

Iowa Homeowner Assistance Fund

Term Sheet



Mortgage Reinstatement Program

Program Overview	<p>The Homeowner Assistance Fund (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 displacement of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.</p> <p>The Mortgage Reinstatement Program will assist in preserving homeownership and creating housing stability by preventing foreclosure and displacement through the HAF.</p> <p>The Mortgage Reinstatement Program will do so by eliminating or reducing mortgage loan delinquencies by reinstating mortgage loans that are at least 30 days delinquent. Through this program, delinquent mortgage loans will be fully reinstated, allowing homeowners to remain in their homes and avoid foreclosure and displacement.</p>
Mortgage Reinstatement Program Goal	<p>To provide financial assistance to eligible Iowa homeowners to bring delinquent accounts associated with homeownership current to prevent foreclosure and displacement, thereby preserving homeownership and providing housing stability to Iowans in need.</p>
Targeted Population of Homeowners	<p>Not less than 60 percent of amounts made available for HAF program expenses will be used for qualified expenses to assist homeowners having incomes equal to or less than 100 percent of the area median income household limit as published by the Department of Housing and Urban Development (HUD) in accordance with 42 U.S.C. 1437a(b)(2) for purposes of the HAF.</p> <p>Any amount not made available to homeowners that meet this income-targeting will be used for qualified expenses to assist homeowners having incomes equal to or less than 150 percent area median income and will be prioritized for assistance to Socially Disadvantaged Individuals as outlined in U.S. Department of the Treasury Guidance dated August 2, 2021.</p> <p>Program funds will be made available to assist all Eligible Homeowners on a first come, first served basis.</p>

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<p>Eligible Homeowners</p>	<p>“Eligible Homeowners” for the Mortgage Reinstatement Program must meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner must attest that they experienced a Qualified Financial Hardship on or after January 21, 2020, (defined below), or had a financial hardship that began before January 21, 2020, but continued after that date. The attestation must describe the nature of the financial hardship. • Homeowner must currently own and occupy the property as their primary residence. • Homeowner must meet the Income Eligibility Requirements (defined below). • The original, unpaid principal balance of the homeowner’s first mortgage loan, at the time of origination, cannot be greater than the “conforming loan limit” (as determined under the provisions of the Housing and Economic Recovery Act of 2008) in effect at the time of origination. • Homeowners who previously filed for bankruptcy but are no longer in bankruptcy may need to provide proof of court ordered “discharge” or “dismissal” or permission from the bankruptcy trustee to participate in the HAF program. • Homeowners whose Qualified Financial Hardship is due to a job loss and are not working at the time of application are required to provide documentation showing they are actively seeking work. • The homeowner must provide all necessary documentation to satisfy program guidelines within timeframes established by IFA, including self-certification or attestation of income and Socially Disadvantaged Individual status, as applicable.
<p>Eligible Legal Ownership Structures</p>	<p>“Eligible Legal Ownership Structures” include only the following:</p> <ul style="list-style-type: none"> • Those where the home is owned by one or more “natural persons” (i.e., LLP, LP, S-Corp, or LLC do not qualify). Where the estate of a deceased natural person is the ownership entity, or where the ownership entity is wholly owned by the homeowner(s), the owner may be eligible, subject to review by IFA. • Those where the homeowner has transferred their ownership right into non- incorporated, Living Trusts, provided the homeowner occupies the home as the primary/principal residence and where the homeowner is the trustee. • Those where the home is under a Purchaser’s Interest in a Land Contract valid under Iowa law.

Commented [CW1]: Do we need to update to include "or where the non-human entity can be directly tied to a specific "natural person" "?

Commented [DT2R1]: Not sure when it comes to the legal definitions.

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	<ul style="list-style-type: none"> Those where the home is owned by a certificate of title.
Qualified Financial Hardship	<p>A “Qualified Financial Hardship” is a material reduction in income or material increase in living expenses associated with the coronavirus pandemic that created or increased a risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> <i>Reduction of Income:</i> Temporary or permanent loss of earned income directly related to the coronavirus pandemic after January 21, 2020, or that began before January 21, 2020, but continued after that date. <i>Increase in Living Expenses:</i> Increase in out-of-pocket household expenses after January 21, 2020, or that began before January 21, 2020, but continued after that date, such as: medical expenses, increase in household size, or costs to reconnect utility services directly related to the coronavirus pandemic.
Homeowner Income Eligibility Requirements	<p>To be eligible for assistance under the Mortgage Reinstatement Program, homeowners must have incomes equal to or less than 150 percent of the area median income (AMI) household limit (three times the income limit for very low-income families, for the relevant household size), in accordance with HUD’S current HAF Income Limits. HAF participants are given two options to use in calculating income for eligibility determination:</p> <ul style="list-style-type: none"> Department of Housing and Urban Development’s (HUD) definition of “annual income” in 24 CFR 5.609. Use adjusted gross income (AGI) as defined for purposes of reporting on Internal Revenue Service (IRS) form 1040 series for individual federal annual income tax purposes. <p>Income may be determined in two ways:</p> <ul style="list-style-type: none"> <i>Annual Income:</i> Applicants should provide at the time of application source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement), or a copy of the applicant’s most recent Form 1040 as filed with the IRS for the household. <i>Monthly Income:</i> Applicants should provide income source documentation, as listed above, for one month prior to the submission of the application for assistance.

