

From: UHC_Info Center
To: UHC_Info_Center
Subject: DACA Borrowers
Date: Wednesday, October 16, 2019 2:00pm

Did you know?

The attached letter to a United States Congressman from HUD states, “because DACA does not confer lawful status, DACA recipients remain ineligible for FHA loans”.

UTAH HOUSING requires Lenders to comply with HUD, Freddie Mac and governmental agency requirements for the determination of lawful residency status of a Borrower. HUD and Freddie Mac have communicated that DACA does not confer lawful residency status, therefore DACA recipients are not eligible borrowers.

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If you have received this e-mail in error, or if you know others who would also like to receive these updates from Utah Housing, please send a response to this e-mail.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-1000

ASSISTANT SECRETARY FOR CONGRESSIONAL
AND INTERGOVERNMENTAL RELATIONS

JUN 11 2019

The Honorable Pete Aguilar
U.S. House of Representatives
Washington, DC 20515

Dear Representative Aguilar:

Thank you for your letter of May 8, 2019, requesting clarification of the Department of Housing and Urban Development's (HUD) policies impacting the eligibility of individuals with Deferred Action for Childhood Arrivals (DACA) status to obtain mortgages insured by the Federal Housing Administration (FHA). HUD has been very clear that it has not implemented any policy changes during the current Administration, either formal or informal, with respect to FHA eligibility requirements for DACA recipients. This letter confirms that fact.

Since at least October 2003, FHA has maintained published policy that non-U.S. citizens without lawful residency "are not eligible for FHA-insured loans."¹ This same policy was incorporated in the Single-Family Housing Handbook in September 2015—under the previous Administration—and clearly states that "[n]on-U.S. citizens without lawful residency in the U.S. are not eligible for FHA-insured mortgages."²

This policy predates the creation of DACA by at least nine years. In establishing DACA on June 15, 2012, Janet Napolitano, then the Secretary of Homeland Security, made clear that DACA is merely an exercise of "prosecutorial discretion" and "confers no substantive right, immigration status or pathway to citizenship." Secretary Napolitano further stated that "[o]nly Congress, acting through its legislative authority, can confer these rights."

Determination of citizenship and immigration status is not the responsibility of HUD and the Department relies on other government agencies for this information. Accordingly, because DACA does not confer lawful status, DACA recipients remain ineligible for FHA loans.

If I can be of further assistance, please let me know.

Sincerely,

Len Wolfson
Assistant Secretary for Congressional
and Intergovernmental Relations

¹ Revision 5 of Handbook 4155.1, Mortgage Credit Analysis for Mortgage Insurance, One to Four Family Properties, chapters 2-2(B) (October 20, 2003), <https://www.hud.gov/sites/documents/41551C2HSGH.PDF>.

² Single Family Policy Handbook 4000.1 § II.A.1.b.ii(A)(9)(c) (September 14, 2015), <https://www.hud.gov/sites/documents/40001hsggh.pdf>