Nevada HAF Plan
~~July 20~~August 11, 2021

The American Rescue Plan Act of 2021 (the ARP) was passed by the 117th United States Congress and signed into law by President Joe Biden on March 11, 2021. The Homeowner Assistance Fund (HAF) was established under Section 3206 of the ARP authorizing the U.S. Department of the Treasury (Treasury) to mitigate financial hardships associated with the COVID-19 pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing.

Funds from the HAF may be used for assistance with mortgage payments, homeowner's insurance, ~~utility payments~~, and other specified purposes. The law prioritizes funds for homeowners who have experienced the greatest hardships, leveraging local and national income indicators to maximize the impact[1].

The Nevada Housing Division (NHD), a division of the State of Nevada Department of Business & Industry (Business and Industry), was chosen by Treasury as the State Housing ~~finance~~ Finance Agency (HFA). NHD has selected Nevada Affordable Housing Assistance Corporation (NAHAC) to administer the HAF program.

NAHAC was the administrator of the Nevada Hardest Hit Fund. In February 2010, President Obama established the Hardest Hit Fund to provide targeted aid to families in states hit hard by the economic and housing market downturn. Funding was obtained from and monitored by Treasury. Nevada received an allocation of slightly over $196 million to assist qualified homeowners. The mission was to provide funds, subsidies and/or other benefits to Nevada homeowners or other targeted groups of individuals in Nevada to assist with affordable or subsidized single or multi-family housing.

NAHAC consistently determined the specific needs of Nevada homeowners and applicable needs of individual communities. NAHAC was the liaison with public and private partners to achieve identified goals and objectives and provided efficient and effective service to Nevada's homeowners.

Needs Assessment:

Nevada has been greatly impacted by the COVID-19 pandemic. Nevada's employment sectors are heavily weighted in the service and tourism industries. The pandemic brought about temporary closure of the service industry, particularly hotels, casinos, and restaurants. Some of these businesses remain fully or partially closed today. At the peak, Nevada's unemployment rate rose from 3.7 percent in February 2020 to 29.5 percent in April 2020 (shown in **Figure 1**) due, in part, to the closure of major casinos, which employ approximately 206,000 workers. The unemployment rate in the state as of April 2021 was 8 percent, 6th highest rate in the country and more than double the rate prior to the pandemic.

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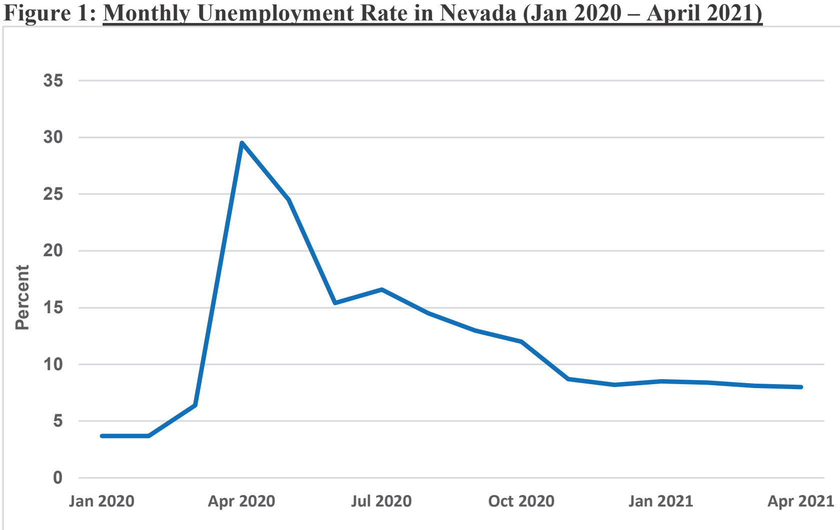
[1] https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/homeowner-assistance-fund

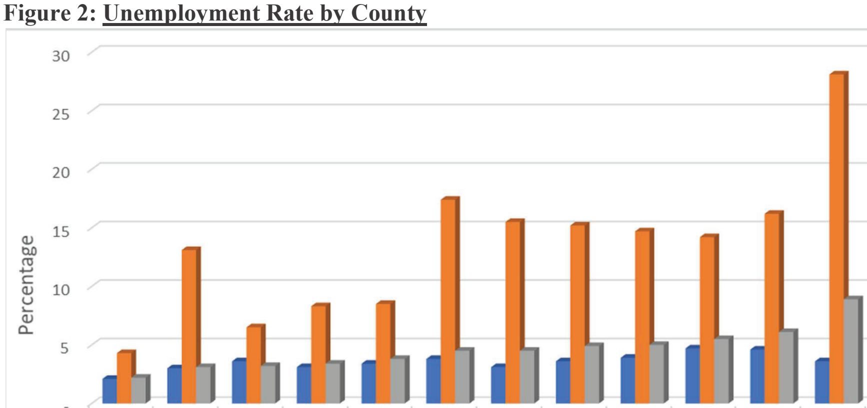
Figure 1: Monthly Unemployment Rate in Nevada (Jan 2020 – April 2021)



Source: U.S. Bureau of Labor Statistics (2021) – fred.stlouisfed.org

Every county across Nevada experienced increased unemployment rates at the height of the pandemic. **Figure 2** indicates those counties whose unemployment rates have remained higher than pre-pandemic unemployment rates.

