

FHA INFO #16-20

March 30, 2016

FHA Single Family Housing



NEWS

TO: All FHA-Approved Mortgagees and Servicers

NEWS AND UPDATES

Expanded Permissive Loss Mitigation for Home Equity Conversion Mortgages (HECMs) and Mortgagee's Optional Extension to Submitting a Due and Payable Request

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter 2016-07: Expanded Permissive Loss Mitigation for Home Equity Conversion Mortgages \(HECMs\) and Mortgagee's Optional Extension to Submitting a Due and Payable Request](#). The ML provides mortgagees with an optional extension when submitting a due and payable request where borrowers are behind on the payment of their property taxes and/or hazard insurance premium by less than \$2,000.

Additionally, the ML permits mortgagees to cure a borrower's taxes and/or insurance default so long as no cost is passed along to HUD and the mortgagee agrees to not seek loan assignment for at least a period of 3 years. It also removes a previous restriction prohibiting the use of the permissive loss mitigation options announced in [ML 2015-11](#) for borrowers in foreclosure at the time of issuance of that mortgagee letter.

Quick Links:

- View [Mortgagee Letter 2016-07](#) and all other MLs at: http://portal.hud.gov/hudportal/HUD?src=/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.

- 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.

RESOURCE INFORMATION

FHA INFO Archives:	Visit the FHA INFO Archives to access FHA INFO messages issued from 2012 to the present.		
Subscribe/Unsubscribe Instructions:	<p>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</p> <p>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</p> <p style="padding-left: 20px;">aaa@xyz.com bbb@xyz.com ccc@xyz.com</p> <p>To Unsubscribe follow the unsubscribe instructions on that page.</p>		
Resource Links:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> Archived Webinars Career Opportunities Contracting Opportunities Events & Training FHA Forms FHA Homeownership Centers FHA Mortgagee Letters </td> <td style="width: 50%; vertical-align: top;"> Foreclosure Assistance Grant Opportunities HUD Homes Property Listings HUD.gov Making Home Affordable Presidentially Declared Disaster Areas Visit our Single Family Home Page </td> </tr> </table>	Archived Webinars Career Opportunities Contracting Opportunities Events & Training FHA Forms FHA Homeownership Centers FHA Mortgagee Letters	Foreclosure Assistance Grant Opportunities HUD Homes Property Listings HUD.gov Making Home Affordable Presidentially Declared Disaster Areas Visit our Single Family Home Page
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