

COVID-19 Questions and Answers

Last revised March 18, 2020

Q1. What is FHA's Office of Single Family Housing doing to prepare for possible disruptions in its business operations should the Coronavirus (COVID-19) warrant office closures?

A1. All of FHA, including Single Family, is prepared to operate remotely to ensure our business operations continue with as little disruption as possible in the event of office closures.

Q2. Is FHA continuing to endorse loans?

A2. Insurance endorsements for all FHA Title I loans and Title II forward and reverse mortgages continues; however, there may be processing delays if staff is working remotely.

Q3. Is the FHA Resource Center continuing normal operations?

A3. Yes. However, if the Homeownership Centers (HOCs) are closed there will not be FHA staff members available to receive escalated calls. If this occurs, we recommend that stakeholders email their questions to the FHA Resource Center at: answers@hud.gov for a quicker response.

Q4. (REVISED 3.18.20) Must lenders still complete the annual recertification by March 31, 2020?

A4. (REVISED 3.18.20) FHA has extended the due date for annual recertification to April 30, 2020 for those lenders with a December fiscal year end. However, lenders that can complete the annual recertification before April 30th are encouraged to do so.

Q5. Are requests for lender insurance (LI) authority being processed?

A5. Yes. The LI approval process is electronic, so lenders may continue to submit these requests.

Q6. Can lenders still submit applications to become FHA-approved lenders?

A6. Yes. The FHA lender approval process is electronic, so lenders may continue to submit these requests.

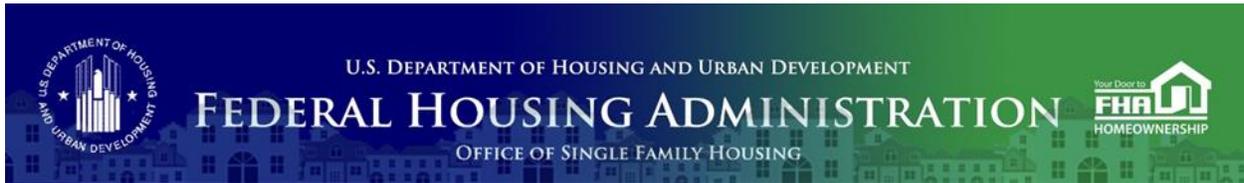
Q7. Will FHA still conduct lender monitoring and/or loan reviews?

A7. Yes. FHA staff will conduct these reviews remotely. All on-site reviews are suspended until further notice.

Q8. Will the Credit Alert Verification Reporting System (CAIVRS) be available if there are office closures?

A8. Yes. CAIVRS will be available to determine if a borrower has a delinquent federal debt.

Q9. Will the FHA TOTAL Scorecard be available for lenders?



A9. Yes. The FHA TOTAL Scorecard will be available.

Q10. Will FHA still conduct in-person lender trainings?

A10. All FHA Single Family in-person trainings are suspended through the end of March 2020. Online webinar trainings will continue. FHA will continue to assess the situation to determine whether in-person trainings scheduled after March 31, 2020, can continue or will need to be canceled or postponed.

Q11. Are there special loss mitigation program options available to borrowers who may be negatively impacted by the Coronavirus?

A11. As with any other event that negatively impacts a borrower's ability to pay their monthly mortgage payment, FHA's suite of loss mitigation options provides solutions that mortgagees should offer to distressed borrowers – including those that could be impacted by the Coronavirus – to help prevent them from going into foreclosure. An example of one of these options is our Special Forbearance for unemployed borrowers. The SFB-Unemployment Option is a Home Retention Option available when one or more of the Borrowers has become unemployed and this loss of employment has negatively affected the Borrower's ability to continue to make their monthly Mortgage Payment. These home retention options are located in FHA's [Single Family Housing Policy Handbook 4000.1](#) (SF Handbook) Section III.A.2. See [FHA INFO 20-18](#) for more details. FHA is closely monitoring the situation and will provide updated guidance, as needed.

Q12. Is FHA requiring servicers to conduct occupancy exterior inspections during this time?

A12. Yes. The standard in FHA's SF Handbook states that the mortgagee must perform a visual exterior inspection. No physical contact with the borrower and/or occupants is required. For more information, please see [SF Handbook](#), Section III.A.2.h.xi — *Occupancy Inspection*.

Q13. Does FHA require physical contact with the borrower and/or occupants when acquiring possession of a property in connection with occupied conveyances?

