# Request for
# Waiver of Housing Directive

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

| | |
|---|---|
| 1. Field Office<br>National Servicing Center | 2. Program and DAS (e.g., multifamily development)<br>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, "Election to Avoid Due and Payable" Item 3; and "Assignment after a Mortgagee-Funded Cure."

Relief Sought

A temporary partial waiver of portions of Mortgagee Letter 2016-07, to permit assignment of a 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?" | [ ] Yes (skip No. 6)<br>[X] No (go to No. 6) | If previously approved, give Counsel's name and date of approval. |
|---|---|---|

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

| Counsel (signature) | JUAN BURGOS  Digitally signed by JUAN BURGOS  Date: 2021.08.24 16:54:54 -04'00' | | Date |
|---|---|---|---|

7. Employee Justification (attach additional pages if necessary)

HECM borrowers continue to experience significant difficulties due to 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.

Where 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 immediately following a mortgage-funded cure.

This waiver will provide relief for 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.

Field Office Concurrence

| Name<br>Julienne Y. Joseph | Title<br>Deputy Assistant Secretary for Single Family Housing | Date |
|---|---|---|

| 8. [✓] Granted<br>[ ] Not Granted | Housing Director (signature) JULIENNE JOSEPH  Digitally signed by JULIENNE JOSEPH  Date: 2021.08.31 15:53:13 -04'00' | | Date |
|---|---|---|---|

Comments

This waiver will remain in effect through June 30, 2022.

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