

Performance Report – March 2020

Administrative

The onset and rapid spread of the coronavirus (COVID-19) necessitated an abrupt change to NAHAC's business operations. At the close of business on March 16, 2020, NAHAC laid off its four (4) temporary employees and directed its remaining seven (7) FTE employees to begin working from home effective the following business day, March 17, 2020. These remaining staff have been successfully and productively working remotely since that time and communicating via regular conference calls, emails, and text messages as NAHAC continues the processing of DPA files and gears up for the potential relaunch of a homeowner assistance program.

Home Retention Programs

On March 27, 2020, NAHAC submitted a request to Treasury to relaunch the Unemployment Mortgage Assistance Program in response to the changing unemployment conditions in Nevada due to temporary closure of business functions including casinos, which employ approximately 206K workers. The unexpected closure of such businesses was in direct response to the 2020 COVID-19 pandemic. The request includes reallocating all remaining program dollars, currently estimated at \$2.9 million, to the MAP, amending the MAP term sheets and reallocating program dollars for administrative purposes associated with the relaunch of the MAP. If approved, the funds will assist approximately 713 households who are unemployed and receiving unemployment benefits or who are supplementing their income with unemployment benefits. The program will assist households that are financially struggling to make their mortgage payment by providing three monthly mortgage payments in one bundled payment to their mortgage servicer.

Down Payment Assistance Program

The DPA program was closed on March 20, 2020, which was much earlier than anticipated due to the market conditions caused by the 2020 COVID-19 pandemic. The funding mechanism the program uses to operate ceased to be viable as the secondary market for mortgage-backed securities is not predictably available.

Through March 31, 2020, there were 665 confirmed reservations totaling \$12,652,887 in program dollars. NAHAC expects to see a fallout of DPA files due to increased layoffs, which will result in additional available program funds that will be repurposed for the Unemployment Mortgage Assistance Program. The Nevada Housing Division (NHD) has sent 395 pre-closing and 20 post-closing loan packets to Springboard for quality review. Of the 395 pre-closing files, Springboard has completed an initial review of 357 loan files; 291 have been found to be pre-eligible, 13 files have been found ineligible, and 53 files are currently suspended. Of the 20 post-closing files, Springboard has completed the review of 16 loan files; 13 have been found to be eligible and 3 are currently suspended. NHD is continuing to work with lenders to obtain all required documents on the remaining loan files.

Program Wind Down

NAHAC's proposal to Treasury to relaunch MAP includes a revision to NAHAC's wind-down timeline to reflect a revised closure date of February 28, 2021. This revision is being presented to the NAHAC board for approval.

Amounts Funded

Since inception NAHAC has expended slightly over \$180 million from the NVHHF through March 31, 2020. Almost \$156 million of this total represents program disbursements; the remaining approximately \$25 million represents administrative expenses. There is approximately \$18.6 million remaining, comprised of \$14.8 million in program funds, \$2.7 million in lien recoveries, and approximately \$1.1 million set aside for administrative expenses. The above referenced DPA Program reservations totaling \$12,652,887 are part of the \$14.8 million in program funds. Given the current mortgage environment and likelihood of further fallout of these files, NAHAC expects this amount to continue to drop, freeing up more funds to become available for potential home retention program purposes.