



PRESS RELEASE

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Regulators Issue Joint Guidance to Address Mortgage Servicer Practices That Affect Servicemembers

FOR IMMEDIATE RELEASE

Federal regulators today issued joint guidance aimed at addressing mortgage servicer practices that may pose risks to certain homeowners who are serving in the military.

Regulators issuing the guidance included the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency. The guidance pertains to risks related to military homeowners who have informed the servicer that they have received Permanent Change of Station (PCS) orders, which occur when servicemembers are ordered by the military to relocate to a new duty station or base. Regulators issued the guidance to address risks and to ensure compliance with applicable consumer laws and regulations.

For military homeowners, PCS orders to move to a new duty station present unique challenges. Although PCS orders are non-negotiable and operate under short, strict timelines, military homeowners with PCS orders remain obligated to honor their financial obligations, including their mortgages. If their homes have declined in value, they may be unable to sell the home and obtain sufficient funds to pay off the mortgage debt and may continue to be obligated to make monthly payments after relocating to the new duty station.

The guidance, *Interagency Guidance on Mortgage Servicing Practices Concerning Military Homeowners with Permanent Change of Station Orders*, can be found at: *Interagency Guidance on Mortgage Servicing Practices Concerning Military Homeowners with Permanent Change of Station Orders*.



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