



COVID-19 Questions and Answers

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A. Emergency Preparedness

Q. 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?

A. 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.

Q. Is FHA continuing to endorse loans during the COVID-19 National Emergency?

A. Insurance endorsements for all FHA Title I loans and Title II forward and reverse mortgages continue during the COVID-19 National Emergency; however, there may be processing delays if staff is working remotely.

Q. Is the FHA Resource Center continuing normal operations during the COVID-19 National Emergency?

A. 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.

B. Doing Business With FHA

Annual Recertification

Q. Must lenders still complete the annual recertification by March 31, 2020 due to the COVID-19 National Emergency?

A. 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.

Application and Eligibility for Approval

Q. Are requests for lender insurance (LI) authority being processed during the COVID-19 National Emergency?

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

Q. Can lenders still submit applications to become FHA-approved lenders during the COVID-19 National Emergency?

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

C. Origination through Post Closing and Endorsement

Origination and Processing

- Q. Will the Credit Alert Verification Reporting System (CAIVRS) be available if there are office closures during the COVID-19 National Emergency?**
- A. Yes. CAIVRS will be available to determine if a borrower has a delinquent federal debt.
- Q. Will the FHA TOTAL Scorecard be available for lenders during the COVID-19 National Emergency?**
- A. Yes. The FHA TOTAL Scorecard will be available.
- Q. Will FHA still conduct in-person lender trainings during the COVID-19 National Emergency?**
- A. No. All FHA Single Family in-person trainings are suspended during the COVID-19 National Emergency. Online webinar trainings will continue. FHA will continue to assess the situation to determine when in-person trainings can resume.
- Q. Can an extension of the time for completion of repairs be granted for a limited or standard 203(k) mortgage due to construction delays during the COVID-19 National Emergency?**
- A. Yes. A borrower who is current on their mortgage payments may request an extension of time from the mortgagee where construction is delayed for reasons outside of the borrower's control, such as natural disasters or other contractor delays, which result in the work not being completed within the rehabilitation period specified in the Rehabilitation Loan Agreement. The borrower must submit adequate documentation to justify the extension. The mortgagee may grant an extension at its discretion.
- The mortgagee must complete the required fields on the escrow closeout certification screen in FHA Connection (FHAC) to document the approval or the denial for the extension request. For more information, please see [SF Handbook](#), Section II.A.8.a.xvii.(B) — Extension Requests.
- Q. Is FHA continuing to require 203(k) consultants to physically inspect the properties with loans for FHA insurance during the COVID-19 National Emergency?**
- A. Yes. The 203(k) consultants must inspect the property and prepare a report in accordance with the requirements of [SF Handbook](#), Section II.A.9.b.ii. 203(k) consultants 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.
- Q. Mortgagees have been unable to obtain tax transcripts during the COVID-19 Emergency, does FHA require tax transcripts directly from the Internal Revenue Service (IRS)?**
- A. No. The mortgagee must obtain the borrower's signature on the appropriate IRS form to obtain tax returns directly from the IRS for all credit-qualifying mortgages at the time the final Uniform Residential Loan Application (URLA) is executed. If FHA requires tax returns as required

documentation for any type of effective income, **in lieu of** signed individual or business tax returns from the borrower, the mortgagee may obtain a signed [IRS Form 4506](#), *Request for Copy of Tax Return*, [IRS Form 4506-T](#), *Request for Transcript of Tax Return*, or [IRS Form 8821](#), *Tax Information Authorization*, and tax transcripts directly from the IRS.

