



# NEVADA HOMEOWNER ASSISTANCE FUND

NEVADA AFFORDABLE HOUSING ASSISTANCE CORPORATION

## 2023 ANNUAL REPORT



Reporting period: October 1, 2022, through September 30, 2023

Provided to United States Department of the Treasury

This report is a high-level overview of Nevada's use of HAF funds in response to the pandemic and economic recovery.

## Executive Summary

The Nevada Homeowner Assistance Fund (HAF) helps eligible low-to-moderate income homeowners eliminate past-due and forward payment amounts associated with their mortgage loan, including housing related expenses such as taxes, insurance, association dues, and lot rent. The program was structured to include prioritization and targeted assistance to households based on Area Median Income (AMI) and Socially Disadvantaged Individuals (SDI), which complies with HAF guidance established by the United States Department of the Treasury.

In two years of administering the HAF program, Nevada has expended over \$33.3 million in program dollars since inception through September 30, 2023 to homeowners in need, providing direct aid to more than 1,490 families.

The goals of the program entering the 2<sup>nd</sup> year were to scale-up operations by increasing staff and developing system efficiencies, and increase homeowner participation by eliminating barriers such as stringent rules that could exclude otherwise eligible homeowners. Such efforts included continuously evaluating programs, systems, procedures, and outcomes to ensure maximum productivity, efficiency, and relevance as it pertains to Treasury guidance, reason for declines, goals and timetables. The focus remained on Nevada homeowners in need, which will continue to facilitate all program funds being expended by the period of performance end date of September 30, 2026.

### Highlights At A Glance

**\$33,305,946**  
Funded Applications

**1490**  
Homeowners Assisted

**88%**  
AMI/NMI < 100%

**13 of 17**  
Counties Received Benefits

**636**  
Applicants in Pipeline

**98%**  
FHA, VA, USDA or GSE

## Community Engagement and Outreach

Nevada has fostered a collaborative working relationship with over 100 mortgage servicers, Legal Aid Center of Southern Nevada, and four Housing Counseling Agencies (HCAs): Chicanos Por La Causa (CPLC), Community Services of Nevada (CSNV), Neighborhood Housing Services of Southern Nevada (NHSSN), and Nevada Partners, Inc. (NPI). Our community partners continue to promote the benefits of HAF and have held numerous outreach events, webinars, and co-marketing campaigns during this reporting period. Multiple homeowner webinars were sponsored by Lakeview and Freedom Mortgage. Outreach events involved in-person presentations promoting the HAF program in targeted areas where homeowners are considered socially disadvantaged. One of the outreach events held in August 2023 involved an in-person homeowner event that included combined participation from the HCAs, four mortgage servicers (Shellpoint, Flagstar, Mr. Cooper, and Wells Fargo), and Nevada Affordable Housing Assistance Corporation (NAHAC) staff. This all-day event was well received and allowed homeowners to ask questions of servicer representatives, HCAs and Nevada HAF staff. The total number of events and workshops held by HCAs during this reporting period (outlined below) was 172, which was 73 percent more educational workshops and outreach events held than in the prior reporting period.

### **HCA Educational Workshops and Outreach Events (10/01/2022 – 09/30/2023)**

<b>Housing Counseling Agency</b>	<b>Total</b>
Chicanos Por La Causa (CPLC)	36
Community Services of Nevada (CSNV)	57
Neighborhood Housing Services of Southern Nevada (NHSSN)	35
Nevada Partners, Inc. (NPI)	44
<b>Total</b>	<b>172</b>

Numerous press releases were distributed to media groups statewide and posts regarding program changes were published on the NV HAF website. Nevada also hosted various servicer roundtables and weekly meetings and worked regularly with servicers to develop working procedures and readily communicate program changes to homeowners. The top three Servicers with the most HAF funding for Nevada are (1) Freedom Mortgage, (2) Mr. Cooper, and (3) US Bank.

## Performance Goals and Program Changes

Nevada is continuously assessing program performance and the needs of homeowners in jeopardy of losing their home as stimuli for program changes. Nevada also regularly reviewed other states' qualifying factors such as program maximums, frequency of unemployment recertification, and income affordability thresholds. As a result, several program components were changed and/or implemented. Specifically, on February 13, 2023 the Unemployment Mortgage Assistance (UMA) program was changed to allow for approved unemployed homeowners who became reemployed

during the application review period and considered underemployed at the time of the review to qualify for mortgage reinstatement and three forward monthly payments.

Moreover, the Mortgage Reinstatement Assistance Program (MRAP) Housing-to-Income (HTI) ratio was increased from 33 percent to 40 percent with a 1.99 percent variance, which allowed more homeowners to qualify for assistance.

