Request for **Waiver of Housing Directive**

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0029
(Expires 04/30/2020)

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1. Field Office	2. Program and DAS (e.g., multifamily development)
	Office of Single Family Housing

3. Waiver Requsted by (person, entity, HUD employee)

   Office of Single Family Housing

4. Waiver Item (directive number, date, page, paragraph, etc.)

   Handbook 4000.1, Section III.A.2.o.iv.(A)(3) COVID-19 Advance Loan Modification Standard bullet 2; Mortgagee Letter (ML) 2021-18, III.A.2.o.ii.(C) bullet 3

Relief Sought

A waiver of the following requirement under the "Standard" for the COVID-19 Advance Loan Modification (COVID-19 ALM):
"No later than August 24, 2021, the Mortgagee must review the following Borrowers for a COVID-19 ALM where the Mortgagee has not yet sent out the final documents to the Borrower to complete a Loss Mitigation Option as of June 25, 2021: Borrowers who have exited or requested to exit their COVID-19 Forbearance; Borrowers whose COVID-19 Forbearance has expired or will expire by August 24, 2021; or Borrowers who were not on a COVID-19 Forbearance."

5. Did a check of SharePoint indicate Prior Approval of a factually similar waiver?"
   [ ] Yes (skip No. 6)
   [X] No (go to No. 6)

   If previously approved, give Counsel's name and date of approval.

6. Counsel Determination. The Waiver Proposal **does not conflict** [x] **conflicts** [ ] with statutory or regulatory provisions (cite rule or provision)

Counsel (signature)	Date
JUAN BURGOS Digitally signed by JUAN BURGOS Date: 2021.08.05 13:51:53 -04'00'	August 5, 2021

7. Employee Justification (attach additional pages if necessary)

Since the establishment of the COVID-19 Advance Loan Modification (COVID-19 ALM) option in ML 2021-15, published June 25, 2021, some Mortgagees have indicated that it is difficult for them to timely operationalize a portfolio level review of Borrowers prior to August 24, 2021 to determine which borrowers would qualify for a 25% reduction in their monthly payment of Principal and Interest from a rate and term modification at market rate. Mortgagees further indicated that due to their inability to perform this level of review, certain Borrowers would face delays in receiving loss mitigation documents until the Mortgagee performs this calculation. Further, on July 23, 2021, HUD published ML 2021-18, which established the COVID-19 Recovery Options and expanded eligibility for the COVID-19 ALM to all Borrowers who are 90 or more Days Delinquent and not on a COVID-19 Forbearance through the end of the COVID-19 National Emergency. This expansion mitigated the need for Mortgagees to review Borrowers for the COVID-19 ALM by the August 24, 2021 date. Therefore, Mortgagees no longer need to re-review Borrowers where the Mortgagee has not yet sent out the final documents to the Borrower to complete a Loss Mitigation Option as of June 25, 2021; Borrowers who have exited or requested to exit their COVID-19 Forbearance; Borrowers whose COVID-19 Forbearance has expired or will expire by August 24, 2021; or Borrowers who were not on a COVID-19 Forbearance by August 24, 2021. Mortgagees are reminded they must still implement the COVID-19 ALM for all eligible Borrowers no later than 60 days from the publication date of ML 2021-15.

Field Office Concurrence

Name	Title	Date
Lopa P. Kolluri	Principal Deputy Assistant Secretary, Office of Housing	August 5, 2021

8. [✔] Granted
   [ ] Not Granted

Housing Director (signature)	Date
lopa kolluri Digitally signed by lopa kolluri Date: 2021.08.05 14:49:02 -04'00'	

Comments

Effective as of the publication date of ML 2021-15.

Distribution: (includes waivers granted and denied)
Original to Field Office;
One copy to each of the following: Director, Organizational Policy, Planning and Analysis Division, Room 9116, HUD Headquarters, HRO
                                       Assistant General Counsel, Multifamily Mortgage Division, HUD Headquarters, Room 9230, CAHAA
And one copy to either of the following: Office of the Deputy Assistant Secretary for Single Family Housing, Room 9282, HUD Headquarters, HU
                                          Office of the Deputy Assistant Secretary for Multifamily Housing, Room 6106, HUD Headquarters, HT

Previous versions obsolete

form **HUD-2** (12/2013)