

Commonwealth of Massachusetts
Homeowner Assistance Fund (HAF)

Annual Report
November 2023

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Executive Summary

On March 11, 2021, the American Rescue Plan Act of 2021, H.R. 1319 (ARPA) became law. Section 3206 created the federal Homeowner Assistance Fund (HAF) to be administered by the U.S. Department of Treasury. HAF was established to help mitigate financial hardships associated with the COVID-19 pandemic by providing appropriated funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020. The Treasury provided a website announcement, including a Notice of Funds Request, on April 14, 2021 (and amended on August 2, 2021), publicizing the Housing Assistance Fund Guidance.

The Massachusetts HAF Program is administered by the Massachusetts Housing Partnership (MHP) and the Massachusetts Housing Finance Agency (MassHousing), in collaboration with the Massachusetts Executive Office for Administration and Finance (A&F), the Massachusetts Executive Office of Housing and Livable Communities (EOHLC), and the Massachusetts Division of Banks (the Division).

Homeowners are eligible to receive amounts assistance under the HAF if they experienced a COVID related financial hardship after January 21, 2020, have income equal to or less than 150% of the area median income (AMI) or 100% of the median income for the United States, whichever is greater, and are at least three payments delinquent on their mortgage. Financial assistance may be provided to a homeowner only for qualified expenses related to the homeowner's primary residence. Funds are provided to an eligible homeowner's mortgage servicing company (the company that collects their mortgage payments) in order to apply it to the housing loan, and third-party payees for delinquent property charges.

Massachusetts implemented a \$50,000 award cap per household, effective September 1, 2022, and is participating in the P-Program (Loss Mitigation with State Contribution Program).

Entities participating in the HAF program are required to submit Annual reports with information on the progress of their HAF program(s), including background information, outreach expenditures, performance on goals laid out in the HAF Participant Plan, and coordination efforts with community-based organizations, housing agencies, and servicers.

The Commonwealth stopped accepting applications on June 30, 2023, and final program awards are expected to be sent out by the end of the calendar year 2023, thus concluding the program. Regardless of the program closure, Massachusetts continues to maintain a public website for HAF, which includes housing related resources for homeowners who are having difficulty paying their mortgage, as well as mental health resources.

Community Engagement and Outreach

The Commonwealth developed the Massachusetts HAF (MassHAF) Community Outreach Support Program to build awareness of the HAF fund at the local, neighborhood level and provide information regarding eligibility and program details, particularly in communities where homeowners are at high risk for foreclosure and for communities less likely to be reached with traditional advertising.

Massachusetts HAF began advertising and marketing efforts in January of 2022. There were two main components to the outreach strategy: an advertising campaign and a grant program to community-based organizations (CBOs) to promote HAF at the local and neighborhood level. Through September 2023, the total amount spent on outreach was \$499,950, including 16 grants of up to \$25,000 each to CBOs across the Commonwealth.

Grant recipients perform activities to raise awareness among homeowners in their service area about MassHAF and encourage homeowners who may be eligible to visit massmortgagehelp.org, and if necessary, refer them to the Housing Counseling Agency (HCA) for application assistance.

MassHousing and Massachusetts Housing Partnership (MHP) work with more than 30 community organizations and providers, such as Citizens' Housing and Planning Association (CHAPA), Massachusetts Association of Community Development Corporations (MACDC), NeighborWorks Housing Solutions (NHS), Massachusetts Affordable Housing Alliance (MAHA), Way Finders, Massachusetts Communities Action Network (MCAN), Boston Home Center (City of Boston), Housing Assistance Corporation, Greater Boston Legal Services (GBLS), and others. Additionally, Massachusetts Housing Partnership (MHP) conducts outreach via a monthly newsletter that is distributed to over 400 housing organizations.

MassHAF did not have any significant difficulties in executing the outreach plan and has robust analytics showing measurable engagement with the target audience.

Performance Goals

The main goals for the MassHAF are to reduce mortgage delinquency among the targeted population and to disburse allocated funds timely and within Treasury guidelines.

