



Frequently Asked Questions

Updated 11/2017

ATTENTION HOMEOWNERS IMPORTANT PROGRAM UPDATE

Applications for Florida Hardest-Hit Fund Programs will close January 31, 2018. If you have not yet completed the application process yet and would like to see if you are eligible you must fully complete your application by January 31, 2018. If you already have an application in the system, please contact your assigned advisor for additional information on the closing of the program.

Your application must be completed by January 31, 2018

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1. What is the Florida HFA Hardest-Hit Fund (HHF)?

Florida Housing Finance Corporation (Florida Housing) was directed by US Treasury (Treasury) to create and administer foreclosure prevention assistance programs that address the unique issues of our state.

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2. What is the Florida Hardest-Hit Fund Principal Reduction (HHF-PR) program?

The Florida Hardest-Hit Fund Principal Reduction (HHF-PR) program is designed to assist eligible homeowners by providing up to \$50,000 to reduce the principal balance of the first mortgage, thereby reducing the loan-to-value (LTV) of the first mortgage to no less than 100 percent.

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3. I hear the Hardest-Hit Fund Program is closing. Is that true?

Yes, the deadline to complete an application is January 31, 2018. The online application portals will be closed after that date. If you already have an application in the system, please make sure it is completed by the January 31st deadline and continue to work with your assigned advisor through your application process to determine your eligibility.

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4. What is a completed application?

A completed application is defined as completion of the online application and the printing of the application. There are five steps within the online application, at the end of the fifth step there is a print package button. You will need to print the package. Provided in the application package will be a list of documents that you will be required to submit by the document submittal deadline.

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5. What is the document submittal deadline? What will I need to provide?

Provided within the printed application package will be a document submission checklist. All of the documents listed will need to be provided to your assigned advisor agency by April 6, 2018. It will be your responsibility to ensure that the advisor agency is in receipt of those documents. Accepted proof will be an email or letter from the advisor agency stating that they have everything required on the April 6, 2018 to start the review for eligibility. If the advisor agency is missing any document or page of any document you will not be reviewed for eligibility. The documents you will need to provide is listed in question 12 below.

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6. I already started my application, will the closing impact my application?

No, if you already have an application in the system you will continue to work with your assigned advisor through your application process to determine your eligibility. Just make sure you have completed the online application by the January 31st deadline as the online portal will be closed after that date. There are required documents that you will need to submit by April 6, 2018 in order to have your application reviewed for eligibility. Please call your assigned advisor who will be able to discuss with you in detail any additional questions you have about the programs closing, your application status and any documents you are missing. Please read question 5 above for further information of deadline and confirmation documents have been received by your advisor.

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7. I applied before and was deemed ineligible, but want my application re-evaluated before the program closes. Do I need to re-apply?

You do not need to re-apply, but the deadlines for application completion and document submission will still apply to you. Please read question 4 and 5 above for more information about the application deadline and documents submittal deadline. Please call your assigned advisor—the person who deemed you ineligible during your prior application—and ask that your file be re-evaluated. You should be able to find your Advisor’s contact information in the original application package you submitted. There are required documents that you will need to submit in order to have your application reviewed for eligibility. Your Advisor will be able to discuss with you the changes in the program and determine if your file can be re-opened.

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8. How much assistance is available to me?

A qualified homeowner may receive up to \$50,000 to reduce the principal balance of the first mortgage, thereby reducing the loan-to-value (LTV) to no less than 100 percent. Approved funds will be paid directly to the first mortgage servicer to be applied to the principal balance of your loan.

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9. What are the terms of the assistance?

Florida HHF-PR funds will be in the form of a zero percent interest, forgivable loan that will be subordinate to current mortgages on the home. The loan is forgiven at a rate of 20 percent starting 18 months after acceptance into the program (over a five-year period). If the borrower has a FHA, VA or USDA-RD mortgage, the borrower will need to refinance the mortgage within 180 days after closing on principal reduction funds to receive the *pro rata* forgiveness. If a refinance is not done within the specified time, the principal reduction loan will be 100 percent forgiven after a full five years; therefore, no *pro rata* forgiveness will apply.

