



MARYLAND HOMEOWNER ASSISTANCE FUND

MAIN PURPOSE AND GOALS:

The Homeowner Assistance Fund (HAF) was created under section 3206 of the American Rescue Plan Act of 2021. It provides residential mortgage assistance to Maryland homeowners who have experienced a hardship during the COVID-19 pandemic to avoid loss of residence for eligible homeowners. The Maryland Department of Housing and Community Development will administer the program by taking applications through an online portal and working with mortgage servicers so that HAF assistance is supplementary to standard loss mitigation efforts.

PROGRAM INCEPTION AND DURATION:

The Maryland Homeowner Assistance Fund is expected to open to homeowners statewide in late 2021. The program will continue until September 30, 2026, or until funding is fully reserved, whichever comes first.

STRUCTURE:

This assistance will take two forms – the Maryland Homeowner Assistance Fund Grant (**HAF Grant**) and the Maryland Homeowner Assistance Fund Loan (**HAF Loan**). The HAF Loan may be combined with the HAF Grant.

HAF GRANT

The program will offer a one-time payment designed to avoid imminent displacement due to, but not limited to:

- Tax delinquency, chattel loan or land lease delinquency
- Homeowner fee /condominium association fee delinquency
- Home Insurance fees
- Mortgage delinquency

Specific grant eligibility:

The HAF Grant borrowers' household gross income may not exceed **100% of area median income (AMI)**

Specific terms:

- Outright grant - there is no lien recorded on the property
- maximum assistance - \$10,000

HAF LOAN

The program will offer a one-time payment of a delinquent mortgage amount and/or additional funds to facilitate a principal curtailment or rate reduction to reduce ongoing mortgage payments to levels affordable to the homeowner. Specifically, the HAF funds will be required to result in the monthly mortgage payments (principal and interest) being less than 40% of the household gross income. Servicer's loss mitigation workout must be used to cure the delinquency and/or bring the monthly mortgage payment below 40% of the household gross income before using HAF money.

Assistance payments will be made directly to the mortgage servicer.

Specific loan eligibility and terms:

The HAF Loan borrowers household gross income may not exceed **150% of area median income (AMI)** (see the last page)

Specific terms:

- The loan will require a recorded lien on the property
- \$30,000 maximum loan amount
- 0% interest rate
- 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 homeowner situation and needs at the time of repayment:
 - require payment in full
 - establish a payment plan
 - allow full or partial forgiveness.

<p>GENERAL ELIGIBILITY REQUIREMENTS</p>	<p>In order to be eligible under HAF, all borrowers will have to be/have:</p> <ul style="list-style-type: none"> • an eligible COVID-19 financial hardship after January 21, 2020 (includes hardships that began before January 21, 2020, but continued after that date) • Maryland residents • homeowners residing in their primary residence • homeowners by evidence of the deed of trust <p>The delinquent mortgage must have had a principal balance that did not exceed the <u>conforming loan limit at the time of origination.</u></p>
<p>COVID-19 RELATED FINANCIAL HARDSHIP REQUIREMENT</p>	<p>In order to receive assistance, eligible homeowners must have experienced a COVID-19 related financial hardship, as defined in the U.S. Treasury Department guidance, after January 21, 2020 (including hardships that began before January 21, 2020, but continued after that date). The hardship will be self-attested by the borrower in the HAF application form and can be due to decrease in household income, increase in household expenses or other situations. Examples of COVID-19 related hardship include: having to perform essential work during the pandemic; child care/educational costs; costs of caring for an elderly, disabled, or sick family member; illness; death in the family, etc.</p>
<p>TOTAL PROGRAM ALLOCATION</p>	<p>HAF Grant: \$34,000,000 HAF Loan: \$156,300,521</p>
<p>GENERAL PROPERTY ELIGIBILITY CRITERIA AND TYPE</p>	<p>The property must be a one-to-four unit, including condominium units, owner-occupied primary residence located in Maryland. Acceptable property types are: detached, single family, duplex, triplex, fourplex, condominium, co-op and manufactured housing/mobile home.</p>
<p>OTHER CRITERIA</p>	<p>HAF GRANT: ELIGIBLE PROPERTY TAX ASSISTANCE For property taxes to be an eligible cost under the MD HAF Grant, the following criteria must be met:</p> <ul style="list-style-type: none"> • The property taxes can be paid directly to the taxing authority rather than through an escrow arrangement with a home mortgage servicer if the respective taxes are not part of an escrow arrangement, and • The payment for the property tax bill must have become due after January 21, 2020. Applicants cannot receive more than the documented property tax bill and/or costs necessary to remove a lien placed on the property due to failure to pay property taxes which came due after January 21, 2020. <p>ELIGIBLE HOMEOWNER FEE ASSISTANCE For Homeowner Fees to be an eligible cost under the MD HAF Grant, the following criteria must be met:</p> <ul style="list-style-type: none"> • The Homeowner Fees must be paid directly to the imposing entity rather than through an escrow arrangement with a home mortgage servicer for a HAF Grant. • The payment for the Homeowner Fees must have become due after January 21, 2020. • The following Homeowner Fees are eligible for payment through the MD HAF program: homeowner's insurance, flood insurance, mortgage insurance, homeowner's association fees or lien, condominium association fee, common charges, etc. • The cost must be a requirement for residency and the applicant must provide an explanation and document the cost. <p>Payments to local taxing authorities, homeowner insurance companies, or entities that assessed Homeowner Fees cannot be more than the documented bills, invoices, and/or liens.</p> <hr/> <p>HAF LOAN: ADDITIONAL ELIGIBILITY CRITERION The payment affordability (housing) ratio (PITI/household gross income) will be capped at 40% (including after mortgage reinstatement or modification).</p>