Figure 2: Unemployment Rate by County

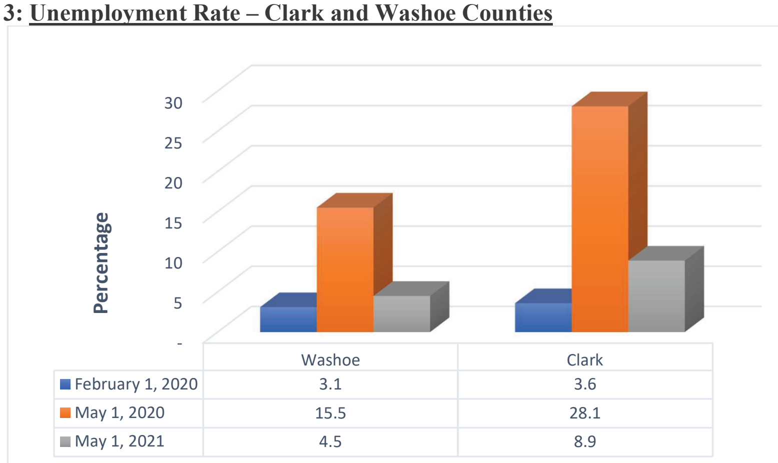


	Eureka	Elko	Lincoln	Humboldt	Mineral	Douglas	Washoe	Storey	Carson City	Lyon	Nye	Clark
Feb 2020	2.1	3.0	3.6	3.1	3.4	3.8	3.1	3.6	3.9	4.7	4.6	3.6
May 2020	4.3	13.1	6.5	8.3	8.5	17.4	15.5	15.2	14.7	14.2	16.2	28.1
May 2021	2.2	3.1	3.2	3.4	3.8	4.5	4.5	4.9	5.0	5.5	6.1	8.9

Source: U.S. Bureau of Labor Statistics (2021) – fred.stlouisfed.org

The state will specifically target the most populous counties, Clark and Washoe. Washoe County is in the northern region and Clark County is in the southern region of Nevada, which together account for approximately 90 percent of Nevada's total population. Understandably, both counties experienced the most significant increase in unemployment (Washoe - 12 percent increase, Clark 25 percent increase. (See **Figure 3**)).

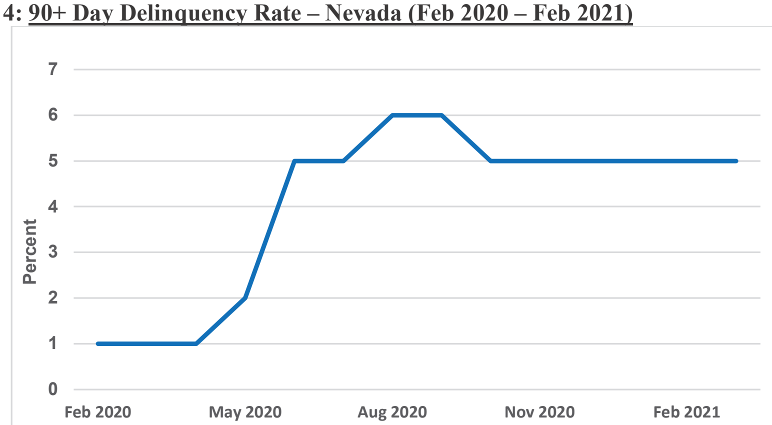
Figure 3: Unemployment Rate – Clark and Washoe Counties



Source: U.S. Bureau of Labor Statistics (2021) – fred.stlouisfed.org

Additionally, Nevada's delinquency rate rose from 1 percent in April 2020 to six percent in August 2020 and is currently remaining steady at 5 percent. (See **Figure 4**)

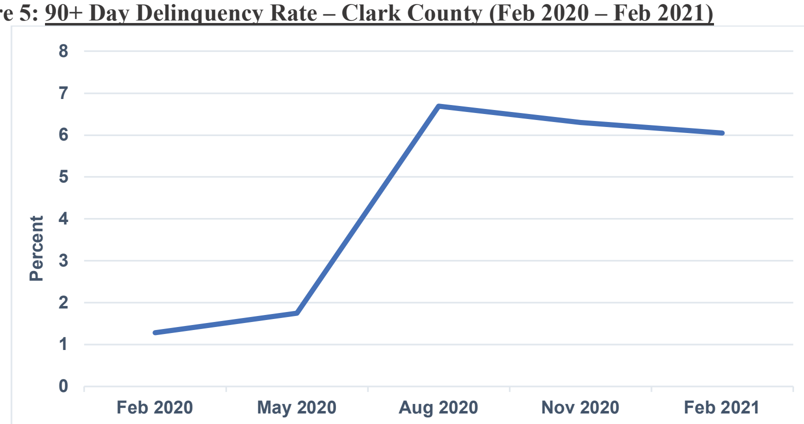
Figure 4: 90+ Day Delinquency Rate – Nevada (Feb 2020 – Feb 2021)



