

CFPB Proposes Foreclosure Moratorium Until 2022

The Consumer Financial Protection Bureau (CFPB) proposed rules to prevent foreclosures and assist consumers as emergency federal foreclosure protections expire. The proposal includes temporary amendments to Regulation X's mortgage servicing requirements regarding loss mitigation. The proposed rule builds on existing rules prohibiting a servicer from making the first notice or filing required by law until a borrower's mortgage loan obligation is more than 120 days delinquent.

If finalized, the rules would:

- Generally prohibit servicers from starting foreclosure until after December 31, 2021.
- Permit servicers to offer certain streamlined loan modification options to borrowers with COVID-19-related hardships based on the evaluation of an incomplete application.
- Make temporary changes to certain required servicer communications to make sure that, during this crisis, borrowers receive key information about their options at the appropriate time.

See:

[CFBP Press Release](#)

[CFPB Proposed Rule](#)

Contact Us

Fraser Stryker's business attorneys are here to help:



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