



Nevada Affordable Housing
Assistance Corporation

NAHAC Program Overview

Draft Proposal with Treasury

As of 10/26/16

Second Mortgage Reduction Plan (SMRP) - SUSPENSION

Unemployment Mortgage Assistance Program (UMA)

This program will provide temporary financial assistance to eligible Nevada homeowners who wish to remain in their homes, but have suffered a loss of income due to unemployment or underemployment.

- Provide up to \$3,000 in monthly mortgage payment assistance
- Up to 18 months
- Once employment is obtained, additional 3 months of assistance will be provided unless the HTI is still greater than 31%
- Low to moderate income household – ≤ 150% AMI
- HTI must be 31% or over

Additional Criteria:

- Maximum assistance amount \$54,000.00
- Underemployment – Spouse must show unemployment
- 5 year lien will be required

Principal Reduction Program (PRP)

This program will provide assistance to reduce the principal balance of the 1st priority mortgages for borrowers with an eligible financial hardship and/ or negative equity by:

Modification or Reamortization:

Principal reduction and a permanent modification or reamortization (recast) to achieve a lower monthly payment.

1. Eligible financial hardship such as reduced income due to underemployment, medical condition, divorce or loss of spouse.
2. Pre-assistance HTI is greater than 38% and post-assistance between 25% and 38%
3. Primary mortgage must be delinquent or facing imminent default.
4. Pre-assistance LTV must be greater than 80%
 - a. If assistance brings principal balance below 100%, a 10 year lien will be required.
 - b. If assistance brings principal balance at 100% or above, a 5 year lien will be required.



Nevada Affordable Housing
Assistance Corporation

Negative Equity:

Principal reduction of a non-delinquent borrower's primary mortgage with a negative equity LTV 110% or higher.

1. Pre-assistance HTI must meet an "Affordable Payment" defined as less than 38%
2. Post-assistance LTV ratio must be less than 140% and not lower than 100%

Additional Criteria:

- Low to moderate income household – ≤ 150% AMI
- Maximum program assistance \$100,000
- A valuation of the property will be ordered to determine LTV percentages
- Eligible financial hardship must have occurred within 5 years of the date of the application and not before the purchase of the home.

Mortgage Reinstatement Assistance Program (MRAP)

This program will provide reinstatement assistance to borrowers in default. The assistance will bring their primary 1st mortgage current by curing all contractual past due principal, interest, taxes, insurance, HOA dues.

Where:

- a. Unemployed at no fault of their own and are now employed or underemployed.
- Or
- b. Underemployed and their underemployment was caused by a substantial reduction of hours or salary reduction.

Additional Criteria:

- Low to moderate income household – ≤ 150% AMI.
- Maximum assistance amount \$54,000.
- HTI must be below 38%.
- Property must be 2 or more payments past due prior to application date.

PRIMARY REQUIREMENTS FOR ALL PROGRAMS:

- Borrower cannot have excessive liquid assets, greater than eligible program(s) assistance
- Borrower must own and occupy single family, 1-4 unit Nevada home and be their primary residence.
- Properties with more than two mortgages are not eligible.
- Borrower must be U.S. Citizen or legal U.S. resident.
- Borrower cannot be in an active bankruptcy.
- Borrower cannot be in a Home Affordable Modification Program (HAMP) trial period.
- Property with 1st Priority mortgage secured by a HELOC are not eligible