



HomeOwnership Announcement

April 9, 2020

Closing/Pre-purchase Temporary Overlays Temporary Employment/Income Requirements Guideline on Loans in Forbearance

MassHousing will institute a temporary overlay for reverification of employment and income. We encourage our lenders to closely examine the borrower's continuity of employment and income. It is important for our lender partners to verify that the borrower's income will continue at the same or similar levels to ensure the borrower's ability to repay.

Temporary Employment/Income Verification Requirements:

Effective for all loans closed after April 13, 2020, a Verbal Verification of Employment must be completed 2 business days preceding the Note Date. Lenders are to verify that self-employed borrowers are operating and generating revenue within 5 days of closing. Lenders are to follow the temporary flexibilities detailed in our [Announcement 2020.04](#) as well as:

[Fannie Mae Lender Letter \(LL-2020-03\) – Updated](#) | Impact of COVID-19 on Originations

[Freddie Mac Bulletin 2020-08](#) | Selling Guidance Related to COVID-19

[FHA ML 2020-05](#) | Policy Updates





Purchasing Loans in Forbearance:

MassHousing will not purchase any loan in forbearance or for which forbearance has been requested by the borrower. To maintain continuity in this challenging time, it is important that borrowers whose ability to repay has been compromised due to COVID-19 be directed by the current servicer to the appropriate borrower assistance programs.

PLEASE NOTE:

The above changes noted as temporary are subject to change upon notice from the Federal, State or GSE level.

To enroll in our updated training sessions, please see our training calendar on emasshousing.com. Please contact us at 888-843-6432 option 4, and/or your Relationship Manager or email c6@masshousing.com for assistance.