Commented [DT3]: Should the 2021 year be removed and updated to something like "HUD's most recent annual Income Limits" rather than include a year, when it will continue to become outdated?

Commented [CW4R3]: I think "current" is sufficient. Let me know what you think.

Commented [CW5]: There has been discussion on this - do we need/want to update?

Commented [DT6R5]: Perhaps we should make it consistent with the policy document? I'd have to look back at the manual for exact terminology (at least two/30 days, etc.)

Commented [CW7R5]: I updated in the appendix section below based on the verbiage Shayne provided a while back, which seemed to read well. Did you take a look at that? If good, we should probably update the original program manual as well. If I recall correctly, the issue was lack of clarity and the update adds that.

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Homeowner Prioritization	<p>Treasury guidance requires 60 percent of amounts made available to the state to assist homeowners with incomes equal to or less than 100 percent of the Area Median Income (AMI) or equal to or less than 100 percent of the median income for the United States, whichever is greater. The remaining allocation to the state must be prioritized for socially disadvantaged individuals, and after prioritization to those individuals, funds will be made available to other eligible households.</p> <p>The Authority will prioritize funding in the following manner:</p> <ul style="list-style-type: none">• <i>Homeowners Earning 50 percent or less of the Area Median Income.</i> IFA recognizes that homeowners at this income level are often in portfolios of government-backed and guaranteed mortgages and may be in most need.• <i>Homeowners Earning 100 percent or less of the Area Median Income.</i> In accordance with HAF Guidance and recognizing that homeowners earning up to 100 percent of the area median income are overrepresented in portfolios of government-backed and guaranteed mortgages compared to the market as a whole, IFA will prioritize assistance to homeowners with Federal Housing Administration (FHA), Veteran’s Administration (VA), and United States Department of Agriculture (USDA) mortgages and homeowners who have mortgages made with proceeds of mortgage revenue bonds will be prioritized for assistance.• <i>Socially Disadvantaged Individuals.</i> As defined in the HAF Guidance dated August 2, 2021, socially disadvantaged individuals are those whose ability to purchase or own a home has been impaired due to diminished access to credit on reasonable terms as compared to others in comparable economic circumstances, based on disparities in homeownership rates in the HAF participant’s jurisdiction as documented by the U.S. Census. The impairment must stem from circumstances beyond their control. Indicators of impairment under this definition may include being a (1) member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society, (2) resident of a majority-minority Census tract; or (3) individual with limited English proficiency.• <i>Government Loan and Affordable Housing Portfolios.</i> IFA will prioritize assistance to eligible homeowners with FHA, VA, and USDA mortgages and homeowners who have mortgages made with the proceeds of mortgage revenue bonds or other mortgage programs that target low- and moderate-income homeowners.
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	<ul style="list-style-type: none"> • <i>Non-Traditional Loans and Properties.</i> Recognizing the unique needs of homeowners in rural communities with less housing stock than larger MSAs, IFA will prioritize homeowners who would not typically be included in Government Loan and Affordable Housing Portfolios. IFA will be able to assist homeowners with less traditional financing instruments and will be able to help homeowners whose property is a manufactured home as defined by Iowa Code Chapter 435¹. Homeowners of manufactured housing may not be able to qualify for traditional loan products containing competitive market rates and may have mortgages with higher rates and shorter terms. <p>All remaining funds not otherwise prioritized will be made available for other Eligible Homeowners.</p>
<p>Eligible Properties</p>	<p>Eligible properties are:</p> <ul style="list-style-type: none"> • Single-family (attached or detached) properties. • Condominium units. • 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence. • Manufactured homes permanently affixed to real property and taxed as real estate. • Mobile homes not permanently affixed to real property. <p>Ineligible properties include:</p> <ul style="list-style-type: none"> • Vacant or abandoned. • Second homes. • Non-owner-occupied investment property.
<p>Eligible Expenses of Mortgage Reinstatement Program Proceeds</p>	<p>The following housing obligations incurred as a result of a Homeowner’s Qualified Financial Hardship on or after January 21, 2020 (including a hardship that began before January 21, 2020, but continued after that date), are eligible “Qualified Expenses” for payment under the Iowa Mortgage Reinstatement Program:</p> <ul style="list-style-type: none"> • Existing delinquent mortgage lien payments (principal, interest, taxes, insurances (PITI)) and escrow shortages. • Existing mortgage lien partial or full forbearance reinstatement and/or delinquent monthly forbearance payments. • Land Contract monthly payment (principal and interest).