Source: CoreLogic Market Trends

Clark County's delinquency rate rose from approximately 1 percent in February 2020 to 6.7 percent in August 2020 and is currently remaining relatively steady at 6 percent. (See **Figure 5**)

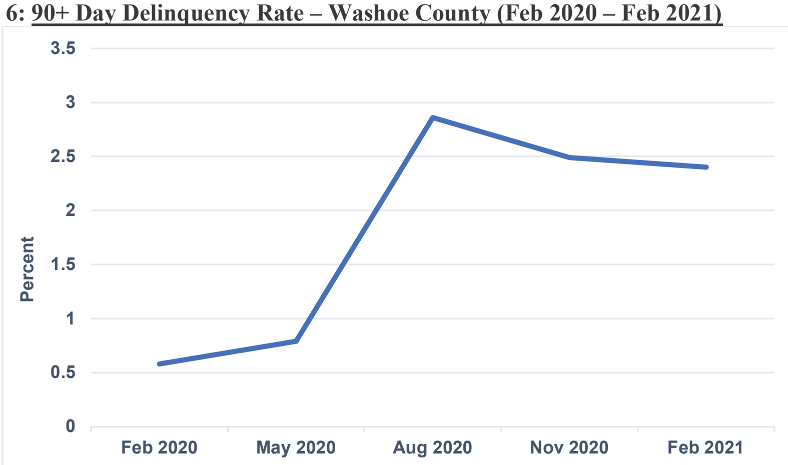
Figure 5: 90+ Day Delinquency Rate – Clark County (Feb 2020 – Feb 2021)



Source: CoreLogic Market Trends

Washoe County's delinquency rate (shown in **Figure 6**) rose from approximately one-half percent in February 2020 to 2.9 percent in August 2020 and is currently remaining relatively steady at 2.5 percent.

Figure 6: 90+ Day Delinquency Rate – Washoe County (Feb 2020 – Feb 2021)



Source: CoreLogic Market Trends

The lack of work has had a dramatic impact on homeowners' ability to pay their mortgage and/or household bills. Mortgage delinquencies on government backed loans is reported to be approximately 24 percent, and an additional 9 percent of homeowners have entered into forbearance agreements. The immediate objective of the HAF is to decrease the number and probability of foreclosures, with the further goal of sustaining home ownership in the long term. In September 2020, the tourism-heavy economies of Hawaii and Nevada suffered the most from COVID-19, according to the Bankrate Housing Hardship Index[2].

"States experiencing high unemployment will see mortgage delinquencies surge if unemployment remains elevated as forbearance periods expire," says Greg McBride, CFA, Bankrate chief financial analyst. "This year may see the worst for unemployment, but 2021 will likely bring the worst for mortgage delinquencies and defaults."

The HAF will be instrumental in helping the economy recover. The programs will aid many Nevada homeowners in getting back on their feet by providing resources to bring them up to date with mortgage payments and other real estate related expenses, including utility assistance.

The state looks forward to launching two foreclosure prevention programs that are tailored to the hardships that Nevadans are currently facing. These programs will provide much needed mortgage relief to homeowners by bringing their mortgage current and temporarily assisting them with monthly mortgage payments ~~to~~ allowing them time to become reemployed in the workforce. The programs will also provide assistance for household related expenses, such as taxes, homeowner association dues and assessments~~, and utilities~~. Finally, partnerships will be leveraged to assist homeowners with housing counseling and legal support resources to help navigating next steps.

Public Participation and Community Engagement

The state's goal is to meet the needs of our community. Based on the data reported on Nevada's state unemployment rates and mortgage delinquency rates, it is our plan to engage the organizations working closest with those homeowners receiving unemployment benefits, experiencing mortgage delinquency, defaults, foreclosures, displacement of homeowners receiving financial hardships, and socially disadvantaged individuals. NAHAC will also work closely with local jurisdictions and government officials to understand homeowners' needs so that they can be adequately addressed, including offering multiple intake formats and provide additional pathways into the program, and providing both cultural and linguistic relevant outreach~~needs~~. In addition to these relationships, NAHAC recently held initial roundtables with servicers and HUD-approved Housing Counseling Agencies (HCA) to discuss development and implementation of the HAF plan. The plan has been shared with these stakeholders and NAHAC has received feedback from them. Follow-up roundtables are being scheduled to vet this input and discuss further. ~~A~~Also, a public hearing was held on July 12, 2021 where homeowners, servicers, HCAs, and other stakeholders had the opportunity to make comments and participate in the HAF plan discussion.

