

I have lost income and am worried about paying my mortgage.

If you are worried about paying your mortgage because you have lost your job or your income has been reduced, you should contact your lender as soon as possible to talk about your options. You may be eligible to receive a loan modification or to request a forbearance on your payments. You may be asked to attest that your financial hardship is related to COVID-19, but you should not be asked to provide additional documentation or proof. At this time, only homeowners with federally-backed mortgages are eligible for assistance under the latest coronavirus relief bill known as the CARES Act, however, some loan servicer/mortgage company may still be willing or able to help you in other ways even if they are not required to do so under the CARES Act.

How do I know if I am eligible for assistance under the CARES Act?

You are eligible if you have a government-sponsored or federally backed single-family mortgage. These include mortgages:

- purchased or securitized by Fannie Mae or Freddie Mac;
- insured by the Federal Housing Administration (FHA), including reverse mortgages or Home Equity Conversion Mortgages (HECMs);
- guaranteed, directly provided by, or insured by the Department of Veterans Affairs (VA);
- guaranteed, directly provided by, or insured by the Department of Agriculture (USDA); or
- guaranteed under HUD's Native American or Native Hawaiian Home Loan Guarantee program

If you do not know whether your mortgage falls into one of these categories, you should contact your mortgage company that you send your payments to each month to find out. Over 60% of homeowners have a federally-backed mortgage.

What type of assistance am I eligible for?

Homeowners with a federally-backed mortgage can request a forbearance on their mortgage payments for up to six months, and an additional six-month period if needed. Forbearance means that your mortgage payments are postponed. This is not loan forgiveness - if you request forbearance, you are still responsible to pay your mortgage after your forbearance period ends. You should discuss a forbearance request with your mortgage company and make sure that you understand the terms of any future loan modification or repayment plans. For instance, you should know whether you will be expected to make a "balloon payment" when the forbearance period ends, whether you can make a payment plan to pay back your deferred mortgage amount over time, or whether the terms of your loan can be extended.

On March 18, 2020, the federal government announced a 60 day moratorium on evictions and foreclosures for homeowners who have a government-sponsored single family mortgage. A moratorium is a delay in an activity or an obligation. This means that during this time, your home cannot be foreclosed upon and you cannot be evicted if you have a qualifying mortgage.

What if I am not eligible for assistance under the CARES Act?

Although only homeowners with federally-backed mortgages are covered under the CARES Act, some lenders are making the choice to provide similar relief to homeowners that are not covered. Some examples of banks offering mortgage relief to their customers include Ally, Bank of America, Citibank, Fifth Third Bank, and Quicken Loans. You should contact your lender / mortgage company to find out if other help is available to you.

What if my mortgage company initiates a foreclosure during the moratorium, doesn't respond to me if I request help, or tells me I don't qualify for assistance?

Should I be concerned about scams?

Where can I go for more help?

There are a number of resources that may be able to help. These include:

- Rhode Island Legal Services: (401) 274-2652
- RIHousing HelpCenter: RIHousing's HelpCenter is available to assist homeowners concerned about their ability to make their mortgage payments. The HelpCenter is a HUD-approved counseling agency that provides free foreclosure prevention counseling services to all Rhode Island homeowners. Call 401-457-1130 or visit our website at www.rihousing.com/homeowner-assistance to learn more.
- Direct Action for Rights and Equality Tenant and Homeowner Association: DARE's Tenant and Homeowner Association supports homeowners to avoid foreclosure through connection to free legal support, peer and professional counseling to negotiate with their lender. Call (401) 351-6960 and leave a message for Christopher Rotondo, contact him by email at crotondo@daretowin.org, or on Facebook @renterpowerpvd.

If you need assistance, the best place to start is by contacting your lender or mortgage company. You should be cautious with any third party that you do not know, especially if they are seeking to charge you fees for providing assistance. If you suspect that you have been the target of a scam, you can contact the Rhode Island Attorney General's consumer protection line at 401-274-4400.

Depending on what you need help with, there are lots of resources. Call Rhode Island 2-1-1 to speak to someone who will refer you to help based on your needs.