On March 10, 2023, Nevada made further changes to its programs. Recertification for UMA was changed from three months to six months. This modification was applied to all active UMA homeowners receiving assistance. The program maximum under MRAP was also increased from \$50,000 to \$65,000 with a 10 percent variance where the reinstatement amount exceeded the program maximum.

In May 2023, Nevada received additional information from other HAF states regarding income affordability requirements and determined that Nevada's affordability threshold of 41.99 percent was still restrictive in comparison to other states that used an affordability percentage.



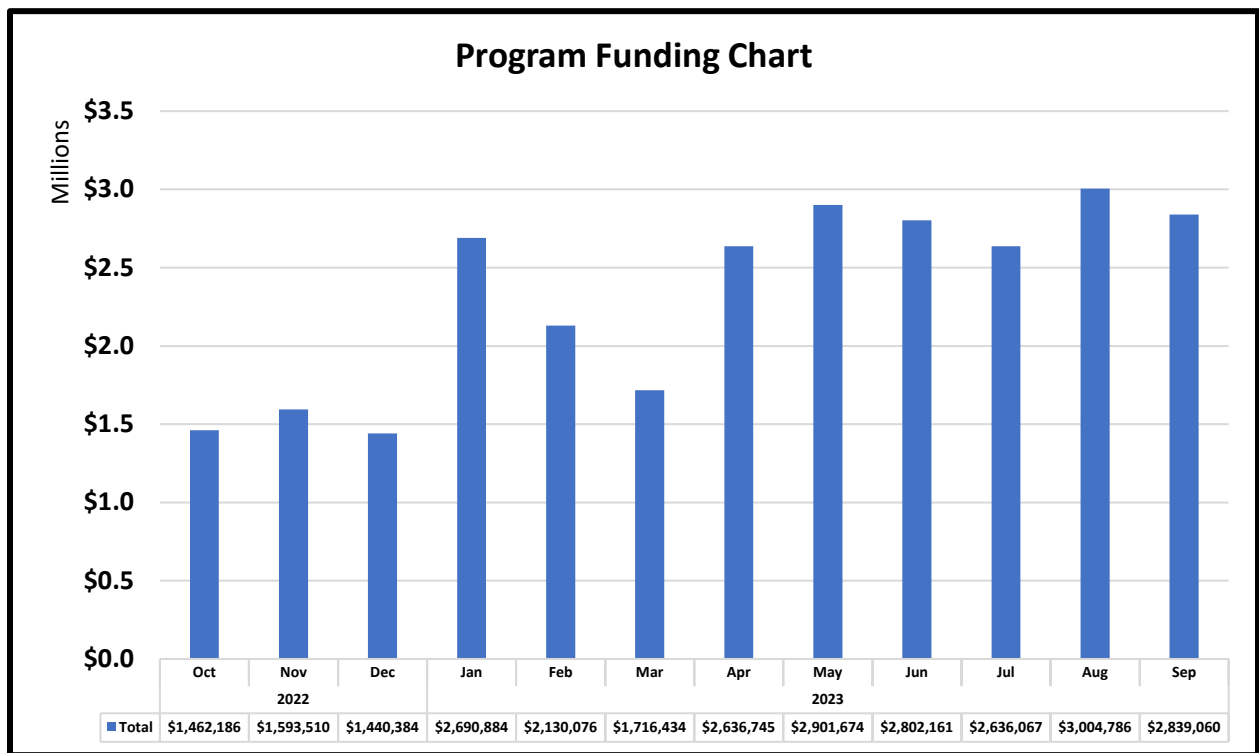
Analysis performed in May 2023 on program denial reasons indicated that many homeowners were not meeting the program guidelines due to having an affordability threshold higher than 41.99 percent. The data also indicated homeowner delinquency amounts exceeded the program's maximum. Considering this information and other contributing factors, Nevada implemented changes to UMA and MRAP on June 1, 2023. UMA changes included increasing the program maximum from \$54,000 to \$65,000, which allows homeowners to receive up to \$65,000 in mortgage assistance in total; and the limitation of monthly mortgage payment requirement of \$3,000 or less was removed (prior to this change, homeowners monthly mortgage payments could not exceed \$3,000); and removal of a requirement to qualify for a minimum assistance of three monthly payments for homeowners that reapply for subsequent assistance. Having removed this requirement allows more flexibility for homeowners that have previously received assistance for HAF and come back for subsequent assistance. Homeowners will now be able to receive subsequent assistance as needed until meeting the program maximum of up to 12 forward payments and up to \$65,000.

MRAP components were also changed in June to allow for approval of full reinstatement and up to three advanced payments, up to the program maximum of \$65,000 if a homeowner's HTI exceeds 41.99 percent and meets all program requirements.

