

NYS HAF Term Sheet  
Updated May 19, 2023

	<b>PRINCIPAL REDUCTION/MORTGAGE REINSTATEMENT TERM SHEET</b>
<b>PROGRAM OVERVIEW</b>	<p>Homeowners who cannot achieve an affordable loss mitigation solution offered by their loan servicer may be eligible for a partial or full reinstatement of owed principal, interest, taxes, insurance, and homeowner association fees (PITIA) payments and/or a principal reduction.</p> <p>Homeowners coming out of a mortgage forbearance agreement, or those who were denied or missed the option to go into forbearance and are considered delinquent, or who are current because they accepted a loss mitigation offer that was not affordable by NYS HAF's definition may be eligible.</p> <p>The underlying mortgage issues are to be resolved in their entirety with no remaining delinquent amounts. In instances where the NYS HAF fund maximum benefit are insufficient to resolve the situation, homeowners can leverage HAF with other available funds, including personal financial resources.</p> <p>Applicants to this program will be directed to work with their mortgage servicer to explore all available loss mitigation options in conjunction with an application for NYS HAF assistance. To be eligible for HAF assistance, applicants will be required to accept reasonable offers for loan workouts and modifications provided the offer conforms to federal and state investor and/or regulatory requirements.</p>
<b>FORECLOSURE/DISPLACEMENT RISK FACTOR</b>	<p>Once mortgage foreclosure moratoria and mandatory forbearance periods expire, borrowers may be at risk, either because they were not placed in a forbearance agreement during the pandemic, because they had outstanding arrears prior to the pandemic and suffered a COVID hardship, and/or because the post-forbearance loss mitigation solution being offered by their mortgage holder or servicer isn't financially viable without additional economic relief.</p>
<b>PROGRAM GOAL</b>	<p>To provide financial assistance to Eligible Homeowners to cure defaults where loss mitigation is not a feasible option and to make mortgage payments affordable and sustainable, resulting in homeownership retention.</p>
<b>TARGETED POPULATION</b>	<p>Eligible Homeowners with mortgages exiting forbearance or delinquent.</p> <p>There is an estimated total of 2.4 million homeowners with mortgages, of which 860,000 have incomes at or below 100% of the Area Median Income (AMI). Recent data suggests that roughly nine and half percent (9.5%) of homeowners with mortgages are either delinquent or in forbearance. Included in this target population are seniors with reverse mortgages, for whom ninety percent (90%) are backed by the Federal Housing Administration (FHA), and who are most commonly living on fixed, low incomes.</p>

<b>PRIORITIZATION</b>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) of the AMI. Forty percent (40%) of program funds will be prioritized for “Socially Disadvantaged Individuals and Vulnerable Populations” with household incomes at or below 100% AMI. The HAF definition of Socially Disadvantaged and Vulnerable Populations includes racial and ethnic minorities who have been subject to housing discrimination, senior citizens, individuals with disabilities, applicants with limited English proficiency and those who have limited access to web-based technology.</p> <p>Applicants will self-attest to their status as either a Socially Disadvantaged Individual or a Vulnerable Population .</p>	
<b>APPLICATION PERIOD</b>	<p>NYS HAF accepted applications from January 3, 2022 through February 18, 2022 and maintains a waiting list for homeowners who did not apply during the application period but would be contacted should the application reopen.</p> <p>Based on the current pipeline of first round applications, NYS HAF believes we can fund additional applicants from our Waitlist. We have begun requesting applications in the order that potential applicants signed up for the waitlist, however we continue to prioritize any applicants who we learn are at imminent risk of foreclosure and/or eviction.. We will continue to request applications until the NYS HAF funds are fully committed.</p>	
	<b><u>POLICY</u></b>	<b><u>DOCUMENTATION REQUIRED</u></b>
<b>ELIGIBLE HOMEOWNERS</b>	<p>Eligible applicants must be delinquent, (30 days or more past due) by at least one payment. This definition includes payments missed during a forbearance period. An exception is made for applicants who became current on a COVID-related delinquency by accepting a loss mitigation offer but who may still need assistance under HAF.</p> <p>Eligible applicants must have been reviewed for all available loss mitigation by their mortgage servicer prior to NYS HAF making a final award determination.</p> <p>If a following loss mitigation, a homeowner cannot be brought fully current, HAF awards up to the program cap will be offered to bring the applicant fully current. If the applicant is struggling to make their old or modified payment due to a loss of income of increase in</p>	<p>Documentation from mortgage servicer showing forbearance termination date or default status</p> <p>To be confirmed by servicer and validated by NYS HAF Escalation Case Management Team</p> <p>NYS HAF will use an automated validation 3<sup>rd</sup> party system (MELISSA) using the applicants’ address.</p>

