



ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000

**Date: January 26, 2021**

**Mortgagee Letter 2021-04**

**To:** All FHA-Approved Mortgagees  
All Direct Endorsement Underwriters  
All Eligible Submission Sources for Condominium Project Approvals  
All FHA Roster Appraisers  
All FHA-Approved 203(k) Consultants  
All HUD-Approved Housing Counselors  
All HUD-Approved Nonprofit Organizations  
All Governmental Entity Participants  
All Real Estate Brokers  
All Closing Agents

---

**Subject** Update to the COVID-19 Forbearance Start Date and the COVID-19 Home Equity Conversion Mortgage (HECM) Extension Period

---

**Purpose** The purpose of this Mortgagee Letter (ML) is to further update the Effective Date of ML 2020-06 with regards to approval of the initial COVID-19 Forbearance for FHA Borrowers and HECM deadlines.

---

**Effective Date** This Mortgagee Letter is effective immediately.

---

**Public Feedback** HUD welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this policy document, please send feedback to the FHA Resource Center at [answers@hud.gov](mailto:answers@hud.gov). HUD will consider the feedback in determining the need for future updates.

---

**Affected Programs** This guidance applies to the FHA Title II Single Family mortgage program.

---

## Mortgagee Letter 2021-04, Continued

---

**Background** In support of President Joseph R. Biden’s plans to combat COVID-19 and provide economic relief for all Americans, HUD is working to provide Mortgagees and Borrowers with Loss Mitigation Options to mitigate the financial impacts of the COVID-19 pandemic. On April 1, 2020, HUD published ML 2020-06, which established the Forbearance for Borrowers Affected by the COVID-19 National Emergency (COVID-19 Forbearance), the COVID-19 Standalone Partial Claim, and an Extension Period for HECMs affected by COVID-19. HUD extended the October 30, 2020, deadline for approval of an initial COVID-19 Forbearance and the HECM Extension Period first to December 31, 2020, and more recently to February 28, 2021. Due to the continued COVID-19 pandemic and the continued impacts on Borrowers across the country, HUD recognizes a further need to extend this deadline.

---

**Summary of Changes** Through this ML, HUD is extending the date for Mortgagees to approve FHA Borrowers, impacted directly or indirectly by the COVID-19 pandemic, for an initial COVID-19 Forbearance through March 31, 2021. The means of communication regarding a COVID-19 Forbearance, and the terms of the COVID-19 Forbearance remain the same as established in MLs 2020-06 and 2020-22. Through this ML, HUD is also extending the deadlines associated with the Extension Period for HECM Borrowers impacted by the COVID-19 pandemic.

---

**Update to the Effective Date in ML 2020-06** Mortgagees may approve the initial COVID-19 Forward Forbearance or HECM Extension Period no later than March 31, 2021.

---

**Paperwork Reduction Act** The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Numbers 2502-0005; 2502-0059; 2502-0117; 2502-0189; 2502-0302; 2502-0306; 2502-0322; 2502-0358; 2502-0404; 2502-0414; 2502-0429; 2502-0494; 2502-0496; 2502-0525; 2502-0527; 2502-0538; 2502-0540; 2502-0556; 2502-0561; 2502-0566; 2502-0570; 2502-0583; 2502-0584; 2502-0589; 2502-0595 and 2502-0600. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

---

## Mortgagee Letter 2021-04, Continued

---

### Questions

Any questions regarding this Mortgagee Letter may be directed to the FHA Resource Center at 1-800-CALL-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339. For additional information on this Mortgagee Letter, please visit [www.hud.gov/answers](http://www.hud.gov/answers).

---

### Signature

Janet M. Golrick  
Acting Assistant Secretary for Housing –  
Federal Housing Commissioner