¹ <https://www.legis.iowa.gov/docs/code/435.pdf>

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	<ul style="list-style-type: none"> • Manufactured/mobile home loan monthly payment (principal and interest) and lot rent, if applicable. • Delinquent property taxes. • Homeowner's hazard, flood, and/or mortgage insurance. • Homeowner's association fees, condominium association fees or common charges, including for lien extinguishment. • De minimis lender-assessed fees. <p>All arrearages of qualified expenses are eligible for purposes of HAF regardless of the date they were incurred, including if they arose before January 2020 per U.S. Treasury guidance dated August 2, 2021.</p>
Maximum Per Household of Mortgage Reinstatement Program Assistance	The maximum Mortgage Reinstatement Program assistance per household will be \$25,000. Aggregate assistance per household for the Mortgage Reinstatement Program and the Property Charge Default Resolution Programs shall not exceed \$25,000.
Assistance Type	Assistance will be structured as a non-recourse grant.
Payout of Mortgage Reinstatement Program Assistance	<p>IFA will disburse Mortgage Reinstatement Program assistance directly to mortgage lender/servicer, land contract holder, manufactured/mobile home lender/park (lot fees), county treasurer, and/or condominium/homeowners' association.</p> <p>IFA will disburse the amount quoted by the lender/servicer; any discrepancies to be resolved by the homeowner and lender/servicer.</p> <p>If Homeowner's past due amount exceeds the amount that IFA can provide, Homeowner may pay the difference, and IFA will pay the maximum of their limit.</p>
Program Launch	IFA launched the program to the public statewide in the second quarter of 2022, following to the U.S. Treasury Department's approval of Iowa's IHAF Plan. The terms hereof are subject to change based on the foregoing.
Program Duration	<p>The period of performance for the HAF funds begins on the date hereof and ends on September 30, 2026. HAF recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.</p> <p>IFA plans to disburse all funds prior to the end of program date, September 30, 2026.</p>

Commented [CW8]: Changes made here.

Commented [CW9]: Wording updated - is this accurate?

Commented [DT10R9]: Correct. The pilot to IFAs portfolio was launched in June.

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Application Process	Applications will be accepted through an online portal that will allow for the upload of all supporting documents. All applications will be entered into and reviewed on the online portal.
Required Application Documentation	<p>The following application documents may be required:</p> <ul style="list-style-type: none"> • Application; • Third Party Authorization (TPA) and Disclosure Form; • Qualified Financial Hardship attestation certifying the event occurred after January 21, 2020 (including a hardship that began before January 21, 2020, but continued after that date); • Mortgage statement for each lien (e.g. first mortgage, second mortgage, etc.); • Manufactured/mobile home loan statement and/or lot rental agreement; • Proof of completed loss mitigation; • Valid Iowa identification and Social Security Number card or unique identifier as shown on a legal document, such as a signed federal tax return; • Income documentation: W2's, paystubs, previous years' tax returns or alternative income documents as applicable such as proof of an Income Proxy such as Unemployment, WIC, SNAP, FDPIR, TANF, SNP, Section 8 and any other income-based county, municipality, state and or federal assistance program (Public Assistance); • Attestation that the homeowner is a "Socially Disadvantaged Individual" (if applicable); and • Payee's contact information and account information, if not listed on monthly statement. <p>Any additional documents and information that IFA may require.</p>
Program Exclusions	<ul style="list-style-type: none"> • Overpayment of HAF funds relative to Homeowner account may not be paid directly to Homeowner.
Program Partner Requirements	<p>Lenders/servicers may be required to agree to communicate using the Common Data File (CDF) format provided by the Treasury.</p> <p>Private non-mortgage lenders, including manufactured/mobile home lenders, may be required to provide a written delinquency statement, contact information, and payment information.</p>

Commented [DT11]: Should we delete SNAP since Treasury doesn't encourage using SNAP benefits as income?

Commented [CW12R11]: No, this section is referencing potential proxies for income verification (i.e. categorical verification by which providing proof of eligibility for these programs the applicant is documenting eligibility for the HAF program without further income verification requirements).

Commented [CW15R13]: Me too, deleting and resolving comment.

Commented [CW13]: Shall we delete, or leave because this is a separate program component?

Commented [DT14R13]: Hmmm, I'm thinking delete since the new program still falls under the HAF realm?

Commented [DT16]: Vendors aren't able to accept payment by ACH. Non-traditional servicers/contract sellers have the option, but generally it's only one person so they also receive a check.

Commented [CW17R16]: This was in the original document, I assume whomever first wrote it thought it would be possible.