<p><b>ELIGIBLE HOMEOWNERS (CONT)</b></p>	<p>expenses, a HAF award will be offered in the form of principal reduction in order to further lower the monthly payment.</p> <p>NYS HAF will provide funds for reinstatement if the loan can be brought fully current. If the delinquency exceeds the program’s award cap, the applicant may either provide gap funds to make up the difference or seek loss mitigation with the servicer through the P program.</p> <p>If an applicant is brought current but their DTI exceeds 50%, and a servicer is unable or unwilling to accept a principal reduction, NYS HAF may offer the applicant 6 months of prospective payments (See Forward Payment term sheet) in order to enable the applicant to offset the loss of income or increase in expense.</p> <p>Eligible applicants must be a natural person or trustee of a living trust that holds title to the property. Heirs, equitable owners, and successors-in-interest are also eligible.</p> <p>Eligible applicants must have experienced a Qualified Financial Hardship after January 21, 2020.</p> <p>A Qualified Financial Hardship is defined in the American Rescue Plan, §3206 (ARP), as a material reduction in income or material increase in living expenses associated with the Coronavirus pandemic that has created or increased the risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> <li>● Reduction of Income is a temporary or permanent loss of income after January 1, 2020.</li> <li>● Increase in living expenses is an increase in out-of-pocket household</li> </ul>	<p>If the ownership cannot be automatically validated, ownership may be validated by providing a deed, title policy, co-op lease, land contract, mortgage statement, property tax bill, heirship documentation or will, homeowner’s insurance policy for structure, HOA or co-op statement.</p> <p>Qualified Financial Hardships shall be demonstrated through a signed attestation (form to be provided by the NYS HAF program).</p> <p>The Attestation shall specify whether applicant experienced an increase in expenses and/or reduction of income associated with the Coronavirus pandemic that has created or increased risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for the homeowner.</p> <p>Attestation may be completed online through the secure application portal.</p> <p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA). In cases where this cannot be validated, applicants may sign an attestation as to their primary residence.</p>
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<b>ABILITY TO PAY</b>	<p>Eligible applicants must have the ability to pay their ongoing housing costs.</p>	<p>Ability to pay shall be verified by an attestation by the homeowner. (A form of attestation will be provided to the applicant by NYS HAF.)</p>
<b>INCOME ELIGIBILITY</b>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) AMI.</p> <p>Forty percent (40%) of program funds will be prioritized for Socially Disadvantaged Individuals and Vulnerable Populations.</p>	<p>Applicants shall attest to their household income, family size and the address of the property.</p> <p>An Income Proxy Methodology will be used to expedite income eligibility, where feasible. The income proxy will rely on NY State Department of Labor data. The proxy will require applicants to provide social security numbers for all adult working members of the household.</p> <p>If an applicant cannot be verified based on the Income Proxy Methodology, we will require the applicant to submit documentation to demonstrate their income eligibility. A copy of a 2020 filed tax return (signature/date not needed),</p>

