

# SFH Guaranteed Servicing

January 20, 2021

## USDA Extends Eviction Moratorium, Foreclosure Moratorium, and Mortgage Forbearance Deadline to March 31, 2021

The purpose of this announcement is to inform lenders of an extension to the foreclosure and eviction moratoriums, and the forbearance deadline for all USDA Single Family Housing Guaranteed Loans Program (SFHGLP).

### **Foreclosure and Eviction Moratorium Extension:**

Effective immediately, borrowers with USDA guaranteed loans are subject to a moratorium on foreclosure until March 31, 2021. The moratorium applies to the initiation of foreclosures and to the completion of foreclosures in process.

Similarly, evictions of persons from properties secured by USDA guaranteed loans are also suspended until March 31, 2021.

In addition, deadlines of the first legal action and reasonable diligence timelines are extended until March 31, 2021.

### **Forbearance Requirements and Deadline Extension:**

Lenders should continue to provide impacted borrowers relief in accordance with the CARES Act by offering forbearance of the borrower guaranteed loan payment for up to 180 days. In addition, the initial forbearance period may be extended up to an additional 180 days at the borrower's request. Lenders should outline potential solutions that may be available at the end of the forbearance payment and explain to borrowers that a lump sum payment of the arrearage will not be required.

During the forbearance options outlined above, no accrual of fees, penalties or interest may be charged to the borrower beyond the amounts calculated as if the borrower had made all contractual payments in a timely fashion.

Lenders may approve the initial 180-day COVID-19 Forbearance no later than the earlier of the termination date of the national emergency declared by the President on March 13, 2020 or March 31, 2021.

Loan servicers seeking to assist SFHGLP borrowers may also pursue any of the relief options referenced in Chapter 18 of the program Handbook found at: <https://www.rd.usda.gov/files/hb-1-3555.pdf>.

Questions regarding program policy and this announcement may be directed to the National Office Division at [sfhgld.program@usda.gov](mailto:sfhgld.program@usda.gov) or (202) 720-1452.

Thank you for your support of the Single-Family Housing Guaranteed Loan Program!

**Links to websites:**

Rural Development COVID-19 Response: <https://www.rd.usda.gov/coronavirus>

SFHGLP Lending Partner Webpage: <https://www.rd.usda.gov/page/sfh-guaranteed-lender>

SFHGLP webpage: <https://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program>

USDA LINC Training and Resource Library:

<https://www.rd.usda.gov/programs-services/lenders/usda-linc-training-resource-library>

Procedure Notices: <https://www.rd.usda.gov/resources/directives/procedures-notice>