



**PRAIRIE STATE LEGAL SERVICES**

*Equal Access to Justice*

[www.pslegal.org](http://www.pslegal.org)

Legal Help for Homeowners Project

888-966-7757

*Last updated October 21, 2020. This is a rapidly changing situation. Please contact a lawyer for the most current information.*

**This article is for Illinois homeowners who are behind on their mortgage or worried about getting behind. If you are in foreclosure, see [“I am in foreclosure. How does the COVID-19 crisis affect my case?”](#) for more information.**

The federal CARES Act, which became law on March 27, 2020, provides special protections for homeowners with **federally backed mortgage loans, including FHA insured loans, USDA loans, VA loans, and loans purchased or securitized by Fannie Mae or Freddie Mac.** (See reverse for more details.)

### How do I know if my mortgage loan is federally backed?

- Call your servicer (the company that takes your mortgage payments)
- Check [www.knowyouroptions.com/loanlookup](http://www.knowyouroptions.com/loanlookup) (for Fannie Mae)
- Check [ww3.freddie.mac.com/loanlookup](http://ww3.freddie.mac.com/loanlookup) (for Freddie Mac)
- Call HUD’s National Servicing Center at 877-622-8525 (for FHA insured)



**I can’t pay my mortgage because of COVID-19.**

**What are my options?**

### **What should I do if I can’t make my next mortgage payment because of a hardship related to COVID-19?**

Contact your servicer (the company that takes your mortgage payments) right away about possible solutions. Many servicers have created new programs in response to the COVID-19 crisis. You can check to see if your bank is offering any relief through [this list compiled by the American Bankers Association](#).

Options may include:

**Forbearance** — Temporarily suspended or reduced mortgage payments. **Forbearance does not cancel or forgive the missed payments, so** be sure to find out when and how you will have to pay them back.

**Loan Modification** — Your servicer may offer a permanent change to your loan terms to reduce your payments and/or catch up on missed payments.

*See the back for special options for federally backed mortgage loans.*

### **BEWARE OF SCAMS**

Beware of anyone who charges you to apply for help or promises that they can force your servicer to modify your loan.

Contact your servicer, a HUD-certified housing counselor, or a lawyer about your options.

*These materials are also available in [Spanish](#).*



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### **Special rules for homeowners with federally backed mortgage loans:**

The Federal CARES Act provides a specific **forbearance program** for homeowners with a federally backed mortgage loan who have a COVID-19 related hardship, including borrowers who were behind or in foreclosure before the COVID-19 crisis:

- You may request forbearance from your servicer until December 31, 2020. Your servicer's website should have information about how to apply for forbearance. If possible, apply for forbearance in writing. If you apply over the phone write down the date you applied and the name of the person you talked to.
- If you request forbearance from your servicer because of a COVID-19 related hardship, your servicer must offer you forbearance up to 180 days, and if you request it, another 180 days. *You must request an extension before your forbearance expires.*
- During forbearance, your servicer cannot charge fees. Interest will continue to accrue. If your loan is already in foreclosure, the foreclosure case will not move forward during your forbearance period.
- Before your forbearance period expires, your servicer should evaluate you for a permanent solution to address the missed payments like an extension of your loan term or a loan modification. Specific options and qualification requirements will depend on what type of loan you have. Some options are only available to homeowners who were current on their mortgage until the COVID-19 crisis.

Federally backed loans are also covered by a **foreclosure moratorium**. New foreclosure cases cannot be filed before January 1, 2021.

### **What if I am already in foreclosure?**

Federal, state, and local responses to the COVID-19 crisis may delay certain steps in your foreclosure case. For more information about the foreclosure process in Illinois, see our [foreclosure timeline](#) and "[I am in foreclosure. How does the COVID-19 crisis affect my case?](#)"

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Prairie State Legal Services, Inc. works to ensure equal access to justice and fair treatment under the law by providing legal advice and representation, advocacy, education, and outreach that serve to protect basic human needs and enforce or uphold rights. If you have foreclosure related questions, you can call our Legal Help for Homeowners Project at 888-966-7757 or visit [www.pslegal.org/apply](http://www.pslegal.org/apply) to apply for services.