<p><b>INCOME ELIGIBILITY (CONT)</b></p>	<p>Contingent on the availability of funds, NYS HAF may expand the eligibility to higher income households but in no event will HAF funds be made available to applicants with incomes exceeding one hundred fifty percent (150%) AMI.</p>	<p>or the 4506-T-obtained tax transcript will suffice.</p> <p>Alternatively, applicants may provide relevant income documents, including but not limited to:</p> <ul style="list-style-type: none"> <li>● Social Security (SSI/SSDI) (Social Security benefits award letter or annual notice of benefits or 2020 SSA-199 statement)</li> <li>● 1099 independent contractors or self-employed individuals (2020 tax return or transcript)</li> <li>● Pension or Annuity (Pension or annuity benefits statement)</li> <li>● Unemployment income (statement)</li> <li>● Rental or boarder income (Current lease or two months proof of deposit)</li> <li>● Non-borrower Contribution Income (Two months of proof of receipt of funds in bank statement)</li> <li>● Worker’s Compensation (benefits statement); and</li> <li>● Wages from employment (Two most recent paychecks or paystubs or letter from employer including pay and hours or 2020 tax return or transcript).</li> </ul> <p>Alternatively, proof of applicant household participation in a state or federal subsidy program such as SNAP, WIC, TANF Section 8 may be accepted as proof of meeting the program AMI requirement.</p>
<p><b>ELIGIBLE PROPERTIES</b></p>	<p>Eligible Properties are those that are:</p> <ul style="list-style-type: none"> <li>● Single-family properties</li> <li>● Condominium units/town homes</li> <li>● 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence</li> <li>● Manufactured homes permanently affixed and taxed as real property; and</li> <li>● Cooperative units</li> </ul> <p>Ineligible properties are those that are:</p> <ul style="list-style-type: none"> <li>● Homes that are vacant or abandoned</li> </ul>	<p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA).</p> <p>If unable to automatically verify, the applicant will need to provide proof of eligible property type, with a copy of a deed, mortgage statement, proprietary lease or title report.</p>



	<p>exceed the NYS HAF Maximum Assistance amount of \$95,000 per household.</p> <p>If an applicant is applying for more than one intervention the combined assistance across all interventions may not exceed \$95,000 per borrower.</p>	
<b>ASSISTANCE TYPE</b>	<p>Assistance will be structured as a 5-year non-interest bearing, non-amortizing forgivable grant. The grant is due in full upon sale, refinance, or transfer of ownership. If no resale, transfer, or refinance occurs within 5 years and the homeowner remains in the home, the grant will be fully forgiven.</p>	<p>The program will file a mortgage or UCC-1 security interest in fixtures on the property filed in county land records. No title review steps related to preservation of lien priority or insurability of title shall be required (There are no requirements to satisfy outstanding liens or confirm prior payoffs).</p>
<b>PAYMENT PROCESS DESCRIPTION</b>	<p>Once an applicant has been deemed eligible, a commitment letter will be provided.</p> <p>Following a final award determination, the applicant will be asked to sign a grant agreement and upon execution, the payment will be issued directly to mortgage lender/servicer, or other party to whom the applicant is legally indebted for their housing payments.</p> <p>In instances where the resolution exceeds the amount the NYS HAF can provide, the homeowner may pay the difference through any means available to them provided the outcome results in a sustainable homeownership retention outcome.</p>	<p>NYS HAF will remit payment to the approved 3<sup>rd</sup> party Creditor.</p> <p>Prior to release of funds the applicant will sign a NYS HAF Grant Agreement.</p>

	<b>ARREARS SATISFACTION TERM SHEET</b>
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<p><b>PROGRAM OVERVIEW</b></p>	<p>Homeowners who do not have a mortgage but are delinquent on other housing obligations that came due prior to January 1, 2022, such as property taxes, insurances, water and sewer charges, homeowner association and/or maintenance fees, seniors with reverse mortgages, or chattel loans and/or retail installment contracts, may be eligible for the Non-Mortgage Arrears Satisfaction Program.</p>
<p><b>FORECLOSURE/DISPLACEMENT RISK FACTOR</b></p>	<p>Property tax foreclosures are mostly controlled by local county governments and move on a much faster timeline – roughly two to three (2-3) years, as compared with mortgage foreclosures, which in New York state can take as long as five (5) years. In addition, property tax delinquencies often lead to the levying of interest penalties and fees once a homeowner is three (3) months past due, often with very high penalty rates.</p> <p>Cooperative shareholders are at risk of displacement if they are delinquent on their maintenance fees. Limited-equity cooperative buildings are mostly in minority-majority neighborhoods and serve low-income households, based on regulatory requirements imposed as a condition of City or State government financing. Additionally, there are several non-limited-equity cooperatives throughout the State where low-income and minority households own. Under New York State law, cooperative and condominium boards may evict a shareholder for non-payment of maintenance through a Civil Court proceeding. Condominium homeowners are also at risk of displacement for non-payment of homeowner association fees (HOA). Homeowners with association fee delinquency could face civil lawsuits by the HOA, which could lead to judgments, wage garnishments or other collection activity, which could result in the homeowner being placed at risk of foreclosure.</p> <p>Financing options available to purchasers of manufactured homes, particularly in Manufactured Home Communities MHCs, often carry very high interest rates and are not regulated by state and federal mortgage banking regulators. Repossession and eviction of homes due to non-payment occur on an expedited timeline, through local town courts, sometimes in a matter of months. In most of these cases, borrowers are not represented by legal counsel.</p>
<p><b>PROGRAM GOAL</b></p>	<p>To provide financial assistance to Eligible Homeowners to satisfy non-mortgage arrears, resulting in homeownership retention where it otherwise would not have been possible.</p>
<p><b>TARGETED POPULATION</b></p>	<p>Eligible applicants who are delinquent on their non-mortgage housing payments, such as property taxes, manufactured home loan payments (chattel or retail installment contracts), and outstanding HOA or condo association fees. .</p> <p>There is an estimated total of 1.5 million non-mortgaged homeowners, of which 845,000 have incomes at or below 100% AMI.</p>



