

FLORIDA HARDEST-HIT



By Michael Chaney

The “Housing Finance Agency Innovation Fund for the Hardest-Hit Housing Markets” (Hardest-Hit Fund or HHF) was launched statewide in Florida on April 18 to assist qualified homeowners facing foreclosure. Announced by the US Department of Treasury (Treasury) in February 2010, and administered by Florida Housing Finance Corporation (Florida Housing), the program is designed to assist families in states hit hardest by the downturn in the housing market. Although Arizona, California, Florida, Michigan and Nevada were the first five states to be allocated funds, the program has grown to include a total of 18 states and the District of Columbia. Florida’s HHF allocation is more than \$1 billion, second only to California.

There are two HHF programs in Florida. A majority of people who have applied are requesting assistance from the Unemployment Mortgage Assistance Program (UMAP), which provides up to six months of mortgage payments (including escrowed mortgage-related costs) on the first mortgage. To be eligible, the borrower and/or co-borrower must be unemployed or underemployed, and must be no more than 180 days delinquent on the first mortgage.

The second program, the Mortgage Loan Reinstatement Payment (MLRP) program, helps homeowners who can now afford their monthly mortgage payment, but are past due on their mortgage because of unemployment or underemployment of the borrower and/or co-borrower. The MLRP provides funds to help bring a past-due first mortgage current. There are additional eligibility criteria that a homeowner must meet to be considered for either or both HHF programs; a complete list of all criteria for a homeowner, property and mortgage are available on the HHF website at: www.FLHardestHitHelp.org.

Shortly before the statewide start of HHF, the program was updated based on a review of the pilot and recommendations from the Governor’s Office. For the UMAP, an eligible

homeowner can receive up to \$12,000 for monthly mortgage assistance not to exceed the six-month period. Also, participants in this program will be required to pay 25 percent of their monthly income (at a minimum of \$70) toward their monthly mortgage payment for each month they participate in the program. A final change affects the amount of assistance available for the MLRP; up to \$6,000 will be available to eligible participants to bring the past-due first mortgage current. For homeowners who received UMAP assistance before becoming eligible for MLRP, any unused UMAP funds (up to \$12,000) may supplement MLRP funds to help bring the first mortgage current.

Throughout the pilot program and now during the statewide rollout, the Florida Housing Coalition’s role has been to offer training and assistance to the advisor agencies. We have provided face-to-face workshops, webinars and onsite training to advisors. In addition, the Coalition serves as the second reviewer for the formal appeals process for the program. Currently, a majority of applicants have been contacted by their assigned Advisor.

Ultimately, for a qualified homeowner to participate in the HHF program, the homeowner’s mortgage holder must sign up as a participating servicer and agree to accept HHF payments. Florida Housing’s staff has joined with other HHF states to recruit more participating servicers and the list of lenders in Florida has grown steadily to more than 65 servicers. It is expected that more servicers will sign on because Florida’s \$1 billion of HHF funding, if used for these two programs, would be enough to help an estimated 40,000 homeowners. **HNN**



Hardest Hit advisors receive training from the Florida Housing Coalition Technical Assistance Team.