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Property Charge Default Resolution Program

<p>Program Overview</p>	<p>The Homeowner Assistance Fund (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 displacement of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.</p> <p>The Property Charge Default Resolution Program will assist in preserving homeownership and creating housing stability by preventing foreclosure and displacement through the HAF.</p>
<p>Property Charge Default Resolution Goal</p>	<p>To provide financial assistance to resolve any property charge default that threatens a homeowner’s ability to sustain ownership of the property, thereby preserving homeownership and providing housing stability to lowans in need.</p>
<p>Targeted Population of Homeowners</p>	<p>Not less than 60 percent of amounts made available for HAF program expenses will be used for qualified expenses to assist homeowners having incomes equal to or less than 100 percent of the area median income household limit as published by the Department of Housing and Urban Development (HUD) in accordance with 42 U.S.C. 1437a(b)(2) for purposes of the HAF.</p> <p>Any amount not made available to homeowners that meet this income-targeting will be used for qualified expenses to assist homeowners having incomes equal to or less than 150 percent area median income and will be prioritized for assistance to Socially Disadvantaged Individuals as outlined in U.S. Department of the Treasury Guidance dated August 2, 2021.</p> <p>Program funds will be made available to assist all Eligible Homeowners on a first come, first served basis.</p>
<p>Eligible Homeowners</p>	<p>“Eligible Homeowners” for the Property Charge Default Resolution Program must meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner must attest that they experienced a Qualified Financial Hardship on or after January 21, 2020 (defined below), or had a financial hardship that began before January

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	<p>21, 2020, but continued after that date. The attestation must describe the nature of the financial hardship.</p> <ul style="list-style-type: none"> • Homeowner must currently own and occupy the property as their primary residence. • Homeowner must meet the Income Eligibility Requirements (defined below). • The original, unpaid principal balance of the homeowner’s first mortgage loan, at the time of origination, cannot be greater than the “conforming loan limit” (as determined under the provisions of the Housing and Economic Recovery Act of 2008) in effect at time of origination. • Homeowners who have previously filed for bankruptcy but who are no longer in bankruptcy may need to provide proof of court ordered “discharge” or “dismissal” or permission from the bankruptcy trustee to participate in the HAF program. • Homeowners whose Qualified Financial Hardship is due to a job loss and are not working at the time of application are required to provide documentation showing they are actively seeking work. • The homeowner must provide all necessary documentation to satisfy program guidelines within timeframes established by IFA, including self-certification or attestation of income and Socially Disadvantaged Individual status, as applicable.
<p>Eligible Legal Ownership Structures</p>	<p>“Eligible Legal Ownership Structures” include only the following:</p> <ul style="list-style-type: none"> • Those where the home is owned by one or more “natural persons” (i.e., LLP, LP, S-Corp, or LLC do not qualify). Where the estate of a deceased natural person is the ownership entity, or where the ownership entity is wholly owned by the homeowner(s), the owner may be eligible, subject to review by IFA. • Those where the homeowner has transferred their ownership right into non- incorporated, Living Trusts, provided the homeowner occupies the home as the primary/principal residence and where the homeowner is the trustee. • Those where the home is under a Purchaser’s Interest in a Land Contract valid under Iowa law. • Those where the home is owned by a certificate of title.
<p>Qualified Financial Hardship</p>	<p>A “Qualified Financial Hardship” is a material reduction in income or material increase in living expenses associated with the coronavirus</p>

Commented [CW18]: Do we need to update to include "or where the non-human entity can be directly tied to a specific "natural person" "?

Commented [DT19R18]: Not sure when it comes to the legal definitions.

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	<p>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.</p> <ul style="list-style-type: none"> • <i>Reduction of Income:</i> Temporary or permanent loss of earned income directly related to the coronavirus pandemic after January 21, 2020, or that began before January 21, 2020, but continued after that date. • <i>Increase in Living Expenses:</i> Increase in out-of-pocket household expenses after January 21, 2020, or that began before January 21, 2020, but continued after that date, such as: medical expenses, increase in household size, or costs to reconnect utility services directly related to the coronavirus pandemic.
<p>Homeowner Income Eligibility Requirements</p>	<p>To be eligible for assistance under the Property Charge Default Resolution Program, homeowners must have incomes equal to or less than 150 percent of the area median income (AMI) household limit (three times the income limit for very low-income families, for the relevant household size), in accordance with HUD'S FY 2021 HAF Income Limits. HAF participants are given two options to use in calculating income for eligibility determination:</p> <ul style="list-style-type: none"> • Department of Housing and Urban Development's (HUD) definition of "annual income" in 24 CFR 5.609. • Use adjusted gross income (AGI) as defined for purposes of reporting on Internal Revenue Service (IRS) form 1040 series for individual federal annual income tax purposes. <p>Income may be determined in two ways:</p> <ul style="list-style-type: none"> • <i>Annual Income:</i> Applicants should provide at the time of application source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement), or a copy of Form 1040 as filed with the IRS for the household. • <i>Monthly Income:</i> Applicants should provide income source documentation, as listed above, for one month prior to the submission of the application for assistance.
<p>Homeowner Prioritization</p>	<p>Treasury guidance requires 60 percent of amounts made available to the state to assist homeowners with incomes equal to or less than 100 percent of the Area Median Income (AMI) or equal to or less than 100 percent of the median income for the United States, whichever is</p>

Commented [CW20]: There has been discussion on this - do we need/want to update?