Acceptable Appraisal Reporting Forms and Protocols

- Q. Is FHA continuing to require appraisals with interior property inspections for Single Family programs during the COVID-19 National Emergency?**
- A.** In accordance with [Mortgagee Letter 2020-05](#), exceptions for two additional appraisal inspection scope of work options may be used for certain cases. The exterior-only appraisal and the desktop-only appraisal options are permitted when circumstances warrant. The FHA roster appraiser must complete all required appraisals in accordance with acceptable Appraisal Reporting Forms and Protocols. See [ML 2020-05](#) for more program specific details.
- Q. When are exceptions to the appraisal inspection protocols for the use of exterior-only and desktop-only scope of work, due to the COVID-19 National Emergency, permitted?**
- A.** An exception for the exterior-only option is limited to purchase cases, rate and term refinances, simple refinances, and HECMs. An exception for the desktop-only option is limited to purchase cases. Appraisals completed in connection with the servicing of FHA's forward or HECM portfolios may accept either an exterior-only or desktop appraisal.
- Q. What precautions should appraisers take while conducting a property appraisal report with inspection during the COVID-19 National Emergency?**
- A.** Appraisers are advised to establish safety policies and procedures for their clients per the current guidance and recommendations provided by the Centers for Disease Control and Prevention (CDC) as well as local, state, and federal resources. When scheduling property inspections, appraisers should discuss established protocols to reduce the risk of COVID-19 exposure.
- Q. Under the requirements for the COVID-19 National Emergency, does the appraiser have to perform an interior inspection of the subject property?**
- A.** Certain FHA cases may now be completed with exterior-only or desktop-only scope of work. The appraiser should monitor the client's engagement letters and instructions. For cases requiring the standard protocols of a complete interior and exterior viewing, the appraiser should follow safe practices and keep the client informed.
- Q. Under the requirements for the COVID-19 National Emergency, when performing an exterior-only or desktop-only scope of work, should the appraisal subject to inspection be completed at a later date?**
- A.** The appraisal, completed according to the guidelines specific to the COVID-19 National Emergency, does not need to be subject to an inspection at a later date solely because an interior or physical inspection was not performed. The appraiser must identify any necessary extraordinary assumptions based on the limited inspection scope of work and complete the appraisal based upon these assumptions. The appraisal will be completed "AS IS" unless

deficiencies in Minimum Property Requirements (MPR) are observed or known to the appraiser based on the scope of inspection.

Q. Which appraisal forms will be used for the exterior-only and desktop-only appraisals during the COVID-19 National Emergency?

A. The current acceptable appraisal reporting forms based on property/assignment type will continue to be used for all appraisals, including those with limited inspection scope of work. The appraiser must include the amended model certification and scope of work with the appraisal form. See acceptable reporting forms below:

Property/Assignment Type	Acceptable Reporting Form
Single Family, Detached, Attached or Semi-Detached Residential Property	Fannie Mae Form 1004/Freddie Mac Form 70 , <i>Uniform Residential Appraisal Report (URAR)</i> ; Mortgage Industry Standards Maintenance Organization (MISMO) 2.6 Government-Sponsored Enterprise (GSE) format
Single Unit Condominium	Fannie Mae Form 1073/Freddie Mac Form 465 , <i>Individual Condominium Unit Appraisal Report</i> ; MISMO 2.6 GSE format
Manufactured (HUD Code) Housing	Fannie Mae Form 1004C/Freddie Mac Form 70B , <i>Manufactured Home Appraisal Report</i> ; MISMO 2.6 Errata 1 format
Small Residential Income Properties(Two to Four Units)	Fannie Mae Form 1025/Freddie Mac Form 72 , <i>Small Residential Income Property Appraisal Report</i> ; MISMO 2.6 Errata 1 format
Update of Appraisal(All Property Types)	Summary Appraisal Update Report Section of Fannie Mae Form 1004D/Freddie Mac Form 442 , <i>Appraisal Update and/or Completion Report</i> ; MISMO 2.6 Errata 1 format
Compliance or Final Inspection for New Construction or Manufactured Housing	Form HUD-92051 , <i>Compliance Inspection Report</i> , in Portable Document Format (PDF)
Compliance or Final Inspection for Existing Property	Certification of Completion Section of Fannie Mae Form 1004D/Freddie Mac Form 442 , <i>Appraisal Update and/or Completion Report</i> ; MISMO 2.6 Errata 1 format

Q. Where should the appraiser get the subject property data necessary to complete the appraisal form for an exterior-only or desktop-only scope of work during the COVID-19 National Emergency?

A. To identify the property characteristics necessary to develop the appraisal, the appraiser may rely on third party data from the following sources: prior appraisals, tax assessor’s property record, and the Multiple Listing Service (MLS). The Appraiser may also obtain and rely on information from the homeowner with disclosures. Extraordinary assumptions are permitted when necessary in the development of a credible appraisal and should be clearly stated.