Programs

[2] https://www.bankrate.com/mortgages/housing-hardship-index/

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Nevada will launch two programs, the Unemployment Mortgage Assistance Program (UMA) and the Mortgage Reinstatement Program (MRAP), to mitigate financial hardships associated with the COVID-19 pandemic by providing funds to eligible homeowners to assist in preventing delinquencies, defaults, foreclosures, and homeowner displacement. The primary goals of the programs are to achieve homeowner retention and reduce delinquencies among homeowners receiving assistance. Homeowners will be able to initiate an application for assistance either by phone, online, or in person with HUD-approve HCAs. Information about the programs and the application will be available in both English and Spanish and NAHAC will make necessary accommodations for homeowners with other linguistic needs.

NAHAC understands that there may be homeowners with private mortgages that will be at greater risk of foreclosure due to limited options for loss mitigation. NAHAC will assist these homeowners through housing counseling and legal aid assistance to assist in preventing foreclosure.

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Below are outlines for the UMA and MRAP programs.

Unemployment Mortgage Assistance Program (UMA)

1. Program Overview	The Unemployment Mortgage Assistance Program (UMA) will provide temporary financial assistance to eligible Nevada ~~borrowers~~homeowners who wish to remain in their homes but have suffered a loss of income due to unemployment or underemployment. UMA provides mortgage payment assistance equal to the lesser of $3,000 per month or 100% of the PITI (principal, interest, tax, insurance, as applicable) and any escrowed or non-escrowed homeowner's association dues or assessments ~~as well as borrower's utilities, including electric, gas, water and homeowner's internet service~~, for up to twelve (12) months, with the purpose of preventing avoidable foreclosures.
2. Program Goals	UMA's goal is to help ~~borrowers~~homeowners remain in their homes and prevent avoidable foreclosures despite loss of income due to unemployment or underemployment. UMA will reinstate a delinquent first mortgage loan and any delinquent homeowner's association dues or assessments, including delinquent non-escrowed taxes before making monthly payments in order to prevent foreclosure. ~~The program will also reinstate any past due utilities, including electric, gas, water, and homeowner's internet service.~~ UMA is designed to assist ~~borrowers~~homeowners who are ~~currently~~ receiving Nevada Department of Employment, Training, and Rehabilitation (DETR) unemployment benefits at time of the application, including those whose unemployment benefits were exhausted within 90 days from application date.

	~~UMA was designed to complement other loss mitigation programs, including increasing a borrower's eligibility for an extended written forbearance plan and/or loan modification~~HAF funds will be used only to supplement other loss mitigation options offered by the servicer under investor requirements or where, without HAF funds, the homeowner would not qualify for that loss mitigation option.
3. Target Population/ Areas	UMA is designed to target low-to-moderate income borrowers and address the needs of a borrower's specific situation.
4. ~~Borrower Eligibility Criteria~~Homeowner Eligibility Criteria and Documentation Requirements	Same as General Eligibility Requirements plus: • Statement of current inability to resume mortgage payments due to unemployment or underemployment, or other continuing hardship. • ~~from applicationHardship Affidavit / 3rd Party Disclosure and Homeowner Acknowledgement.Legal U.S. resident or lawful permanent U.S. resident and Nevada resident.~~ • ~~Borrower qualifies as low-to-moderate income based on per-household income thresholds not to exceed income limits set forth in program guidelines.~~ • ~~Borrower must complete and sign a Hardship Affidavit / 3rd Party Authorization to document the reason for the hardship.~~ • ~~Borrowers must have encountered a financial hardship due to unemployment on or after January 21, 2020, including~~ Affidavit of Unemployment ~~**Unemployment Mortgage Assistance Program (UMA) cont.**~~ ~~those whose unemployment hardship is related to their military service.~~ • ~~Borrower must agree to provide all necessary documentation to satisfy program guidelines within the timeframes established by the state.~~ • ~~Borrower must show evidence that they are receiving Nevada Department of Employment, Training and Rehabilitation (DETR) unemployment benefits at time of the application.~~ • ~~General program eligibility is determined by the state based on information received from the borrower. Program-specific eligibility is determined by the state on a first-come, first-approved basis until program funds and funding reserves have been exhausted. The loan servicer will implement the HAF program based on participation agreement terms and conditions.~~ • ~~If the maximum program amount is not sufficient to both reinstate a delinquent first mortgage loan and provide at least three (3) monthly mortgage payments (including non-~~

