

**To:** All Customers **From:** Credit Risk  
**Date:** 02/25/21 – Update 04/19/21 **Memo#:** 21031  
**Subject:** COVID Tolerances Extended - Government

The [Temporary COVID Guidelines](#) will be updated with the following changes and are effective immediately unless otherwise noted.

The following COVID related tolerances are being extended effective immediately for all Government transactions.:

### **FHA TRANSACTIONS**

- The verification of business operations for self-employed borrowers and the Rental Income guidance is extended for case numbers assigned on or before June 30, 2021.
- Effective immediately, the 203(k) Rehabilitation Escrow guidance for in forbearances is effective for open escrows accounts through June 30, 2021.
- The re-verification of employment and exterior- only appraisal option guidance is extended for cases closed on or before June 30,2021

### **USDA TRANSACTIONS**

The temporary extensions pertaining to appraisals, repair inspection and income verification due to COVID-19 have been extended until June 30, 2021.

- Residential Appraisal Reports – Existing Dwelling
- Repair Inspections – Existing Dwelling
- Verbal Verification of Employment

### **VA TRANSACTIONS**

VA Loans – The polices outlined in the VA Circulars [26-20-10](#) & [26-20-13](#) & [26-20-13, Change 1](#) are effective until further notice or the rescission of the Circulars. **All topics in the** above VA Circulars have a rescission date for loans closed on or after April 1, 2021 and have not been extended by VA at this time.

- Exterior-Only Appraisal
- Alternative Income Documentation
- Water Systems Acceptability Waivers

Please review all VA Circulars, FHA INFO's and USDA announcements in their entirety for complete details.

### **ADDITIONAL RESOURCES**

- [FHA INFO #21-10](#)
- [USDA Announcement](#)
- [VA Circulars 26-20-10 & 26-20-13](#)