

Federally Backed Mortgages

Under the provisions of the CARES Act, individuals with federally backed mortgage loans who are experiencing financial hardship due to COVID-19 can request a forbearance period by contacting their mortgage servicer. Federally backed mortgages include FHA, VA, USDA, Fannie Mae and Freddie Mac. <https://calendar.in.gov/site/gov/event/gov-holcomb-takes-more-actions-to-protect-hoosiers-during-public-emergency/>

Important things to know first

For many homeowners with mortgages, there's help, but first assess your situation.

If you **can** pay your mortgage, pay your mortgage.

Don't call your mortgage servicer if you aren't facing an immediate issue. Mortgage servicers are getting a lot of calls and need to first help those who won't be able to pay their mortgage. Check their website first for possible options.

If you **can't** pay your mortgage, or can only pay a portion, contact your mortgage servicer immediately.

It may take a while to get a loan servicer on the phone. Loan servicers are experiencing a high call volume and may also be impacted by the pandemic. Please be sure to read this blog carefully so you are prepared for this conversation.

A new federal law, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, puts in place two protections for homeowners with federally backed mortgages:

1. A foreclosure moratorium
2. A right to forbearance for homeowners who are experiencing a financial hardship due to the COVID-19 emergency

If you don't have a federally backed mortgage, you still may have relief options through your mortgage servicer or from your state.

Keep reading as we'll first explain what the different options mean. Then we'll explain how you can figure out if your lender or servicer can offer you any of the forms of assistance available.

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Housing

- No residential eviction proceedings or foreclosure actions may be initiated during the public health emergency. This does not relieve the individual of obligations to pay rent or mortgage payments.
- All public housing authorities are requested to extend deadlines for housing assistance recipients and required documentation to show eligibility for housing programs.
- The Indiana Department of Financial Institutions and Indiana Community Housing Development Authority are required to work with financial institutions to identify tools to help promote housing stability.