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Statement from Secretaries Fudge, McDonough, Vilsack and Yellen on continued efforts to connect homeowners to pandemic relief

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WASHINGTON — The Secretaries of Housing and Urban Development Marcia L. Fudge, Veterans Affairs Denis McDonough, Agriculture Tom Vilsack and Treasury Janet L. Yellen are calling on servicers of federally backed mortgages to make every effort to ensure no individual or family unduly experiences unnecessary hardship or foreclosure while assistance is available under the [Homeowner Assistance Fund](#).

The pandemic's economic and public health impacts put millions of homeowners at risk of losing their homes. For this reason, President Biden's [American Rescue Plan](#) established HAF to provide close to \$10 billion in financial support to help families weather these challenges and remain in their homes.

We are strongly urging all servicers of federally backed mortgages to pause foreclosure proceedings when they are notified by a HAF program administrator of a pending HAF application to avoid unnecessary harm to vulnerable homeowners. Pausing any pending proceedings is a vital step towards keeping families in their homes as they receive assistance through the HAF program and is consistent with Congress's intent in putting in place the HAF program to protect vulnerable homeowners.

During any such pause we encourage homeowners and servicers to continue working together on loss mitigation options to ensure vulnerable homeowners eligible for assistance are able to choose the best path to staying in their homes and fully utilize available resources. We also strongly encourage servicers to offer these loss mitigation options to borrowers who are struggling to make their mortgage payments including those who are eligible for HAF funding.

Treasury urges HAF program administrators to take steps to ensure their programs expedite handling of applications from homeowners with pending foreclosure proceedings, including determining the homeowner's eligibility for HAF and in all communications with the servicer regarding the homeowner's application. Treasury also encourages HAF programs to develop expedited procedures for handling homeowners with immediate threats to housing stability and to support homeowners who may benefit from the agencies' loss mitigation options. This support can include providing homeowners with access to housing counseling agencies approved by HUD or a Tribal government as well as legal services. Additionally, Treasury has encouraged collaboration between HAF programs and its servicers to develop infrastructure to support timely and accurate communication about programs and between servicers.

In addition to urging servicers to make HAF funding available to homeowners, our departments have taken a number of actions to ensure homeowners have the support needed to recover as seen in the resources listed below. We will continue to explore updates to our loss mitigation home retention options for servicers to utilize as part of an administration-wide approach to help families who are behind on housing payments due to the economic impacts of the pandemic.

Resources:

HUD, VA and USDA have published updates to their HAF Frequently Asked Questions for FHA-insured mortgages and VA and USDA home loans to include guidance that servicers should pause foreclosure actions while HAF applications are pending. The HAF FAQs, are available at these links: [FHA](#) (search term "HAF"), [VA](#) and [USDA](#).

The Biden-Harris administration has adopted numerous measures across agencies to ensure homeowners have the support needed to recover from the effects of the COVID-19 pandemic: [White House Fact Sheet: Biden Administration Announces Additional Actions to Prevent Foreclosures](#).

The Consumer Financial Protection Agency issued a blog post that includes expectations of servicers and resources for homeowners: [Using the Homeowner Assistance Fund Program to Help Borrowers Prevent Foreclosure](#).

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