FHA Clarifies Eligibility for Certain Non-Permanent Residents to Apply for FHA-Insured Mortgages

Today, the Federal Housing Administration (FHA) announced the publication of Mortgagee Letter 2021-12, Eligibility Requirements for Certain Non-Permanent Resident Borrowers, that formalizes and updates requirements for certain non-permanent residents seeking to obtain insured mortgage financing under FHA’s Single Family Title I and Title II forward mortgage insurance programs. The guidance in this ML may be implemented immediately; however, it must be implemented for mortgages with case numbers assigned on or after July 26, 2021.

The guidance issued in today’s ML — coupled with updates to the Residency Requirements section of the Single Family Housing Policy Handbook 4000.1 (Handbook 4000.1) — clarifies the:

- eligibility requirements FHA-insured mortgage financing for individuals participating in the “Deferred Action for Childhood Arrivals” (DACA) program; and
- employment documentation requirements for citizens of the Freely Associated States (FAS) and for individuals with H-1B status.

FHA stakeholders should thoroughly review ML 2021-12 to better understand these policy updates.

Quick Links

- Mortgagee Letters: [https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee](https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee)
- Online or PDF versions of Handbook 4000.1: [https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh](https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh)
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.
- E-mail 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

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