



# CARES Act Forbearance Fact Sheet for Borrowers with FHA, VA, or USDA Loans



*A resource for borrowers with loans insured or guaranteed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), or the Rural Housing Service (RHS)*

## Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Mortgage Payment Forbearance

The [CARES Act](#) provides a [mortgage payment forbearance option](#) for all borrowers who, either directly or indirectly, suffer a financial hardship due to the novel coronavirus (COVID-19) national emergency.

***No documentation is required to prove your hardship beyond your assertion that you are suffering from such a hardship. However, if you can still make your mortgage payments, you should continue to do so.***

A forbearance is a temporary postponement or reduction of mortgage payments. ***It is not payment forgiveness.*** Under the CARES Act, borrowers are entitled to an initial forbearance period of up to 180 days, upon a borrower's request. Also, upon a borrower's request, the forbearance must be extended for up to an additional 180 days. A borrower can, at any time the borrower chooses, shorten the forbearance and resume repayment of the loan.

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## Mortgage Payment Forbearance Request

To request this forbearance, do the following:

- Contact your [mortgage servicer](#) to request forbearance. Contact information is found on your monthly mortgage statement.
- Utilize servicers' websites or email as a primary method of communication and be patient. Servicers are facing large volumes of requests.
- ***Remember, the missed payments must be repaid, although they may be paid back over time. Forbearance of payments doesn't mean forgiveness of payments.***

## Mortgage Payment Forbearance

- Be sure to contact your servicer as soon as your hardship is over, or you can resume making your regular monthly mortgage payment to end the forbearance. Discuss what repayment options are available.
- If you were current on your mortgage when the CARES Act forbearance was granted, your mortgage servicer is required to report your account as current during the forbearance period to the Credit Reporting Agencies.
- If you were delinquent on your mortgage when the CARES Act forbearance was requested, your mortgage servicer is required to maintain the delinquent status reported to the Credit Reporting Agencies during the forbearance period. However, if you bring your mortgage current during the forbearance period, your mortgage servicer is required to report the status as current.



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Your repayment options will vary based on which type of loan you have:



## Federal Housing Administration Mortgages

FHA does not require lump sum repayment at the end of the forbearance. FHA has developed the COVID-19 Standalone Partial Claim to assist with repayment. If you were current or less than 30 days delinquent as of March 1, 2020, you may be entitled to this option. A partial claim is a zero interest, no fee, junior lien on your property that will become payable when you sell your home, pay off your mortgage or your mortgage otherwise terminates. If you do not qualify for the COVID-19 Standalone Partial Claim, FHA offers other tools to help you repay the missed payments over time. For more information on Federal Housing Administration Mortgages: email

[answers@hud.gov](mailto:answers@hud.gov), call 1-800-CALL-FHA (1-800-225-5342), or visit [www.hud.gov](http://www.hud.gov).



## Veterans Affairs Mortgages

Servicers of VA loans cannot require borrowers to make a lump sum payment immediately after a borrower exits a CARES Act forbearance. VA has a suite of loss mitigation options that can assist Veteran borrowers who must repay amounts that were subject to a forbearance. In addition, VA is continuing to evaluate other options to further assist borrowers affected by the novel coronavirus (COVID-19) national emergency. For additional information, please visit our website at

<https://www.benefits.va.gov/homeloans/index.asp>, where you can find a list of [frequently asked CARES](#)

[Act questions](#). In addition, you may call (877) 827-3702 to contact a VA Regional Loan Center.



## Rural Housing Service Guaranteed Loan Mortgages

RHS does not require a lump sum payment at the end of the forbearance. Lenders should work with the borrowers to determine if they can resume making regular payments and, if so, either offer an affordable repayment plan or term extension to defer any missed payments to the end of the loan. If the borrower is unable to resume making regular payments, the lender should evaluate the borrower for all available loss mitigation options outlined in Handbook-1-3555. For more information on servicing Rural Housing Guaranteed Loan Mortgages, email [sfhglservicing@usda.gov](mailto:sfhglservicing@usda.gov). For all other general inquiries on policy, email [SFHGLD.Program@usda.gov](mailto:SFHGLD.Program@usda.gov) or visit our website at [www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program](http://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program). Visit USDA Rural Development's [coronavirus website](#) for more information on forbearance for USDA guaranteed loans.

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## Other Resources

- All homeowners (including those with FHA, VA and USDA loans) can use Consumer Financial Protection Bureau's (CFPB) "[Find a Counselor](#)" tool to find counseling agencies approved by the Department of Housing and Urban Development (HUD) in your area. Online counseling is available.
- You can also call the [HOPE™ Hotline](#), open 24 hours a day, seven days a week, at (888) 995-HOPE (4673).

## For more finance-related information

Visit CFPB's [coronavirus](#) website for [mortgage relief options](#), [tips to keep up on your finances](#), and more.

## What if I don't have a government-backed home loan?

- CFPB's website has information and links on [mortgage relief options](#) that can help you determine if other relief is available (for example, if your loan is owned by Fannie Mae or Freddie Mac).