

MaineHousing Homeowner Assistance Fund Term Sheet

<p>Program Overview</p>	<p>The Maine Homeowner Assistance Fund (“MaineHAF”) means a fund established using monies provided by the U.S. Department of Treasury under Section 3206 of the American Rescue Plan Act of 2021 (“ARP”). MaineHAF’s purpose is to mitigate financial hardships associated with the coronavirus pandemic by providing funds to creditors on behalf of Maine homeowners to prevent or cure mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, or displacement of homeowners experiencing financial hardship after January 21, 2020.</p> <p>The Homeowner Assistance Fund Program (“Program”) is administered by Maine State Housing Authority (“MaineHousing”) in collaboration with Partner Agencies who deliver the Program in their respective service areas across the state. Partner Agencies must deliver the services of the Program in accordance with the Program, the Policy Guide (“Guide”), the provisions of a fully executed service contract and subsequent amendments, and other guidance as provided by MaineHousing or the U.S. Treasury.</p>
<p>Brief Description</p>	<p>The Program is a free federal relief program for homeowners financially impacted by COVID-19 who are behind on their mortgage, property taxes, utility payments or other allowable housing related costs and are at risk of or experiencing default, foreclosure or service shut-off. The Program can provide up to a maximum of \$50,000 in total assistance per eligible household.</p> <p>As described in more detail below, qualified expenses fall into the following categories:</p> <ul style="list-style-type: none"> • Mortgage assistance; • Payment assistance for utilities; and • Payment assistance for other housing-related expenses.
<p>Maximum Amount of Assistance per Household</p>	<p>Each household will be eligible for up to \$50,000 through this Program with respect to the homeowner’s primary residence.</p>
<p>Eligible Homeowners</p>	<p>Eligible Homeowners must meet the following criteria:</p> <ul style="list-style-type: none"> • Must be natural persons that hold title to an Eligible Property (e.g., deceased individuals, LLP, LP, or LLC do not qualify); • Must occupy the Eligible Property as their primary residence; • Must meet the Homeowner Income Eligibility Requirements; • Must attest to a Qualified Financial Hardship experienced after January 21, 2020 associated with the COVID-19 pandemic and provided supporting documentation upon request; • Must have a Qualifying Mortgage or Other Housing-Related Costs; • Co-owners are not permitted to separately apply for Program assistance.

<p>Eligible Property</p>	<p>Eligible Property must be owner-occupied, or, in the case of a land contract or contract for deed, occupied by the documented buyer.</p> <p>Eligible Property Types include:</p> <ul style="list-style-type: none"> • Single-family home; or • Duplex; or • Condominium; or • Co-Op; or • Manufactured housing; or • Mobile Home; or • 1- to 4-unit properties where the homeowner is living in one of the units as their primary residence. <p>Ineligible Property Types include:</p> <ul style="list-style-type: none"> • Properties outside the State of Maine; • Vacant or abandoned properties; • Second homes; • Non-owner occupied investment properties.
<p>Assistance type: Mortgage Assistance</p>	<p>Financial assistance is available under the Program to eligible homeowners to eliminate or reduce past due amounts by way of the following:</p> <ul style="list-style-type: none"> • Financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default; • Three forward months of payments, when a mortgage has been reinstated; • Mortgage payment assistance; • Mortgage principal reduction if necessary to modify a mortgage loan to obtain an affordable monthly payment in conjunction with curing a deficiency. <p>A Qualifying Mortgage means any credit transaction:</p> <ul style="list-style-type: none"> • That is secured by a mortgage, deed of trust, or other consensual security interest on a principal residence of a borrower that is: <ul style="list-style-type: none"> - A 1- to 4-unit dwelling, or - A residential real property that includes a 1- to 4-unit unit dwelling; and • The unpaid principal balance of which was, at the time of origination, not more than the conforming loan limit. <p>The Program will not provide assistance for payments for an open Home Equity Line of Credit.</p> <p>Arrears for lot rent and land installment contract payments may also be eligible.</p>
<p>Assistance type: Utilities</p>	<p>Financial assistance is available under the Program to eligible homeowners for the following:</p> <ul style="list-style-type: none"> • Homeowner’s utilities, including electric, gas, home energy (including firewood and home heating oil), water, and wastewater; or • Homeowner’s internet service, including broadband internet access service, as defined in 47 CFR 8.1(b) (or any successor regulation).

