

**FHA INFO #20-88**

**November 27, 2020**



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

## NEWS AND UPDATES

In this announcement:

- New Resources from the CFPB and HUD for Struggling Homeowners
- Extension of Temporary Guidance on the Endorsement of Mortgages under Forbearance
- Extension of Effective Dates for Temporary Guidance for Verification of Self-Employment; Rental Income; 203(k) Rehabilitation Escrow Account

See below for details.

### New Resources from the CFPB and HUD for Struggling Homeowners

The Consumer Financial Protection Bureau (CFPB), U.S. Department of Housing and Urban Development (HUD), along with other federal agencies, are partnering to encourage homeowners – who are struggling financially as a result of the COVID-19 National Emergency – to take control of their mortgage loans.

It is more important than ever to make extra efforts to reach these struggling homeowners, help them understand their options, and navigate their choices. The CFPB has created resources to support your customers and clients.

To access the CFPB's online toolkit, visit: [https://www.consumerfinance.gov/about-us/blog/how-help-homeowners-protect-their-homes/?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=CFP](https://www.consumerfinance.gov/about-us/blog/how-help-homeowners-protect-their-homes/?utm_source=newsletter&utm_medium=email&utm_campaign=CFP)

### Extension of Temporary Guidance on the Endorsement of Mortgages under Forbearance

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter \(ML\) 2020-39](#), *Extension of Temporary Guidance for Endorsement of Mortgages under Forbearance for Borrowers Affected by the Presidentially-Declared COVID-19 National Emergency consistent with the Coronavirus Aid, Relief, and Economic Security (CARES) Act*.

This ML further extends the period for mortgage forbearance provisions provided under the CARES Act, as announced in [ML 2020-16](#) on June 4, 2020. More specifically, ML 2020-39 allows mortgages to be endorsed for insurance when the borrower, after closing, has requested a forbearance due to the COVID-19 National Emergency.

Mortgagees may use the guidance in this ML immediately for pending endorsements through December 31, 2020.

### Quick Links:

- View Mortgage Letters 2020-39, 2020-16, and all other archived Mortgage Letters at: [https://www.hud.gov/program\\_offices/administration/hudclips/letters/mortgagee](https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee)

## Extension of Effective Dates for Temporary Guidance for Verification of Self-Employment; Rental Income; 203(k) Rehabilitation Escrow Account

Today, the Federal Housing Administration (FHA) published [Mortgage Letter \(ML\) 2020-40](#), *Extension of the End Date for COVID-19 Multisubject: Updated Temporary Guidance for Verification of Self-Employment; Rental Income; 203(k) Rehabilitation Escrow Account*.

This ML extends the effective dates published in [ML 2020-24](#) on July 29, 2020, which allows industry partners to utilize flexible guidance on several FHA single family programs affected by the COVID-19 National Emergency.

Beginning immediately, the effective date is extended for the verification of business operations of self-employed borrowers and rental income guidance for case numbers assigned on or before December 31, 2020. Additionally, the guidance for the administration of the 203(k) Rehabilitation Escrow for borrowers in forbearance is extended through December 31, 2020.

### Quick Links:

- View Mortgage Letters 2020-40, 2020-24, and all other archived Mortgage Letters at: [https://www.hud.gov/program\\_offices/administration/hudclips/letters/mortgagee](https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee)

---

### **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](http://www.hud.gov/answers).
- E-mail the FHA Resource Center at: [answers@hud.gov](mailto: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-CALL-FHA (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.

<b>FHA INFO Archives:</b>	Visit the <a href="#">FHA INFO Archives</a> to access FHA INFO messages issued from 2012 to the present.
<b>Subscribe/Unsubscribe Instructions:</b>	To subscribe to the Single Family FHA INFO mailing list you can use this link: <a href="#">FHA INFO</a> or send a request by email to: <a href="mailto:answers@hud.gov">answers@hud.gov</a> Bulk subscriptions: To sign up your entire office or a large group, send the list of email addresses (in the format below) to: <a href="mailto:answers@hud.gov">answers@hud.gov</a> <a href="mailto:aaa@xyz.com">aaa@xyz.com</a> <a href="mailto:bbb@xyz.com">bbb@xyz.com</a> <a href="mailto:ccc@xyz.com">ccc@xyz.com</a> <a href="#">To Unsubscribe</a> follow the unsubscribe instructions on that page.
<b>Resource Links:</b>	<a href="#">FHA Archived Webinars</a> <a href="#">Foreclosure Assistance</a>

[Career Opportunities](#)

[Contracting Opportunities](#)

[Events & Training](#)

[FHA Forms](#)

[FHA Homeownership Centers](#)

[FHA Mortgagee Letters](#)

[Grant Opportunities](#)

[HUD Homes - Property Listings](#)

[HUD.gov](#)

[Making Home Affordable](#)

[Presidentially-Declared Major Disaster Areas](#)

[Visit our Single Family Home Page](#)



We hope that you will want to continue receiving information from HUD.

We safeguard our lists and do not rent, sell, or permit the use of our lists by others, at any time, for any reason.

Connect with HUD on [Social Media](#) and follow Secretary Carson on [Twitter](#) and [Facebook](#).

[HUD COVID-19 Resources and Fact Sheets](#)