

The Nevada Housing Division (“NHD”)

MORTGAGE REINSTATEMENT

ASSISTANCE PROGRAM (MRAP)

Summary Term Sheets

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| 1. Program Overview | The Mortgage Reinstatement Assistance Program (MRAP) will provide funds to help eligible 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 insurance , homeowner’s association dues or assessments is only -available in conjunction with or without mortgage reinstatement on the homeowner’s mortgage loan. |
| 2. Program Goals | MRAP will prevent avoidable foreclosures by helping homeowners reinstate their past due first mortgage loans and non-escrowed property taxes, homeowner’s insurance, homeowner’s association dues or assessments . |
| 3. Target Population/ Areas | 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 States, whichever is greater; and socially disadvantaged individuals as defined by U.S. Department of Treasury HAF Guidance. |
| 4. Homeowner Eligibility Criteria and Documentation Requirements | <u>Same as General Eligibility Requirements plus:</u> <ul style="list-style-type: none">• 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. Required Documents: <ul style="list-style-type: none">• Hardship Affidavit / 3rd Party Disclosure and Homeowner Acknowledgement.• Government issued photo identification• Social Security Card• Proof of income/attestation• Mortgage statement |

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| | <ul style="list-style-type: none"> • HOA Statement – If applicable |
| 5. Property/ Loan Eligibility Criteria | <ul style="list-style-type: none"> • <u>Unpaid principal balance of which was, at the time of origination, not more than the conforming 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.</u> • The property securing the mortgage loan must not be abandoned, vacant or condemned. • <u>Loan must be two or more payments past due as of date of application.</u> • 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 first lien. • <u>Delinquent household related expenses such as taxes, insurance, homeowner’s association dues or assessments may be reinstated if the first mortgage loan is current, paid off or if the homeowner has a Home Equity Conversion Mortgage (HECM).</u> • <u>Homeowner’s total monthly first-lien mortgage payment PITI (principal, interest, taxes and insurance, as applicable), and any escrowed or non-escrowed homeowner’s association dues or assessments, must meet NAHAC’s definition of an affordable payment.</u> <ul style="list-style-type: none"> • <u>If the mortgage payment is determined to be unaffordable, a principal reduction component may be applied, which will assist with a principal reduction of up to an additional \$50,000 (above the \$50,000 of the mortgage reinstatement component) to reduce the balance of their primary mortgage and facilitate a reamortization (recast) that achieves an affordable monthly mortgage payment. A variance of (10%) ten percent above the maximum amount may be added to either components (mortgage reinstatement or principal reduction), and in all cases, subject to the HAF program maximum benefit cap of \$100,000 per household.</u> |
| 6. Structure of Assistance | The program assistance will be structured as non-recourse, non-interest-bearing subordinate loan secured by a junior lien recorded |

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| | against the property for the mortgage reinstatement component in the amount of the HAF assistance for a period of (3) three years . At the conclusion of (3) three years, the subordinate loan will be released. If a principal reduction was needed to achieve an affordable mortgage payment, the non-recourse, non-interest-bearing subordinate loan secured by a junior lien will be for a period of (5) five years . There is no pro-rated forgiveness for this loan. Loan funds will only be repaid 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. |
| 7. Per Household Assistance | Up to \$350,000 \$50,000 per household in total for reinstatement of PITI and any escrowed or non-escrowed homeowner's association dues or assessments, and up to an additional \$50,000 as a principal reduction (if applicable) to achieve an affordable payment. A variance of (10%) ten percent above the maximum amount may be added to either components (mortgage reinstatement or principal reduction), and in all cases, subject to the HAF program maximum benefit cap of \$100,000 per household. (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). |
| 8. Duration of Assistance | Available in a single, lump-sum disbursement. |
| 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. |
| 10. Program Inception/Duration | This program will begin on approximately Sept November 27, 2021 and will continue until all funds are committed or September 30, 2025, whichever occurs first. |
| 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. |
| 12. Program Interactions | The program will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with MRAP benefits. |

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