Assistance type: Other Housing- Related Expenses	<p>Financial assistance is available under the Program to eligible homeowners for the following:</p> <ul style="list-style-type: none"> • Arrears on homeowner’s insurance, flood insurance, and mortgage insurance in connection with a mortgaged property; • Arrears on homeowner’s association fees or liens, condominium association fees, or common charges, and similar costs payable under a unit occupancy agreement by a resident member/shareholder in a cooperative housing development; and • Delinquent property taxes to prevent homeowner tax foreclosures, or property tax lien payoff amounts to allow a homeowner to reacquire a property from a municipality when allowed. • Recorded IRS Federal tax lien payoff amounts to allow a homeowner to avoid foreclosure.
Homeowner Income Eligibility Requirements	<p>Homeowners will only be eligible if the total household income is at or below 150% Area Median Income (AMI) for the area where they live. This includes all household members’ income, not just the income of the homeowner. This does not include income for any Co-owners who do not occupy the property.</p>
Qualified Financial Hardship	<p>Homeowners must attest to financial hardship of the household experienced after January 21, 2020, associated with the COVID-19 pandemic:</p> <ul style="list-style-type: none"> • a reduction in income; or • a financial hardship; <ul style="list-style-type: none"> - Examples of financial hardship may include, but are not limited to: <ul style="list-style-type: none"> • Evidence household is forgoing or delaying purchase of essential goods in order to pay mortgage or utilities, such as food, prescription drugs, childcare expenses, transportation costs, or equipment needed for remote work or school; • Payments for mortgage or utilities are made by credit card, payday lenders, or high-cost debt products to avoid homelessness or housing instability. • or a significant increase in costs. <ul style="list-style-type: none"> - Examples of significant increases in costs may include, but are not limited to: <ul style="list-style-type: none"> • Healthcare costs, including care at home for individuals with COVID 19; • Childcare costs; • Internet access and computer equipment required to work or attend school remotely; • Alternative transportation for households unable to use public transportation during the pandemic. <p>For household member hardships, the household member who experienced the hardship must be residing at the property.</p>

Documentation Requirement	<p>The following documents (if applicable) will be required for an application to be considered complete:</p> <ul style="list-style-type: none"> • Application; • Documentation for identity; • Appropriate documentation of legal residency status; • Verification that the homeowner occupies the property as their legal residence; • Qualifying financial hardship attestation and supporting documentation from homeowner certifying and identifying the Qualified Financial Hardship and that occurred after January 21, 2020; • Other documentation may include the following based on the assistance requested: <ul style="list-style-type: none"> - Proof of reinstatement - Proof of monthly mortgage amount - Proof of delinquency; - Proof of forbearance/second mortgage/balloon payment; - Proof of completion of loss mitigation; - Proof of qualification for Loan Modification; - Proof of reduction in monthly payment; - Proof of amount owed; - Documentation received from the utility, broadband or internet provider showing the overdue or due payments; - Documentation received from the taxing municipality (including, where appropriate, information relating to a tax lien), or documents relating to insurance premiums, HOA fees or liens, condominium fees, cooperative maintenance or common charges; - Recorded IRS Federal Tax lien, if applicable; - Proof of risk of loss of the Property; - Manufactured home loan statement; - Manufactured home loan statement and/or lot rental agreement; - A copy of original mortgage; - Recorded Land Installment Contract, if applicable; - Lot Rent Agreement, if applicable; - Deed; - Current property tax bill; - Social Security Number card or unique identifier as shown on a legal document, such as federal tax return; - Income documentation (including, but not limited to, W2's, paystubs, previous years' tax returns or alternative income documents as applicable).
Form of Assistance	<p>Assistance will be in the form of a grant. Applicants will be required to sign a Grant Agreement.</p>
Payment Requirements	<p>MaineHousing will disburse Program assistance directly to the land contract or contract for deed holder, manufactured home lender, manufactured home park (whether owned individually or collectively, as in a Resident Owned Community (ROC)), utility company, internet provider, municipality, insurance company or association (“Eligible Entity”) or the homeowner’s mortgage lender/servicer. Funds will not be disbursed to Eligible Homeowners, or any other non-eligible</p>

entity.

Eligible Homeowners may be eligible for additional Program assistance, subject to the Maximum Amount of Assistance per Household.

MaineHousing will disburse assistance amounts quoted by the Eligible Entity or the homeowner's mortgage lender/servicer. Any overpayments in excess of one month's principal, interest, taxes, insurance and association dues ("PITIA") payment to a homeowner's mortgage lender/servicer must be returned to MaineHousing. Any overpayments in excess of arrears owed to any Eligible Entity must be returned to MaineHousing.

The homeowner's mortgage lender/servicer must execute a HAF Collaboration Agreement and agree to communicate using the Common Data File (CDF) format.

An Eligible Entity must provide a written delinquency quote or outstanding bill stating arrears owed, contact information, and ACH account information.

If an Eligible Homeowner's delinquent amount exceeds the Maximum Amount of Assistance per Household, MaineHousing will pay the maximum permissible amount and the homeowner may pay the difference, if allowed by the Eligible Entity or homeowner's mortgage lender/servicer.