The following adjustments were also made to UMA and MRAP in June 2023. Monthly and/or reinstatement assistance was made available to homeowners with non-affixed manufactured homes, which includes reinstatement of delinquent lot rent.

Also, a principal reduction component was added for up to \$55,000 to pay off COVID related partial claims/deferrals. Qualified current and delinquent loans are eligible to apply for partial claim/deferral payoff. This component may be used in conjunction with other programs or as a stand-alone component.

The following chart demonstrates a consistent increase in funding month over month, largely attributable to program changes made during this reporting period. The month of April 2023 saw an increase of 53 percent from the prior month and continued at a steady or increased pace. In order to timely expend all program dollars, Nevada’s current monthly funding target is \$2.7 million. Average monthly funding for this period was \$2.3 million. However, monthly funding for the past 6 months was \$2.8 million, which exceeds the monthly target funding amount. Total funding for this reporting period was approximately \$27.9 million, which is a major increase from last year’s reporting period, in which \$5.5 million was expended.



The tables below provide detailed information regarding the use of HAF dollars during this reporting period.

**Table 1** includes the total benefits provided to eligible homeowners based on program types and concentrations of household AMI/NMI and socially disadvantaged individuals.

HAF Program Details By Program Type - Non-Unique Homeowner Transactions				
Program Name	# Homeowners Assisted	\$ Amount	AMI<100%	Socially Disadvantaged
Unemployment Mortgage Assistance	758	4,876,395	727	692
Mortgage Reinstatement	1474	22,977,572	1272	1374
<b>Total</b>	<b>2232</b>	<b>\$ 27,853,967</b>	<b>1999</b>	<b>2066</b>

**Table 2** includes the total benefits provided to eligible homeowners by County based on program types and concentrations of household AMI/NMI and socially disadvantaged individuals.

HAF Program Details By Program Type and County - Non-Unique Homeowner Transactions					
Property County	Program Name	# Homeowners Assisted	\$ Amount	AMI<100%	Socially Disadvantaged
Carson City	Mortgage Reinstatement	12	99,907	11	12
Churchill	Mortgage Reinstatement	7	102,294	7	7
Clark	Mortgage Reinstatement	1263	19,433,648	1099	1263
Douglas	Mortgage Reinstatement	7	121,974	5	7
Elko	Mortgage Reinstatement	14	180,372	12	14
Humboldt	Mortgage Reinstatement	5	102,339	4	5
Lander	Mortgage Reinstatement	2	23,408	2	2
Lyon	Mortgage Reinstatement	36	608,763	29	36
Mineral	Mortgage Reinstatement	2	37,466	2	2
Nye	Mortgage Reinstatement	25	439,960	22	25
Storey	Mortgage Reinstatement	3	40,971	3	3
Washoe	Mortgage Reinstatement	96	1,766,365	74	96
White Pine	Mortgage Reinstatement	2	20,105	2	2
Carson City	Unemployment Mortgage Assistance	4	51,647	3	4
Churchill	Unemployment Mortgage Assistance	1	19,766	1	1
Clark	Unemployment Mortgage Assistance	686	4,360,265	660	686
Douglas	Unemployment Mortgage Assistance	3	37,259	3	3
Elko	Unemployment Mortgage Assistance	1	3,468	1	1
Lander	Unemployment Mortgage Assistance	2	9,080	2	2
Lyon	Unemployment Mortgage Assistance	8	41,636	8	8
Nye	Unemployment Mortgage Assistance	7	45,733	7	7
Storey	Unemployment Mortgage Assistance	1	12,298	1	1
Washoe	Unemployment Mortgage Assistance	44	292,834	40	44
White Pine	Unemployment Mortgage Assistance	1	2,409	1	1
<b>Total</b>		<b>2232</b>	<b>\$ 27,853,967</b>	<b>1999</b>	<b>2232</b>

**Table 3** includes total benefits provided to eligible homeowners based on mortgage type, such as FHA, VA, USDA, GSE, and other.

HAF Program Details By Mortgage Type				
Loan: Mortgage Type	# Homeowners	# Socially Disadvantaged Homeowners	% Socially Disadvantaged Homeowners	\$ Amount Funded
FHA	598	564	94%	10,779,047
VA	222	200	90%	5,470,988
USDA	10	9	90%	233,365
GSE	488	453	93%	10,902,626
Other	28	27	96%	467,941
<b>Total</b>	<b>1346</b>	<b>1253</b>	<b>93%</b>	<b>\$ 27,853,967</b>

**Table 4** includes the benefits provided to unique homeowners by SDI type.

Unique Socially Disadvantaged Type	# Unique Homeowners
Race and Ethnicity	809
English Not Primary Language	7
Majority-Minority Census Tract	437
<b>Total</b>	<b>1253</b>

## Methods for Targeting HAF Funding

Nevada continued its marketing and public relations plan, which included television, radio, and streaming commercials. In addition, social media outreach events included testimonials from homeowners. Marketing efforts target both SDI and homeowners with income less than or equal to the greater of 100 percent of the AMI or 100 percent of the United States National Median Income (NMI).