Submitted goals that are identified in the MassHAF Participant Plan to measure program performance progress:

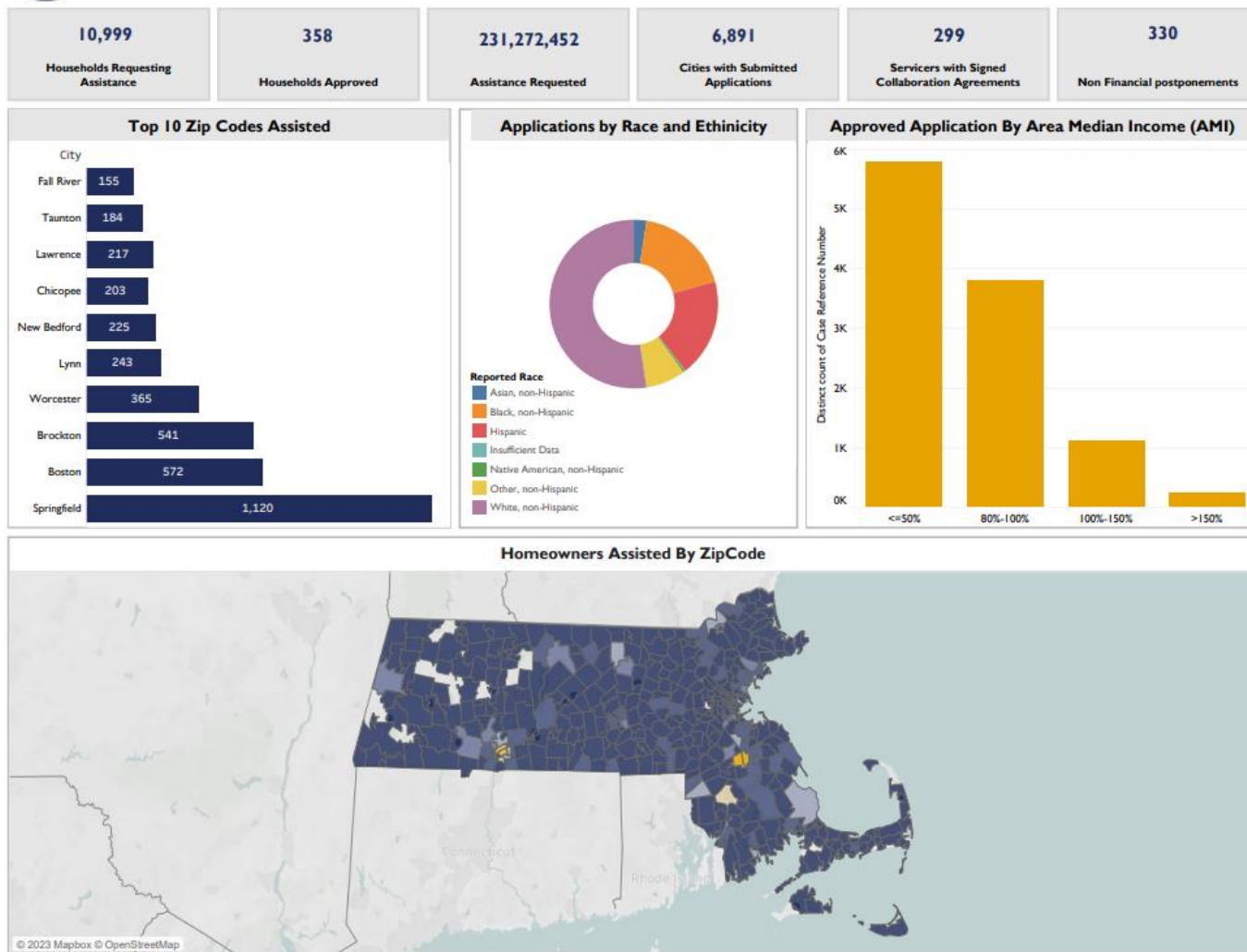
<u>Title</u>	<u>Design Element</u>	<u>Status</u>	<u>Continue</u>
Efficient Processing of Applications by Phase	Mortgage Reinstatement	Goal Met	X
Volume of Households Served	Mortgage Reinstatement	Goal Met	X
Serve All Households Eligible for the Program	Mortgage Reinstatement	Goal Met	X
Serve At Least 25% Socially Disadvantaged Households	Mortgage Reinstatement	Goal Met	X
Quick Response Time for Application Processing	Mortgage Reinstatement	Goal Met	X
Majority of Applications Processed in a Timely Manner.	Mortgage Reinstatement	Not on Track	
Distribute Funds Quickly Based on Demand	Mortgage Reinstatement	Goal Met	X
Fund at Least 60% of Households at or below 100% AMI	Mortgage Reinstatement	Goal Met	X
Category 2, Other Property Charges	Other measures	Goal Met	X
Category 2, Other Property Charges	Other measures	Goal Met	X
Serve Households by Gender Equitably	Mortgage Reinstatement	Goal Met	X
Serve Households by Race Equitably	Mortgage Reinstatement	Goal Met	X
Process Applications by Gender Equitably	Mortgage Reinstatement	Goal Met	X
Category 2, Other Property Charges	Other measures	Goal Met	X
Changes in foreclosure rate from pre-pandemic levels	Other measures	Goal Met	X
Serve Households by Gender in Amounts Paid Equitably	Mortgage Reinstatement	Goal Met	X
Process Applications by Race Equitably	Mortgage Reinstatement	Goal Met	X
Serve Households by Race in Amounts Paid Equitably	Mortgage Reinstatement	Goal Met	X

