

November 28, 2022

The Honorable Rohit Chopra  
Director  
Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington, DC 20552

RE: Comment on Request for Information Regarding Mortgage Refinances and Forbearances, 87 Fed. Reg. 58487, Docket No. CFPB-2022-0059

Dear Director Chopra:

On behalf of the industries, clients, and communities that we represent, we write to urge the Bureau to update Regulation X to incorporate the lessons learned from the pandemic. Borrowers and servicers have benefited from the streamlined loss mitigation options that the Government Sponsored Enterprises (GSEs), FHA, VA, and USDA, and some private investors developed in response to the COVID-19 pandemic, and we applaud the Bureau for adjusting Regulation X to allow those options to work. To build on this success, we strongly encourage the Bureau to engage in rulemaking to establish a more coherent framework for Regulation X, with consistent rules for the various exemptions that have been put in place since the inception of the rule in 2013.

While we believe the existing Regulation X provisions in 12 C.F.R. § 1024.41(c)(2)(v) and (vi) allow for streamlined options to homeowners without a COVID hardship where the option has been made available to those with COVID hardships, a rulemaking is needed to create a more durable and comprehensive regulatory structure.

Specifically, we ask the Bureau to:

- Publicly reaffirm in written guidance that the existing Regulation X provisions allow for streamlined offers to borrowers who have not experienced a COVID-related hardship, as long as the option is also made available to borrowers experiencing a COVID-related hardship; and
- Conduct a new rulemaking for Regulation X to update the rule to explicitly permit servicers to offer streamlined loss mitigation options, with consistent requirements for notice and procedural protections for homeowners.

We look forward to further engaging with the Bureau through our individual comments, and we appreciate the opportunity to work with you to build upon the progress made during the COVID national emergency.

Sincerely,

Center for Responsible Lending

Housing Policy Council

National Consumer Law Center (on behalf of its low-income clients)

National Housing Conference

National Housing Law Project

National Housing Resource Center