- Q. Are there any additional changes to the appraisal form data requirements to clearly communicate that a modified scope of work was completed during the COVID-19 National Emergency?**
- A.** Yes. To better identify a modified scope of work appraisal, the Map Reference text field within the subject section of the form should be used to state “desktop” or “exterior,” when applicable.
- Q. Is the appraiser still responsible for identification of property deficiencies and minimum property requirements during the COVID-19 National Emergency?**
- A.** While the FHA minimum property requirements (MPR) has not changed, the appraiser is required to observe, analyze, and report only what is evident based on the assignment scope of work.

Closing and Insuring

- Q. Can mortgagees close the loan and submit it for endorsement if they are not able to re-verify the borrower’s employment before closing during the COVID-19 National Emergency?**
- A.** Yes. On March 27, 2020, FHA published [Mortgagee Letter 2020-05](#), which announced alternatives that mortgagees can use to re-verify borrowers’ employment for all FHA Single Family Title II forward mortgages prior to settlement, where required, so long as certain conditions are met. Refer to [ML 2020-05](#) for details.
- Q. On Title insurance: There are several large counties where recording offices are shut during the COVID-19 Emergency. Will FHA accept title policies with gap insurance?**
- A.** FHA does not mandate title insurance. However, the mortgagee must ensure that all objections to title have been cleared and any discrepancies have been resolved, to ensure that the FHA-insured mortgage is in first lien position. FHA does not object to mortgagees obtaining gap insurance to protect against the potential of not obtaining first lien position.
- Q. Does FHA accept loans closed using a remote online notary during the COVID-19 Emergency? If so, which states are allowed under your policy?**
- A.** FHA does not regulate the use or format of the notarization of documents. The mortgagee must ensure that the mortgage and Note comply with all applicable state and local requirements for creating a recordable and enforceable mortgage, and an enforceable Note, including the requirements for notarization of these documents. Generally, the state law governs what requirements are applicable for proper notarization of a document.
- Q. Does FHA permit the use of a Power of Attorney (POA) to execute closing documents during the COVID-19 Emergency?**
- A.** FHA permits a borrower to designate an attorney-in-fact to use a POA to sign documents on their behalf at closing, including page 4 of the final [Form HUD-92900-A, HUD/VA Addendum to Uniform Residential Loan Application \(URLA\)](#), and the final [Fannie Mae Form 1003/Freddie Mac Form 65, URLA](#). Detailed requirements on the use of a POA to execute closing documents can be found in the [SF Handbook](#), Section II.A.6.a(xiii). Included in this section are specific requirements for use of a POA, which has a connection to the transaction.

Post-Closing and Endorsement

- Q. 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 during the COVID-19 National Emergency?**
- A.** 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).

D. Servicing and Loss Mitigation

Forward Mortgages

- Q. Did FHA suspend foreclosures and evictions on single family properties now that a Presidentially-Declared COVID-19 National Emergency has been declared?**
- A.** 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.
- Q. Is FHA providing an automatic extension to foreclosure deadlines following the expiration of the moratorium due to the COVID-19 National Emergency?**
- A.** 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.
- Q. What happens at the expiration of the COVID-19 Foreclosure and Eviction moratorium?**
- A.** FHA is continually evaluating the situation and, if needed, may extend the moratorium. Any extension will be communicated through a Mortgagee Letter. When the moratorium expires, , mortgagees have a 60-day extension to start or re-start foreclosure, unless a borrower requests a COVID-19 Forbearance or if the borrower’s circumstances have changed.
- Q. Does the borrower have to email or call their mortgagee to request a COVID-19 Forbearance? What other methods of communication are acceptable?**
- A.** A borrower may request a COVID-19 Forbearance from their mortgagee via any available method of communication. Acceptable methods of communication regarding a forbearance include, but are not limited to, emails, texts, fax, teleconferencing, websites, web-portals, etc. If a mortgagee sends out a general communication advising that forbearance can be granted, the borrower may reply to that communication requesting a forbearance, via e-mail, phone call, or other methods of communication clearly made available to the borrower by the lender.

