



**TO: All FHA-Approved Mortgagees and Servicers;
All Other Interested Stakeholders in FHA Transactions**

NEWS AND UPDATES

FHA Strengthens Permanent Disaster Loss Mitigation Options

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter \(ML\) 2019-14, Updates to FHA's Loss Mitigation Options for Borrowers in Presidentially-Declared Major Disaster Areas \(PDMDA\)](#). This ML strengthens and expands FHA's loss mitigation options to homeowners located in all PDMDAs by adding new options and improving several existing options that were originally put in place in 2018 as temporary provisions for specific PDMDAs. Read today's [Press Release](#), issued by the Department of Housing and Urban Development (HUD), for more on the topic.

Effective immediately, FHA will now make permanent:

- The Disaster Standalone Partial Claim option to help eligible borrowers on a forbearance plan resume their pre-disaster mortgage payments and avoid payment shock;
- Streamlined income documentation and revised loss mitigation procedures for a Disaster Loan Modification option and Disaster Standalone Partial Claim option; and
- A Trial Payment Plan as an alternative to providing income documentation for these disaster loss mitigation options.

This ML is designed to provide immediate loss mitigation and other relief options to FHA borrowers in *all* PDMDAs and help them stay in their homes while mitigating losses to FHA's Mutual Mortgage Insurance Fund (MMIF). Further, the addition of these provisions to the *Single Family Housing Policy Handbook* 4000.1 creates clear and consistent policy applicable to borrowers whose FHA-insured property or place of employment is in a PDMDA.

Servicers may begin implementing these new policies immediately; however, they must begin implementing them no later than November 30, 2019.

[Quick Links](#)

- View today's Press Release and other archived Press Releases at: <https://www.hud.gov/press>
 - View Mortgagee Letter 2019-14 and all other archived Mortgagee Letters at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/letters/mortgagee
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Resources

Contact the FHA Resource Center:

- Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at: www.hud.gov/answers.
- E-mail the FHA Resource Center at: answers@hud.gov. Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
- Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

FHA INFO Archives:	Visit the FHA INFO Archives to access FHA INFO messages issued from 2012 to the present.														
Subscribe/Unsubscribe Instructions:	To subscribe to the Single Family FHA INFO mailing list you can use this link: FHA INFO or send a request by email to: answers@hud.gov Bulk subscriptions: To sign up your entire office or a large group, send the list of email addresses (in the format below) to: answers@hud.gov aaa@xyz.com bbb@xyz.com ccc@xyz.com To Unsubscribe follow the unsubscribe instructions on that page.														
Resource Links:	<table><tr><td>FHA Archived Webinars</td><td>Foreclosure Assistance</td></tr><tr><td>Career Opportunities</td><td>Grant Opportunities</td></tr><tr><td>Contracting Opportunities</td><td>HUD Homes - Property Listings</td></tr><tr><td>Events & Training</td><td>HUD.gov</td></tr><tr><td>FHA Forms</td><td>Making Home Affordable</td></tr><tr><td>FHA Homeownership Centers</td><td>Presidentially-Declared Major Disaster Areas</td></tr><tr><td>FHA Mortgagee Letters</td><td>Visit our Single Family Home Page</td></tr></table>	FHA Archived Webinars	Foreclosure Assistance	Career Opportunities	Grant Opportunities	Contracting Opportunities	HUD Homes - Property Listings	Events & Training	HUD.gov	FHA Forms	Making Home Affordable	FHA Homeownership Centers	Presidentially-Declared Major Disaster Areas	FHA Mortgagee Letters	Visit our Single Family Home Page
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