



## \*HOUSING ALERT\*

# COVID-19 HOUSING UPDATES

## JULY EDITION

### **FHFA NEWS:**

#### **FHFA Extends Foreclosure and Eviction Moratorium**

“To help borrowers and renters who are at risk of losing their home due to the coronavirus national emergency, the Federal Housing Finance Agency (FHFA) announced that Fannie Mae and Freddie Mac (the Enterprises) will extend their single-family moratorium on foreclosures and evictions until at least August 31, 2020. The foreclosure moratorium applies to Enterprise-backed, single-family mortgages only. The current moratorium was set to expire on June 30<sup>th</sup>.

"To protect borrowers and renters during the pandemic we are extending the Enterprises' foreclosure and eviction moratorium. During this national health emergency no one should worry about losing their home," said Director Mark Calabria. FHFA will continue to monitor the coronavirus situation and update policies as needed. To understand the protections and assistance the government is offering people having trouble paying their mortgage, please visit the joint Department of Housing and Urban Development, FHFA, and the Consumer Financial Protection Bureau website at [cfpb.gov/housing](https://cfpb.gov/housing).”

### **FANNIE MAE NEWS:**

“At [KnowYourOptions.com](https://www.knowyouroptions.com) videos, the site that Fannie Mae operates, fact sheets, mortgage loan and renter lookup tools are available.

Danielle McCoy, vice president for Fannie Mae, told WBBM the information is designed to help people stay in their homes despite job loss or other issues related to COVID-19. McCoy also said they're trying to eliminate some common misunderstandings about the options available, for example, a forbearance agreement.

“A forbearance is not necessarily defaulting on your mortgage as long as you're acting consistently with the terms of the forbearance that you get with your lender,” McCoy said.

McCoy said you want to be proactive to prevent being delinquent and you want to get into the correct program so that you might be able to prevent some type of impact on your credit report.”

## **FREDDIE MAC [NEWS](#):**

### **Extending Help to Homeowners Impacted By COVID-19**

“If you are a homeowner experiencing financial hardship directly or indirectly related to Coronavirus (COVID-19) and your mortgage is owned by Freddie Mac, contact your loan servicer (the company listed on your mortgage statement) right away to discuss your options.

Whether you’re facing job loss, reduced income, illness or other issues that impact your ability to make your monthly mortgage payment, Freddie Mac is working to ensure you are protected. In fact, the company has directed your loan servicer to provide mortgage relief options that include:

- Ensuring payment relief by providing forbearance for up to 12 months
- Waiving assessments of penalties or late fees
- Halting all foreclosure actions and evictions of borrowers living in homes owned by the company until at least August 31, 2020
- Offering loan modification options to provide mortgage payment relief or keep those payments the same after the forbearance period
- Starting July 1, 2020, offering a payment deferral solution in which your deferred payments will be due at the end of the loan

Borrowers are eligible for forbearance regardless of whether their property is owner occupied, a second home or an investment property.

If you are struggling to make your mortgage payments or believe you may fall behind on your payments soon, don’t wait – contact your loan servicer now. They’re here to help you.”

## **FHA [NEWS](#) (PDF):**

### **Extension of Foreclosure And Eviction Moratorium In Connection With The Presidentially-Declared COVID-19 National Emergency**

“FHA-insured Single Family mortgages, excluding vacant or abandoned properties, are subject to an extension to the moratorium on foreclosure through August 31, 2020. The moratorium applies to the initiation of foreclosures and to foreclosures in process.

Separate from any eviction moratorium applicable to lessors provided under the CARES Act, evictions of persons from properties securing FHA-insured Single Family mortgages, excluding actions to evict occupants of legally vacant or abandoned properties, are also suspended through August 31, 2020.

Deadlines for the first legal action and reasonable diligence timelines are extended by 90 days from the date of expiration of this moratorium for FHA insured Single Family

mortgages, except for FHA-insured mortgages secured by vacant or abandoned properties.”

### **USDA NEWS:**

#### **USDA Extends Foreclosure and Eviction Relief on Single Family Housing Direct Loans**

“U.S. Department of Agriculture (USDA) Deputy Under Secretary for Rural Development Bette Brand has announced USDA extended foreclosure and eviction moratorium for all Single Family Housing Direct Home Loans through Aug. 31, 2020.

#### **The moratorium applies to:**

- Initiation of foreclosures or completion of foreclosures in process, excluding vacant and abandoned properties; and
- Evictions of borrowers from properties bought with a USDA direct home loan.

For more information on USDA Rural Development’s actions to support customers directly impacted by COVID-19 visit [www.rd.usda.gov/coronavirus](http://www.rd.usda.gov/coronavirus).”

### **VA NEWS:**

#### **CARES Act Extends VA Home Loan Pre-Foreclosure Options**

“If you experience financial hardship caused directly or indirectly by COVID-19, then – as with any financial hardship – you should immediately [contact your loan servicer](#) (the company that accepts your monthly mortgage payments). If you do lose income, you always have [options to avoid foreclosure](#) on your VA home loan. Your options include forbearance extension under the CARES Act.

The CARES Act allows borrowers with government-backed loans (including VA loans) to request special forbearance – an agreement between you and your mortgage servicer – where your servicer agrees to either *delay* payments or to accept [partial payments](#) for one or more months. The details of any forbearance agreement are between you and your servicer, which means you don’t have to call VA for permission. The Consumer Financial Protection Bureau (CFPB) has a [video](#) summarizing the mortgage forbearance changes.

- You can request a forbearance for [up to 180 days](#) without paying late fees or other penalties by simply stating you are affected financially by the COVID-19 national emergency. No extra documentation is required.
- If necessary, you can request up to 180 additional days of forbearance before the first forbearance period ends.
- Your servicer cannot report delinquency if you take advantage of relief related to COVID-19 throughout the current emergency and 120 days afterward.”