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	<p>greater. The remaining allocation to the state must be prioritized for socially disadvantaged individuals, and after prioritization to those individuals, funds will be made available to other eligible households.</p> <p>The Authority will prioritize funding in the following manner:</p> <ul style="list-style-type: none">• <i>Homeowners Earning 50 percent or less of the Area Median Income.</i> IFA recognizes that homeowners at this income level are often in portfolios of government-backed and guaranteed mortgages and may be in most need.• <i>Homeowners Earning 100 percent or less of the Area Median Income.</i> In accordance with HAF Guidance and recognizing that homeowners earning up to 100 percent of the area median income are overrepresented in portfolios of government-backed and guaranteed mortgages compared to the market as a whole, IFA will prioritize assistance to homeowners with Federal Housing Administration (FHA), Veteran’s Administration (VA), and United States Department of Agriculture (USDA) mortgages and homeowners who have mortgages made with proceeds of mortgage revenue bonds will be prioritized for assistance.• <i>Socially Disadvantaged Individuals.</i> As defined in the HAF Guidance dated August 2, 2021, socially disadvantaged individuals are those whose ability to purchase or own a home has been impaired due to diminished access to credit on reasonable terms as compared to others in comparable economic circumstances, based on disparities in homeownership rates in the HAF participant’s jurisdiction as documented by the U.S. Census. The impairment must stem from circumstances beyond their control. Indicators of impairment under this definition may include being a (1) member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society, (2) resident of a majority-minority Census tract; or (3) individual with limited English proficiency.• <i>Government Loan and Affordable Housing Portfolios.</i> IFA will prioritize assistance to eligible homeowners with FHA, VA, and USDA mortgages and homeowners who have mortgages made with the proceeds of mortgage revenue bonds or other mortgage programs that target low- and moderate-income homeowners.• <i>Non-Traditional Loans and Properties.</i> Recognizing the unique needs of homeowners in rural communities with less housing stock than larger MSAs, IFA will prioritize homeowners who would not typically be included in Government Loan and
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	<p>Affordable Housing Portfolios. IFA will be able to assist homeowners with less traditional financing instruments and will be able to provide assistance to homeowners whose property is a manufactured home as defined by Iowa Code Chapter 435². Homeowners of manufactured housing may not be able to qualify for traditional loan products containing competitive market rates and may have mortgages with higher rates and shorter terms.</p> <p>All remaining funds not otherwise prioritized will be made available for other Eligible Homeowners.</p>
<p>Eligible Properties</p>	<p>Eligible properties are those that are:</p> <ul style="list-style-type: none"> • Single-family (attached or detached) properties. • Condominium units. • 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence. • Manufactured homes permanently affixed to real property and taxed as real estate. • Mobile homes not permanently affixed to real property. <p>Ineligible properties:</p> <ul style="list-style-type: none"> • Vacant or abandoned. • Second homes. • Non-owner-occupied investment property.
<p>Eligible Expenses of Property Charge Default Resolution Program Proceeds</p>	<p>The following housing obligations incurred as a result of a Homeowner’s Qualified Financial Hardship on or after January 21, 2020 (including a hardship that began before January 21, 2020, but continued after that date), are eligible “Qualified Expenses” for payment under the Property Charge Default Resolution Program:</p> <ul style="list-style-type: none"> • Delinquent property taxes. • Homeowner’s hazard, flood, and/or mortgage insurance. • Homeowner’s association fees, condominium association fees or common charges, including for lien extinguishment. • Manufactured/mobile home lot rent, if applicable. • De minimis lender-assessed fees.

² <https://www.legis.iowa.gov/docs/code/435.pdf>

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	All arrearages of qualified expenses are eligible for purposes of HAF regardless of the date they were incurred, including if the arose before January 2020 per U.S. Treasury guidance dated August 2, 2021.
Maximum Per Household of Property Charge Default Resolution Program Assistance	The maximum Property Charge Default Resolution Program assistance per household will be \$25,000. Aggregate assistance per household for the Mortgage Reinstatement and Property Charge Default Resolution Programs shall not exceed \$25,000.
Assistance Type	Assistance will be structured as a non-recourse grant.
Payout of Property Charge Default Resolution Program Assistance	<p>IFA will disburse Property Charge Default Resolution Program assistance directly to property tax offices, insurance companies, homeowner associations, and condo associations (Eligible Entity). Funds will not be disbursed to Eligible Homeowners, or any other non-eligible entity.</p> <p>IFA will disburse the amount quoted by the Eligible Entity; any discrepancies to be resolved by the homeowner and Eligible Entity.</p> <p>Through a coordinated reinstatement process, if a Homeowner's past due amount exceeds the program cap, the Homeowner may pay the difference, and IFA will pay the maximum program limit.</p>
Program Launch	IFA launched the program to the public statewide in the second quarter of 2022, following to the U.S. Treasury Department's approval of Iowa's IHAF Plan. The terms hereof are subject to change based on the foregoing.
Program Duration	<p>The period of performance for the HAF funds begins on the date hereof and ends on September 30, 2026. HAF recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.</p> <p>IFA plans to disburse all funds prior to the end of program date, September 30, 2026.</p>
Application Process	Applications will be accepted online through an online portal that will allow for the upload of all supporting documents. All applications will be entered into and reviewed on the online portal.

