



CITY OF BOSTON • MASSACHUSETTS
DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT
MARTIN J. WALSH, MAYOR

City of Boston
COVID-19 Mortgage Relief Plan
April 9, 2020

Lenders agree to:

1. Provide at least three months in a loan deferment for homeowners, with the option to extend for longer periods, if needed. Advance taxes and insurance during the deferment if taxes and insurance are normally escrowed and paid as part of the mortgage payment. And, have a goal of approving deferments within 21 days of application and with only essential paperwork needed from the homeowner.
2. Not report the workout/loan as a TDR (per Section 4013 of the CARES Act) nor report it to the credit bureaus as being a late loan and not charge late fees on the late loan payments or deferments.
3. After the deferment concludes, homeowners will not be required to pay the total deferment/forbearance amount in a lump sum. Lenders will offer one of the following plans to repay the deferred amount:
 - Homeowners can pay off the interest owed from the deferment period in the first months after the deferment concludes, as part of their regular mortgage payment, until interest and any insurance/taxes owed during the deferment period are paid off; or
 - Lenders will allow a zero percent interest payment/loan for the amount owed during the deferment. The original loan will then amortize over its remaining term with monthly payment amounts remaining the same (unless taxes and insurance change); or
 - Lenders will extend the length of the loan term or undertake other options which will not harm the homeowner, to account for the deferred payments.

Unless it is advantageous to the homeowner or the amount of taxes and insurance payments change, the homeowner's total monthly payment amount will remain the same as pre-deferment.

4. Notify the BHC of any homeowner (with the homeowner's consent) within Boston where all loss mitigation options have been exhausted and a referral to foreclosure has been started.

5. Revisit this plan with the BHC and its partners in two months to understand its impacts.