- Q. What documentation is required to prove the borrower has financial hardship due to COVID-19?**
- A. No documentation is required to prove financial hardship due to the COVID-19 National Emergency. Mortgagees must offer borrowers experiencing financial hardship due, directly or indirectly, to the COVID-19 National Emergency a COVID-19 Forbearance upon borrower request.
- Q. [Mortgagee Letter 2020-06](#) states an additional COVID-19 Forbearance period of up to six months may be requested by the Borrower and must be approved by the mortgagee. Does this require HUD approval to extend the forbearance beyond the initial six-month period?**
- A. No. Mortgagees must extend the COVID-19 Forbearance up to an additional six months, upon borrower request. No HUD approval is required.
- Q. [Mortgagee Letter 2020-06](#) includes a COVID-19 Forbearance. How is this forbearance different than the informal and formal Forbearance from HUD's Priority Waterfall?**
- A. The COVID-19 National Emergency forbearance is not a written agreement; it must be approved, upon borrower request, for up to six months and extended up to an additional six months, upon borrower request. The COVID-19 Forbearance may only be offered under the guidance for this COVID-19 National Emergency.
- Q. Should mortgagees offer impacted borrowers the COVID-19 Forbearance if they are unemployed due to the pandemic, or the standard Special Forbearance for Unemployment?**
- A. Mortgagees must offer the COVID-19 Forbearance to all borrowers who experience a financial hardship adversely impacting their ability to make on-time mortgage payments due, directly or indirectly, to the COVID-19 National Emergency, if requested by the borrower.
- Q. What are the options for borrowers, impacted by the COVID-19 pandemic, who were more than 30 days delinquent on March 1, 2020?**
- A. All FHA borrowers impacted by the COVID-19 pandemic, whether directly or indirectly, qualify for the COVID-19 Forbearance. The COVID-19 Standalone Partial Claim is available to owner-occupant borrowers whose mortgages were current or less than 30 days delinquent as of March 1, 2020, the declared date of the COVID-19 pandemic. Borrowers who were more than 30 days past due as of March 1, 2020, and who are in need of loss mitigation assistance, must be reviewed for FHA's standard loss mitigation options (forbearance, loan modification, and FHA-HAMP).
- Q. Will the monthly mortgage payments that are reduced or suspended under a COVID-19 Forbearance need to be repaid?**
- A. Yes. A borrower who receives a COVID-19 Forbearance is responsible for repaying the suspended mortgage payments or the balance of reduced mortgage payments. Mortgagees must offer eligible borrowers the COVID-19 Standalone Partial Claim. For those that do not qualify, Mortgagees must offer the standard FHA Loss Mitigation Options to assist in making these payments as outlined in the [Single Family Housing Policy Handbook 4000.1](#), Section III.A.2.k HUD's *Loss Mitigation Options*. All late charges, fees, and penalties must be waived as long as the borrower is on a COVID-19 Forbearance Plan.

- Q. Should mortgagees offer a Trial Payment Plan (TPP) to borrowers impacted by COVID-19?**
- A.** No. Mortgagees must offer borrowers experiencing a financial hardship due to the COVID-19 National Emergency a COVID-19 Forbearance, upon borrower’s request. A TPP is not required for borrowers who receive a COVID-19 Standalone Partial Claim.
- Q. There is only a forbearance and Standalone Partial Claim Option specific to COVID-19 impacted borrowers. What actions should mortgagees take at the end of the forbearance period if they do not qualify for the COVID-19 Standalone Partial Claim?**
- A.** If a borrower does not qualify for the COVID-19 Standalone Partial Claim at the end of the forbearance period, mortgagees must review the borrower for the standard FHA Loss Mitigation Options as outlined in the [Single Family Housing Policy Handbook 4000.1](#), Section III.A.2.k *HUD’s Loss Mitigation Options*.
- Q. Can a borrower obtain more than one COVID-19 Standalone Partial Claim?**
- A.** Only one COVID-19 Standalone Partial Claim is available to each borrower. If the borrower requires additional assistance, mortgagees must evaluate the borrower for HUD’s Loss Mitigation Options.
- Q. For the purpose of servicing, when are exceptions to the appraisal inspection protocols for the use of exterior-only and desktop-only scope of work, due to the COVID-19 National Emergency, permitted?**
- A.** Appraisals completed in connection with the servicing of FHA’s forward or HECM portfolios may accept either an exterior-only or desktop appraisal.
- Q. How should FHA homeowners who seek a COVID-19 Forbearance because of the COVID-19 National Emergency be reported to consumer reporting agencies?**
- A.** Borrowers with FHA-insured mortgages who are performing as agreed under FHA’s COVID-19 Forbearance option are not considered to be delinquent for purposes of credit reporting. HUD encourages servicers to consider the impacts of COVID-19 on borrowers’ financial situations and any flexibilities a servicer may have under the FCRA and the CARES Act § 4021.d.(F) when taking any negative credit reporting actions.
- Q. Are face-to-face interviews still required under FHA’s Default Servicing early default intervention requirements during the COVID-19 National Emergency?**
- A.** 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 during the COVID-19 National Emergency, to meet the requirements of [SF Handbook](#), Section III.A.2.h.xii.
- Q. Are mortgagees required to follow the requirements and timeline for communication with borrowers from the [Single Family Housing Policy Handbook 4000.1](#), Section III.A.2.h.iii *Collection Communication Timeline* for the COVID-19 Loss Mitigation Options during the COVID-19 National Emergency?**

