



**Tennessee Housing Development Agency
Homeowners Assistance Fund Program (HAF)**

Summary Guideline

Phase 1

<p>1. Program Overview</p>	<p>The Tennessee Housing Development Agency (THDA) Tennessee Homeowner Assistance Fund (TNHAF) will provide assistance to homeowners for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, and displacements of homeowners experiencing financial hardship after January 21, 2020.</p> <p>HAF funds will be used to eliminate or reduce past due payments and other delinquent amounts, including payments under a forbearance plan.</p> <p>HAF funds may be used to bring account fully current, with no remaining delinquent amounts, and to repay amounts advanced by the lender or servicer on the borrower’s behalf for property charges, including property taxes, hazard insurance premiums, flood or wind insurance premiums, ground rents, condominium fees, cooperative maintenance fees, planned unit development fees, homeowners’ association fees or utilities that the servicer advanced to protect lien position. Payment may also include any reasonably required legal fees.</p> <p>HAF funds may be used to provide payment assistance to homeowners unable to make full mortgage payments due to a continuing financial hardship associated with the Coronavirus pandemic.</p> <p>HAF funds may be used to supplement other loss mitigation options offered by the servicer under investor requirements or where, without HAF funds, the homeowner would not qualify for that loss mitigation option.</p>
<p>2. Maximum Amount of Assistance Per Homeowner</p>	<p>Each Homeowner will be eligible for up to \$40,000 through this program to be used only for the homeowner’s primary residence.</p>

3. Target Population /Areas	<p>This program will be available in all Tennessee counties. Not less than 60% of available TNHAF funds must be used for homeowners having incomes equal to or less than 100% of the median income of the United States. Any amount not made available to homeowners that meet this income-targeting requirement must be prioritized for assistance to socially disadvantaged individuals, with funds remaining after such prioritization being made available for other eligible homeowners.</p>
4. Program Funds	<ul style="list-style-type: none"> • Total Allocation \$168,239,035 • Program Funds for Phase 1 \$106,179,276 plus any remaining funds initially allocated to the Pilot. • Reserved for counseling fees/legal aid assistance \$8,411,952 • Administrative Funds \$25,235,855 (Total for all program phases)
5. Homeowner Eligibility Criteria and Documentation Criteria	<p>In order to be eligible for assistance under the TNHAF Program, homeowners must meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner has experienced an eligible financial hardship (lasting at least 30 days), related to the Coronavirus Pandemic, of involuntary loss of income equal to or greater than 10% due to a death of a spouse/domestic partner or occupying co-borrower, temporary loss of wages or an eligible increase in expenses related to the Coronavirus Pandemic (as defined in the program guidelines) which occurred after the purchase of the home and occurred or was ongoing after January 21, 2020. • Homeowner is required to complete and sign a financial hardship affidavit with appropriate documentation as to the cause of the hardship, as specified in the program guidelines. • Homeowner is required to sign program specific documents as listed in the program guide. • Homeowner is required to complete housing education/counseling before funds are released. Type of counseling required will be determined by the type of assistance provided. <p>Eligibility for program assistance will be determined by THDA in its sole discretion, based on the criteria stated above and as otherwise set forth in the program guidelines. The TNHAF funds will be allocated as dictated by Treasury requirements.</p>

6. Mortgage Eligibility Criteria	<p>Eligible mortgage means any credit transaction (1) that is secured by a mortgage, deed of trust, or other consensual security interest on a principal residence of a borrower that is (a) a one to four unit dwelling, or (b) a residential real property that includes a one to four unit dwelling; and (2) the unpaid principal balance(s) of which was at the time of origination, not more than the conforming loan limit.</p> <p>Tennessee owner-occupied, primary residences only.</p>
7. Program Exclusions	<ul style="list-style-type: none"> • Non-arm’s Length Land contracts • Ownership Structures other than a “Natural Person” (i.e., LLP, LP or LLC.) <p>****See HAF Program Guide for additional exclusions.</p>
8. Duration of Assistance	<p>Funds will not be provided past December 1, 2026.</p>
9. Estimated Number of Participating Households	<p>Approximately 4,800 Households</p>
10. Program Inception/ Duration	<p>Program launch January 4, 2022</p> <p>HAF applications will end September 30, 2026 or until funds are fully reserved, whichever comes first.</p> <p>Funding completed by December 1, 2026.</p>
11. Program Interactions with Other HFA Programs	<p>No Restrictions.</p>
12. Program Leverage with Other Financial Resources	<p>No Restrictions.</p>