UTAH DEPARTMENT OF
WORKFORCE SERVICES
HOUSING & COMMUNITY DEVELOPMENT

Utah Homeowners Assistance Fund (HAF) - Program Term Sheet

Program Overview	The HAF program was established under section 3206 of the American Rescue Plan Act of 2021 ("the ARP") to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.
HAF Program Goal	To provide financial assistance to eliminate or reduce mortgage loan delinquencies to prevent foreclosure and homeowner displacement.
Size of HAF Program	DWS will utilize up to $52,824,444.00 of its total HAF allocation for this program.
Maximum Assistance Per Household	DWS will provide eligible homeowners qualified expenses related to the dwelling that is such homeowner's primary residence. A dwelling is a building, structure, or portion thereof that is occupied as, or designed or intended for occupancy as, a

	residence by one or more individuals. A dwelling may include one - to - four dwelling units in a single structure or building. Maximum assistance amount at the initial start of the HAP program will be $25,000 per residence. DWS will expend funds as necessary to bring a homeowner's primary residence fully current, with no remaining delinquent amounts, and to repay amounts advanced by the lender or servicer on the borrower's behalf for property charges. Single unit arrears payments may include: 1. Primary mortgage; 2. Second mortgage; 3. Property taxes; 4. Hazard insurance premiums; 5. Flood insurance premiums; 6. Wind insurance premiums; 7. Homeowners insurance premiums; 8. In the case of a manufactured home, ground rent; 9. Condominium fees; 10. Cooperative maintenance fees; 11. Planned unit development fees; 12. Homeowners' association fees; 13. Utilities that the servicer advanced to protect lien position; 14. Reasonably required legal fees; and 15. Other fees or payments required to bring the homeowner's primary residence current. 2 - to 4 unit arrears payments may include:

1. Primary mortgage;
2. Second mortgage;
3. Property taxes;
4. Hazard insurance premiums;
5. Flood insurance premiums;
6. Wind insurance premiums;
7. Homeowners insurance premiums;
8. Utilities that the servicer advanced to protect lien position;
9. Reasonably required legal fees; and
10. Other fees or payments required to bring the homeowner’s primary residence current.

A reverse mortgage, a loan secured by a manufactured home, or a contract for deed (also known as a land contract) may be eligible if it satisfies Treasury’s guidance and is in accordance with State of Utah law.

Once the homeowner's primary residence is made current then DWS will require that the homeowner participate in either homeowner counseling or a homeowner education program facilitated by DWS. Participation in the aforementioned services is required to receive HAF program assistance after the homeowner’s primary residence is made current. DWS shall limit current homeowners HAF payment amounts as follows:

1. HAF payments shall be limited to 3 months following the month in which the homeowner’s primary residence is made current; and

	2. HAF funds shall only be paid for the following: a. Primary mortgage; b. Second mortgage; c. Property taxes; d. Hazard insurance premiums; e. Flood insurance premiums; f. Wind insurance premiums; g. Homeowners insurance premiums; h. In the case of a manufactured home, ground rent; i. Condominium fees; j. Cooperative maintenance fees; k. Planned unit development fees; and l. Homeowners' association fees.
Targeted Population of Homeowners and Financial Challenges Program Seeks to Address	This program will target low to moderate income homeowners and will address the following financial challenges: ● Mortgage loan delinquency and default. This program will assist eligible, delinquent, Utah homeowners to eliminate or reduce mortgage loan delinquency by making up all or a portion of their past due mortgage payments. ● Exiting forbearance. This program will help eligible Utah homeowners on forbearance plans to exit forbearance and to transition to regular, monthly mortgage payments, so that they can begin to regain economic stability.
Eligible Homeowners	"Eligible Homeowners" for the Utah HAF Program must meet the following criteria: ● Homeowner must have experienced a Qualified Financial Hardship after January 21, 2020, and provide an attestation describing the nature of the financial hardship;

	• Homeowner must have owned the home on or before January 1, 2020; • Homeowner must currently own and occupy the property as their primary residence; • Homeowner must meet the Homeowner Income Eligibility Requirements; • Homeowner must be at least 60 days delinquent, as reflected in documentation provided by the payee or the payee's agent, whether or not the homeowner is or was on a forbearance plan; • Homeowner must complete and sign the Affidavit, Application, Disclosures, and 3rd Party Authorization forms; • Homeowner must agree to provide all necessary documentation to satisfy program guidelines within timeframes established by DWS Co-owners are not permitted to separately apply for HAF Program assistance. Exclusions: • Private mortgages not held by a lender/servicer with an NMLS number. • Mortgages that are due for payments prior to January 21, 2020. • Vacant or abandoned properties • 2nd Homes • Investment property • Liens for anything other than primary residence related expenses • Manufactured homes with no Title Certificate or Statement of Ownership in the homeowner's name.

