Request for
Waiver of Housing Directive

1. Field Office
   National Servicing Center

2. Program and DAS (e.g., multifamily development)
   Single Family Housing

3. Waiver Requested by (person, entity, HUD employee)
   Matt Martin, Director, National Servicing Center

4. Waiver Item (directive number, date, page, paragraph, etc.)
   ML 2016-07, Page 3, Section - Assignment after a Mortgagee-Funded Cure, Paragraph 2 (Partial Waiver) and Paragraph 3

5. Did a check of SharePoint indicate Prior Approval of a factually similar waiver?
   Yes (skip No. 6)
   No (go to No. 6)

   If previously approved, give Counsel's name and date of approval.
   Juan Burgos, August 24, 2021

6. Counsel Determination. The Waiver Proposal does not conflict
   with statutory or regulatory provisions (cite rule or provision)

   Counsel (signature) ELIZABETH DAVIS
   Date: 2022.06.16 10:51:15 -04'00'

7. Employee Justification (attach additional pages if necessary)

   HECM Borrowers, who are a particularly vulnerable population, continue to experience significant difficulties due to the lingering effects of the COVID-19 pandemic. Such difficulties include but may not be limited to, health concerns, decreased income, as well as reduced mobility due to public health guidance. Given these circumstances, HECM borrowers exiting a COVID-19 Extension period are often unable to send timely taxes and insurance payments. Under existing policy, a HECM will not be eligible for assignment during the 3 year period after a mortgagee-funded cure. The mortgagee may not seek assignment for such a HECM until 3 consecutive years have passed where the borrower has paid all taxes and insurance on time and the mortgagee has not advanced any funds on the borrower’s behalf. Because borrowers have been unable to make timely payments to the Mortgagee due to COVID-19 related circumstances, this waiver allows Mortgagees to seek assignment for a HECM where the Mortgagee has advanced funds on behalf of the borrower during the 3 year period after a mortgagee-funded cure allowing for increased liquidity in HECM servicing, which is necessary to prevent servicer defaults on making payments to borrowers.

   This change will also benefit borrowers by allowing mortgagees to use their own funds to cure a tax or insurance default while passing none of the costs onto the borrower. This temporary partial waiver builds on the prior partial waiver dated August 31, 2021, and that expires on June 30, 2022.

8. Field Office Concurrence
   Name: Julienne Y. Joseph
   Title: Deputy Assistant Secretary for Single Family Housing
   Date: 2022.06.16 14:03:23 -04'00'

   [ ] Granted
   [ ] Not Granted

   Comments

   This waiver will remain in effect through December 31, 2022.

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Original to Field Office;
   Director, Organizational Policy, Planning and Analysis Division, Room 9116, HUD Headquarters, HRO
   Assistant General Counsel, Multifamily Mortgage Division, HUD Headquarters, Room 9230, CAHAA
   Office of the Deputy Assistant Secretary for Single Family Housing, Room 9282, HUD Headquarters, HU
   Office of the Deputy Assistant Secretary for Multifamily Housing, Room 6016, HUD Headquarters, HT

Previous versions obsolete

form HUD-2 (12/2013)