- A.** Yes. All Early Delinquency timeline and disclosure requirements remain applicable for borrowers impacted by the COVID-19 National Emergency. However, [ML 2020-06](#) gives mortgagees the added flexibility to utilize any available methods for communicating with a borrower the COVID-19 Forbearance. Servicers should continue their normal servicing activities and we encourage you to maintain contact with the borrowers.
- Q. Does FHA require physical contact with the borrower and/or occupants when acquiring possession of a property in connection with occupied conveyances during the COVID-19 National Emergency?**
- A.** No. When identifying property occupants, FHA does not require physical contact with the borrower and/or occupants, including during the COVID-19 National Emergency. For more information, please see [SF Handbook](#), Section III.A.2.s. — *Acquiring Possession*.
- Q. Is FHA requiring servicers to conduct occupancy exterior inspections during the COVID-19 National Emergency?**
- A.** 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, including during the COVID-19 National Emergency. For more information, please see [SF Handbook](#), Section III.A.2.h.xi — *Occupancy Inspection*.
- Q. What SFDMS code(s) should be entered for borrowers impacted by the COVID-19 Moratorium?**
- A.** For borrowers included in the COVID-19 Moratorium published in [ML 2020-04](#), mortgagees should report the existing Delinquency/Default Status Code *HUD Issued Moratorium* (AS) for the applicable reporting cycle(s). Please do not report Natural Disaster (34). Borrowers otherwise affected by COVID-19 that require Loss Mitigation assistance should be reported as initially as *Delinquent* (42).
- Q. What SFDMS Delinquency/Default Status Code must mortgagees report for COVID-19 Forbearances and COVID-19 Standalone Partial Claims for borrowers impacted by the National Emergency?**
- A.** Mortgagees should report Status Code *06 – Formal Forbearance* for the COVID-19 Forbearance and Status Code *10 – Partial Claim Started* for the COVID-19 National Emergency Standalone Partial Claim.
- Q. What SFDMS Delinquency/Default Reason codes should mortgagees report for borrowers affected by COVID-19 that seek Loss Mitigation assistance?**
- A.** Mortgagees should also use the existing Delinquency/Default Reason Codes available to report the Reason for Default accurately. For example: *002 Illness of Principal Borrower* or *003 Illness of Borrower’s Family Member* if the default is due to a primary borrower or family member that is ill, *001 Death of Principal Borrower* or *004 Death of a Borrower’s Family Member* if the illness results in death, *016 Unemployment* if the borrower is laid off and has no job to go back to, or *006 Curtailment of Income* if the borrower’s income is otherwise affected, including furlough. For further reporting questions, please contact sfdatarequests@hud.gov.

