

U.S. Department of the Treasury

December 2022 Quarterly HAF Data Demonstrate Increased Reach to Homeowners

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Participant-reported data for the American Rescue Plan-funded Homeowner Assistance Fund (HAF) through December of 2022 continue to show an acceleration of assistance to low-income and underserved homeowners across the country. As of December 31<sup>st</sup>, HAF programs had assisted over 241,000 homeowners across the country, a 49% increase in the number of homeowners assisted since the previous quarter ending September 30, 2022. Total obligations and expenditures across the HAF program increased by 165% and 287%, respectively, between the second quarter and the fourth quarter of 2022. In addition, the real-time public dashboards that many states maintain to track their HAF programs continue to show rapid growth beyond December 31, 2022 that is not captured in this Q4 dataset.

States, U.S. territories, and Tribes participating in HAF are providing assistance in a number of innovative ways that help ensure homeowners facing pandemic-related financial hardship receive timely assistance. HAF programs are building awareness through strategic outreach to increase access among homeowners, especially for socially disadvantaged individuals and those who need reasonable accommodations. HAF programs across the country reduced applicants' barriers to assistance by increasing customer service options, expanding program offerings, and fine-tuning administrative processes to increase efficiency. The HAF Program continues to empower homeowners with the tools and resources needed to remain in their homes with many programs making key improvements to scale up their operations. For example:

- *The **State of North Carolina's** HAF program streamlined its procedures to expedite payment processing to quickly get aid into the hands of homeowners who needed it the most. Initially, once a homeowner's award was calculated, the program would issue an Assistance Agreement and require the homeowner to sign and return before it could process a payment. In the fourth quarter of 2022, the program eliminated the need for a signature and now issues the homeowner an Award Letter. HAF funds are obligated at the time the Award Letter is generated, and the program can move to payment processing without having to wait for the homeowner to return the signed form.*
- *The **State of Indiana's** HAF program has made changes to its processes and procedures to more quickly identify homeowners eligible for and in need of aid. These changes include adjusting the application process for determining financial hardship, allowing households to provide a reasonable fact-specific proxy for household income, and updating servicer communication processes to reduce errors and resolve issues quickly.*

- *The **State of Connecticut's** HAF program more than quadrupled the number of homeowners assisted and funds disbursed in the last three months of 2022 by streamlining procedures and significantly reducing processing time.*

Though many HAF programs have made significant progress, Treasury is continuing to closely monitor recipients who have been slower in implementing aid and publishing data to ensure accountability for state and territorial recipients of HAF funds. Treasury continues to urge recipients to examine areas for improvement, including through the adoption of promising practices highlighted on the Treasury website and in communications with program staff.

HAF was designed to support homeowners experiencing financial hardship, working in conjunction with a range of other foreclosure prevention initiatives implemented by the Biden-Harris Administration that has resulted in historically low foreclosure filings. According to Black Knight data, foreclosure starts remain 19% below pre-pandemic levels. After a planning process during which Treasury required states, territories, and Tribes to inform their plans with data and community input, HAF programs began providing assistance in the first half of 2022 as other foreclosure protections wound down. HAF programs across the country are assisting homeowners both by providing direct assistance and by helping homeowners access relief through their mortgage servicers, including loss mitigation on government-backed loans.

Treasury has taken numerous actions to ensure that HAF empowers states, territories, and Tribal governments to reach the most vulnerable homeowners, including requiring participants to structure and target assistance based on data-driven assessments of homeowner needs, with an emphasis on data that identifies disparate hardships across demographic groups. Reporting through December 31, 2022 shows that HAF assistance is reaching a much broader range of economically vulnerable and traditionally underserved homeowners than prior federal mortgage assistance and foreclosure prevention programs:

Excluding omitted data or data not reported,

- 57% of HAF applications approved for assistance were to very low-income homeowners (those earning half the area median income and below);
- 39% of HAF homeowners self-identified as Black and 20% self-identified as Latino; and
- 65% of HAF beneficiaries were female.

As rising interest rates further strain housing affordability, particularly for homeowners with lower incomes, HAF funds continue to serve as a crucial resource to assist in resolving delinquency, providing mortgage payment assistance, and addressing other threats to housing stability. HAF participants have until September 30, 2026 to use their funds to assist homeowners in their communities.

HAF is an important part of a [broader Biden-Harris administration effort](#) to help struggling borrowers across the country remain in their homes. The Biden-Harris administration has engaged a series of measures that protected homeowners from foreclosure, including a

foreclosure moratorium, increased options for mortgage payment forbearance, and enhanced loan modifications to resolve delinquencies, among other initiatives that have together helped keep mortgage delinquencies and foreclosures below pre-pandemic levels.

A summary of Quarterly HAF participant data through December 31, 2022 is available [here](#).