Enterprise-backed, single family mortgages only.
- REO eviction moratorium applies to properties that have been acquired by an Enterprise through foreclosure or deed-in-lieu of foreclosure.

Additionally, borrowers with an Enterprise loan may be eligible for forbearance of up to 18 months if they were on a COVID-19 forbearance plan as of February 28, 2021.

Further, COVID-19 Payment Deferral for borrowers with an Enterprise-backed mortgage can now cover up to 18 months of missed payments.

Loans with forbearance or Payment Deferral terms that exceed 18 months can be submitted to the Enterprises on an exceptions basis.



## WANT TO LEARN MORE?

### Resources for mortgage assistance at Fannie Mae and Freddie Mac:

- Fannie Mae's <https://www.knowyouroptions.com/>
- Fannie Mae's [fanniemae.com/heretohelp](https://fanniemae.com/heretohelp)
- Freddie Mac's [#HelpStartsHere](https://www.freddiemac.com/helpstartsHere)
- Freddie Mac's [My Home® myhome](https://www.freddiemac.com/myhome)

### Language assistance:

- Resources in multiple languages are available at [fhfa.gov/mortgagetranslations](https://fhfa.gov/mortgagetranslations)

### Additional resources at CFPB and HUD:

- For additional information about COVID-19 assistance and about avoiding foreclosure, visit [cfpb.gov/housing](https://cfpb.gov/housing).
- Resources to help borrowers understand their options are available through U.S. Department of Housing and Urban Development (HUD) [Approved Housing Counselors](https://www.hud.gov/ApprovedHousingCounselors)
- Borrowers who want to submit a complaint about a problem with their mortgage servicer may do so at: [www.consumerfinance.gov/complaint/](https://www.consumerfinance.gov/complaint/)





## **U.S. Department of Agriculture**

**Richard Kane**

Deputy Director, Loan Servicing Branch  
Single Family Housing Guaranteed Loan Program



# USDA COVID Guidance

- Borrowers with USDA guaranteed loans are subject to a moratorium of foreclosure until June 30, 2021. The moratorium applies to the initiation of foreclosures and to the completion of foreclosures in process.
- In addition, deadlines of the first legal action and reasonable diligence timelines are extended until June 30, 2021.
- Loan servicers seeking to assist SFHGLP borrowers after their CARES Act forbearance ends may pursue any of the Special Relief Alternatives/Measures referenced in Chapter 18 of the program Handbook:
  - Term Extension
  - Capitalization of Delinquency & Term Extension
  - Mortgage Recover Advance (MRA)

Assistance for borrowers who were current prior to the COVID-19 forbearance fall into Special Relief Alternatives/Measures as outlined in the handbook, a financial review is not required.

Regular Loss Mitigation review is required if the borrower was delinquent prior to the COVID-19 forbearance.
- Any questions, email us at [sfhglpservicing@usda.gov](mailto:sfhglpservicing@usda.gov)



# U.S. Department of Veteran Affairs

**Victoria Arnoldi**

Loan Guaranty Service

# VA Default Loan Servicing

## Loss Mitigation

### ➤ Home Retention:

- **Repayment Plan** – The borrower makes their regular installment each month plus part of the missed installments.
- **Special Forbearance** – The servicer agrees not to initiate foreclosure to allow time for borrowers to repay the missed installments.
- **Loan Modification** – Provides the borrower a fresh start by adding the delinquency to the loan balance and establishing a new payment schedule.
  - **Disaster Loan Modification Options**

### ➤ Foreclosure Avoidance

- **Compromise Sale (Short Sale)** – Sale of a property for less than what is owed.
- **Deed-in-Lieu of Foreclosure (DIL)** – Voluntary conveyance of a property. VA does not require the property to be listed for sale, to be considered or approved for a DIL.

### ➤ CARES Act Forbearance and Deferment

### ➤ VA Loan Technicians can be reached at 877-827-3702



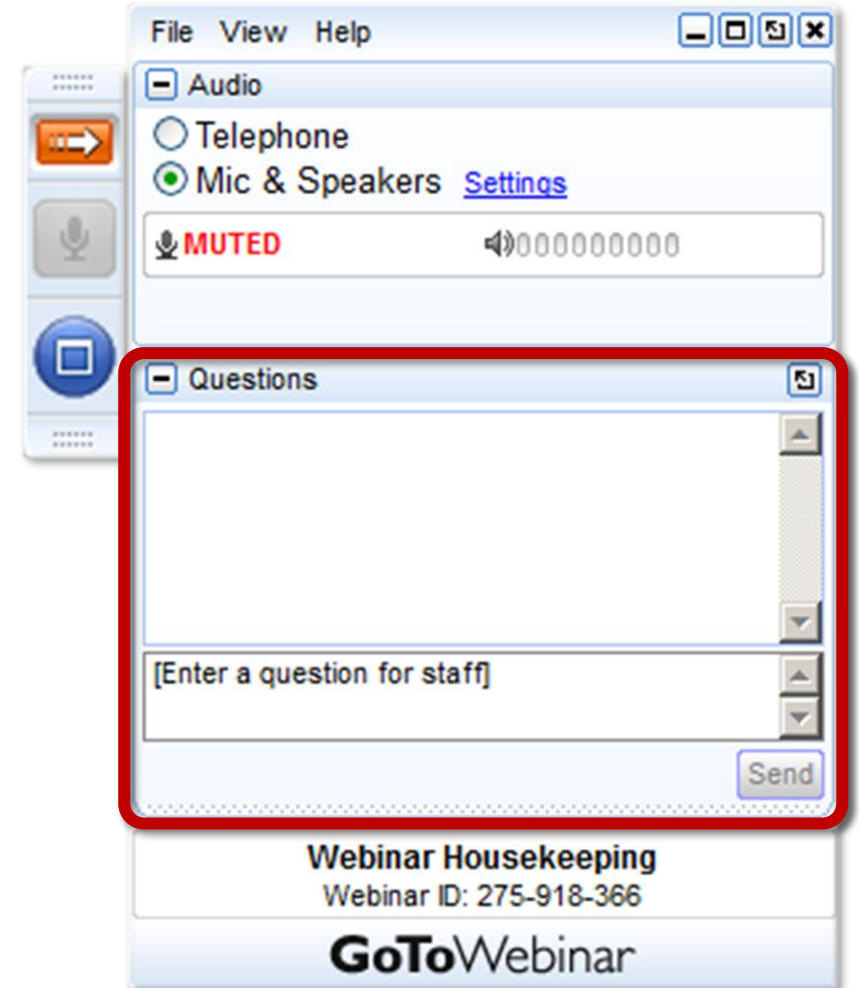
# Questions



# Before You Go

## Please give us feedback in the Question Box

- Was this webinar useful to you? To your clients?
- Will you share the information with your co-workers?
- Any other comments?





# Thank You for Attending!