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	~~escrowed taxes, homeowner's association dues or assessments, and utilities, including electric, gas, water and homeowner's internet service), the state may, if approved by the loan servicer, commence monthly mortgage payments without reinstatement of the delinquent loan.~~ Required Documents • Government issued photo identification • Social Security Card • Proof of income/attestation • Mortgage statement • HOA Statement – If applicable • Documentation of DETR UIB at time of application or within 90 days from application. • Hardship Affidavit / 3rd Party Disclosure and Homeowner Acknowledgement.
5. Property/ Loan Eligibility Criteria	• The applicant must own and occupy a single family, 1-4-unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence. Mobile homes are eligible if they are permanently affixed to real property that is secured by the primary mortgage. • ~~Current, u~~Unpaid principal balance ~~(which includes the interest-bearing unpaid principal balance and any existing non-interest-bearing forbearance balance) of the first lien mortgage cannot exceed the current government-sponsored enterprise (GSE) loan limit~~ of which was, at the time of origination, not more than the conforming loan limit. • The property securing the mortgage loan must not be abandoned, vacant or condemned.
~~**6. Program Exclusions**~~	~~• Borrower is in "active" bankruptcy.~~ ~~Borrowers~~Homeowners ~~who have previously filed bankruptcy are eligible for consideration only with proof of court order "Dismissal" or "Discharge".~~ ~~• Borrower's "hardship" is a result of voluntary resignation of employment.~~ ~~• Borrower in an active trial modification is not eligible for UMA consideration unless the trial is cancelled.~~ ~~**Unemployment Mortgage Assistance Program (UMA) cont.**~~ ~~• Borrower becomes employed at any time during the UMA benefit period.~~ ~~• Borrower is actively being reviewed for a short sale, or a deed in lieu.~~ ~~• Property is subject to a first priority lien securing a Home Equity Line of Credit ("HELOC").~~

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~~7.~~6.**Structure of Assistance**	~~The state~~The program ~~will structure the~~ assistance will be structured as a non-recourse, non-interest-bearing subordinate loan ~~in favor of the Eligible Entity (NHD)~~ secured by a junior lien recorded against the property in the amount of the total amount of HAF unemployment assistance. At the conclusion of (3) three years, the subordinate loan will be released. There is no pro- rated forgiveness for this loan. Loan funds will only be repaid ~~to Eligible Entity (NHD)~~ in the event of a sale or a refinance that includes cash out and there are equity proceeds available prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance in accordance with the Agreement.
~~8.~~7.**Maximum Per Household Assistance**	Up to $54,000 per household in total, equaling the lesser of $3,000 per month or 100% of the PITI (principal, interest, tax, insurance, as applicable) and any escrowed or non-escrowed homeowner's association dues or assessments ~~as well as borrower's utilities, including electric, gas, water and homeowner's internet service,~~ (and in all cases, subject to the HAF program maximum benefit cap of $100,000 with respect to monies previously received under other HAF programs, if any).
~~9.~~8.**Duration of Assistance**	~~Borrower~~ Homeowner participation in UMA is limited to twelve (12) months maximum.
~~10.~~9. **Estimated Number of Participating Households**	Approximately 4,766. This number is based on loans with unpaid principal balances ranging from $100,000 to $300,000 with an average funding of $12,568.
~~11.~~10. **Program Inception/ Duration**	This program will begin approximately September 27, 2021 and will continue until all funds are committed or September 30, 2025, whichever occurs first.
~~12.~~11. **Program Interactions with Other HAF Programs**	Other HAF program benefits may be available to the ~~borrower~~ homeowner provided the HAF program maximum benefit cap of $100,000 has not been exceeded, and program funds are available. The ~~borrower~~ homeowner is required to apply separately for each HAF program.
~~13.~~12. **Program Leverage with Other Financial Resources**	~~**Unemployment Mortgage Assistance Program (UMA) cont.**~~ The ~~state~~ program will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with UMA benefits.

Mortgage Reinstatement Assistance Program (MRAP)

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1. Program Overview	The Mortgage Reinstatement Assistance Program (MRAP) will provide funds to help ~~income-qualified~~ eligible ~~borrowers~~homeowners cure their delinquent first mortgage loan arrearages, which may also include payments needed to reinstate their loans from foreclosure. Assistance with curing delinquent, non-escrowed property taxes, homeowner's association dues or assessments~~,~~ ~~as well as borrower's utilities, including electric, gas, water, and homeowner's internet service,~~ is only available in conjunction with mortgage reinstatement on the homeowner's mortgage loan.
2. Program Goals	MRAP will prevent avoidable foreclosures by helping ~~borrowers~~homeowners reinstate their past due first mortgage loans.
3. Target Population/ Areas	~~MRAP is designed to target low-to-moderate income borrowers and address the needs of a borrower's specific situation.~~ Homeowners having incomes less than or equal to 150 percent of the area median income or less than or equal to 100 percent of the median income for the United Sates, whichever is greater; and socially disadvantaged individuals as defined by U.S. Department of Treasury HAF Guidance.
4. ~~Borrower Eligibility Criteria~~ Homeowner Eligibility Criteria and Documentation Requirements	Same as General Eligibility Requirements plus: • Homeowners who have experienced a financial hardship associated with the coronavirus pandemic after January 21, 2020 and • Income equal to or less than 150% of area median income OR 100% of the median income for the United States, whichever is greater. • Statement of current ability to resume any required payments after account is reinstated. • ~~Legal U.S. resident or lawful permanent U.S. resident and Nevada resident.~~ • ~~Borrower qualifies as low-to-moderate income based on per household income not to exceed income limits set forth in program guidelines.~~ • ~~Borrower must complete and sign a Hardship Affidavit / 3rd Party Authorization to document the reason for the hardship.~~ • ~~BorrowersHomeowners who have recently encountered a financial hardship due to their military service are eligible.~~ • ~~Borrower has adequate income to sustain reinstated first-lien mortgage loan, per the state approved investor guidelines.~~