Home Equity Conversion Mortgages

- Q. Must mortgagees delay requesting due and payable approval for HECMs when the borrower is no longer occupying the property, if the borrower so requests, for HECM borrowers impacted by the COVID-19 National Emergency?**
- A.** Yes. Mortgagees must delay submitting a request to call the HECM due and payable upon request of the borrower impacted by the COVID-19 National Emergency.
- Q. Can the reasonable diligence deadline for filing a HECM Mortgagee Optional Election Assignment be extended for HECM borrowers impacted by the COVID-19 National Emergency?**
- A.** Yes. For any HECM that has entered into a deferral period, a mortgagee may take an automatic extension for any foreclosure and claim submission for a period of up to six months.
- Q. Why is FHA granting a foreclosure moratorium during the COVID-19 National Emergency for HECMs instead of an extension to the HECM foreclosure timelines?**
- A.** 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 rea (PDMDA) guidance concerning extensions of HECM foreclosure timelines as provided in [FHA INFO 18-40](#) is unaffected by the guidance.
- Q. Will interest on my HECM be waived during the COVID-19 Presidentially Declared National Emergency?**
- A.** Interest will continue to accrue on all HECM loans. However, any borrower in an extension period relating to the COVID-19 Presidentially Declared National Emergency will not be charged any late fees or penalties during this time.
- Q. Are HECM property charge repayment plans, as described in [ML 2015-11](#), considered unsuccessful if the borrower's payment is more than 60 days delinquent during the Presidentially-Declared COVID-19 National Emergency?**
- A.** Yes. A property charge repayment plan is unsuccessful if a borrower does not make a full monthly payment within 60 days of the due date. HUD has issued a [temporary waiver](#) to remove the \$5,000 total arrearage limit from [ML 2015-11](#) to allow mortgagees to offer new repayment plans to borrowers regardless of the total remaining amount of their outstanding property charge arrearage.
- Q. Are all HECM foreclosure and claim deadlines included in the COVID-19 HECM extensions announced in [ML 2020-06](#), such as notifying HUD that a HECM is due and payable, sending notification to the borrowers or their heirs that a loan is due and payable, obtaining a due and payable appraisal, and the six-month marketing period?**
- A.** Yes, all foreclosure and claim deadlines may be extended for a period not to exceed six months, with an additional extension period, not to exceed six months, available with HUD approval for all HECMs that have become automatically due and payable, entered into a deferral period or became due and payable with HUD approval.

Q. What evidence does the mortgagee need to retain to support the borrower's request to delay submission of a Due and Payable request in accordance with [ML 2020-06](#) for the COVID-19 National Emergency?

A. There are no documentation requirements for this extension, but FHA encourages mortgagees to maintain complete servicing notes including information regarding the borrowers' request.

Q. Should a mortgagee still perform monthly occupancy inspections during the COVID-19 National Emergency, as described in 24 CFR 206.140, when a borrower has requested, or the mortgagee has opted to utilize a six-month extension.

A. Yes, the requirements of 24 CFR §206.140 remain in effect. If a HECM is in a due and payable status and the property is vacant or abandoned, the mortgagee must conduct the monthly visual inspections of the property as required by 24 CFR §206.140 including during an extension period. These inspections are exterior-only and no physical contact with the borrower and/or occupants is required since the property is either vacant or abandoned.

Q. Must servicers give HECM borrowers a forbearance, upon the request of a borrower, during the COVID-19 National Emergency if the loan has already been called due and payable with HUD approval?

A. Yes. HECM servicers must follow the provisions of the CARES Act requiring a forbearance upon request of the borrower for all federally insured mortgages. FHA has provided servicers with an extension to all foreclosure and claim deadlines for loans that have become due and payable with HUD approval during the COVID-19 National Emergency. This extension would cover any required CARES Act forbearance time period and provides servicers with additional time to take certain actions to meet FHA guidelines.

E. Claims and Disposition

Q. Is FHA continuing to process claims during the COVID-19 National Emergency?

A. FHA will continue to process claims during the COVID-19 National Emergency; 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.

Q. Will HUD accept notification from the Social Security Administration Death Master File, including during the COVID-19 National emergency, as evidence of the death of a HECM borrower for purposes of Claim Type 22 review?

A. Yes, if a servicer is unable to obtain a copy of a deceased borrower or co-borrower's death certificate, HUD will accept alternative evidence of the death for purposes of Claim Type 22 review, including notification from the Social Security Administration Death Master File. Servicers should document their servicing files with their attempts to obtain a death certificate or other evidence of the borrower's death. See [Mortgagee Letter 2018-08](#).



- Q. Will I be able to place a bid on a HUD-owned property via the HUD Homestore bid site?**
A. Yes. The HUD Homestore [bidding site](#) is available.

F. Quality Control, Oversight and Compliance

- Q. Will FHA still conduct lender monitoring and/or loan reviews during the COVID-19 National Emergency?**
A. Yes. FHA staff will conduct these reviews remotely. All on-site reviews are suspended until further notice.