

# Request for Waiver of Housing Directive

**U.S. Department of Housing and Urban Development**  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0029  
(Expires 04/30/2020)

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					
Relief Sought A temporary partial waiver of portions of mortgagee Letter 2016-07, to permit assignment of HECM to HUD during the 3-year period after a Mortgagee advances funds for a mortgagee-funded cure where delinquency occurred on or after March 1, 2020.  The specific policies to be waived are: (1) Item number 3 on page 3 under subheading "Election to Avoid Due and Payable Request or Rescission of Due and Payable for a Mortgagee-Funded Cure"; and (2) under subheading "Assignment after a Mortgagee-Funded Cure" on Page 3.					
5. Did a check of SharePoint indicate Prior Approval of a factually similar waiver?"	<table style="width:100%; border: none;"> <tr> <td style="width:15%; border: none;"><input checked="" type="checkbox"/> Yes (skip No. 6)</td> <td style="border: none;">If previously approved, give Counsel's name and date of approval.</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> No (go to No. 6)</td> <td style="border: none;">Elizabeth Davis, June 16, 2022</td> </tr> </table>	<input checked="" type="checkbox"/> Yes (skip No. 6)	If previously approved, give Counsel's name and date of approval.	<input type="checkbox"/> No (go to No. 6)	Elizabeth Davis, June 16, 2022
<input checked="" type="checkbox"/> Yes (skip No. 6)	If previously approved, give Counsel's name and date of approval.				
<input type="checkbox"/> No (go to No. 6)	Elizabeth Davis, June 16, 2022				
6. Counsel Determination. The Waiver Proposal <b>does not conflict</b> <input checked="" type="checkbox"/> <b>conflicts</b> <input type="checkbox"/> with statutory or regulatory provisions (cite rule or provision)					

Counsel (signature)	Elizabeth Davis acting on behalf of Sherece Tolbert <small>Digitally signed by Elizabeth Davis acting on behalf of Sherece Tolbert Date: 2022.11.21 12:19:28 -05'00'</small>	Date
---------------------	---	------

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 tax 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 June 16, 2022, and that expires on December 31, 2022.

Field Office Concurrence		
Name Julienne Y. Joseph	Title Deputy Assistant Secretary for Single Family Housing	Date

8. <input checked="" type="checkbox"/> Granted <input type="checkbox"/> Not Granted	Housing Director (signature)	JULIENNE JOSEPH <small>Digitally signed by JULIENNE JOSEPH Date: 2022.11.21 14:33:44 -05'00'</small>	Date
--	------------------------------	---	------

Comments

This waiver will remain in effect through December 31, 2023.

Public reporting burden for this collection of information is estimated to average xx minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Distribution: (includes waivers granted and denied)  
Original to Field Office;  
One copy to each of the following: Director, Organizational Policy, Planning and Analysis Division, Room 9116, HUD Headquarters, HRO  
Assistant General Counsel, Multifamily Mortgage Division, HUD Headquarters, Room 9230, CAHAA  
And one copy to either of the following: 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 6106, HUD Headquarters, HT