



MFM Bulletin: 017-2025

Date: August 4, 2025

Subject: State of Washington Foreclosure Prevention Fee

The State of Washington has recently implemented an \$80.00 "Foreclosure Prevention Fee" required to be paid by borrowers on all residential mortgage loans closed on properties in the State of Washington. The only exception is for reverse mortgages.

The Foreclosure Prevention Fee will be used to fund the State of Washington Foreclosure Fairness account, which supports housing counseling services and other foreclosure prevention initiatives.

The fee is assessed at the time of closing and the title agent will be responsible for paying the fee to the State of Washington. There is also a Foreclosure Fairness Act (FFA) disclosure required to be signed by the borrower at the time of closing (see below)

This policy went into effect with loans closing on or after July 27, 2025. MFM has already implemented this policy and we are disclosing the fee on both the initial Loan Estimate and Closing Disclosure. We have also instructed title companies to return confirmation of payment of the fee and the signed disclosure for the loan file.

Please contact the MFM Underwriting Dept. (underwriting@memberfirstmortgage.com) if you have any concerns pertaining to guidelines and/or eligibility.

Thank you

**FORECLOSURE FAIRNESS ACT (FFA)
DISCLOSURE - FORECLOSURE PREVENTION FEE****EFFECTIVE: July 27, 2025****HOMEOWNER**
Loan #: 5100002845**What is the Foreclosure Prevention Fee?**

The Foreclosure Prevention Fee is an \$80.00 fee financed or paid from any borrower cash contribution at the time of a residential mortgage loan closing originated within or outside of the state of Washington and related to property located within the state of Washington, excepting only reverse mortgage loans issued to seniors over the age of 61.

What is the purpose of the Foreclosure Prevention Fee?

The Foreclosure Prevention Fee supports a suite of foreclosure prevention services available to all Washington state residents through the Foreclosure Fairness Act. These services include:

- A statewide hotline for foreclosure and homeownership assistance,
- Access to free housing counselors,
- Access to free and low-cost civil legal aid attorneys, and
- Low-cost foreclosure mediation.

Who owes the Foreclosure Prevention Fee?

The \$80 Foreclosure Prevention Fee is due from the borrower(s) at the time of closing.

How will the Foreclosure Prevention Fee be paid?

The Foreclosure Prevention Fee can be financed in the loan and paid from the loan proceeds or from any borrower cash contribution at the time of closing. The fee will be collected by the closing entity processing the loan closing and paid to the Washington State Department of Commerce.

Statewide Toll-Free Numbers for Foreclosure Assistance:

- The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Washington State Housing Finance Commission:
Toll-free: 1-877-894-HOME (4663) Website: <https://www.homeownership-wa.org/>
- The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys:
Toll-free: 1-800-606-4819 Website: <https://nwjustice.org/home>

- BORROWER - JOHN HOMEOWNER - DATE -

QUESTIONS? Call us at (360) 725-3040 or email us at ForeclosureMediation@commerce.wa.gov