Commented [CW21]: Changes made here.

Commented [CW22]: Wording updated - is this accurate?

Commented [DT23R22]: second quarter; it was June

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<p>Required Application Documentation</p>	<p>The following application documents may be required:</p> <ul style="list-style-type: none"> • Application; • Third Party Authorization (TPA) and Disclosure Form; • Qualified Financial Hardship attestation certifying that it occurred after January 21, 2020, (including a hardship that began before January 21, 2020, but continued after that date); • Most recent property tax bill; • Most recent insurance premium; • Most recent association dues invoice; • Most recent lot rent bill; • Valid Iowa identification and Social Security Number card or unique identifier as shown on a legal document, such as a federal tax return; • Income documentation: W2's, paystubs, previous years' tax returns or alternative income documents as applicable such as proof of an Income Proxy such as Unemployment, WIC, SNAP, FDPIR, TANF, SNP, Section 8 and any other income-based county, municipality, state and or federal assistance program (Public Assistance); • Attestation that the homeowner is a "Socially Disadvantaged Individual" (if applicable); and • Payee's contact information and account information, if not listed on monthly statement. • Any additional documents and information IFA may require.
<p>Program Exclusions</p>	<ul style="list-style-type: none"> • Overpayment of HAF funds relative to Homeowner account may not be paid directly to Homeowner.
<p>Program Partner Requirements</p>	<p>Lenders/servicers may be required to agree to communicate using the Common Data File (CDF) format provided by the U.S. Treasury.</p> <p>County Treasurers, Insurance carriers, HOA/condominium associations, etc. may be required to provide a written delinquency statement, contact information, and payment information.</p>

Commented [DT24]: Same question as above regarding SNAP. Do we had P&L statements here (and above)?

Commented [CW25R24]: see response above. This is simply an alternative method of verifying the household is under the income limit and qualifies.

Commented [CW26]: Shall we delete, or leave because this is a separate program component?

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Home Repair Pilot Program

Program Overview	<p>The Homeowner Assistance Fund (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 displacement of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.</p> <p>The Home Repair Pilot Program will assist in preserving homeownership and creating housing stability by preventing displacement due to repairs necessary to maintain the insurability or accessibility of the home.</p>
Home Repair Pilot Program Goal	<p>To provide financial assistance to address critical deferred home repairs and accessibility measures that threaten the homeowner’s ability to insure and/or safely remain in the home.</p>
Targeted Population of Homeowners	<p>Homeowners must earn less than or equal to 80 percent of Area Median Income to be eligible for the Home Repair Pilot Program.</p>
Eligible Homeowners	<p>“Eligible Homeowners” for the Home Repair Pilot Program must meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner must attest that they experienced a Qualified Financial Hardship on or after January 21, 2020 (defined below), or had a financial hardship that began before January 21, 2020, but continued after that date. The attestation must describe the nature of the financial hardship. • Homeowner must currently own and occupy the property as their primary residence. • Homeowner must meet the Income Eligibility Requirements (defined below). • The original, unpaid principal balance of the homeowner’s first mortgage loan, at the time of origination, cannot be greater than the “conforming loan limit” (as determined under the provisions of the Housing and Economic Recovery Act of 2008) in effect at time of origination. • Homeowners who have previously filed for bankruptcy but who are no longer in bankruptcy may need to provide proof of court

- Commented [CW29R27]: Reduced to a simple sentence - thoughts?
- Commented [CW27]: I don't think targeting is feasible for this program ?
- Commented [DT28R27]: Agreed. We're also not looking at the 150% AMI.

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	<p>ordered “discharge” or “dismissal” or permission from the bankruptcy trustee to participate in the HAF program.</p> <ul style="list-style-type: none"> • Homeowners whose Qualified Financial Hardship is due to a job loss and are not working at the time of application are required to provide documentation showing they are actively seeking work. • The homeowner must provide all necessary documentation to satisfy program guidelines within timeframes established by IFA, including self-certification or attestation of income and Socially Disadvantaged Individual status, as applicable.
<p>Eligible Legal Ownership Structures</p>	<p>“Eligible Legal Ownership Structures” include only the following:</p> <ul style="list-style-type: none"> • Those where the home is owned by one or more “natural persons” (i.e., LLP, LP, S-Corp, or LLC do not qualify). Where the estate of a deceased natural person is the ownership entity, or where the ownership entity is wholly owned by the homeowner(s), the owner may be eligible, subject to review by IFA. • Those where the homeowner has transferred their ownership right into non- incorporated, Living Trusts, provided the homeowner occupies the home as the primary/principal residence and where the homeowner is the trustee. • Those where the home is under a Purchaser’s Interest in a Land Contract valid under Iowa law. • Those where the home is owned by a certificate of title.
<p>Qualified Financial Hardship</p>	<p>A “Qualified Financial Hardship” is a material reduction in income or material increase in living expenses associated with the coronavirus pandemic that created or increased a risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> • <i>Reduction of Income:</i> Temporary or permanent loss of earned income directly related to the coronavirus pandemic after January 21, 2020, or that began before January 21, 2020, but continued after that date. • <i>Increase in Living Expenses:</i> Increase in out-of-pocket household expenses after January 21, 2020, or that began before January 21, 2020, but continued after that date, such as: medical expenses, increase in household size, or costs to reconnect utility services directly related to the coronavirus pandemic.

