



TO: All FHA-Approved Mortgagees and Servicers; All Other Interested Stakeholders in FHA Transactions

NEWS AND UPDATES

FHA Disaster-Related Policy Waivers Issued for Presidentially-Declared Major Disaster Areas in Puerto Rico and California

Today, the Federal Housing Administration (FHA) issued waivers of its policy on the timeframe for completing the inspection of properties prior to closing or submitting the mortgage for FHA insurance endorsement in the Presidentially-Declared Major Disaster Areas in certain municipalities in Puerto Rico impacted by Hurricane Maria (Maria) and certain counties in the state of California impacted by wildfires (Wildfires).

- For mortgages in process secured by properties in a PDMDA that have not closed or are pending endorsement, mortgagees must follow the guidance contained in the *Single Family Housing Policy Handbook 4000.1 (SF Handbook) Section II.A.7.c, Inspection and Repair Escrow Requirements for Mortgages Pending Closing or Endorsement in Presidentially-Declared Major Disaster Areas*. FHA's current policy requires that a damage inspection be performed following the close of the Incident Period as defined by the Federal Emergency Management Agency (FEMA).
- FHA believes that the situations in certain municipalities Puerto Rico and certain counties in California have stabilized to the extent that further damage to the properties appear unlikely, despite FEMA not having closed its Incident Period for the PDMDAs in these two areas. However, mortgagees should continue to monitor FEMA's website to ascertain the latest information on these PDMDAs as additional municipalities or counties could be added to them until the Incident Periods have closed.
- As a result, today **FHA issued two waivers: one for certain municipalities in Puerto Rico ([Maria](#)) and the other for certain counties in California ([Wildfires](#))**, regarding the timing of the required **inspection**, allowing damage inspections to be completed beginning October 24, 2017 for the PDMDAs in Puerto Rico and California.
- These waivers do not affect mortgagees' obligations to exercise prudent lending practices and ensure that mortgages they submit for endorsement fully comply with FHA's property eligibility requirements, as well as any property condition requirements related to claims processing.

— The Puerto Rico “Maria” waiver is posted at:
https://www.hud.gov/sites/dfiles/OCHCO/documents/sf_hb40001waiverPR.pdf

— The California “Wildfires” waiver is posted at:
https://www.hud.gov/sites/dfiles/OCHCO/documents/sf_hb40001waiverCA.pdf

Mortgagees can find more information about FHA’s PDMDA policies, as well as the **203(h) Mortgage Insurance for Disaster Victims Program** and the **203(k) Rehabilitation Mortgage Insurance Program**, on the FHA Resource Center’s [Online Knowledge Base](#).

Quick Links

- Both waivers can be viewed at:
https://www.hud.gov/program_offices/administration/hudclips/waivers/
- Access the SF Handbook in online or portable document format from HUD’s Client Information Policy Systems Handbooks web page at:
https://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsggh
- View the status of Incident Periods on the FEMA Disasters web page at:
<https://www.fema.gov/disasters>

Resources

Contact the FHA Resource Center:

- Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at:
www.hud.gov/answers.
- E-mail the FHA Resource Center at: answers@hud.gov. Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
- Call 1-800-CALL-FHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

RESOURCE INFORMATION	
FHA INFO Archives:	Visit the FHA INFO Archives to access FHA INFO messages issued from 2012 to the present.
Subscribe/Unsubscribe Instructions:	To subscribe to the Single Family FHA INFO mailing list you can use this link: FHA INFO or send a request by email to: answers@hud.gov Bulk subscriptions: To sign up your entire office or a large group, send the list of email addresses (in the format below) to: answers@hud.gov aaa@xyz.com bbb@xyz.com ccc@xyz.com To Unsubscribe follow the unsubscribe instructions on that page.
Resource Links:	Archived Webinars Foreclosure Assistance

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