



FHA INFO 2024-53

August 2, 2024

## **FHA Publishes Final Rule for Modernization of Engagement with Mortgagors in Default**

Today, the Federal Housing Administration (FHA) published a final rule, *Modernization of Engagement with Mortgagors in Default* ([Docket No. FR-6353-F-02](#)) in the Federal Register (FR).

This final rule updates the Department of Housing and Urban Development's (HUD) current regulation ([24 CFR 203.604](#)) that requires mortgagees to meet in person with borrowers who are in default on their mortgage payments. The final rule allows for the use of electronic and other remote methods of communication to satisfy HUD's requirement to meet with a borrower who is in default. HUD's updated regulation will align with advances in electronic communication technology and borrower engagement preferences while preserving necessary consumer protections. The provisions in this final rule become effective on January 1, 2025.

This final rule takes into consideration public comments received in response to the proposed rule [[Docket No. FR-6353- P-01](#)], published on July 31, 2023, as announced in [FHA INFO 2023- 60](#).

FHA will soon post a draft of the Mortgagee Letter (ML) that will implement the provisions of the rule on the [Single Family Housing Drafting Table](#) for stakeholder feedback. Following the feedback period, FHA will carefully consider all feedback received before publishing a final ML.

FHA issued regulatory and Handbook [waivers](#) permitting mortgagees to use electronic and remote means of communication during the COVID-19 pandemic, which were extended on April 4, 2024. Those waivers remain in effect and were extended through January 1, 2025, unless the final rule amending 24 CFR § 203.604 and a ML or [Single Family Housing Policy Handbook 4000.1](#) (Handbook 4000.1) update amending Section III.A.2.h.xii. become effective prior to that date.

**Need Support? Contact the FHA Resource Center.**

- Visit our knowledge base to obtain answers to frequently asked questions 24/7 at [www.hud.gov/answers](http://www.hud.gov/answers).
- E-mail [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-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.

**About FHA INFO**

FHA INFO is a publication of the Federal Housing Administration's (FHA), Office of Single Family Housing, U.S. Department of Housing and Urban Development, 451 7th Street, SW, Washington, DC 20410. We safeguard our lists and do not rent, sell, or permit the use of our lists by others, at any time, for any reason.

Visit the [FHA INFO Archives](#) to access FHA INFO messages. For additional information and resources, visit the FHA Single Family Housing main page on [HUD.gov](http://HUD.gov)

Stay Connected with the Office of Housing and the Federal Housing Administration:



SUBSCRIBER SERVICES:  
[Manage Subscriptions](#) | [Help](#)

---

This email was sent using GovDelivery Communications Cloud on behalf of the Office of Housing and the Federal Housing Administration, U.S. Department of Housing and Urban Development, 451 7th St. SW, Washington, DC 20410