Commented [CW30]: Do we need to update to include "or where the non-human entity can be directly tied to a specific "natural person" "?

Commented [DT31R30]: Not sure when it comes to the legal definitions.

Iowa Homeowner Assistance Fund



<p>Homeowner Income Eligibility Requirements</p>	<p>To be eligible for assistance under the Home Repair Pilot Program, homeowners must have incomes equal to or less than 80 percent of the area median income (AMI). HAF participants are given two options to use in calculating income for eligibility determination:</p> <ul style="list-style-type: none"> • Department of Housing and Urban Development’s (HUD) definition of “annual income” in 24 CFR 5.609. • Use adjusted gross income (AGI) as defined for purposes of reporting on Internal Revenue Service (IRS) form 1040 series for individual federal annual income tax purposes. <p>Income may be determined in two ways:</p> <ul style="list-style-type: none"> • <i>Annual Income</i>: Applicants should provide, at the time of application, source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement), or a legal copy of Form 1040 as filed with the IRS for the household. • <i>Monthly Income</i>: Applicants should provide income source documentation, as listed above, for one month prior to the submission of the application for assistance.
<p>Homeowner Prioritization</p>	<p>Treasury guidance requires 60 percent of amounts made available to the state to assist homeowners with incomes equal to or less than 100 percent of the Area Median Income (AMI) or equal to or less than 100 percent of the median income for the United States, whichever is greater. The Home Repair Pilot Program will be available only to homeowners with incomes equal to or less than 80 percent of the Area Median Income (AMI).</p>
<p>Eligible Properties</p>	<p>Eligible properties:</p> <ul style="list-style-type: none"> • Single-family (attached or detached) properties. • Condominium units. • 2- to 4-unit properties where the homeowner is living in one of the units as their primary residence. • Manufactured homes permanently affixed to real property and taxed as real estate. <p>Ineligible properties:</p> <ul style="list-style-type: none"> • Vacant or abandoned. • Second homes. • Non-owner-occupied investment property.

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	<ul style="list-style-type: none"> • Mobile homes not permanently affixed to real property.
<p>Eligible Expenses of Home Repair Pilot Program Assistance</p>	<p>For homeowners unable to obtain or maintain homeowners' insurance due to the condition of their home, the following repairs to core residential systems may be eligible:</p> <ul style="list-style-type: none"> • Drainage. • Electrical or plumbing systems. • Foundation repair. • Building envelope, including exterior doors and window replacement, siding, roofing, soffit, fascia, gutters and/or ventilation. • Septic. • Wells. • Payment of reasonable nuisance or associated fines resulting from the homeowner's inability to make critical home repairs. <p><i>Note: this list may not include all eligible repairs; repairs must increase the insurability/habilitation of the home.</i></p> <p>For homeowners who need to make accessibility-related modifications to help assure continued habitability of the home based on their physical/health needs, the following types of environmental modifications will be considered:</p> <ul style="list-style-type: none"> • Installation of specialized electric and plumbing systems to accommodate medical equipment and supplies. • HVAC repair or replacement. • Installation or repair of non-portable ramp(s) or lift(s). • Modification of bathroom facilities • Modification of kitchen facilities. • Specialized accessibility/safety adaptations. • Turnaround space adaptations. • Widening of doorways/hallways. • Lead hazard reduction. • Asbestos removal. • Mold remediation.

