

Dear Stewart Partners,

It's hard to believe we are already in October. Next Monday is Columbus Day and Boston will host the Boston Marathon. This is the first time in the marathon's 125-year history that the event will take place in October. There are activities planned all weekend long in and around Copley Square. Check out what's going at the Boston Athletic Association's Marathon website here: <https://www.baa.org>

Your Stewart underwriters won't be at the race on Monday (but we'll probably be streaming the race on our computers) so if you are working and need underwriting advice the team will be available by phone or email or simply drop a line to MASSuwing@stewart.com and your inquiry will be directed to an available underwriter.

In this week's update, we want to alert you that HUD has engaged a new servicing contractor for many of its servicing needs, including partial claim mortgages. As you may remember, last week we included a reminder about the need to obtain a payoff from NOVAD in certain circumstances. The new servicer is replacing NOVAD for many of HUD's servicing needs, with the notable exception of reverse mortgages. Additionally, we wanted you to know that Fannie and Freddie have extended the availability of forbearance options for multi-family loans. This represents the fourth extension of that program. Lastly, for those of you who represent developers of multi-family housing, you should be aware that the Malden City Council has unanimously approved a new Inclusionary Zoning Policy.

- *Forbearance Programs and Modified Mortgages - New Servicer Announced*

Many borrowers facing mortgage payment issues were eligible to modify their mortgages through various programs. The most well-known program was HAMP, but there are others. As part of the loan workout and modification or forbearance, many borrowers signed a partial claim note, which would be secured by a mortgage. A partial claim is an interest-free loan from HUD, which allows the borrower to get caught up on overdue payments. One of the features of the partial claim mortgage is that it need not be paid off until the property is sold or the first mortgage is paid in full. The partial claim debt is not included in the principal balance of the first mortgage and is treated as a separate payoff. Because many borrowers are not making additional monthly payments, they are unaware that this additional debt is a lien on the property and must be paid and a separate payoff statement must be received.

This week HUD announced that as of October 9, 2021, Information Systems & Networks Corporation (ISN) will be servicing the following FHA Single Family Secretary-Held Mortgages:

- Partial Claim Subordinate Mortgages
- Section 235 Subordinate Mortgages
- Nehemiah Subordinate Mortgages
- Emergency Homeowners Loan Program (EHLPP) Subordinate Mortgages
- Asset Control Area (ACA) Mortgages
- Hope for Homeowners (H4H) Subordinate Mortgages; and
- Good Neighbor Next Door (GNND) Subordinate Mortgages

All payoff requests, and other inquiries relating to the above mortgages must be directed to ISN as follows:

ISN Corporation – Western Operations Center
Attention: Secretary-Held Loan Servicing
2000 N Classen Blvd Suite #3200
Oklahoma City, Ok 7301

Payoff requests can be emailed to: PCPayoffs@hud.gov

To view the announcement and for additional details, follow this link: https://www.hud.gov/sites/dfiles/SFH/documents/SFH_FHA_INFO_21-84.pdf

- *Fannie Mae and Freddie Mac Extend Forbearance Options for Multi-Family Borrowers Facing Hardship due to the COVID-19 Pandemic*

The Federal Housing Finance Agency announced that Fannie Mae and Freddie Mac will continue to offer COVID-19 forbearance to qualifying multifamily property owners. This is the fourth extension to the program, which was set to expire on September 30, 2021. Property owners with Fannie or Freddie backed mortgages can enter into a new forbearance or modify an existing forbearance. Those qualifying must also agree to inform tenants in writing about tenant protections available during the property owner's forbearance and repayment periods, and agree not to evict tenants solely for nonpayment of rent while the property is in forbearance. To read FHFA's news release on the extension and other borrower requirements, follow this link: <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Extends-Availability-of-COVID-19-Multifamily-Forbearance.aspx>

- *Malden City Council Unanimously Approves an Inclusionary Zoning Policy*

Malden has adopted a new inclusionary zoning policy for residential developments of 8 or more units. For rental properties, developers are now required to set aside at least 15% of units for households that make no more than 50% of Malden's Area Median Income. If units are to be sold, the new policy requires that 15% of the units are made available for sale to households making no more than 80% of Malden's Area Median Income. Inclusionary zoning, which promotes affordable housing, has existed in Boston, Cambridge, and Somerville for many years. To read Bisnow's article, follow this link: https://www.bisnow.com/boston/news/affordable-housing/malden-in-dire-need-of-affordable-housing-passes-inclusionary-zoning-policy-110352?utm_source=outbound_pub_76&utm_campaign=outbound_issue_51843&utm_content=outbound_link_10&utm_medium=email

- *Stewart's Massachusetts COVID-19 Resource Page & Information Page – URL CHANGE*

Our easy reference page, which provides you quick access to all our Mid-Week updates, gap coverage affidavits, and bulletins that specifically relate to COVID and other emergency orders, has moved. Save this new URL as bookmark in your web browser for easy access: <https://www.stewart.com/en/state-pages/massachusetts-agents/underwriting-resources/covid-19.html>

Stewart Title Guaranty Company - Massachusetts

200 5th Avenue, Suite 301, Waltham, MA 02451 Phone: 800-628-2988 Fax: 781-697-3336

Monarch Place - 1414 Main Street, Suite 1835, Springfield, MA 01144 Phone: 413-930-8090 Fax: 978-964-0565

Tiziano Doto, Agency Services Manager - tiziano.doto@stewart.com

Jutta R. Deeney, VP, State Counsel - jutta.deeney@stewart.com

Shannon Coleman, Underwriting Counsel - scoleman@stewart.com

Christine Provost, Associate Senior Underwriting Counsel - christine.provost@stewart.com

Tracie Kester, Underwriting Counsel - tracie.kester@stewart.com

Paula M. Cuculo, Underwriting Counsel - paula.cucoulo@stewart.com

General MA Underwriting Mailbox - massuwing@stewart.com

Tracy Hawkins, Agency Sales Representative Sr. - tracy.hawkins@stewart.com

Rita Kelly-Parsley, Agency Sales Representative Sr. - rita.kelly-parsley@stewart.com

Tom Potito, Agency Sales Representative Sr. - tom.potito@stewart.com

Mary Blomerth, Agency Sales Representative Sr. - mary.blomerth@stewart.com

Lyslie A. DeMeo, Agency Sales Representative, Sr. - ldemeo@stewart.com