



North Carolina Housing Finance Agency

**NC FORECLOSURE PREVENTION FUND**

Call 1-888-623-8631 or visit our website [www.foreclosureprevention.gov](http://www.foreclosureprevention.gov) for program details

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**NC Foreclosure Prevention Fund**

- 18 states including NC received Federal Hardest Hit Funds in 2010
- NC Housing Finance Agency chosen to administer foreclosure prevention program
- 41 HUD approved Counseling agencies throughout the state
- Over 21,500 homeowners assisted
- Avg 300 loans closed each month




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**NC Foreclosure Prevention Fund Programs**



- Mortgage Payment Program (MPP) – pays monthly mortgage and mortgage related expenses or reinstates a mortgage



- Second Mortgage Refinance Program (SMRP) – refinances and extinguishes an unaffordable second mortgage

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## Program Eligible (Temporary) Financial Hardship...

NCHFA uses this term to describe an event or condition that has caused a temporary reduction in income. This term can encompass any of the following circumstances:

- Job loss due to no fault of their own
  - Part-time/Full-Time Requirements\*
- Reduction in hours or income due to no fault of their own (>60 days)
  - Part-time/Full-Time Requirements\*
  - Employer Furloughs\*
- Special Hardships
  - Illness or injury (temporary)
  - Death of a co-borrower
  - Divorce or separation
  - Retired/Permanent Disability (Social Security)\*
  - Military Personnel\*

\* Effective October 1, 2013

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## MPP Types of Assistance

- Short Term Assistance - Job Search (Disability/Social Security)
  - Up to \$36,000 for up to 18 months
- Long Term Assistance - Job Training/Education (Military: VA-sponsored Vocational Rehabilitation Program and now the GI Bill)
  - Up to \$36,000 for up to 36 months
- One-Time Assistance – Reinstatement (Disability/Social Security/Military/Furlough)
  - Up to \$36,000

0% interest, deferred payments, forgiven after 10 years

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## MPP Population Served

### Homeowner

- experienced an employment related financial hardship on or after January 1, 2008
- able to search for a job, or attend school or retraining, to secure employment
- need help with monthly mortgage payment



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## SMRP Types of Assistance

Extinguish principal balance of second mortgage  
Up to \$30,000

0% interest, Deferred Payments, NOT forgiven after 10 years

\*\*\*Also available for Retired/Permanent Disability Hardship



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## SMRP Population Served

Homeowner

- experienced an employment related financial hardship on or after January 1, 2008
- recovered – full-time permanent employment
- still need help - pay off second mortgage loan



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## Eligibility Criteria Four Types

1. Basic Requirements
2. Basic Exclusions
3. Property Requirements
4. Underwriting Requirements

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**Eligibility Criteria**  
**1. Basic Requirements**

**A homeowner must:**

- ♥ Be a N.C. Homeowner and a Legal U.S. Resident
- ♥ Occupy home as primary residence
- ♥ Through no fault of own experienced a program eligible financial hardship on or after January 1, 2008
- ♥ Military: Must be honorably discharged from Active Duty (DD214 form)

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**Eligibility Criteria**  
**2. Basic Exclusions**

**A homeowner who wishes to apply for MPP assistance must NOT HAVE:**

- ♥ Been convicted of a mortgage related felony in last 10 years
- ♥ Unpaid principal balances on mortgages greater than \$300,000
- ♥ Seller financed mortgage
- ♥ Current pending litigation on primary residence mortgage

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**Eligibility Criteria**  
**3. Property Requirements**

The primary residence home must be:

- ♥ Located in North Carolina
- ♥ Multiple properties in addition to primary residence allowed
- ♥ A single-family home
  - ♥ Condominium/townhome (attached or detached)
  - ♥ Manufactured or mobile home on foundation permanently affixed to real estate owned by homeowner
  - ♥ Duplex where owner occupies one unit as their residence

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## Eligibility Criteria

### 4. Underwriting Requirements

- ♥ Satisfactory mortgage payment history 6 months prior to the hardship
- ♥ Financial hardship, no fault, since January 1, 2008
- ♥ Total mortgage related expenses greater than 25% of household income after hardship event – documents Need for Assistance
- ♥ Ability to Resume paying debts – One-time assistance and SMRP
- ♥ Federal and N.C. Tax Debt must be on a repayment plan
- ♥ Self Employed Borrower's income preference to continue as self-employed or seek wage earner income.

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## Important Facts

Homeowner does not have to be delinquent on mortgage, or in foreclosure to participate.

However, cannot be within 15 days of foreclosure sale.  
A stay of foreclosure is provided to stop a foreclosure for 120 days during NCFPF loan process if homeowner is 90 days or more delinquent.

Will not stop servicer contact.  
Borrower should continue to pay mortgage payments.

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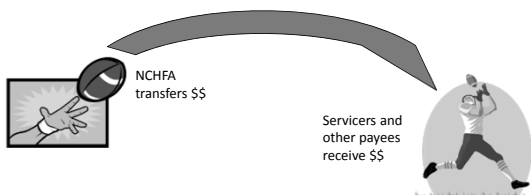
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## MPP and SMRP Assistance Provided as a Loan

- The NCFPF provides money directly to the servicer (or tax collector, or insurance agency, or homeowner's association) on behalf of the homeowner (borrower)



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To Apply On line or Locate Counseling Agency  
[Http://www.NCForeclosurePrevention.Gov](http://www.NCForeclosurePrevention.Gov)




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## Contact Housing Counselor or Borrower Direct



The N.C. Foreclosure Prevention Fund is offered by the North Carolina Housing Finance Agency, a self-sustaining state agency using funds provided by the U.S. Treasury.

### Choose How to Apply

#### Apply In Person

- Collect documents
- Call for appointment
- Travel to agency
- Meet with counselor (1 hour)

Continue (In Person)

#### Apply Online

- Collect documents
- Begin now with valid email
- Online application (1 to 2 hours)
- Scan and upload documents (30 to 90 minutes)
- Option to transfer application to counseling agency for completion
- Not available for self-employed

Continue (Online)

Call 1-888-623-8631  
for Program Information

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## Frequently Asked Questions

- Will you check my credit?
- How long does it take to get approved?
- What if I am more than 9 months behind on my mortgage?
- Is this program only available in my city?
- I was in the program before, and still have not found a job. May I reapply?
- I was denied previously due to an incomplete application. May I reapply?
- How long will this program be around?
- If I find a job, will you cut my assistance?
- What if I am approved for short-term assistance, but decide to go back to school? Can I apply again?

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**NC Foreclosure Prevention Fund**

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