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	• ~~Borrower cannot have liquid assets, other than exempt retirement assets, in excess of (i) the amount of assistance being provided, or (ii) $30,000, whichever is less.~~ • ~~Borrower must agree to provide all necessary documentation to satisfy program guidelines within the timeframes established by the state.~~ • ~~Mortgage loan is delinquent as substantiated by borrower's hardship documentation. The delinquency and the total amount required to cure the delinquency is verified with the servicer.~~ ~~**Mortgage Reinstatement Assistance Program (MRAP) cont.**~~ • Hardship Affidavit / 3rd Party Disclosure and Homeowner Acknowledgement. ~~The first lien mortgage delinquency amount must be less than the MRAP benefit available to the borrower.~~ • ~~Loans in foreclosure are eligible.~~ • ~~On a case by case~~case-by-case ~~basis, the state reserves the right to review and approve investor program guidelines that utilize affordable mortgage definitions greater than 38%.~~ • ~~General program eligibility is determined by the state based on information received from the borrower. Program-specific eligibility is determined by the state on a first-come, first- approved basis until program funds and funding reserves have been exhausted. The loan servicer will implement the HAF program based on participation agreement terms and conditions.~~ Required Documents • Government issued photo identification • Social Security Card • Proof of income/attestation • Mortgage statement • HOA Statement – If applicable • Hardship Affidavit / 3rd Party Disclosure and Homeowner Acknowledgement.
5. Property/ Loan Eligibility Criteria	• Current, unpaid principal balance (which includes the interest-bearing unpaid principal balance and any existing non-interest-bearing forbearance balance) of the first-lien mortgage loan cannot exceed the current government-sponsored enterprise (GSE) loan limit. • The property securing the mortgage loan must not be abandoned, vacant or condemned. • The applicant must own and occupy a single family, 1-4-unit home (an attached or detached house or a condominium unit) located in Nevada and it must be their primary residence. Mobile homes are eligible if

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	they are permanently affixed to real property that is secured by the first lien.
~~6. Program Exclusions~~	~~• Borrower~~ Homeowner ~~is in "active" bankruptcy. Borrowers~~Homeowners ~~who have previously filed bankruptcy are eligible for consideration only with proof of court order "Dismissal" or "Discharge".~~ ~~• MRAP benefit assistance request for reinstatement with a first-lien total monthly first lien mortgage payment PITI and any escrowed homeowner's association dues or assessments, payment of greater than 38% of the borrower's gross monthly household income, excluding temporary income (e.g., unemployment or short-term disability benefits) will be considered unaffordable and is excluded from MRAP reinstatement benefit assistance.~~ ~~• The total past due arrearage of the first mortgage loan exceeds the maximum available MRAP benefit amount.~~ ~~• Loan is less than two (2) payments past due as of the date of request for assistance.~~ ~~• Property is subject to a first priority lien securing a Home Equity Line of Credit ("HELOC").~~
~~7.~~6. Structure of Assistance	~~**Mortgage Reinstatement Assistance Program (MRAP) cont.**~~ The ~~state~~ program ~~will structure the~~ assistance will be structured as non-recourse, non-interest-bearing subordinate loan ~~in favor of the Eligible Entity (NHD)~~ secured by a junior lien recorded against the property in the amount of the HAF assistance. At the conclusion of (3) three years, the subordinate loan will be released. There is no pro-rated forgiveness for this loan. Loan funds will only be repaid ~~to Eligible Entity (NHD)~~ in the event of a sale or a refinance that includes cash out and there are equity proceeds available prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance in accordance with the Agreement.
~~8.~~7. Per Household Assistance	Up to $35,000 per household in total for reinstatement of PITI and any escrowed or non-escrowed homeowner's association dues or assessments, ~~as well as arrearages for borrower's utilities, including electric, gas, water and homeowner's internet service,~~ (and in all cases, subject to the HAF program maximum benefit cap of $100,000 with respect to monies previously received under other HAF programs, if any).
~~9.~~8. Duration of Assistance	Available in a single, lump-sum disbursement. ~~The state reserves the right to provide additional MRAP benefits, not to exceed the maximum program assistance amount per~~

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	~~household, to previous MRAP recipients if the homeowner has suffered a subsequent, qualifying hardship.~~
~~10.~~9. **Estimated Number of Participating Households**	Approximately 2,222. This number is based on loans with unpaid principal balances ranging from $100,000 to $300,000 with an average funding of $17,998.
~~11.~~10. **Program Inception/ Duration**	This program will begin approximately September 27, 2021 and will continue until all funds are committed or September 30, 2025, whichever occurs first.
~~12.~~11. **Program Interactions with Other HAF/Programs**	Other HAF program benefits may be available to the borrower provided the HAF program maximum benefit cap of $100,000 has not been exceeded, and program funds are available. The borrower is required to apply separately for each HAF program.
~~13.~~12. **Program Interactions**	The ~~state~~ program will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with MRAP benefits.

