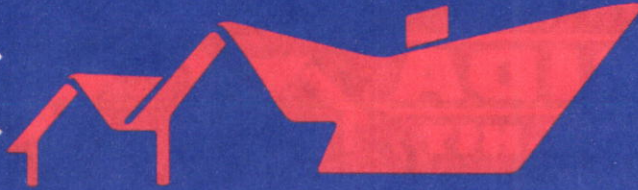


# FLORIDA HARDEST-HIT



## Program Fact Sheet

### Background

In February 2010, US Treasury (Treasury) created the "Housing Finance Agency (HFA) Innovation Fund for the Hardest-Hit Housing Markets" (HFA Hardest-Hit Fund) and allocated funds under the Emergency Economic Stabilization Act of 2008 (EESA) to five states: Arizona, California, Florida, Michigan and Nevada. The funds were allocated to these states because of their excessive housing market depreciation and to assist in foreclosure prevention efforts. In March 2010, Treasury allocated a second disbursement of \$600 million to an additional five state HFAs based on high unemployment rates. On August 11, Treasury again expanded the HFA Hardest-Hit Fund to include a total of 18 states and the District of Columbia, and added an additional \$2 billion. Florida received another allocation of funds, \$236.8 million, from the third round of funding, which added to the initial allocation of \$418 million, brought Florida's total funding to \$656.8 million. Most recently, on September 29, 2010, Treasury announced a fourth round of funding, awarding Florida an additional \$401 million; this brings Florida's total award amount to more than \$1 billion.

### Current Programs

Florida Housing Finance Corporation (Florida Housing) was directed by Treasury to use a portion of these funds specifically for targeted unemployment programs that provide temporary assistance to eligible homeowners.

These targeted unemployment programs—collectively known as the Florida Hardest-Hit Fund (HHF) program—are as follows:

- **Unemployment Mortgage Assistance Program (UMAP)** will provide up to 12 months of payments (with a cap of \$24,000) to the mortgage lender to assist unemployed or underemployed borrowers with their first mortgage until they can resume full payments on their own. In addition, up to \$18,000 can be paid up-front to reinstate a delinquent first mortgage before UMAP payments commence. Total assistance available is up to \$42,000.
- **Mortgage Loan Reinstatement Payment (MLRP) Program** will be used as a one-time payment to bring a delinquent mortgage current (up to \$25,000) for a homeowner who has returned to work or recovered from underemployment.

Florida homeowners may apply for HHF assistance using the web-based, online system at [www.FLHardestHitHelp.org](http://www.FLHardestHitHelp.org). The site contains all the information a homeowner needs to apply, including detailed eligibility criteria, step-by-step prompts, FAQs, etc. **Referral Code: 64075**

The Florida HHF program began in October 2010 with a pilot implemented in Lee County; the program opened statewide on April 18, 2011. Revisions to Florida HHF eligibility criteria and program benefits were implemented in June 2012.



# FLORIDA HARDEST-HIT



## Florida HHF Program Eligibility Requirements

Eligibility requirements are organized in three areas: (1) Household eligibility requirements; (2) Property eligibility requirements; and (3) Mortgage eligibility requirements. Homeowners must meet **all criteria** within each category to qualify. However, homeowners who meet all eligibility criteria **are not guaranteed approval** for Florida HHF assistance; homeowners can still be denied eligibility by their mortgage company.

Also, the borrower/co-borrower, through no fault of their own, must have experienced at least a 10 percent reduction in income that results in a financial hardship due to job loss (unemployed), reduction in income or hours worked (underemployed), or reduction of income for a self-employed homeowner.

### **Homeowner Requirements**

- Must be a legal US resident or a legal alien AND a Florida resident;
- Must occupy the property as primary residence; cannot own more than one additional property;
- Must be unemployed or underemployed, with at least a 10 percent reduction in income for the borrower/co-borrower;
- Total household income must be below 140% of the area median income (AMI) as provided by US Department of Housing and Urban Development (HUD); total household income includes all income for persons living in the home who are age 18 years and older;
- Must have monthly housing debt of more than 31% of the homeowner's gross monthly income; the combined monthly dollar cost of the mortgage principal, interest, taxes, insurance and association dues of all secured mortgages **must be greater than 31%** of the total household's gross income after the financial hardship event;
- Must have an active checking or savings account that can be debited by the ACH method of funds transfer; and
- Any bankruptcies must be discharged.

### **Property Requirements**

Homeowner's primary residence must be located in Florida and can be any one of the following structures:

- A single-family home or townhome;
- A condominium (last two years of the condominium association's financial statement will be required);
- A manufactured or mobile home on a foundation permanently affixed to real estate owned by the homeowners; or
- An up to four-unit family dwelling of which one unit is occupied by the homeowner as the primary residence.
- Homeowner(s) must not own more than one (1) additional property other than the primary residence.

### **Mortgage Requirements**

- First mortgage is currently being serviced by a participating servicer/lender (as indicated by Florida Housing);
- First mortgage is with a regulated financial institution;
- The unpaid principle balance of the first mortgage must be less than \$400,000.