



June 17, 2020

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To: Clients and Friends

From: David F. Dulock

Subject: FHA Mortgagee Letter 2020-19 Extends Foreclosure and Eviction Moratorium in Mortgagee Letter 2020-13

On June 17, 2020, the Federal Housing Administration (FHA) issued Mortgagee Letter 2020-19 (ML 2020-19). ML 2020-19 extends the foreclosure and eviction moratoriums originally issued in Mortgagee Letter 2020-04 and extended in Mortgagee Letter 2020-13 for borrowers with FHA-insured Single Family mortgages covered under the Coronavirus Relief, and Economic Security (CARES) Act for an additional period through August 31, 2020. ML 2020-19's Single Family foreclosure and eviction moratorium extension applies to all FHA-insured Title II Single Family forward and Home Equity Conversion (reverse) mortgages, except for FHA-insured mortgages secured by vacant or abandoned properties, and continues to direct mortgage servicers to:

- Halt all new foreclosure actions and suspend all foreclosure actions currently in process, excluding legally vacant or abandoned properties; and
- Cease all evictions of persons from FHA-insured Single Family properties, excluding actions to evict occupants of legally vacant or abandoned properties.

To read or print ML 2020-19, click on hyperlink: [foreclosure and eviction moratorium](#).

In addition, the FHA states in the June 17, 2020, [press release](#) announcing the above two-month extension moratorium that:

- Homeowners with FHA-insured mortgages should continue to make their mortgage payments during the foreclosure and eviction moratorium if they are able to do so or seek mortgage payment forbearance pursuant to the Coronavirus Relief and Economic Security Act (CARES) Act from their mortgage servicer, if needed.
- Pursuant to the CARES Act, FHA requires mortgage servicers to:
 - Offer borrowers with FHA-insured mortgages up to a year of delayed mortgage payment forbearance when the borrower requests it. FHA does not require a lump sum payment at the end of the forbearance period
 - Assess borrowers who receive COVID-19 forbearance for its special COVID-19 National Emergency Standalone Partial Claim before the end of the forbearance period. The COVID-19 National Emergency Standalone Partial Claim puts all deferred mortgage payment amounts owed into a junior lien which is only repaid when the borrower sells the home, refinances the mortgage, or the mortgage is otherwise extinguished.

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