Methods for Targeting HAF Funding

The programs will target the HAF resources to (1) homeowners having incomes less than or equal to 100 percent of the area median income or less than or equal to 100 percent of the median income for the United Sates, whichever is greater; and (2) socially disadvantaged individuals, that have experienced a financial hardship after January 21, 2020 associated with the coronavirus pandemic.~~.~~

Socially disadvantaged individuals as defined by the US Department of Treasury are those whose ability to purchase or own a home has been impaired due to diminished access to credit on reasonable terms as compared to others in comparable economic circumstances, based on disparities in homeownership rates in the HAF participant's jurisdiction as documented by the U.S. Census. The impairment must stem from circumstances beyond their control. Indicators of impairment under this definition may include being a (1) member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society, (2) resident of a majority-minority Census tract; (3) individual 3 with limited English proficiency; (4) resident of a U.S. territory, Indian reservation, or Hawaiian Home Land, or (5) individual who lives in a persistent-poverty county, meaning any county that has had 20% or more of its population living in poverty over the past 30 years as measured by the three most recent decennial censuses. ~~include individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities as defined in the HAF Guidance provided by Treasury.~~

Nevada ranked #2 at 20.9% on the Housing Hardship Index, with a 12.6% unemployment rate, and 8.3% delinquency. Knowing the need, the state will market the HAF resources to the Department of Employment Training and Rehabilitation and those agencies providing employment services to unemployed and underemployed individuals affected by the COVID-19 pandemic.

Experience has shown that homeowners in need of assistance hear about programs through a very wide range of sources. Social media (specifically Facebook, Instagram and Twitter), community outreach events promoted through postcard mailings, earned media spots facilitated through television and radio contacts, and paid television promos have all been effective in drawing potential candidates and creating more visibility.

One method that will be used to market HAF resources to the targeted population, will be to list services with Nevada 211. Nevada 211 is a program of the Nevada Department of Health and Human Services and is a free database of all human service resources in one location including information about basic needs, housing, and financial assistance.

In addition, ~~Nevada~~ NAHAC has been working with the Hardest Hit Funds since 2010 and has established partnerships with several HCAs with whom it will continue partnering to effectively target HAF funding. Additionally, efforts will be made to establish new partnerships with local non-profits that provide homeowner related services to the targeted populations.

The state will also launch a digital campaign to market the HAF resources on its website, through social media as well as affiliate marketing. In addition, print materials will be developed and made available in both English and Spanish and will be distributed throughout communities where targeted populations reside.

Priority will be given to homeowners who have Federal Housing Assistance (FHA), Department of Veteran Affairs (VA), or U.S. Department of Agriculture (USDA) mortgages, and homeowners who have mortgages made with the proceeds of mortgage revenue bonds or other mortgage programs that target low-and moderate-income ~~borrowers~~homeowners.

Best Practices and Coordination with Other HAF Participants

The state of Nevada, in conjunction with NAHAC has been assisting low-to-moderate income homeowners through the Hardest Hit Fund (HHF) since 2010. NAHAC has utilized the HHF to successfully implement a Principal Reduction Program (PRP), Second Mortgage Reduction Plan (SMRP), Short Sale Acceleration Program (SSAP), Mortgage Assistance Program (MAP), Mortgage Assistance Program Alternative (MAPA), Mortgage Reinstatement Assistance Program (MRAP), and Down Payment Assistance (DPA) Program.

Since 2010, Nevada's HHF program has provided over $170 million in assistance to approximately 9,300 households. During this time, Nevada has identified best practices that will be utilized to ensure the HAF is effective in mitigating the financial hardships of homeowners who have been affected by the coronavirus pandemic. As Nevada coordinates with other HFAs and learns what best practices are working, it will adopt those best practices as needed to insure effective implementation of the HAF program and delivery of services.

~~Nevada~~ NAHAC will ensure adequate staffing is in place to manage the capacity of applications that will be received for assistance. In addition to adequate staff, software and information technology is of utmost importance. Nevada plans to utilize technology and systems to streamline and create a simple application process for the homeowner while still maintaining a robust documentation and compliance regime. Using the best system will allow Nevada to ensure this is being done efficiently.

Partnering with HCAs and mortgage servicers is another common best practice amongst HAF administrators. NAHAC previously employed an Outreach Coordinator who worked directly with partnering HCAs, as well as staff who worked as servicer liaisons. Such positions will be re-established for the HAF.

