

**Servicing Bulletin 2021-08
August 30, 2021**

To: All CHFA Single Family Servicers
From: Liisa Koeper, Assistant Director, SFAM Default Servicing
Subject: Updates to COVID-19 Forbearance Timelines and Post-Forbearance Options

This Servicing Bulletin (“SB 2021-08”) pertains to all Connecticut Housing Finance Authority (“CHFA”) single family loans that continue to require a forbearance of the regularly scheduled mortgage payments or those loans that have resolved their COVID-19 related hardship and no longer require forbearance on their monthly mortgage payments.

Forbearance

To streamline procedures, please use FHA’s most current guidance around forbearance timelines for all CHFA loans. FHA Mortgagee Letters are linked below.

Loan Retention Options

This section of this bulletin addresses the missed past-due amounts required to bring the borrower’s mortgage current (repayment of certain past-due monthly principal and interest payments, as well as missed real estate tax and insurance premium escrow payments and/or any amounts servicers may have had to advance for real estate tax or insurance premium shortages).

For CHFA loans guaranteed by FHA, please follow applicable FHA Mortgagee Letters in their entirety. Additional information can be found on HUD’s website. The most recent Mortgagee Letters can be found [here](#).

Mortgagee Letter	Title
2021-19	<u>Extension of the Foreclosure-Related Eviction Moratorium and Expiration of the Foreclosure Moratorium in Connection with the Presidentially-Declared COVID-19 National Emergency</u>
2021-18	<u>COVID-19 Recovery Loss Mitigation Options</u>
2021-15	<u>Extension of the Foreclosure and Eviction Moratorium in Connection with the Presidentially-Declared COVID-19 National Emergency, Further Expansion of the COVID-19 Forbearance and the COVID-19 Home Equity Conversion Mortgage (HECM) Extensions, and Establishment of the COVID-19 Advance Loan Modification (COVID-19 ALM)</u>
2021-05	<u>Extensions of Single Family Foreclosure and Eviction Moratorium, Start Date of COVID-19 Initial Forbearance, and HECM Extension Period; Expansion of COVID-19 Loss Mitigation Options</u>
2021-04	<u>Update to the COVID-19 Forbearance Start Date and the COVID-19 Home Equity Conversion Mortgage (HECM) Extension Period</u>

For VA or USDA, please continue to follow the respective insurer guidelines in addressing the post forbearance loan retention options.

For all other CHFA loans, Servicers should follow a waterfall of options: 1) a lump sum repayment; 2) a 12 to 60 month repayment plan; 3) a deferred payment plan. If the first three options are not viable the borrower should be evaluated for a traditional loan modification following CHFA's existing guidelines. Please refer to [CHFA Servicing Bulletin 2021-06](#) for more details.