<b>PRIORITIZATION</b>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) of the AMI. Forty percent (40%) of program funds will be prioritized for “Socially Disadvantaged Individuals and Vulnerable Populations” with household incomes at or below 100% AMI. The HAF definition of Socially Disadvantaged and Vulnerable Populations includes racial and ethnic minorities who have been subject to housing discrimination, senior citizens, individuals with disabilities, applicants with limited English proficiency and those who have limited access to web-based technology.</p> <p>Applicants will self-attest to their status as either a Socially Disadvantaged Individual or a Vulnerable Population.</p>	
<b>APPLICATION PERIOD</b>	<p>NYS HAF accepted applications from January 3, 2022 through February 18, 2022 and maintains a waiting list for homeowners who did not apply during the application period but would be contacted should the application reopen.</p> <p>Based on the current pipeline of first round applications, NYS HAF believes we can fund additional applicants from our Waitlist. We have begun requesting applications in the order that potential applicants signed up for the waitlist, however we continue to prioritize any applicants who we learn are at imminent risk of foreclosure and/or eviction.. We will continue to request applications until the NYS HAF funds are fully committed.</p>	
	<b><u>POLICY</u></b>	<b><u>DOCUMENTATION REQUIRED</u></b>
<b>ELIGIBLE HOMEOWNERS</b>	<p>Eligible applicants must be delinquent on their housing obligations.</p> <p>Eligible applicants must be a natural person or trustee of a living trust that holds title to the property. Heirs, equitable owners, and successors-in-interest, as that term is defined in section 1024.31 of Title 12 of the Code of Federal Regulations,</p> <p>Eligible applicants must have experienced a Qualified Financial Hardship after January 21, 2020.</p>	<p>Written statement from the party to whom the applicant is legally indebted for their housing payments.</p> <p>NYS HAF will use an automated validation 3<sup>rd</sup> party system (MELISSA) using the applicants’ address.</p> <p>If the ownership cannot be automatically validated, ownership may be validated by providing a deed, title policy, co-op lease, land contract, mortgage statement, property tax bill, heirship documentation or will, homeowner’s insurance policy for structure, HOA or co-op statement.</p> <p>Qualified Financial Hardships shall be demonstrated through a signed attestation (form to be provided by the NYS HAF program).</p>

	<p>A Qualified Financial Hardship is defined in the American Rescue Plan, §3206 (ARP), as a material reduction in income or material increase in living expenses associated with the Coronavirus pandemic that has created or increased the risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> <li>● Reduction of Income is a temporary or permanent loss of income after January 1, 2020.</li> <li>● Increase in living expenses is an increase in out-of-pocket household expenses, such as medical expenses, inadequate medical insurance, increase in household size, increase in childcare costs, or other costs associated with the Coronavirus pandemic after January 1, 2020.</li> </ul> <p>Eligible applicants must currently own and occupy the property as their primary residence.</p> <p>Co-owners are not permitted to separately apply for the NYS HAF Program assistance.</p>	<p>The Attestation shall specify whether applicant experienced an increased expenses and/or reduction of income associated with the Coronavirus pandemic that has created or increased risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for the homeowner. Attestation may be completed online through the secure application portal.</p> <p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA). In cases where this cannot be validated, applicants may sign an attestation as to their primary residence.</p>
<p><b>ABILITY TO PAY</b></p>	<p>Eligible applicants must have the ability to pay their ongoing housing costs. Applicants who do not have the ability to pay their ongoing housing costs may be eligible for up to six months of Forward Assistance Payment. See the Forward Assistance Program Term Sheet for more details.</p>	<p>Ability to pay shall be verified by an attestation by the homeowner. (A form of attestation will be provided to the applicant by NYS HAF.)</p>
<p><b>INCOME ELIGIBILITY</b></p>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) AMI.</p>	<p>Applicants shall attest to their household income, family size and the address of the property.</p> <p>An Income Proxy Methodology will be used to expedite income eligibility,</p>

