

# Homeowner Assistance Fund (HAF) Annual Report to Treasury

August 2021 (Award Date) through  
September 30, 2022

Tennessee Housing Development Agency



## Community Engagement and Outreach

1. Did you continue outreach to communities once your HAF Program(s) began?

Yes

2. Please quantify the total amount of funds spent on outreach.

\$259,331.93

3. You identified the community-based organizations and providers of counseling services or legal assistance listed below in your HAF Participant Plan or a previous report. Please indicate whether you have performed outreach to each organization or provider by selecting Yes or No.

<b>Community Organization or Provider:</b>	<b>Did you perform outreach to this organization or provider during the reporting period? Yes/No</b>
1. United Housing	Yes
2. TN Legal Aid Association	Yes
3. Clinch Powell RC and D	Yes
4. Chattanooga Neighborhood Enterprises	Yes
5. Affordable Housing Resources	Yes
6. Eastern Eight Community Development Corporation	Yes
7. Homesource East TN	Yes
8. Greater Nashville Habitat for Humanity	Yes
9. FAHE	Yes
10. Dominion Financial Management	Yes
11. Knoxville Housing Partnership	Yes
12. Life of Victory International Christian	Yes
13. Residential Resources	Yes
14. Woodbine Community Organization	Yes

4. Did you perform outreach to any community-based organizations or providers of counseling services or legal assistance that are not on the list above?

Yes, added above (numbers 10-14).

## Performance Goals

You identified the measurable outcomes listed below in your HAF Participant Plan. Please report a status and the measurable results for each goal, and provide a narrative description of performance related to the goal.

Current design elements, goal descriptions, and metrics of success.

	<b>Design Element</b>	<b>Goal Description</b>	<b>Metric of Success</b>
1	Mortgage Reinstatement	Reducing mortgage delinquency, reinstating mortgage loans, avoiding foreclosures	number or percentage of households that remain current for the next consecutive 12 months after reinstatement. Percentage of targeted population households reinstated.
2	Mortgage Principal Reduction	principal reduction for amortizing secondary financing on loans provided by non-profit housing agencies.	Number of amortizing secondary liens reduced or released. Household housing debt ratios reduced by 10% or more.
3	Other measures to prevent homeowner displacement	Counseling and education for financial crisis management	all funded applicants receive education curriculum.
4	Payment Assistance for Delinquent Property Taxes	Pay delinquent taxes to avoid foreclosure tax sales.	number of households served.
5	Payment Assistance for Homeowner's Insurance	Pay delinquent hazard insurance premiums.	number of households removed from forced place insurance and/or insurance brought current.
6	Payment Assistance for HOA fees or liens	Pay delinquent HOA payments to avoid HOA foreclosure	Number of households served
7	Mortgage Reinstatement	Reduce mortgage delinquency by reinstating mortgages for those affected by COVID who suffered a financial hardship	A notable reduction in 90 day delinquency rates using a comparison of pre COVID delinquency rates to present delinquency rates

Updates on Performance Goals (Corresponding to the goals above):

		<b>Goal Title</b>	<b>Status</b> - Not on Track - On Track - Goal Met - New; no performance data	<b>Actual Measurable Results</b>	<b>Narrative description and comments</b>	<b>Continue this goal for next year? Y/N</b>
1	Mortgage Reinstatement		On Track	As of September 30, 2022, 694 Tennesseans have had their mortgage reinstated. Eight of those homeowners have had a second mortgage brought current. 92% of reinstatements have been for persons under 100% NMI. More than 200 additional applicants have been approved for HAF funding and will receive payments in subsequent quarters.	The first program payments were made on October 4, 2021 so a 12 month follow-up has not yet been conducted.	Y
2	Mortgage Principal Reduction		New; no performance data	This program started in late August 2022 with 3 participants approved for funding.	N/A	Y
3	Other measures to prevent homeowner displacement		On Track	All 910 applicants approved for funding have watched the educational video and have had at least one session with a housing counselor.	Approved applicants must watch an educational video and complete a call with a counselor. Applicants receiving ongoing payments and loss mitigation options receive additional counseling.	Y
4	Payment Assistance for Delinquent Property Taxes		On Track	6 homeowners received property tax payments totaling \$11,857.	N/A	Y
5	Payment Assistance for Homeowner's Insurance		New; no performance data	TN HAF has at least one homeowner approved for an insurance payment in the next quarter.	N/A	Y
6	Payment Assistance for		On Track	Four homeowners received HOA or	N/A	Y

	HOA fees or liens			Condo fee payments totaling \$6,531.		
7	Mortgage Reinstatement		On Track	<p>90+ Day Delinquency Rates have changed as follows for the state of TN:</p> <p>July 2019: 1.53%</p> <p>July 2020: 3.72%</p> <p>July 2021: 2.57%</p> <p>July 2022: 1.28%</p> <p>Rates as of July 2022 were 0.25 percentage points lower than the July prior to the pandemic.</p> <p>446 out of 696 homeowners assisted with HAF funds (~64%) had a 90+ day delinquency resolved.</p>	<p>Tennessee saw a steady reduction in 90+ day delinquencies from the beginning of the pandemic, returning to lower than pre-pandemic levels in July 2022.</p> <p>At TN HAF, the majority of homeowners receiving assistance had a 90+ delinquency resolved.</p>	Y

## Methods for Targeting

1. Please provide an update on your targeting plan including challenges, successes, etc.

TN HAF divided its 95 counties into targeting tiers based on demographics that could indicate higher percentages of persons that might need HAF assistance or higher percentages of homeowners that meet the definition of “socially disadvantaged”. Starting in March, TN HAF conducted a targeted media campaign in which application submissions ticked up and remained steady throughout the next couple of months. Tier 1 counties saw targeted media such as Spanish print and radio ads; ads in African-American targeted print, and English print, radio, and digital media. Tier 2 counties included print and digital media, as well as eight outdoor billboards. Tier 3 counties saw targeted print and digital media advertising, in addition to the online advertising available in all counties.

TN HAF is assessing the success of the media campaign by analyzing trends in applications, particularly for those under 100% NMI and/or meeting the definition of socially disadvantaged. Currently, 92% of homeowners who have received HAF funds fall below 100% NMI and 60% of homeowners who have received funds meet the definition of “socially disadvantaged”. Additional targeted outreach may be conducted based on ongoing analysis.

Additionally, the contracted call center vendor has Spanish-speaking members of staff, as well as language translation resources available. THDA and counseling agencies have language translation services available as well.

2. Is the targeting plan put forth in the HAF Plan achieving the desired results?

Yes

## Best Practices and Coordination

1. Have you coordinated with any of these agencies? (FHA, VA, USDA, GSE's, State or Local Agencies that hold mortgage portfolios)

No

2. Have you coordinated with servicers?

Yes

If yes, please provide best practices and information on coordination efforts.

THDA takes a comprehensive approach by working with homeowners, counselors, and servicers to determine how to best utilize funds towards loss mitigation efforts, or other efforts that are appropriate for and benefit the homeowner.

## Certification

1. Did you earn interest in excess of \$500 through the calendar year ending December 31, 2021?

Yes

If yes, how much interest did you earn in excess of \$500 through the calendar year ending December 31, 2021?

\$1,608.29

(If yes to question 1)

2. Did you remit the earned interest in excess of \$500 as required by 2 CFR 200.305? (For more information, see HAF Reporting FAQ, Section 1.15, on Treasury.gov.)

In progress