Annual metrics are comprised in an online dashboard that promotes a high-level view over the direction of HAF funding to municipalities and communities. Below includes the highlights from the most recent period of performance with program data through September 2023¹:



Massachusetts Homeowner Assistance Fund (HAF)

Data source: MassHousing and Massachusetts Housing Partnership
Last updated: 11/16/2023



¹ [Homeowner Assistance Fund \(HAF\) | Mass.gov](https://www.mass.gov/info-details/homeowner-assistance-fund-haf)

Methods and Targeting

HAF launched an advertising campaign in May 2022, which continued through the end of December 2022. The target markets were the 26 so-called Gateway Cities and the City of Boston, as well as communities surrounding these cities, which were categorized as disproportionately impacted by the pandemic.

The advertising campaign created ads in English, Cape Verdean Creole, Chinese, Haitian Creole, Khmer, Portuguese, Russian, Spanish, and Vietnamese. Ads were distributed via Google search, social media, radio, websites, public transit, TV, print, newspapers, video, and through several other channels such as posters and check cashing machines. To date, the digital components of the ad campaign have delivered more than 18 million impressions. Clicked ads have resulted in more than 136,000 new unique HAF website users and a MassHAF video was viewed more than five million times.

Best Practices and Coordination

Massachusetts Housing Partnership (MHP) has met and called the Federal Housing Administration (FHA), Veteran Affairs (VA), and the U.S. Department of Agriculture (USDA) on individual cases. The USDA has a servicer agreement with MHP and is tailored to MHP's needs. MHP also met with Fannie Mae (Federal National Mortgage Association) on several occasions to discuss policy related to pausing foreclosures and to understand the loss mitigation waterfall. MassHAF staff previously met weekly with other states on the National Council of State Housing Agencies (NCSHA) meetings. MHP held a training conducted by the National Conference of State Legislatures (NCLS) for MA Housing Counseling Agencies on the loss mitigation waterfall and FHA loss mitigation plans.

Massachusetts Housing Partnership (MHP) has a dedicated servicer liaison team to handle any issues that arise for servicers and to recruit servicers for MassHAF participation. MHP staff had hosted regular meetings with servicers and a monthly newsletter. MHP is in weekly meetings and coordination calls with Mass Housing, Massachusetts's other state housing finance agency, until the program ends. The MA Division of Banks initially reached out to servicers, in an email letter, asking lenders, who are overseen by the MA Division of Banks, to participate in MassHAF. The Division followed up with two more letters over the last year to those who had not signed up in a timely manner. MassHAF also escalates to servicers any homeowner who has received a foreclosure notice/petition and works with their team and the local legal team to pause the foreclosure. To date, MassHAF has successfully paused almost 330 foreclosure sales. MassHAF staff has also worked closely with Attorney General Andrea Campbell's office on constituent cases when a homeowner contacts them because the homeowner is having difficulty getting a response from their servicer on a foreclosure case. MHP has worked with the AGO on approximately 20-30 cases this past year.