

Frequently Asked Questions for Floridians Facing Economic Hardship Because of COVID-19

As a result of the COVID-19 pandemic millions of Floridians are now facing financial and housing uncertainty. The Attorney General has put together this list of resources available to assist Floridians in these difficult times. Nothing contained herein should be construed as legal advice or establishing a lawyer-client relationship. The information below is intended to provide general summary information for use by Floridians. Please consult with a lawyer if you have legal questions about your specific situation. An attorney can provide the legal advice which our office is not at liberty to provide to private individuals. If you need help finding an attorney, or low-cost legal aid, The Florida Bar offers a Lawyer Referral Service toll-free at (800) 342-8011 or online at www.floridabar.org. Legal assistance in your area in connection with evictions and housing issues can also be found [here](#). We will periodically update these frequently asked questions to provide Floridians with as much information as we can.

Is there financial assistance in Florida for struggling homeowners?

Yes. Title III of American Rescue Plan Act of 2021 appropriates federal funds for the Homeowner Assistance Fund intended to mitigate financial hardships associated with the Covid-19 pandemic such as preventing homeowner delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020. The Homeowner Assistance Fund provides financial assistance to eligible homeowners for:

- (A) mortgage payment assistance;
- (B) financial assistance to allow a **homeowner** to reinstate a mortgage or to pay other housing related costs related to a period of forbearance, delinquency, or default;
- (C) principal reduction;
- (D) facilitating interest rate reductions;
- (E) payment assistance for--
 - (i) utilities, including electric, gas, home energy, and water;
 - (ii) internet service, including broadband internet access service, as defined in [section 8.1\(b\) of title 47, Code of Federal Regulations](#) (or any successor regulation);
 - (iii) **homeowner's** insurance, flood insurance, and mortgage insurance; and
 - (iv) **homeowner's** association, condominium association fees, or common charges;
- (F) reimbursement of **funds** expended by a State, local government, or designated entity under subsection (f) during the period beginning on January 21, 2020, and ending on the date that the first **funds** are disbursed by the eligible entity under the **Homeowner Assistance Fund**, for the purpose of providing housing or utility payment assistance to **homeowners** or otherwise providing **funds** to prevent foreclosure or post-foreclosure eviction of a **homeowner** or prevent

mortgage delinquency or loss of housing or utilities as a response to the coronavirus disease (COVID) pandemic; and

(G) any other **assistance** to promote housing stability for **homeowners**, including preventing mortgage delinquency, default, foreclosure, post-foreclosure eviction of a **homeowner**, or the loss of utility or home energy services, as determined by the Secretary.

Florida's share of the Federal Homeowners Assistance Fund (HAF) is administered by the Florida Department of Economic Opportunity. The new HAF policies are still in development and more information may become available [here](#).

What options are now available to struggling Florida homeowners?

If you are unable to make a mortgage payment you may be eligible to apply for a mortgage forbearance. The option of a mortgage forbearance allows a borrower/mortgagor the opportunity to suspend or reduce payments by agreement to avoid a mortgage default. The missed mortgage payments that come due during the forbearance period remain due and are eventually paid pursuant to a repayment agreement reached between the borrower/mortgagor and lender/mortgagee. Eligibility for a Covid-19 mortgage forbearance and related loss mitigation options depend on the type of loan mortgage in question. The Covid-19 Pandemic prompted the U.S. Congress to enact legislation mandating mortgage forbearances for federally backed mortgages intended to avoid a national mortgage foreclosure crisis and forced residential displacements. Different mortgages have different Covid-19-related forbearance and loss mitigation rules depending on which entity insures the mortgage. The mortgage servicer is the entity that administers your mortgage loan and the entity that you would contact to explore forbearance and loss mitigation options.

Borrowers who are parties to **Fannie Mae** or **Freddie Mack** Mortgages regulated by the Federal Housing Finance Agency (FHFA) have until September 30, 2021 to apply for an initial or modified forbearance agreements for a maximum of 18 months. Borrowers who are also landlords are prohibited from evicting tenants for nonpayment of rent during forbearance periods. FHFA COVID-19 Payment Deferral allows borrowers to repay their missed payments at the time the home is sold, refinanced, or at mortgage maturity.

Borrowers who are parties to Federal Housing Administration (FHA) insured mortgages have until September 30, 2021 to apply for initial forbearance assistance of up to 6 months, and a 3-month forbearance extension is available to eligible borrowers currently in forbearance but who are struggling to resume regular mortgage payments. FHA also offers loan modification options and other loss mitigation following forbearance through their mortgage servicers.

Borrowers who are parties to Mortgages insured by the Veterans Administration (VA) can apply for two additional 3-month, Covid-19 forbearance periods following an initial 12 months' forbearance requested on or before June 30, 2020.

Private investor mortgage servicers may offer borrowers many of the same forbearance and loss mitigation options available as federally backed mortgages. Borrowers are encouraged to inquire as to available loss mitigation options available with their respective mortgage servicers.

What protections are available beyond forbearances and loss mitigation options:

The consumer financial protection Bureau (CFPB) enacted new temporary procedural safeguards effective August 31, 2021, intended to protect mortgage borrowers from avoidable mortgage foreclosures for those borrowers exiting current mortgage forbearances with delinquencies. The five new amendments to regulation X of the Real Estate Settlement Procedure Act (RESPA) can be reviewed [here](#). Prior to initiating foreclosure proceedings mortgage servicers will now be required to provide consumers with comprehensive loss mitigation options and streamlining borrower applications for mortgage loan modifications.

Other resources:

Veterans Administration Mortgage forbearance extension requirements:

https://benefits.va.gov/HOMELOANS/documents/circulars/26_21_04.pdf

US Department of Housing and Urban Development Certified Housing Counselors:

https://www.hud.gov/program_offices/housing/sfh/hcc

Fannie Mae Lookup Tool:

<https://www.knowyouroptions.com/loanlookup>

Freddie Mac Lookup Tool:

<https://loanlookup.freddiemac.com/>

Florida Housing Finance Corporation:

<https://www.floridahousing.org/>

Homeowner Assistance Fund:

<http://www.floridajobs.org/community-planning-and-development/homeowner-assistance/homeowner-assistance-fund>

Consumer Financial Protection Bureau:

<https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/renter-protections/find-help-with-rent-and-utilities/>

U.S. Department of Housing and Urban Development:

https://www.hud.gov/eviction_prevention

U.S. Department of the Treasury:

<https://home.treasury.gov/>