<p><b>INCOME ELIGIBILITY (CONT)</b></p>	<p>Forty percent (40%) of program funds will be prioritized for Socially Disadvantaged Individuals and Vulnerable Populations.</p>	<p>where feasible. The income proxy will rely on NY State Department of Labor data. The proxy will require applicants to provide Social Security numbers for all adult working members of the household.</p> <p>If an applicant cannot be verified based on the Income Proxy Methodology, we will require the applicant to submit documentation to demonstrate their income eligibility. A copy of a 2020 filed tax return (signature/date not needed), or the 4506-T-obtained tax transcript will suffice.</p> <p>Alternatively, applicants may provide relevant income documents, including but not limited to:</p> <ul style="list-style-type: none"> <li>● Social Security (SSI/SSDI) (Social Security benefits award letter or annual notice of benefits or 2020 SSA-199 statement)</li> <li>● 1099 independent contractors or self-employed individuals (2020 tax return or transcript)</li> <li>● Pension or Annuity (Pension or annuity benefits statement)</li> <li>● Unemployment income (statement)</li> <li>● Rental or boarder income (Current lease or two months proof of deposit)</li> <li>● Non-borrower Contribution Income (Two months of proof of receipt of funds in bank statement)</li> <li>● Worker’s Compensation (benefits statement); and</li> <li>● Wages from employment (Two most recent paychecks or paystubs or letter from employer including pay and hours or 2020 tax return or transcript).</li> </ul> <p>Alternatively, proof of applicant household participation in a state or federal subsidy program such as SNAP, WIC, TANF Section 8 may be accepted as proof of meeting the program AMI requirement.</p>
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	<p>Contingent on the availability of funds, NYS HAF may expand the eligibility to higher income households but in no event will HAF funds be made available to applicants with incomes exceeding one hundred fifty percent (150%) AMI.</p>	
<p><b>ELIGIBLE PROPERTIES</b></p>	<p>Eligible Properties are those that are:</p> <ul style="list-style-type: none"> <li>● Single-family properties</li> <li>● Condominium units/town homes</li> <li>● 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence</li> <li>● Manufactured homes permanently affixed and taxed as real property; and</li> <li>● Cooperative units</li> </ul> <p>Ineligible properties are those that are:</p> <ul style="list-style-type: none"> <li>● Homes that are vacant or abandoned</li> <li>● Second homes; and</li> <li>● Non-owner-occupied investment property</li> </ul>	<p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA).</p> <p>If unable to automatically verify, the applicant will need to provide proof of eligible property type, with a copy of a deed, mortgage statement, proprietary lease or title report.</p>
<p><b>ELIGIBLE USES OF PROCEEDS</b></p>	<p>Eligible Proceeds will pay for all delinquent housing obligations necessary to bring an applicant current but not to exceed the program cap.</p> <p>Housing obligations include:</p> <ul style="list-style-type: none"> <li>● Condominium association fees, HOA, and cooperative maintenance fees, including for lien extinguishment; Homeowner’s hazard, flood and/or mortgage insurance</li> <li>● Delinquent property taxes (may also include water and sewage arrears)</li> <li>● Chattel loans, retail installment contracts, for Manufactured Homeowners</li> </ul>	