NAHAC will also coordinate with mortgage servicers to cultivate potential HAF prospects. Over the course of the last 10 years administering the Nevada HHF program, NAHAC has established relationships with several servicers that operate in multiple states and who are familiar with homeowner assistance programs as well as information-sharing through a Common Data File (CDF) format. The servicers were agreeable in participating in HHF and have expressed their wiliness to continue to partner with Nevada through the development of the HAF, with the common goal of preventing and resolving homeowner delinquencies, defaults, foreclosures, and displacement of homeowners experiencing financial hardships associated with the coronavirus pandemic.

Nevada participates in regular calls and meetings with the National Council of State Housing Agencies (NCSHA) to share up to date information, and new resources. NCSHA has facilitated multiple meetings with servicers and state agencies to develop the CDF protocol for use of the HAF programs. This continues to be an effective way to stay connected with other HAF Participants throughout the country. Nevada plans to expand the coordination with other HAF ~~p~~Participants as best practices are explored and developed.

Performance Goals

Nevada anticipates assisting approximately 6,988 households: FY22 - $22.5 million, approximately 1,905 households; FY23 - $35.7 million, approximately 2,350 households; FY24 - $24.9 million, approximately 1,690 households; and the remaining funds, $16.9 million being disbursed to approximately 1,043 households by the program end date of September 30, 2025.

~~Nevada~~ NAHAC will monitor households receiving assistance by program and targeted populations to ensure adequate efforts are made to meet the needs of the targeted and most affected individuals.
Other performance measures for purpose of foreclosure prevention among program participants will be added after vendor selection is finalized.

Staffing and System

The HAF program will launch as expeditiously as possible. The experience gained through administering the HHF program prepared staff to manage statewide assistance for homeowners in dire need due to economic turmoil. The HAF will require approximately 44 staff members to support the program in the first year. ~~Nevada~~ NAHAC will use its current and new staff to assist in areas of homeownership, quality control, finance, and other relevant departments. Based on experience with the HHF, temporary labor will be utilized and adjustments to staffing will be made as needed to address the expected influx of inquiries and applications.

Vendors are currently being sought to identify the most effective and cost-efficient management information system portal for the Nevada HAF program. NAHAC will follow Nevada's procurement process to select a vendor that provides a system best suited for the needs of the programs in the most efficient and cost-effective manner possible and will ensure it meets Treasury requirements and industry standards. NAHAC will ensure that the system of choice will provide triage, processing, underwriting, document management, and reporting and reconciliation services for the Nevada HAF program. The ideal system will also include a prioritization mechanism that readily identifies socially disadvantaged individuals for reporting and tracking.

Contracts and Partnerships

HCAs - As mentioned above, NAHAC is partnering with HUD-approved HCAs in a similar manner to what was done with the Hardest Hit Fund (HHF). NAHAC collaborated with HCAs throughout the duration of the HHF by partnering on community outreach and homeowner education events. Additionally, NAHAC forged agreements with the HCAs to accept HHF applications. This added a valuable component to the community engagement piece by providing a place for homeowners who needed additional assistance by answering questions and facilitating the program application process. The importance of continuing these partnerships cannot be understated, as the legitimacy and credibility of the HHF programs have been greatly advanced by working closely with the HCAs, and NAHAC will leverage the relationships with the HCAs during the administration of the HAF.

Servicers - In the past, NAHAC has participated with large servicers to conduct community events as well as email and traditional mail campaigns to connect with homeowner customers. These and other measures will continue with the HAF, as experience has shown servicer referrals to be the number one reason homeowners were drawn to the HHF. NAHAC anticipates this to be the case as well with the HAF.

Other Vendors - Reputable and professional partners will be sought to ensure program success, from the initial interaction with a homeowner to the final accounting reconciliation of funds. To enable success with the HAF, NAHAC will utilize the state's procurement process to re-engage or engage with legal, financial, and technology services partners who have a proven track record. NAHAC has had a high degree of success in its administration of the HHF with vendor partners such as Speridian (information system), Springboard (call center, processing, eligibility), CoreLogic (statistical data), Simplifile (recordings – liens and reconveyances), and BRAINTRUST (marketing, public relations). It is expected services mentioned above will also be required for the administration of the HAF.

Budget

Nevada will receive $120,917,256 from the Homeowner Assistance Fund. Nevada anticipates dedicating at least $99,979,668 (82.7 percent) for assistance to homeowners.

The qualified expenses described in the April 14, 2021 HAF guidance provided by Treasury allows for counseling or educational efforts by HCAs, or legal services, targeted to households eligible to be served with funding from the HAF related to foreclosure prevention or displacement, in an aggregate amount up to 5 percent of the funding from the HAF received by the HAF participant.

Approximately $2,800,000 (2.3 percent) is expected to be utilized for counseling or educational efforts by HCAs and legal aid services.

Planning, community engagement, needs assessment, and administrative expenses related to the HAF participant's disbursement of HAF funds for qualified expenses, shall not exceed an aggregate amount of 15 percent of the funding from the HAF received by the HAF participant.
Per Treasury guidelines, no more than $18,137,588 (15 percent) will be utilized for the administration of the program.