FACT SHEET: HOMEOWNER ASSISTANCE FUND

HAF 100% AMI LOW INCOME LIMITS BY HOUSEHOLD SIZE (CAPPED AT US MEDIAN)

JURISDICTION	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Allegany	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Anne Arundel	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Baltimore	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Baltimore city	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Calvert	\$90,300	\$103,200	\$116,100	\$129,000	\$139,400	\$149,700	\$160,000	\$170,300
Caroline	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Carroll	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Cecil	\$79,900	\$79,900	\$85,100	\$94,500	\$102,100	\$109,700	\$117,200	\$124,800
Charles	\$90,300	\$103,200	\$116,100	\$129,000	\$139,400	\$149,700	\$160,000	\$170,300
Dorchester	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Frederick	\$90,300	\$103,200	\$116,100	\$129,000	\$139,400	\$149,700	\$160,000	\$170,300
Garrett	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Harford	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Howard	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
Kent	\$79,900	\$79,900	\$79,900	\$79,900	\$84,800	\$91,100	\$97,400	\$103,700
Montgomery	\$90,300	\$103,200	\$116,100	\$129,000	\$139,400	\$149,700	\$160,000	\$170,300
Prince George's	\$90,300	\$103,200	\$116,100	\$129,000	\$139,400	\$149,700	\$160,000	\$170,300
Queen Anne's	\$79,900	\$84,100	\$94,600	\$105,100	\$113,600	\$122,000	\$130,400	\$138,800
St. Mary's	\$79,900	\$87,000	\$97,900	\$108,700	\$117,400	\$126,100	\$134,800	\$143,500
Somerset	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Talbot	\$79,900	\$79,900	\$79,900	\$87,400	\$94,400	\$101,400	\$108,400	\$115,400
Washington	\$79,900	\$79,900	\$79,900	\$79,900	\$83,400	\$89,600	\$95,800	\$102,000
Wicomico	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900	\$83,600	\$89,300	\$95,100
Worcester	\$79,900	\$79,900	\$79,900	\$79,900	\$86,200	\$92,600	\$99,000	\$105,400

HAF 150% AMI LOW INCOME LIMITS BY HOUSEHOLD SIZE (CAPPED AT US MEDIAN)

JURISDICTION	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Allegany	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Anne Arundel	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Baltimore	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Baltimore city	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Calvert	\$135,450	\$154,800	\$174,150	\$193,500	\$209,100	\$224,550	\$240,000	\$255,450
Caroline	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Carroll	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Cecil	\$99,300	\$113,400	\$127,650	\$141,750	\$153,150	\$164,550	\$175,800	\$187,200
Charles	\$135,450	\$154,800	\$174,150	\$193,500	\$209,100	\$224,550	\$240,000	\$255,450
Dorchester	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Frederick	\$135,450	\$154,800	\$174,150	\$193,500	\$209,100	\$224,550	\$240,000	\$255,450
Garrett	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Harford	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Howard	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
Kent	\$82,500	\$94,200	\$106,050	\$117,750	\$127,200	\$136,650	\$146,100	\$155,550
Montgomery	\$135,450	\$154,800	\$174,150	\$193,500	\$209,100	\$224,550	\$240,000	\$255,450
Prince George's	\$135,450	\$154,800	\$174,150	\$193,500	\$209,100	\$224,550	\$240,000	\$255,450
Queen Anne's	\$110,400	\$126,150	\$141,900	\$157,650	\$170,400	\$183,000	\$195,600	\$208,200
St. Mary's	\$114,150	\$130,500	\$146,850	\$163,050	\$176,100	\$189,150	\$202,200	\$215,250
Somerset	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Talbot	\$91,800	\$105,000	\$118,050	\$131,100	\$141,600	\$152,100	\$162,600	\$173,100
Washington	\$81,150	\$92,700	\$104,250	\$115,800	\$125,100	\$134,400	\$143,700	\$153,000
Wicomico	\$79,900	\$86,400	\$97,200	\$108,000	\$116,700	\$125,400	\$133,950	\$142,650
Worcester	\$83,850	\$95,850	\$107,850	\$119,700	\$129,300	\$138,900	\$148,500	\$158,100

Larry Hogan, Governor
 Boyd K. Rutherford, Lt. Governor
 Kenneth C. Holt, Secretary
 Owen McEvoy, Deputy Secretary



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