	Homeowners must be delinquent (30 days or more past due) by at least one payment. This definition includes payments missed during a forbearance period.	
<b>MAXIMUM PER HOUSEHOLD NYS HAF ASSISTANCE</b>	<p>Awards will be provided only if the underlying matter is resolved in its entirety and will be sized to the amount needed to resolve the situation, not to exceed the NYS HAF Maximum Assistance amount of \$50,000 per household.</p> <p>If an applicant is applying for more than one intervention the combined assistance across all interventions may not exceed \$50,000 per borrower.</p> <p>If the applicant is eligible for assistance in the MR/PR and AS pathways, the maximum assistance across all pathways may not exceed \$95,000 per borrower.</p>	
<b>ASSISTANCE TYPE</b>	Assistance will be structured as a 5-year non-interest bearing, non-amortizing forgivable grant. The grant is due in full upon sale, refinance, or transfer of ownership. If no resale, transfer, or refinance occurs within 5 years and the homeowner remains in the home, the grant will be fully forgiven.	The program will file a mortgage or UCC-1 security interest in fixtures on the property filed in county land records. No title review steps related to preservation of lien priority or insurability of title shall be required (There are no requirements to satisfy outstanding liens or confirm prior payoffs).
<b>PAYMENT PROCESS DESCRIPTION</b>	<p>Once an applicant has been deemed eligible, a commitment letter will be provided.</p> <p>Following a final award determination, the applicant will be asked to sign a grant agreement and upon execution, the payment will be issued directly to mortgage lender/servicer, or other party to whom the applicant is legally indebted for their housing payments.</p>	<p>NYS HAF will remit payment to the approved 3<sup>rd</sup> party Creditor.</p> <p>In jurisdictions where tax entities will not accept partial payments for delinquencies that were re-levied or a due in the current tax year, awards for arrears accrued in the last full tax year or older are granted. At the end of the 2022 tax year, applicants who only had open tax bills for the 2022 calendar year,</p>

	<p>In instances where the resolution exceeds the amount the NYS HAF can provide, the homeowner may pay the difference through any means available to them provided the outcome results in a sustainable homeownership retention outcome.</p>	<p>and/or who attested to an inability to pay current taxes, were rereviewed for arrears and were brought current.</p> <p>For applicants being reviewed in calendar year 2023, awards are limited to the last full tax year or older. Re-reviews for arrears accrued in 2023 will depend on the availability of additional HAF funds.</p> <p>Prior to release of funds the applicant will sign a NYS HAF Grant Agreement.</p>
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	<p><b>FORWARD PAYMENT TERM SHEET</b></p>	
<p><b>PROGRAM OVERVIEW</b></p>	<p>The Forward Assistance Program is available to all eligible who are not able to afford their ongoing housing payment obligations due to the financial impacts of the pandemic. Applicants whose monthly housing costs (mortgage, taxes, sewer, condo/coop/HOA dues) exceed 50% of their gross monthly household income, are eligible for this intervention.</p> <p>Applicants who applied for one of the other NYS HAF interventions, as well as applicants who have been brought current through a modification, and those that were current at the time of application are reviewed for eligibility under this intervention.</p> <p>The program offers up to 6 months of payments and may be used in combination with other interventions provided there is sufficient funding available under the program cap.</p>	
	<p>Economic recovery has been slower for low-income homeowners and those of Socially Disadvantaged Individuals. According to data compiled by the Economic Policy Institute in the 3<sup>rd</sup> Quarter of 2020, the unemployment rate in New York for White households was at ten percent (10%), while the unemployment rate for Black households was fourteen percent (14%), for Asian American/Pacific Islanders was at fifteen point eight percent (15.8%) and for Hispanic households was at nineteen point one percent (19.1%).</p>	

<b>FORECLOSURE/DISPLACEMENT RISK FACTOR</b>	<p>Recent data shows the unemployment rate in New York at 7.7%. In addition, there are many pandemic impacted industries in New York where workers are experiencing higher than average continued unemployment rates.</p> <p>Many homeowners are maxing out on the eligible term of their unemployment income (UI) benefits and for those who have not regained full employment may not qualify for a loan modification or be able to pay their future housing obligations.</p>	
<b>PROGRAM GOAL</b>	<p>To provide financial assistance to eligible applicants who cannot sustain their housing obligations. This program aims to help homeowners whose income has been significantly curtailed at the time of application and at the time of award. The intent of this program is to give the additional time needed to find gainful re-employment or time to secure other income sources.</p>	
<b>TARGETED POPULATION</b>	<p>State unemployment benefits, coupled with the additional weekly unemployment benefits provided by the United States Department of Labor (DOL), have allowed many low-income households to make ends meet, but those benefits are set to expire or max-out for many recipients in the fall of 2021. The State is committed to giving these homeowners additional time to recover from the income loss caused by the pandemic.</p>	
<b>PRIORITIZATION</b>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) of the AMI. Forty percent (40%) of program funds will be prioritized for “Socially Disadvantaged Individuals and Vulnerable Populations” with household incomes at or below 100% AMI. The HAF definition of Socially Disadvantaged and Vulnerable Populations includes racial and ethnic minorities who have been subject to housing discrimination, senior citizens, individuals with disabilities, applicants with limited English proficiency and those who have limited access to web-based technology.</p> <p>Applicants will self-attest to their status as either a Socially Disadvantaged Individual or a Vulnerable Population.</p>	
<b>APPLICATION PERIOD</b>	<p>NYS HAF accepted applications from January 3, 2022 through February 18, 2022 and maintains a waiting list for homeowners who did not apply during the application period but would be contacted should the application reopen.</p> <p>As of January 2023, NYS HAF has been requesting new applications from our waitlist in the order applicants signed up, but with a prioritization for any applicant who may be at imminent risk of foreclosure and/or eviction. NYS HAF will continue to invite new applications from our waitlist until the NYS HAF funds are fully committed.</p>	

