Term Sheet Changes Narrative 11-30-17
"Amendment #21"

Changes to all Existing Programs:

- **Income Limit Increase** – Changing household income limit from $94,809 to $107,480. At the request of Senator Cortez Masto, we looked at the County Area Median Income (AMI) and found that some counties were being disadvantaged having a higher AMI than the current income limit. The highest county AMI in Nevada is $107,200.
- **Residency Status** – Changing the language from ***Legal U.S. Resident or lawful permanent U.S. resident and Nevada resident*** to ***Nevada Resident*** in order to assist every homeowner irrespective of their residency status.

Changes by Program:

- **Unemployment Mortgage Assistance Program –** Reinstate a delinquent first mortgage loan to those who qualify for the program before making monthly payments in order to prevent foreclosure and provide a homeowner with additional time to find alternate employment and replace income needed to make their mortgage payment.
- **Mortgage Reinstatement Assistance Program** – Provide assistance to previous MRAP recipients if the homeowner has suffered a subsequent, qualifying hardship provided that the program assistance amount per household does not exceed the maximum program amount of $54,000.
- **Principal Reduction Program** – This program has several components. NAHAC is proposing changes to the following two components:
    - **PRP Affordability Component –**
        - Request to change the household income limit from $37,924 to $63,206 for homeowners whose primary source of income is from a fixed income source and have an unaffordable payment. By increasing the household income limit, the program will allow a principal reduction to achieve an affordable payment between 25 and 38 percent by way of a recast or reamortization with the servicer in order to lower the first lien monthly mortgage payment.
        - 1st Loan full lien extinguishment – Homeowners whose primary source of income is from a fixed income source is eligible for a lien extinguishment on the first mortgage loan with an unpaid principal balance of $50,000 or less. The housing related expenses such as property taxes, homeowners insurance and homeowners' association dues must be between 25 and 38 percent of the gross monthly household income.
    - **PRP Curtailment Component** – Change the affordability level from 25 percent to 15 percent. This component applies to homeowners who already have an affordable payment and are current on their mortgage to have an affordability level as low as 15 percent of their gross household income.