

# COVID-19: Resources for Homeowners | HUD.gov / U.S. Department of Housing and Urban Development (HUD)

---







 [hud.gov/coronavirus/resources\\_for\\_homeowners](https://www.hud.gov/coronavirus/resources_for_homeowners)

June 15, 2021

## COVID-19 Resources for Homeowners

To reinforce its commitment that all Federal Housing Administration (FHA) borrowers have options available to help them avoid foreclosure if at all possible, the FHA has extended the highly effective COVID-19 home retention and foreclosure avoidance options to all eligible FHA borrowers who fall behind on their mortgage payment, regardless of the cause of their delinquency.

### On this Page

-  [\*\*How to Request Mortgage Relief\*\*](#)
-  [\*\*FHA's COVID-19 Forbearance\*\*](#)
-  [\*\*COVID-19 Recovery Options\*\*](#)
-  [\*\*Home Retention Options for Home Equity Conversion Mortgage \(HECM\) Borrowers Affected by the COVID-19 National Emergency\*\*](#)
-  [\*\*Homeowner Assistance Funds\*\*](#)
-  [\*\*Be aware of scams\*\*](#)
-  [\*\*Additional resources for homeowners\*\*](#)

### Get free housing advice

HUD-certified housing counselors are available to help you with your housing situation, discuss your options, and direct you to other local resources.

Call **1-800-569-4287** or [find a housing counselor](#).

---

## How to Request Mortgage Relief

## Recognize that you are struggling to pay your mortgage

If you can't pay your mortgage because of financial difficulties, FHA offers various home retention options to assist borrowers who are unable to make their mortgage payment. The first step is to contact your mortgage servicer to discuss available options. These home retention options are available to help you keep your home if you have been impacted by COVID-19, a loss of employment, or other financial hardships.

Your mortgage servicer is the company that handles your loan and to which you send your monthly loan payments.

Locate their contact information on your mortgage statement or their website. You can also find your servicer's information in Mortgage Electronic Registration Systems (MERS), a database that tracks mortgages.

---

## FHA's COVID-19 Forbearance

### Eligibility

You are eligible for FHA's COVID-19 Forbearance (mortgage relief) if:

- Your mortgage is insured by the FHA.
- You can't make your payments because you were affected by COVID-19.

### What are FHA Loans?

Some home loans are insured by FHA, a part of the U.S. Department of Housing and Urban Development. Your mortgage servicer must follow FHA guidelines when working with these loans.

Not sure if your loan is insured by FHA? You can find this information on your mortgage statement or you can call the FHA Resource Center at **1-800-CALL FHA (1-800-225-5342)** or email [answers@hud.gov](mailto:answers@hud.gov).

### Deadlines for requesting COVID-19 Forbearance

If you...	Then you...
Have not yet requested FHA COVID-19 Forbearance	<b>You must request this assistance from your mortgage servicer by May 31, 2023. The maximum amount of forbearance available to you is described in the chart below.</b>

<b>Initial Forbearance Date</b>	<b>Initial Forbearance Period</b>	<b>Additional Forbearance Period</b>	<b>Forbearance Extensions</b>	<b>Maximum Forbearance Period</b>
October 1, 2021 - May 31, 2023	Up to 6 months	Up to 6 months (if the initial forbearance will be exhausted and expires on or before May 31, 2023)	0	Up to 12 months (if the Borrower is eligible for the additional COVID-19 Forbearance Period)
After May 31, 2023	See below for additional Forbearance options			

## Details of FHA's COVID-19 Forbearance

Important information about FHA's COVID-19 Forbearance:

- To be eligible for the COVID-19 Forbearance or forbearance extension in the table above, you must request this relief from your servicer on or before May 31, 2023.
- You can request a FHA COVID-19 Forbearance for up to 6 months. If needed, an additional 6 month extension may be requested. If you began your initial forbearance on or after October 1, 2021, you are only eligible for the additional 6 months if your initial 6 months forbearance will be exhausted and expires on or before May 31, 2023.
- Additional forbearance options may be available to you after May 31, 2023. Your mortgage servicer may provide for a temporary pause or reduce your monthly mortgage payments to allow you time to overcome your financial hardship. An extended forbearance period may be provided to you if you are unemployed and actively seeking employment.
- No extra fees, penalties, or interest will be added to your account during the forbearance period.
- You must repay any reduced or paused payments. However, you won't have to pay them back all at once (as a lump sum) at the end of forbearance.
- Before your forbearance period ends, or as soon as you can resume making payments, contact your mortgage servicer about the repayment options available to you.
- Your servicer will work with you to determine if you are eligible for one of FHA's COVID-19 Recovery Home Retention Options that will enable you to bring your mortgage current.

---

## COVID-19 Recovery Options

## COVID-19 Recovery Home Retention Options

FHA COVID-19 Recovery Home Retention Options provide you with options to bring your mortgage current and may reduce the principal & interest (P&I) portion of your monthly mortgage payment. FHA offers COVID-19 Recovery Options to you if you are on a COVID-19 Forbearance or if you did not participate in a COVID-19 Forbearance but are or become 90 days or more delinquent through October 30, 2024. Your servicer must review you for the following COVID-19 Recovery Home Retention Options:

- **COVID-19 Advance Loan Modification (ALM):** The COVID-19 ALM is a permanent change in one or more terms of your mortgage that achieves a minimum 25 percent reduction to your monthly P&I payment. Your mortgage servicer will review you for this option within 30 days of the expiration of your forbearance or if you are 90 days or more delinquent and not on a forbearance. The servicer will proactively mail the modified mortgage documents to you if you can achieve the required payment reduction. If you choose to accept the COVID-19 ALM, you will only need to sign and return the mortgage modification documents sent to you by your mortgage servicer.
- **COVID-19 Recovery Standalone Partial Claim:** If you can resume making your current mortgage payments, the COVID-19 Recovery Standalone Partial Claim allows mortgage payment arrearages to be placed in a zero interest subordinate lien against the property. The Partial Claim amount does not require payment until the last mortgage payment is made, the loan is refinanced, or the property is sold, whichever occurs first.
- **COVID-19 Recovery Modification:** If you cannot resume making your current monthly mortgage payments, the COVID-19 Recovery Modification resolves the outstanding mortgage payment arrearages by adding it to the principal loan balance of the first mortgage, extending the term to 30 or 40 years at the current fixed market interest rate. It also targets reducing the monthly P&I portion of your monthly mortgage payment. The COVID-19 Recovery Modification must include a Partial Claim if you have Partial Claim funds available.

## COVID-19 Home Disposition Options:

If you do not qualify for a COVID-19 Recovery Home Retention Option or indicate that you are unable to resume making the monthly or modified monthly mortgage payment, you must be reviewed for the following COVID-19 Home Disposition Options:

- **COVID-19 Pre-Foreclosure Sale (PFS):** If you do not qualify for any of the COVID-19 Home Retention Options and the property sales value is not enough to pay the loan in full, your servicer may be able to accept less than the full amount owed by approving you, if eligible, for a Pre-Foreclosure Sale, also known as a short sale.

- **COVID-19 Deed-in-Lieu (DIL) of Foreclosure:** If you are unable to complete a COVID-19 PFS transaction at the expiration of the PFS marketing period, you may be able to voluntarily offer to deed (“give back”) the property to HUD in exchange for a release from all obligations under the mortgage.

If the current market value of your home is greater than the balance due on your loan a traditional sale allows you to retain your home equity. Consider consulting a licensed real estate professional to assist you in estimating the value of your home and the sales process.

---

#### Home Retention Options for Home Equity Conversion Mortgage (HECM) Borrowers Affected by the COVID-19 National Emergency

- **COVID-19 Home Equity Conversion Mortgage (HECM) Extensions:** If you have a HECM, commonly referred to as an FHA reverse mortgage, and are unable to make your property charge payments, such as property taxes and insurance, because you were impacted by COVID-19, you can request a COVID-19 extension to allow the additional time needed to make your property charge payments. You must request the initial HECM extension from your mortgage servicer by May 31, 2023. No extension period may extend beyond November 30, 2023.
  - The term of either the initial or any additional extension period may be shortened at your request.
  - The servicer must waive all late charges, fees, and penalties, if any, accruing while the HECM is in an extension period.
- **COVID-19 HECM Property Charge Repayment Plan:** The COVID-19 HECM Property Charge Repayment Plan allows servicers to offer you, if eligible, up to five years (60 months) to repay property charges such as property taxes and insurance advanced by the servicer. This new repayment plan type is available to you if you are exiting a COVID-19 extension. This additional time to repay delinquent property charges will increase the likelihood that you can cure property charge delinquencies and avoid foreclosure.
  - Allows the COVID-19 HECM Repayment Plan regardless of whether you have been unsuccessful on a prior repayment plan and whether you owe more than \$5,000 in property charge advances; and
  - Only requires a verbal attestation from you that you were impacted by COVID-19.
  - This option is also available to you even if you applied for Homeowner Assistance Fund assistance if the funds combined with your ability to repay will satisfy the servicer's advances for the delinquent property charges.
  - COVID-19 HECM Property Charge Repayment Plans must be initiated no later than May 11, 2024.

The American Rescue Plan Act of 2021 established the Homeowner Assistance Fund (HAF) in the U.S. Department of the Treasury to provide financial assistance to eligible homeowners who have suffered financial hardships during the COVID-19 National Emergency.

Qualified expenses may include mortgage payment assistance, mortgage reinstatement, utilities, insurance, and other housing-related costs.

If permissible by your state's HAF program, HAF funds may be used in combination with FHA's COVID-19 Loss Mitigation Options for single family forward mortgages and may also be used to reduce the balance or pay off a borrower's outstanding home retention Partial Claims, including for borrowers whose mortgage payments are now current.

HAF may also be used in combination with the COVID-19 HECM Property Charge Repayment Plan. FHA also permits the application of HAF to pay for delinquent property tax and homeowners insurance charges on defaulted HECMs.

For more information about HAF [visit Treasury's HAF web page](#).

For HAF information by state [visit the National Council of State Housing Agencies HAF web page](#).

HUD's FAQs on HAF in connection with FHA Loss Mitigation can be found at: <https://www.hud.gov/answers> by selecting the HUD NSC Servicing link on the left side, and then selecting Treasury Homeowner Assistance Fund (HAF) Program.

---

## Be aware of scams

Scam artists often offer fake help to people in crises. They do this to steal your money or personal information. Always check the legitimacy of offers and don't feel pressured to "take immediate action." **The best way to protect yourself is to say "no"** if anyone contacts you and asks for your personal information like your Social Security, bank account, Medicare ID, or driver's license numbers.

[Learn about Fraud and Scams on the Consumer Financial Protection Bureau website](#).. This includes scams on the fake charities, false unemployment claims, and people posing as someone in need, among other types of fraud.

---

## Additional resources for homeowners

### **Fair housing resources and discrimination help**

---

### **FHA Resource Center**

---

**[Find more help and resources >](#)**

Page last updated: April 28, 2023