	<u>POLICY</u>	<u>DOCUMENTATION REQUIRED</u>
<p><b>ELIGIBLE HOMEOWNERS</b></p>	<p>Applicants whose monthly housing costs exceed 50% of their gross monthly household income.</p> <p>Eligible applicants must not have the ability to pay their ongoing housing costs.</p> <p>Eligible applicants must be a natural person or trustee of a living trust that holds title to the property. Heirs, equitable owners, and successors-in-interest, as that term is defined in section 1024.31 of Title 12 of the Code of Federal Regulations,</p> <p>Eligible applicants must have experienced a Qualified Financial Hardship after January 21, 2020.</p>	<p>Inability to pay shall be verified by an attestation by the homeowner. (A form of attestation will be provided to the applicant by NYS HAF.)</p> <p>NYS HAF will use an automated validation 3<sup>rd</sup> party system (MELISSA) using the applicants' address.</p> <p>If the ownership cannot be automatically validated, ownership may be validated by providing a deed, title policy, co-op lease, land contract, mortgage statement, property tax bill, heirship documentation or will, homeowner's insurance policy for structure, HOA or co-op statement.</p>
<p><b>ELIGIBLE HOMEOWNERS (CONT)</b></p>	<p>A Qualified Financial Hardship is defined in the American Rescue Plan, §3206 (ARP), as a material reduction in income or material increase in living expenses associated with the Coronavirus pandemic that has created or increased the risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> <li>● Reduction of Income is a temporary or permanent loss of income after January 1, 2020.</li> <li>● Increase in living expenses is an increase in out-of-pocket household expenses, such as medical expenses, inadequate medical insurance, increase in household size, increase in childcare costs, or other costs associated with the</li> </ul>	<p>Qualified Financial Hardships shall be demonstrated through a signed attestation (form to be provided by the NYS HAF program).</p> <p>The Attestation shall specify whether applicant experienced an increased expenses and/or reduction of income associated with the Coronavirus pandemic that has created or increased risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for the homeowner. Attestation may be completed online through the secure application portal.</p>



	<p>Coronavirus pandemic after January 1, 2020.</p> <p>Eligible applicants must currently own and occupy the property as their primary residence.</p> <p>Co-owners are not permitted to separately apply for the NYS HAF Program assistance.</p>	<p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA). In cases where this cannot be validated, applicants may sign an attestation as to their primary residence.</p>
<p><b>INCOME ELIGIBILITY</b></p>	<p>Initially the program will be available exclusively to borrowers who earn less than one hundred percent (100%) AMI.</p> <p>Forty percent (40%) of program funds will be prioritized for Socially Disadvantaged Individuals and Vulnerable Populations.</p>	<p>Applicants shall attest to their household income, family size and the address of the property.</p> <p>An Income Proxy Methodology will be used to expedite income eligibility, where feasible. The income proxy will rely on NY State Department of Labor data. The proxy will require applicants to provide social security numbers for all adult working members of the household.</p> <p>If verification cannot be established through DOL records, applicants will be asked to provide a copy of a 2019 and 2020 filed tax return (signature/date not needed), or the 4506-T-obtained tax transcript will suffice.</p> <p>Alternatively, applicants may provide relevant income documents, including but not limited to:</p> <ul style="list-style-type: none"> <li>● Social Security (SSI/SSDI) (Social Security benefits award letter or annual notice of benefits or 2019/2020 SSA-199 statement)</li> </ul>

