

GSE Servicing Guidelines

FREDDIE MAC

To assist borrowers with Freddie Mac-owned mortgages who reside in the designated areas, Servicers must immediately begin following the disaster relief requirements outlined in Guide Chapter 8404, which include:

- Placing an impacted borrower, based upon the Servicer's discretion, into a short-term forbearance plan by assessing the extent of the property damage and the financial impact to the borrower as a result of the Eligible Disaster.
- Not assessing late charges for, or reporting to credit repositories, impacted borrowers who, as a result of an Eligible Disaster, have been placed on a forbearance plan or who are paying as agreed on a Trial Period Plan or repayment plan.
- Providing transition assistance from the forbearance plan due to an Eligible Disaster into an appropriate relief or workout option to cure the delinquency.
- Providing requirements to evaluate borrowers who were performing on a Trial Period Plan prior to the Eligible Disaster with the opportunity to transition into another Trial Period Plan at the end of the forbearance period.
- Providing information regarding options for local, state, or federal disaster assistance.
- Providing additional assistance for borrowers who were current or less than 31 days delinquent at the time of the disaster, such as the Capitalization and Extension for Disaster Relief Modification ("Disaster Relief Modification") and special requirements for the Streamlined Modification.
- Permitting Servicers to use their discretion in the release of insurance funds to borrowers who are less than 31 days delinquent at the time of a disaster and have suffered less than a total or near total loss to help expedite repairs.

FOR MORE INFORMATION REGARDING FHLMC DISASTER RELIEF SEE:

<http://www.freddiemac.com/singlefamily/service/>

FANNIE MAE

Servicer Responsibility When Granting Disaster Relief

Evaluate each mortgage loan that is or becomes delinquent as a result of the borrower incurring damages or expenses related to the disaster on a case-by-case basis.

Waive any late charges if the borrower's payment is late because he or she

- incurred additional expenses or loss of income due to the disaster, or
- needs additional time to receive a pending insurance settlement.

Temporarily suspend the reporting of delinquencies to the credit bureaus if it is aware that the delinquency is attributable to a hardship as a result of the disaster. See [C-4.1-02, Suspending](#)

[Credit Bureau Reporting](#) for additional information.

Ensure that the specific action that it takes does not jeopardize Fannie Mae's ability to recover damages under any applicable property insurance policy.

Contact its Fannie Mae Servicing Representative (see [F-4-03, List of Contacts](#)) if it needs assistance in determining how a policy should be applied or if it has determined that a departure from Fannie Mae's policies is warranted.

Refer to FHA, VA, or RD guidelines to determine appropriate procedures for extending relief to a borrower who has a government-insured or government-guaranteed mortgage loan.

Granting Disaster Relief

The servicer must grant disaster relief when:

- the servicer is unable to contact a borrower who may have been impacted by a catastrophe that was caused by nature or a person other than the borrower, and
- the servicer has determined that such an event may adversely affect either
- the value or habitability of a property securing a mortgage loan, or
- the borrower's ability to make further payments or payment in full on a mortgage loan.

The servicer must receive Fannie Mae's approval before granting disaster relief that exceeds 90 days.

FOR MORE INFORMATION REGARDING FNMA DISASTER RELIEF SEE:

<https://www.fanniemae.com/content/guide/servicing/d1/3/02.html>

FHA

Disaster Relief Options for FHA Homeowners:

Was your home or your ability to make your mortgage payments harmed by an event that the President declared a disaster? You may qualify for relief to help you keep your home. Much of the mortgage industry and The United States Department of Housing and Urban Development are committed to assisting borrowers whose lives and livelihoods are thrown into turmoil by a disaster.

If you can't pay your mortgage because of the disaster, your lender may be able to help you. If you are at risk of losing your home because of the disaster, your lender may stop or delay initiation of foreclosure for 90 days. Lenders may also waive late fees for borrowers who may become delinquent on their loans as a result of the disaster.

If you have a conventional mortgage, you are strongly encouraged to contact your lender for further information, and to see if you are eligible for relief.

If you have an FHA-insured mortgage, please continue reading to find out what options may be available to you.

How Can This FHA Disaster Relief Help Me?

HUD has instructed FHA lenders to use reasonable judgment in determining who is an "affected borrower." Lenders are required to reevaluate each delinquent loan until reinstatement or foreclosure and to identify the cause of default. Contact your lender to let them know about your situation. Some of the actions that your lender may take are:

- During the term of a moratorium, your loan may not be referred to foreclosure if you were affected by a disaster.
- Your lender will evaluate you for any available loss mitigation assistance to help you retain your home.
- Your lender may enter into a forbearance plan, or execute a loan modification or a partial claim, if these actions will help retain and pay for your home.
- If saving your home is not feasible, lenders have some flexibility in using the pre-foreclosure sales program or may offer to accept a deed-in-lieu of foreclosure.

Section V - If Your Lender is Unable to Assist You

HUD is confident that your mortgage lender will make every attempt possible to assist you. If you are not satisfied after discussing possible relief actions with your lender, please call a HUD-approved counseling agency toll free at (800) 569-4287 or contact HUD's [National Servicing Center](#).