Qualified Financial Hardship	A "Qualified Financial Hardship" is a material reduction in income or material increase in living expenses associated with the coronavirus pandemic that has created or increased a risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner. ● Reduction of Income – Documented temporary or permanent loss of earned income that occurred after January 21, 2020; or ● Increase in living expenses – Documented increase in out-of-pocket household expenses such as, medical expenses, inadequate medical insurance, increase in household size, or costs to reconnect utility services directly related to the coronavirus pandemic that occurred after January 21, 2020.
Homeowner Income Eligibility Requirements	To be eligible for assistance under the Utah HAF Program, homeowners must have incomes equal to or less than 150% of the area median income (two times the income limit for very low income families, for the relevant household size) or equal to or less than 100% of the median income (including socially disadvantaged individuals/populations) for the United States, whichever is greater, unless Treasury requires a lower amount per household size.
Eligible Properties	"Eligible Properties" are those that are owner-occupied, or in the case of a land contract or contract for deed, occupied by the documented buyer, and include: ● Single-family (attached or detached) properties; ● Condominium units; ● 1 to 4-unit properties where the homeowner is living in one of the units as their primary residence. Homeowners are still eligible for HAF for the unit they occupy only,

	irregardless if their other units are being funded by Utah Emergency Rental Assistance Program (ERA); ● Manufactured/modular homes permanently affixed to real property and taxed as real estate; and ● Manufactured/manufactured homes not permanently affixed to real property but with a Title Certificate or Statement of Ownership in the homeowner's name. <u>Ineligible properties</u>: ● Vacant or abandoned properties; ● 2nd homes; ● Investment property; ● Manufactured homes with no Title Certificate; ● Homeowners that received payments through the Utah ERA program are ineligible to receive funds through the HAF program unless they occupy one of the units. Their HAF payment will only cover the unit they occupy.
Eligible Uses of HAF Program Proceeds	Housing obligations as listed below and not incurred/billed prior to January 21, 2020 are "Eligible Uses of HAF Program Proceeds". Mortgages must be held by a lender/servicer with an NMLS number, which would include federally backed and privately funded mortgages. Private party mortgages are ineligible for assistance. Single unit payments may include: 1. Primary mortgage; 2. Second mortgage; 3. Property taxes; 4. Hazard insurance premiums;

	5. Flood insurance premiums; 6. Wind insurance premiums; 7. Homeowners insurance premiums; 8. In the case of a manufactured home, ground rent; 9. Condominium fees; 10. Cooperative maintenance fees; 11. Planned unit development fees; 12. Homeowners' association fees; 13. Utilities that the servicer advanced to protect lien position; 14. Reasonably required legal fees; and 15. Other fees or payments required to bring the homeowner's primary residence current. 2 - to 4 unit payments may include: 1. Primary mortgage; 2. Second mortgage; 3. Property taxes; 4. Hazard insurance premiums; 5. Flood insurance premiums; 6. Wind insurance premiums; 7. Homeowners insurance premiums; 8. Utilities that the servicer advanced to protect lien position; 9. Reasonably required legal fees; and 10. Other fees or payments required to bring the homeowner's primary residence current.
Assistance Type	Assistance will be structured as a non-recourse grant.
Payout of HAF Assistance	DWS will disburse HAF assistance directly to mortgage

	lender/servicers. Funds will not be issued to homeowners, or other parties. Payments to lenders/servicers are only permissible to the extent the lender/servicer holds an NMLS number. No private party mortgages are eligible. Homeowners may be eligible for additional HAF assistance through other HAF Programs that may be implemented in the future. DWS will disburse principal, interest, taxes and insurance (PITI) amounts quoted by the lender/servicer; any discrepancies are to be resolved by the homeowner and lender/servicer.
Program Launch	DWS is planning to launch the program to the public within 8-12 weeks of approval by the Treasury of DWS's HAF Plan; possibly sooner, depending on the timing of such approval.
Program Duration	The period of performance for the HAF award begins on the date hereof and ends on September 30, 2026. HAF recipients shall not incur any obligations to be paid with the funding from this award after such period of performance ends. DWS plans to disburse all funds by September 30, 2026.
Application Process	Homeowners will be able to apply through an online portal only.
Eligibility Documentation Requirements	The following documents will be required for an application to be considered complete: ● Application for the Utah Homeowner Assistance Fund Program ● Third Party Authorization (TPA) and Disclosure Form

	- Qualifying hardship attestation and supporting documentation from homeowner certifying and identifying the eligible hardship and that occurred after January 21, 2020 - Mortgage Statement for each lien (e.g., first mortgage, second mortgage). - Manufactured home loan statement and/or lot rental agreement (homeowners that received assistance through the Utah Rent Relief Program are ineligible to receive assistance through this Program). - Social Security Number card or unique identifier as shown on a legal document, such as federal tax return - Income documentation; W2's, paystubs, previous years' tax returns or alternative income documents as applicable. Applicants must provide each payee's contact and account information if not listed on the monthly statement provided.
Eligibility Determination Notes	DWS staff will summarize the determination of the applicant's eligibility and status in case notes. The summary will include applicable details to support the decision to approve, deny, or take other action with respect to an application submitted.
Quality Control (QC)	DWS will ensure program integrity by random selection of case reviews after eligibility determination and prior to funding on a weekly basis. Goal to review 10% of all applications (approved and denied).