A13. No. When identifying property occupants, FHA does not require physical contact with the borrower and/or occupants. For more information, please see [SF Handbook](#), Section III.A.2.s. — *Acquiring Possession*.

Q14. Will I be able to place a bid on a HUD-owned property via the HUD Homestore bid site?

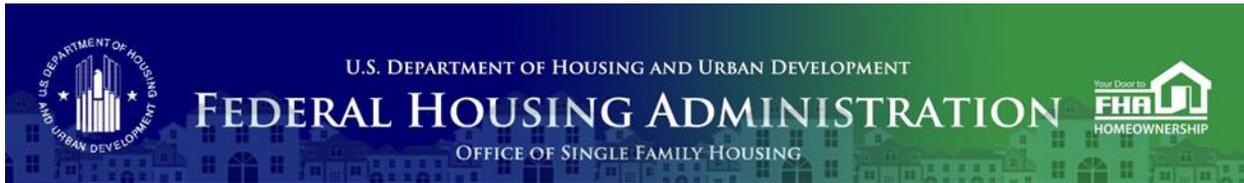
A14. Yes. The [bidding site](#) is available.

Q15. Is FHA continuing to process claims?

A15. FHA will continue to process claims; however, servicers may experience slightly longer processing timeframes if there are office closures, particularly for any claims submitted manually and Title I claim submissions and Title I manufactured housing endorsements.

Q16. Is HUD suspending credit reporting for FHA-Insured mortgages?

A16. FHA requires servicers to comply with the credit reporting requirements of the Fair Credit Reporting Act (FCRA); however, FHA encourages servicers to consider the impacts of COVID-19 on



borrowers' financial situations and any flexibilities a servicer may have under the FCRA when taking negative credit reporting actions.

Q17. Is FHA continuing to require Appraisals with Property inspections for Single Family Programs?

A17. Yes. The FHA Roster Appraiser must complete all required appraisals in accordance with acceptable Appraisal Reporting Forms and Protocols. Appraisers should stay informed of CDC Coronavirus updates, and incorporate prudent measures in their business practice regarding personal contact with the borrower and/or occupants. FHA is closely monitoring the situation and will provide updated guidance, as needed.

Q18. Are face-to-face interviews still required under FHA's Default Servicing early default intervention requirements?

A18. FHA has published a regulatory waiver and an accompanying SF Handbook waiver to allow mortgagees to utilize alternative methods for contacting borrowers, in lieu of face-to-face interviews, to meet the requirements of [SF Handbook](#), Section III.A.2.h.xii. For more information, please see Regulatory Waiver and Handbook Waiver.

New Q&As (3.18.2020)

Q19. Will lenders be penalized if they are unable to submit case binders to FHA within 10 business days of the binder request as a result of temporary lender office closures or reductions in on-site staff?

A19: No. Lenders should make every effort to submit case binders to FHA as quickly as possible, but they will not be penalized for overdue binder requests caused by their temporary office closures or staff reductions related to Coronavirus disease 2019 (COVID-19).

Q20. Will FHA suspend foreclosures and evictions on single family properties now that a Presidentially-Declared COVID-19 National Emergency has been declared?

A20. Yes. FHA published [Mortgagee Letter \(ML\) 2020-04](#), "*Foreclosure and Eviction Moratorium in connection with the Presidentially-Declared COVID-19 National Emergency*," on March 18, 2020. This ML announced an immediate foreclosure and eviction moratorium for all FHA-insured single family mortgages for a 60-day period.

Q21: Is FHA providing an automatic extension to foreclosure deadlines following the expiration of this moratorium?

A21: Yes. FHA is providing mortgagees an automatic 60-day extension following the moratorium expiration date to commence or recommence foreclosure action or evaluate the borrower under HUD's Loss Mitigation Program.

Q22. Why is FHA granting a foreclosure moratorium for HECMs instead of an extension to the HECM foreclosure timelines?



- A22.** FHA is authorizing a foreclosure moratorium for Home Equity Conversion Mortgages (HECMs) through guidance in [ML 2020-04](#), which is being provided in response to the unprecedented national emergency and the exigent circumstances surrounding the COVID-19 crisis. HUD’s Presidentially-Declared Major Disaster Area (PDMDA) guidance concerning extensions of HECM foreclosure timelines as provided in [FHA INFO 18-40](#) is unaffected by the guidance.