



In accordance with Section 4023 of the CARES Act (the Act), MFA will provide up to 30 days forbearance on loan payments due MFA for FHA-insured Risk Share loans with documented financial hardship. In addition, MFA has identified measures or relief options which may be available to borrowers with multifamily properties. MFA will follow requirements of the servicing agreements in place.

The following steps will be followed as borrowers make requests for assistance:

1. Borrower to continue to make the mortgage payment due per the loan agreement with MFA, if possible.
2. If the borrower experiences a decline in income due to decreases in rent revenue causing an inability to make the monthly loan payment to MFA, the following options may be available.
 - a. Utilize available stimulus or relief options.
 - b. Replacement reserves could be eligible to use for mortgage payments. Borrowers with FHA-insured Risk Share loans must obtain approval from HUD and MFA.
3. In the event the borrower has exhausted other options and reserves are insufficient, or the use of reserves is denied by FHA/HUD, MFA will grant a forbearance and/or a temporary reduction or suspension of replacement reserve payments. **(This is not a forgiveness of the payments.)**
 - a. Borrowers with FHA-insured Risk Share loans must obtain approval from HUD and MFA.
 - b. Where required by Servicing agreements, MFA will grant permission for reduction or suspension of the monthly replacement reserve payment.
 - c. Borrower or property manager will be required to provide documentation, in a form acceptable to MFA, of insufficient income to support the mortgage payment for each 30-day forbearance period. Monthly documentation will include monthly financial statements.
 - i. A signed and dated Affidavit indicating the options explored to supplement income.
 - ii. Rent Rolls indicating amounts due, amounts paid, amounts not paid.
 - iii. List of expenses and amounts due monthly
 - iv. For forbearance to be activated borrower must execute a Forbearance Agreement which MFA will provide at forbearance approval.



4. Upon resolution of financial hardship or completion of the forbearance period MFA will create a repayment plan that:
 - a. Brings the loan current within 12 months or
 - b. Results in a Loan Modification (if allowed by the servicing and trust agreements for Risk Share projects).

In exchange for forbearance consideration, borrower must agree to the following renter protections for the duration of the forbearance. Borrower, including any agent for the borrower, may not:

1. evict or initiate the eviction of a tenant from a unit located in or on the applicable property solely for nonpayment of rent or other fees or charges; or
2. charge any late fees, penalties, or other charges to a tenant described in 1. For the late payment of rent;
3. require a tenant to vacate a dwelling unit located in or on the applicable property before the date that is 30 days after the date on which borrower provides the tenant with a notice to vacate and,
4. issue a notice to vacate under paragraph 1. until after the expiration of the forbearance.

Borrowers must also remain current with all tax, water, sewage or other such bills as they become due, unless the borrower has obtained written forbearance relief from such authorities.

Borrower must use all collected rents and other receipts of the project for no purpose other than for reasonable operating expenses or making payments due to MFA under the terms of the applicable loan documents or regulatory agreements.

Other resources

For FHA-insured Risk Share and HUD-assisted projects the below link provides some answers to your questions.

https://www.hud.gov/sites/dfiles/Housing/documents/HUD_Multifamily_Corona_QA_FINAL.pdf