

March 11, 2025

The Honorable Matt Jones  
Deputy Assistant Secretary for Single Family Housing  
Department of Housing and Urban Development  
451 7th St S.W.  
Washington, D.C. 20410

Dear Mr. Jones:

Congratulations on your recent appointment as Deputy Assistant Secretary for Single Family Housing.

On behalf of the clients, communities, companies, and borrowers we serve, we write you to express support for the FHA-insured mortgage program, a key source of financing for affordable homeownership. We also write to highlight and commend the excellent tools that FHA has deployed to help first-time homebuyers facing financial distress stay in their homes while at the same time protecting taxpayers from unnecessary losses. Specifically, we support FHA's continued use of the tools in the FHA-insured loss mitigation program, including statutorily authorized partial claims, loan modifications, and payment supplements (which are incredibly useful in a high-interest rate environment).

As you are evaluating programs, we urge you to 1) maintain FHA's temporary loss mitigation program that is in place through February 1, 2026 and 2) maintain the fundamental structure of the FHA permanent loss mitigation program that is expected to go into effect on February 2, 2026. We jointly believe there are indeed worthwhile steps you and your team could take to further improve the efficiency and effectiveness of the loss mitigation system, but we urge you to work within the established framework and with stakeholders to avoid any disruptive changes. Put plainly, eliminating effective tools that promote home retention would increase foreclosures that ultimately are costly for the FHA-insurance fund and taxpayers.

We sincerely believe there are ways to improve and refine the FHA loss mitigation system for FHA borrowers, mortgage companies, and taxpayers, and we look forward to working with you and your staff to make those changes.

Sincerely,

Center for Responsible Lending  
Consumer Federation of America  
Housing Policy Council  
National Consumer Law Center (on behalf of its low-income clients)  
National Fair Housing Alliance  
National Housing Law Project  
National Housing Resource Center