

To: All Customers From: Credit Risk
Date: 06/24/21 – Update 07/01/21 Memo#: 21083
Subject: **FHA – Expiration of Temporary Guidance**

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EXPIRATION OF TEMPORARY GUIDANCE FOR RE-VERIFICATION OF EMPLOYMENT AND EXTERIOR-ONLY APPRAISAL, 203(K) REHABILITATION ESCROW, SELF-EMPLOYED AND RENTAL INCOME GUIDANCE

This temporary guidance was first announced on March 27, 2020 in [ML 2020-05](#), Re-verification of Employment and Exterior-Only and Desk-top Appraisal Scope of work Options for FHA Single Family programs Impacted by COVID-19 consistent with the Coronavirus Aid, Relief and Economic Security (CARES) Act. The policies in [ML 2020-05](#) were updated with publications of [ML 2020-37](#) to address the removal of the Desk-top Only option and last extended through June 30, 2021.

The guidance in the [FHA INFO #21-44](#) and [Mortgage Letter 2021-07](#), is a reminder that the temporary guidance listed below will expire..

- The re-verification of employment guidance using alternative documentation will expire for cases closed on or before June 30, 2021.
- The extension for Exterior-Only appraisal option will expire with an effective date on or before June 30, 2021.
- **The 203(k) Rehabilitation Escrow guidance for borrowers in forbearance in [ML 2020-24](#) is extended for effective for open escrow accounts through September 30, 2021.**
- **The verification of business for self-employed borrowers and the Rental Income guidance in [ML 2020-24](#) is extended for case numbers assigned on or before September 30, 2021.**

The [Temporary COVID Guidelines](#) will be updated with the expiration of the above policies.