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**FOR RELEASE**

Tuesday  
March 30, 2021

### Secretary Fudge Statement on the State of the FHA Mutual Mortgage Insurance Fund

WASHINGTON - Secretary Marcia L. Fudge on Tuesday released the following statement on the quarterly report to Congress on FHA Single-Family Mutual Mortgage Insurance Fund Programs:

HUD has an obligation to provide a quarterly report to Congress on the FHA insurance program and provide detailed information on the composition, credit quality, and financial position of the program. I am taking this opportunity to discuss the state of the FHA insurance program and the health of the Mutual Mortgage Insurance Fund a year after the COVID-19 health and economic fallout.

The health of FHA's Mutual Mortgage Insurance Fund has remained resilient despite the financial challenges faced by homeowners with FHA-insured mortgages in 2020. The fund stands at more than \$80 billion and remains well above the 2% minimum capital reserve required. Through the pandemic, the FHA portfolio has experienced increased levels of seriously delinquent loans and a heightened level of loans in forbearance. We continue to monitor mortgage performance trends within our portfolio, particularly related to those homeowners who are struggling financially because of the pandemic.

Tens of millions of families have been devastated by this pandemic, and housing has been a critical part of how we keep people safe. The FHA insurance program provides crucial access to credit and homeownership for first-time homebuyers, low-to-moderate income families, and households of color who have been historically underserved. We are committed to an equitable recovery and recognize the unprecedented moment and opportunity for HUD to lead the way.

In order to provide assistance to those struggling as a result of the pandemic, FHA took proactive policy steps in February to assist homeowners by extending foreclosure and eviction moratoria through June 30, streamlining COVID-19 loss mitigation options, and allowing longer forbearance for borrowers whose plans were expiring. We are already starting to see the positive effects of the President's immediate actions during the first weeks of his Administration to help the nation's homeowners, but we have much more work to do.

The American Rescue Plan recently signed into law by President Biden includes crucial and unprecedented resources for housing, including nearly \$10 Billion Homeowner Assistance Fund, to help homeowners behind on their mortgage and utility payments and avoid foreclosure and eviction. The actions we are taking now will help position the FHA program to continue to fulfill its critical mission in the future.

Given the current FHA delinquency crisis and our duty to manage risks and the overall health of the fund, we have no near-term plans to change FHA's mortgage insurance premium pricing. We will continue to rigorously evaluate our strategy and work transparently with Congress. Our number one priority is helping families keep their homes and remain safe as we work toward an equitable recovery.


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*HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.  
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