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	<ul style="list-style-type: none"> Radon mitigation. <p><i>Note: this list may not include all eligible repairs; repairs must increase the insurability/habilitation of the home.</i></p>
Maximum Per Household of Home Repair Pilot Program Assistance	The maximum Home Repair Pilot Program assistance per household will be \$35,000. Homeowners may also receive assistance through the Mortgage Reinstatement and Property Charge Default Resolution Programs in an aggregate amount not to exceed \$25,000.
Assistance Type	Assistance will be structured as a non-recourse grant.
Payout of Home Repair Pilot Program Assistance	<p>IFA will contract with qualified non-profit organizations (HRPP Partners) to administer the Home Repair Pilot Program locally. Funds will be disbursed to HRPP Partners to reimburse home repair expenses incurred.</p> <p>IFA will disburse the amount requested and verified through proper invoicing. In no instance will funds be disbursed to the homeowner directly.</p>
Program Launch	IFA plans to launch the program statewide in the third quarter of 2023, following to the U.S. Treasury Department’s approval of Iowa’s updated IHAF Plan. The initial application window will be open for a period of one week. Additional application windows will be opened contingent upon the continued availability of funds. The terms hereof are subject to change based on the foregoing.
Program Duration	<p>The period of performance for the HAF funds begins on the date hereof and ends on September 30, 2026. HAF recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.</p> <p>The Home Repair Pilot Program will run from its launch date through September 30, 2025. The program may be extended for an additional period not to extend beyond September 30, 2026, if funds remain available.</p>
Application Process	Applications will be accepted through an online portal that will allow for the upload of all supporting documents. All applications will be entered into and reviewed on the online portal.

Commented [DT32]: Do we need to add the language that additional critical home repairs may be considered?

Commented [CW33R32]: I copied wording here from the manual.

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<p>Required Application Documentation</p>	<p>The following application documents may be required:</p> <ul style="list-style-type: none"> • Application; • Third Party Authorization (TPA) and Disclosure Form; • Qualified Financial Hardship attestation certifying that it occurred after January 21, 2020, (including a hardship that began before January 21, 2020, but continued after that date); • Most recent property tax bill; • Most recent insurance premium; • Most recent association dues invoice; • Most recent lot rent bill; • Valid Iowa identification and Social Security Number card or unique identifier as shown on a legal document, such as a federal tax return; • Income documentation: W2's, paystubs, previous years' tax returns or alternative income documents as applicable such as proof of an Income Proxy such as Unemployment, WIC, SNAP, FDPIR, TANF, SNP, Section 8 and any other income-based county, municipality, state and or federal assistance program (Public Assistance); • Attestation that the homeowner is a "Socially Disadvantaged Individual" (if applicable); and • Payee's contact information and account information, if not listed on monthly statement. • Any additional documents and information IFA may require.
<p>Program Exclusions</p>	<ul style="list-style-type: none"> • Home repairs or improvements that are not related to the insurability, habitability or accessibility of the home.
<p>Home Repair Pilot Program Partner Requirements</p>	<p>Home Repair Pilot Program partners will be required to submit draw requests for reimbursement in a format required by IFA and including required supporting documentation. HRPP partners will be required to maintain project books, records, documents and other evidence pertaining to all costs and expenses incurred and revenues received under Home Repair Pilot Program for a period of five years beyond the repair project completion or December 31, 2030, whichever is later.</p>

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EXHIBIT: Acceptable Documentation List³

Documentation	Accepted Documents
Proof of Identification <i>(Only required for Head of Household and second Homeowner)</i>	<ul style="list-style-type: none"> • Driver’s license • Passport • State Issued ID • Permanent Resident Card • Other government issued photo ID
Proof of Social Security Number	<ul style="list-style-type: none"> • Social Security Card • W2/1099 Tax Form (most recent year) • 1040 IRS Tax Form (first two pages only; most recent tax year) • Other legal document (showing name & complete SSN)
Proof of Household Income <i>(All Residents including Dependents 18 & older/NOT full-time Student)</i>	<ul style="list-style-type: none"> • The most recent paystubs covering a 30-day period as of the application date for hourly wage-earning applicants including YTD earning from each employer • A paystub from within 30 days as of the date of the application for salary-earning applicants including YTD earnings from each employer • 1040 IRS Tax Form (first two pages only; most recent tax year), if self-employed • W2/1099 Tax Form (most recent year) • Unemployment/benefit statement or payment history • Government benefit statement • Retirement/Pension statement • Child support payment history • Alimony payment statement
Proof of Delinquency	<ul style="list-style-type: none"> • Mortgage Statement for each mortgage lien (most recent month)

Commented [CW34]: updated

Commented [CW35]: added

³ The documents listed in this table is non-exhaustive. Additional documentation may be required, at the discretion of IFA.

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	<ul style="list-style-type: none"> • Property tax statement • Condominium Association Dues • Homeowner insurance policy delinquency statement, if not escrowed in monthly mortgage payment • Mobile home consumer loan statement • Mobile home lot rent statement • Land Contract Agreement or Memorandum of Land Contract; Delinquent statement from title holder/Seller of land contract
<p>Proof of Other Documents <i>(if applicable)</i></p>	<ul style="list-style-type: none"> • Bankruptcy – Bankruptcy Court/Trustee Approval letter or Evidence of Discharge of Bankruptcy • Death Certificate of deceased property owner • Letters of Authority/Last Will & Testament of deceased property owner’s estate

Commented [DT36]: This doesn't seem long it belongs or it's an incomplete thought?

Commented [CW37R36]: Yes, I agree. This was in the original document...what do you think they were getting at?

Commented [DT38R36]: I'm not sure. I feel like we have all of the areas covered? We could add one at the end that says any other proof requested by IFA like we've done in other sections.