

INFORMATION REGARDING FORECLOSURES DURING THE COVID-19 CRISIS

(Updated June 26, 2020)

If you have a federally backed mortgage you may be protected...



The term **Federally backed mortgage loan** refers to any loan on residential real property that is insured or guaranteed by the Federal Housing Administration (FHA), National Housing Act (NHA), Housing and Community Development, Department of Veterans Affairs (VA), or any other government agency, such as FANNIE MAE or FREDDIE MAC.

****Not sure if your mortgage is federally backed? If you don't know who owns or backs your mortgage, you can call your servicer. The servicer has an obligation to provide you, to the best of its knowledge, the name, address, and telephone number of who owns your loan. Your mortgage documents and mortgage note may also tell you, especially if you have a VA or FHA loan. See below the list of websites you can access to determine if your loan is federally backed.**

<https://www.consumerfinance.gov/about-us/blog/guide-coronavirus-mortgage-relief-options/>

Under the CARES Act, a homeowner can request a forbearance on their federally backed mortgage loan. During a period of forbearance, no fees, penalties, or interest may be accrued on the borrower's account beyond the amounts scheduled or calculated. It will be as if the borrower made all payments on time and in full under the terms of the mortgage loan. But you should discuss the full terms of a forbearance with your lender/servicer before you agree to it.

FORECLOSURE MORATORIUM: There is a moratorium (temporary prohibition) on foreclosure cases pursuant to recent regulations by the following mortgage servicers:

1. Fannie Mae and Freddie Mac. Any enterprise backed single family mortgage is protected until AUGUST 31, 2020. This means if you are not able to pay your mortgage, there will be no foreclosure case started or concluded against you until after AUGUST 31, 2020.
2. HUD-FHA. If your mortgage is backed by an FHA Title II single family mortgage, there is a moratorium on foreclosures until AUGUST 31, 2020. This means if you are not able to pay your mortgage, there will be no foreclosure case started or concluded against you until after AUGUST 31, 2020.
3. VA . If you have a VA guaranteed mortgage loan, there is a moratorium until AUGUST 31, 2020. This means if you are not able to pay your mortgage, there will be no foreclosure case started or concluded against you until after AUGUST 31, 2020.

REMEMBER, these protections are quickly evolving and are subject to change. You should consult with an attorney for further information or advice regarding your particular situation.