

Mortgage Payment Relief during COVID-19

This information is current as of 4/10/2020, but is subject to change.

If you are having trouble making your mortgage payments due to circumstances surrounding COVID-19, please contact your mortgage service provider to see what specific forms of relief may be available.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a Federal act that created two avenues of relief for homeowners with Federally-backed mortgages.

How Do I know if my loan is Federally-backed?

Federally-backed mortgages generally include HUD, USDA, FHA, VA, Freddie Mac and Fannie Mae loans. If you are not sure if your mortgage is Federally-backed, call your loan servicer to find out. The phone number for your loan servicer is on your monthly loan statement. Freddie Mac and Fannie Mae have easy to use online tools to help you determine if your loan is owned by them. Freddie Mac: www.freddiemac.com/mymortgage Fannie Mae: www.knowyouroptions.com/loanlookup

Even if your loan is not Federally-backed, please call your loan servicer if you are having trouble making your mortgage payments due to circumstances surrounding COVID-19. Many institutions are offering ways to help. If your property is in Bexar County, there is a temporary order in place that suspends all foreclosure activities until at least April 30, 2020.

What does the CARES Act do for Federally-backed loans?

1. The act temporarily stops foreclosures. A foreclosure occurs when lenders take back property when the borrower does not make the mortgage payments. Under the CARES Act, Lenders may not foreclose on you for at least 60 days after March 18. This means that lenders may not begin any type of foreclosure proceeding (judicial or non-judicial) until at least May 17, 2020. This also means that lenders may not finalize any foreclosure judgment or sale before May 17, 2020.
2. The act also creates a right to forbearance. Forbearance is the temporary postponement of mortgage payments. This can allow you to temporarily reduce or stop paying your monthly mortgage payments for up to 180 days (6 months). The CARES act also allows you to request one extension for another 180 days. The options vary and will depend on your service provider. **CALL YOUR SERVICE PROVIDER BEFORE YOU STOP PAYING YOUR MORTGAGE. DO NOT SIMPLY STOP PAYING IT.**

Be aware that this is a postponement of payment, not a cancellation of payment. You will still have to pay back the money that you did not pay during this period. How this is handled will depend on your servicer. Some servicers are requiring the skipped payments to be **paid back all at once at the end of the forbearance period**, some servicers are allowing you to spread out the repayment over an agreed period of time, and some servicers are allowing you to tack it on to the end of your loan. **When you call your service provider make sure you ask them the terms of repayment.**

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