	<p>Contingent on the availability of funds, NYS HAF may expand the eligibility to higher income households but in no event will HAF funds be made available to applicants with incomes exceeding one hundred fifty percent (150%) AMI.</p>	<ul style="list-style-type: none"> <li>● 1099 independent contractors or self-employed individuals (2019/2020 tax return or transcript); Pension or Annuity (Pension or annuity benefits statement)</li> <li>● Unemployment income (statement)</li> <li>● Rental or boarder income (Current lease or two months proof of deposit)</li> <li>● Non-borrower Contribution Income (Two months of proof of receipt of funds in bank statement);</li> <li>● Worker’s Compensation (benefits statement); and</li> <li>● Wages from employment (Two most recent paychecks or paystubs or letter from employer including pay and hours or 2019/2020 tax return or transcript).</li> </ul> <p>Alternatively, proof of applicant household participation in a state or federal subsidy program such as SNAP, WIC, TANF Section 8 may be accepted as proof of meeting the program AMI requirement.</p>
<p><b>ELIGIBLE PROPERTIES</b></p>	<p>Eligible Properties are those that are:</p> <ul style="list-style-type: none"> <li>● Single-family properties</li> <li>● Condominium units/town homes</li> <li>● 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence</li> <li>● Manufactured homes permanently affixed and taxed as real property; and</li> <li>● Cooperative units</li> </ul> <p>Ineligible properties are those that are:</p> <ul style="list-style-type: none"> <li>● Homes that are vacant or abandoned</li> <li>● Second homes; and</li> <li>● Non-owner-occupied investment property</li> </ul>	<p>With permission from the applicant, the program may be able to automatically verify proof of primary residency through a 3<sup>rd</sup> Party verification (MELISSA).</p> <p>If unable to automatically verify, the applicant will need to provide proof of eligible property type, with a copy of a deed, mortgage statement, proprietary lease or title report.</p>

<p><b>ELIGIBLE USES OF PROCEEDS</b></p>	<p>Eligible Proceeds will pay for all up to 6 months of housing cost obligations. Payments may be made directly to the entity to whom the homeowner is indebted.</p> <p>Housing obligations include:</p> <ul style="list-style-type: none"> <li>● Mortgage loan payment (principal and interest), except for reverse mortgages</li> <li>● Condominium association fees, HOA, and cooperative maintenance fees, including for lien extinguishment; Homeowner’s hazard, flood and/or mortgage insurance</li> <li>● Chattel loans, retail installment contracts, and lot rent for Manufactured Homeowners</li> </ul>	
<p><b>MAXIMUM PER HOUSEHOLD NYS HAF ASSISTANCE</b></p>	<p>Awards will be provided for up to 6 months, not to exceed the NYS HAF Maximum Assistance amount under the respective program caps.</p> <p>If the applicant is eligible for both Mortgage Forward Payment and Non-Mortgage Forward Payment, they may only receive assistance under one pathway, whichever is greater of the two.</p>	
<p><b>ASSISTANCE TYPE</b></p>	<p>Assistance will be structured as a 5-year non-interest bearing, non-amortizing forgivable grant. The grant is due in full upon sale, refinance, or transfer of ownership. If no resale, transfer, or refinance occurs within 5 years and the homeowner remains in the home, the grant will be fully forgiven.</p>	<p>The program will file a mortgage or UCC-1 security interest in fixtures on the property filed in county land records. No title review steps related to preservation of lien priority or insurability of title shall be required (There are no requirements to satisfy outstanding liens or confirm prior payoffs).</p>

<p><b>PAYMENT PROCESS DESCRIPTION</b></p>	<p>Once an applicant has been deemed eligible, a commitment letter will be provided.</p> <p>Following a final award determination, the applicant will be asked to sign a grant agreement and upon execution, the payment will be issued directly to mortgage lender/servicer, or other party to whom the applicant is legally indebted for their housing payments.</p> <p>In instances where the resolution exceeds the amount the NYS HAF can provide, the homeowner may pay the difference through any means available to them provided the outcome results in a sustainable homeownership retention outcome.</p>	<p>NYS HAF will remit payment to the approved 3<sup>rd</sup> party Creditor.</p> <p>Prior to release of funds the applicant will sign a NYS HAF Grant Agreement.</p>
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