- Approximately 93 percent of homeowners served either live in a majority-minority census tract and/or have self-identified as socially disadvantaged.
- Approximately 88 percent of the applications had household income that met Treasury’s targeted requirement of earning less than 100 percent of the AMI/NMI.
- Approximately 62 percent of homeowners assisted had FHA, VA or USDA mortgage loans.
- Homeowners in 13 of 17 Nevada counties received benefits.

Media campaigns were in English, Spanish, and Tagalog, the most-common languages spoken as primary languages in households in Nevada according to the United States Census Bureau.<sup>1</sup>

<sup>1</sup> <https://datausa.io/profile/geo/nevada#demographics>

Added marketing efforts involved digital marketing and social media. There were over 5 million impressions (number of times content is displayed to users on an application) and over 9,100 clicks during this reporting period. Leveraging home ownership, income, and Loan-to-Value (LTV) data combined with search behavior related to housing assistance, Nevada was able to reach a highly relevant audience. The effectiveness of these efforts is highlighted through the above industry benchmark engagement metrics, such as a 10.7 percent click-through rate (CTR) on Google Search Ads. The industry benchmark for CTR is 2.5 percent; a CTR of over 4 times industry benchmark highlights that individuals were 4 times more likely to engage with Nevada HAF’s advertising. These exemplary results, coupled with increases in program fund distribution drive home the success of the digital marketing efforts.



In terms of social media performance, from October 2022 to September 2023, Nevada totaled 8,046 impressions and 181 engagements (number of reactions, shares, comments, and likes) through Twitter/X and Facebook platforms. The platform's total engagement rate, which establishes how often people who viewed social media content were also engaging with that specific content, was 2.2 percent. Twitter/X had a total of 162 posts with Facebook having 171 published posts on the platform, totaling 333 published posts across all NAHAC social media platforms. The total following amongst Twitter/X and Facebook was 634, an increase of 34 individuals over the course of the year with consistent messaging and video views from platform to users.

## Best Practices and Coordination

Nevada understands the importance of administering a flexible program that will continuously evaluate barriers that may prevent homeowner participation. As a result, the state immediately chose not to require homeowners to be in active foreclosure or require the denial of assistance through loss mitigation prior to seeking HAF assistance. Other best practices implemented to strengthen the Nevada HAF include:

- Partnering with more than 100 mortgage servicers, legal aid, and four housing counseling agencies to promote the program and assist homeowners in need, with the priority of assisting underserved populations.
- Pre-approval of applications and prioritizing those at higher risk of foreclosure. Files indicating looming foreclosure are communicated to the mortgage servicer to allow for postponement of the foreclosure while the file is under review. On several occasions during the reporting period, foreclosures were reversed with the help of participating servicers and families were able to stay in their homes.



- Using the Common Data File (CDF) with all servicers that have the ability to use it. The state’s vendor, HOTB also created a portal for smaller servicers that may not have the means to use the CDF, which has been highly successful.
- Publishing a dashboard on the NV HAF website.
- Continuously evaluating programs, systems, procedures, and outcomes to ensure maximum productivity, efficiency, and relevance as it pertains to Treasury guidance and homeowner needs.
- Collaboration with other HAF states on program’s best practices. Nevada participated in a summit with the state of Washington to discuss program performance, marketing strategies and other strategies.
- Nevada implemented Project Hand Holding, which involves one-on-one assistance to homeowners who have difficulty completing their application. Partnerships with HCAs have been beneficial in follow-up contact with homeowners and file processing. The efforts from the HCAs have resulted in over 27 percent of applications completed, and of those completed, almost 51 percent resulted in approvals.

## Conclusion

The NV HAF has proven vital in helping homeowners recover from the pandemic, which is clearly demonstrated by the outcomes achieved during this review period. Contributing factors of the continuous increase in funds to homeowners included continuous evaluation of program components, systems, procedures, homeowner needs and outcomes to ensure the program is truly meeting the needs of homeowners as well as learning from other state programs.

Nevada is grateful for the continued partnership with the United States Department of the Treasury, Nevada Department of Business and Industry, Nevada Housing Division, HOTB, Chicanos Por La Causa, Community Services of Nevada, Neighborhood Housing Services of Southern Nevada, Nevada Partners Inc., Legal Aid Center of Southern Nevada, National Council of State Housing Agencies, and participating Servicers. Nevada will continue to foster the relationships that aid in the evolution and development of Nevada HAF programs.

