



# MARYLAND HOMEOWNER ASSISTANCE FUND LOAN

The program will offer a one-time payment of a delinquent mortgage amount and/or additional funds to facilitate a principal reduction or rate reduction to right size ongoing mortgage payments to levels affordable to the homeowner. Specifically, the HAF funds will be required to result in the monthly mortgage payments (PITI) which includes principal, interest and escrows (taxes, hazard, HOA/condo fees etc.) being less than 50% of the household gross monthly income. HAF payments will be made directly to the mortgage servicer.

## SPECIFIC ELIGIBILITY:

The HAF loan borrower's household income may not exceed **150% of area median income (AMI)**. Please see details below on the last page.

## SPECIFIC TERMS:

- The loan will require a recorded mortgage on the property
- \$40,000 maximum loan amount
- 0% interest
- Deferred payments for the life of the first mortgage
- Payment due in full when the first mortgage ends (the earlier of maturity date, refinance, transfer, sale)
- Repayment is subject to review and the department may, based on homeowner's equity in the property at the time of repayment:
  - require payment in full
  - establish a payment plan
  - allow full or partial forgiveness

The HAF Loan may be combined with the HAF Grant and the WholeHome Grant. These borrowers can also obtain **non-mortgage related assistance** (like the HAF Grant borrowers) but only in the form of a HAF Loan. (Examples of non-mortgage assistance: property tax delinquency, chattel loan delinquency, manufactured housing/mobile home loan; or land lease/ground rent delinquency, homeowner or Condominium Association fee delinquency, home Insurance fees delinquency, municipal sewer and water fees delinquency etc.)

<b>MAIN PURPOSE AND GOALS</b>	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.
<b>PROGRAM INCEPTION AND DURATION</b>	The Maryland Homeowner Assistance Fund opened to homeowners statewide on December 20, 2021. The program will continue until September 30, 2026, or until funding is fully reserved, whichever comes first.
<b>GENERAL ELIGIBILITY REQUIREMENTS</b>	<p>In order to be eligible under HAF, all borrowers will have to be/have:</p> <ul style="list-style-type: none"> <li>• an eligible COVID-19 financial hardship after January 21, 2020</li> <li>• a Maryland resident</li> <li>• homeowners residing in their primary residence</li> <li>• homeowners by evidence by the deed.</li> <li>• 90 days in arrears</li> <li>• The payment affordability (housing) ratio (PITI/household gross monthly income) will be capped at 40%.</li> </ul> <p>Additionally, the delinquent mortgage in need of assistance had the unpaid principal balance, <u>at the time of origination</u>, not more than the <u>conforming loan limit</u>.</p> <p><b>FLEXIBLE THRESHOLD BETWEEN THE GRANT AND THE LOAN:</b></p> <p>If the non-mortgage related arrears exceed the proposed new cap of \$20,000 Grant, we will use a portion of the loan available under the HAF program not exceeding the proposed new cap of \$40,000 Loan. Concomitantly, in the circumstances the mortgage related arrears exceed the proposed new cap of \$40,000 Loan, we will use a portion of the Grant available under the HAF program not exceeding the proposed new cap of \$20,000 to assist with saving a homeowner's primary residence, in line with the purpose and mission of the MD HAF program. In any instance, the total HAF money available for each file will not exceed an aggregate amount of \$60,000.</p>
<b>COVID-19 RELATED FINANCIAL HARDSHIP REQUIREMENT</b>	In order to receive assistance, eligible homeowners must have experienced a COVID-19 related financial hardship, as defined in U.S. Treasury Department guidance, after January 21, 2020. 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; divorce/separation, etc.
<b>TOTAL PROGRAM ALLOCATION</b>	HAF Loan: \$67,000,000
<b>PROPERTY ELIGIBILITY CRITERIA AND TYPE</b>	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.



# HOMEOWNER ASSISTANCE FUND LOAN: FACT SHEET

## 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	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Anne Arundel	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Baltimore	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Baltimore City	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Calvert	\$158,250	\$180,850	\$203,450	\$226,050	\$244,150	\$262,250	\$280,350	\$298,400
Caroline	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Carroll	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Cecil	\$117,200	\$133,950	\$150,700	\$167,400	\$180,800	\$194,200	\$207,600	\$221,000
Charles	\$158,250	\$180,850	\$203,450	\$226,050	\$244,150	\$262,250	\$280,350	\$298,400
Dorchester	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Frederick	\$158,250	\$180,850	\$203,450	\$226,050	\$244,150	\$262,250	\$280,350	\$298,400
Garrett	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Harford	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Howard	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
Kent	\$97,550	\$111,500	\$125,450	\$139,350	\$150,500	\$161,650	\$172,800	\$183,950
Montgomery	\$158,250	\$180,850	\$203,450	\$226,050	\$244,150	\$262,250	\$280,350	\$298,400
Prince George's	\$158,250	\$180,850	\$203,450	\$226,050	\$244,150	\$262,250	\$280,350	\$298,400
Queen Anne's	\$127,800	\$146,050	\$164,300	\$182,550	\$197,200	\$211,800	\$226,400	\$241,000
St. Mary's	\$127,050	\$145,200	\$163,350	\$181,500	\$196,050	\$210,550	\$225,100	\$239,600
Somerset	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Talbot	\$108,600	\$124,100	\$139,600	\$155,100	\$167,550	\$179,950	\$192,350	\$204,750
Washington	\$96,200	\$109,700	\$123,400	\$137,100	\$148,100	\$159,050	\$170,050	\$181,000
Wicomico	\$96,200	\$102,250	\$115,050	\$127,800	\$138,050	\$148,250	\$158,500	\$168,700
Worcester	\$99,150	\$113,300	\$127,450	\$141,600	\$152,950	\$164,300	\$175,600	\$186,950