



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

Summary Guideline

Phase 2

<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 provide a principal reduction of amortizing secondary liens which were originated by an eligible non-profit agency as down payment assistance. The homeowner must meet the program eligibility criteria for a qualifying hardship and fall below 60% of the national AMI.</p> <p>Homeowners who have already received assistance for reinstatement of first mortgage liens and other qualifying assistance may receive principal reduction of up to any remaining funds up to the program limit of \$40,000.</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>
<p>3. Target Population /Areas</p>	<p>Homeowners with incomes at or below 60% national AMI, who have an amortizing second lien used as down payment assistance.</p>
<p>4. Program Funds</p>	<ul style="list-style-type: none"> • Total Allocation \$168,239,035 • Program Funds \$20,000,000 • Total Administrative Funds \$25,235,855 (Total for all program phases)

<p>5. Homeowner eligibility Criteria and documentation criteria</p>	<p>In order to be eligible for assistance under TNHAF Principal Reduction, homeowners must meet the following criteria:</p> <ul style="list-style-type: none"> • Have an amortizing second mortgage lien originated through an eligible non-profit agency as down payment assistance. • Homeowner’s income is at or below 60% United States Median Income. • 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>
<p>6. Mortgage Eligibility Criteria</p>	<ul style="list-style-type: none"> • Must be an amortizing second mortgage lien originated through an eligible non-profit agency as down payment assistance. • Tennessee owner-occupied, primary residences only.
<p>7. Program Exclusions</p>	<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>
<p>8. Duration of Assistance</p>	<p>Funds will not be provided past December 1, 2026.</p>

9. Estimated Number of Participating Households	Approximately 500 Households
10. Program Inception/ Duration	<p>Phase 2 will launch on April 1, 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	No Restrictions.
12. Program Leverage with Other Financial Resources	No Restrictions.