



Connecticut's COVID-19 Mortgage Relief Agreement Q&A

How do I get mortgage relief and/or forbearance?

You should contact and work directly with your mortgage servicer to learn about and apply for available relief. Please note that financial institutions and their servicers are experiencing high volumes of inquiries.

How long will the forbearance last?

Participating financial institutions are now offering mortgage-payment forbearances of up to 90 days, which will allow homeowners to reduce or delay monthly mortgage payments.

What effect will this have on my credit report?

Financial institutions will not report derogatory information (e.g., late payments) to credit reporting agencies but may report a forbearance, which typically does not alone negatively affect a credit score.

How long will these programs last?

It is still unclear how severe or how long the COVID-19 impacts will be. Financial institutions have committed to necessary relief and will be assessing the ongoing conditions and necessity of continuing relief.

What if my financial institution isn't offering this relief?

At this time, Webster Bank, American Eagle Financial Credit Union, Liberty Bank, Charter Oak Federal Credit Union, Bank of America, Nutmeg State Financial Credit Union, and Peoples United Bank, in addition to over 50 other federal and state-chartered banks, credit unions, and servicers are supporting these commitments. The state will welcome any other institution that would like to meet the moment and provide much-needed financial relief to Connecticut residents. The Department of Banking will publish a list of participating financial institutions on its website in the coming days.

What if I already made a payment or was hit with a fee because of COVID-19?

These measures go into effect as of March 31, 2020.

Is the mortgage relief available to businesses?

The relief is currently only available for residential mortgages.

What if my mortgage servicer is not communicative or cooperative?

You can file a complaint with the Department of Banking through [the complaint form on the department website](#) or by contacting the department at 860-240-8299 or 1-800-831-7225 (9:00 am to 5:00 pm EST Monday through Friday).

What impact does the CARES Act have?

The CARES Act has important protections for renters and homeowners. In particular, homeowners with mortgage loans that are backed by the federal government through the FHA, Freddie Mac, Fannie Mae, or other agencies can receive significant forbearance.

How about commercial loans and commercial mortgages?

Commercial loan or commercial mortgage customers should know that all financial institutions are working proactively with each commercial borrower experiencing challenges. Any bank or credit union commercial customer having financial difficulty, whether for-profit or nonprofit, should call their financial institution as soon as possible. Several important governmental actions have and will provide relief to businesses.

The Lamont administration's quick actions resulted in Connecticut being one of the first states where businesses can access the U.S. Small Business Administration's (SBA) economic injury disaster loan program for up to \$2 million dollars. In addition, the Connecticut Department of Economic and Community Development quickly created the Connecticut Recovery Bridge Loan program, which will provide up to \$50 million of loans to small businesses and nonprofits

Importantly, last week Congress passed the important CARES Act, which includes the Paycheck Protection Program (PPP) and will provide loans and grants of up to \$10 million, for companies of up to 500 employees. A wide variety of businesses will be eligible for the PPP as soon as next week and they include but are not limited to: private and public businesses, self-employed and independent contractors, nonprofits, veterans' organizations, and tribal business concerns. Additional information on the PPP should be available from the SBA early next week.

In addition to the PPP, banks and credit unions continue to work with their commercial customers on a case by case basis to address the financial needs of their impacted business. We encourage any impacted commercial customers to contact their financial institution.