



Maryland Homeowner Assistance Fund (HAF)

(Draft proposal submitted to the Treasury in June 2021
All the information herein can be changed in line with further
guidance from the funding agency)

October 2021

MARYLAND HOMEOWNER ASSISTANCE FUND

Funding Overview

Source/Deployment/Timelines

- As part of the 2021 American Rescue Plan Act, a Homeowner Assistance Fund was created. Treasury will fund and states will deliver and administer a needed aid to struggling homeowners through the Homeowner Assistance Fund (HAF).
- HAF will be structured to meet federal obligation and disbursement deadlines for providing assistance to eligible homeowners in an efficient, fair, and financially responsible manner.
- HAF funds are available through September 30, 2026.

MARYLAND HOMEOWNER ASSISTANCE FUND

Overall purpose

- The goal of the American Rescue Plan and/of the Homeowner Assistance Fund is to help the nation recover from a once-in-a-generation disaster that has imposed substantial economic hardship on millions of working families through no fault of their own.
- These funds will assist applicants who were unemployed and/or underemployed after 1/21/2020, resulting in mortgage delinquency or forbearance.

(Note: unemployment fraud to be closely monitored)

MARYLAND HOMEOWNER ASSISTANCE FUND

Eligibility Criteria

- Be unemployed, have temporarily been unemployed due to COVID-19 for at least 3 months or lost partial income due to salary reduction, increased expenses due to a hardship etc. related to Covid-19.
- Own the home and utilize it as their principal residence
- Have a household income at or below 100% AMI
- Be delinquent and/or in forbearance for more than 3 month, but have been current up until January 1, 2020
- Provide self-certification of Covid-19 impact

MARYLAND HOMEOWNER ASSISTANCE FUND

Assistance at a glance

- Up to \$30,000 per household
- Assistance used to cover mortgage principal, interest, taxes, insurance (PITI)
- One time payment which may be used to bring mortgage current and continue to support household with ongoing monthly mortgage payments
- Payments made directly to mortgage servicer or the respective third parties (counties for tax delinquency, chattel loan or land lease delinquency or HOAs) on behalf of homeowner
- Delinquency covered beginning with January 2020



DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

Kenneth C. Holt, Secretary
Owen McEvoy, Deputy Secretary

MARYLAND HOMEOWNER ASSISTANCE FUND- PROPOSED STRUCTURE

I. MARYLAND HOMEOWNER ASSISTANCE FUND GRANT

This is an emergency displacement diversion product designed to avoid imminent loss of residence (within 90-days) due to, but not limited to:

- Tax delinquency, chattel loan or land lease delinquency
- Homeowner's association fee / condominium association fee delinquency
- Mortgage delinquency, reverse mortgage overdues

Eligibility and Terms

Eligibility:

- Eligible financial hardship after January 21, 2020
- 100% of AMI
- Maryland home owners
- Home owners residing in their primary residence
- Homeowners by evidence by the deed of trust

Terms:

- Grant – no instrument recorded
- Maximum assistance - \$10,000

MARYLAND HOMEOWNER ASSISTANCE FUND- PROPOSED STRUCTURE

II. MARYLAND HOMEOWNER ASSISTANCE FUND LOAN

Designed to offer a one-time payment of a delinquent mortgage amount and/or additional funds to facilitate a principal curtailment or rate reduction to right size ongoing mortgage payments to levels affordable to the homeowner.

Eligibility and Terms

Eligibility:

- Eligible financial hardship after January 21, 2020
- 150% of area median income
- Maryland home owners
- Home owners residing in their primary residence
- Homeowners by evidence by the deed of trust

Terms:

- Recorded lien
- \$30,000 Maximum Loan Amount
- 0% interest
- Deferred payments for the life of the first mortgage
- Payment due in full when the first mortgage ends (repayment, refinance, transfer, sale)
- Repayment is subject to review and the department may, based on homebuyer situation and needs at the time of repayment:
 - Require payment in full
 - Establish a payment plan
 - Allow full or partial forgiveness

MARYLAND HOMEOWNER ASSISTANCE FUND

Phased assistance program roll-out:

- ✓ Phase 1 – October 2021: Maryland HAF mortgage relief opens to state funded loan portfolio which is serviced in house
- ✓ Phase 2 – November-December 2021: Maryland HAF mortgage relief open to all qualified Maryland homeowners, and to qualified Maryland rehabilitation and weatherization program applicants

MARYLAND HOMEOWNER ASSISTANCE FUND

Overview of the loan application and processing

- All applications must be made through the Maryland HAF online application portal (to open in late November).
- All applications will be processed and decisioned through the above mentioned portal.
- All applications will require loan servicer participation in electronic payment system to ensure protection against fraud.

MARYLAND HOMEOWNER ASSISTANCE FUND

Marketing

- Website Resources: homeownerassistance.maryland.gov
 - FAQ
 - Preliminary Eligibility / Required Documentation / Expression of interest form/ Application form
 - Contacts for Counseling Agencies
 - Steps for Non-Eligible Homeowners

(Sign up for program updates at dhcd.maryland.gov/HomeownerAssistance.)

- Maryland Homeowner Assistance Call Center
1-877-462-7555
- Social Media
 - Facebook, Instagram, Twitter
- Marketing / radio ads / direct mail / digital ads / other marketing materials

The Maryland Homeowner Assistance Fund is expected to open to homeowners statewide in late 2021.

Get Help

The Maryland Homeowner Assistance Fund is not yet open. Fill out the Expression of Interest Form to be notified when the program opens for applications.

Sign Up

Get Connected

If you are currently experiencing issues paying your mortgage, contact your servicer to inquire about forbearance options.

To be connected to housing counseling and legal services:

Call 1-877-462-7555



[PROGRAM OVERVIEW](#)



[HOMEOWNER RESOURCES](#)



[LEGAL HELP](#)

MARYLAND HOMEOWNER ASSISTANCE FUND

Appendix

Sample of documentation to be compiled and reviewed by the Maryland Department of Housing and Community Development as part of application submission:

- Income verification: payslips, tax returns etc. depending on the situation
- Bank statements
- Verification of ownership and residence
- Servicer's loan history with escrow information
- HAF application
- HAF Homeowner Affidavit
- Third Party Authorization (to enable us to work with the loan servicer)
- Maryland State Drivers License



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