The HHF-PR loan must be paid back if your home is sold prior to the end of the loan period and there are sufficient proceeds from the sale to pay all superior secured loans. Florida Housing will agree to make the HHF-PR loan subordinate for homeowners who refinance their first mortgage to receive more favorable loan terms. However, if a homeowner refinances the first mortgage loan to consolidate debt or receive cash out, the homeowner will be required to repay the HHF-PR loan per the loan terms.

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10. What are the eligibility requirements?

Eligibility for assistance through the HHF-PR program is in four categories.

Homeowners must meet ALL CRITERIA within each category to qualify. However, it is possible for an eligible homeowner to be denied by their mortgage company.

<p>Homeowner Requirements</p> <ul style="list-style-type: none"> • Must be a legal US resident or legal alien • Must be a Florida resident • Borrower and/or co-borrower combined income must be below 140 percent area median income (AMI) adjusted for household size (for the AMI chart, click here) • If there has been a bankruptcy, it must be discharged or dismissed • Cannot have a conviction within the last 10 years on a mortgage-related felony (self-certified) <ul style="list-style-type: none"> ○ <i>Homeowners will be required to sign an affidavit stating s/he has not been convicted of a mortgage-related felony in the last 10 years; this includes larceny, theft, fraud, forgery, money laundering and/or tax evasion.</i> 	<p>Property Requirements</p> <ul style="list-style-type: none"> • Must be the homeowner’s primary residence (proof of homestead required) • Must reside in Florida • Homeowner must have purchased prior to January 1, 2010 • Cannot be abandoned, vacant, or condemned • Can be any one of the following structures: <ul style="list-style-type: none"> ○ A single-family home, condominium, or townhome ○ A manufactured or mobile home on a foundation permanently affixed to real estate owned by the homeowners; or ○ A one-, two-, three- or four-family dwelling unit of which one unit is occupied by the homeowner as the primary residence.
<p>Mortgage Requirements</p> <ul style="list-style-type: none"> • First mortgage is with a regulated financial institution, Habitat, or USDA • The outstanding principal balance of the first mortgage is \$350,000 or less at the time of application • The current LTV on all mortgages must be greater than or equal to 115 percent • Homeowner cannot have a current pending litigation on the property or mortgage. 	<p>Other Evaluation Criteria</p> <ul style="list-style-type: none"> • The loan must be eligible for recast; if the mortgage is a FHA, VA or USDA-RD mortgage, the borrower will need to refinance to receive the <i>pro rata</i> forgiveness provisions • Borrowers who are in the HAMP incentive period’s loans will not be recast, but the program will allow for principal curtailment • Borrower must be current on payments for the first mortgage for the past 24 months.

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11. Are there other factors that could make me ineligible for funding?

Even if you meet all the eligibility requirements listed above, there are a few instances in which you could be deemed ineligible for funding.

- Homeowners currently receiving HHF UMAP funding are **NOT** able to participate in the PR program.
 - HOWEVER: homeowners who have received HHF UMAP/MLRP funds in the past may be eligible for HHF-PR program funds IF:
 - Homeowner has paid their first mortgage for a period of 24 months from the date of the last UMAP/MLRP payment.
 - Homeowner is current on first mortgage (cannot be more than 60 days late within the past 24 months).
 - Homeowners may receive up to \$92,000 for all HHF programs in which they participate.
- Homeowners whose servicers are on the “Non-Participating Loan Servicer List” will be deemed ineligible. This list can be found [here](#).
- Homeowners who have modified or refinanced their loan (HAMP/HARP) may be deemed ineligible. Mortgage servicers have differing rules regarding the use of HHF-PR funds for various modification and/or refinance programs. The servicer has the final decision on whether HHF-PR funds will be accepted for your current loan.

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12. What documentation will I be asked to provide?

Since the Principal Reduction (PR) program eligibility is determined based on financial need, applicants are required to submit documentation to prove their need.

After you complete the online application, your advisor agency will contact you and ask for the following.

Please note that this is a PRELIMINARY list. It is likely you will be asked to submit additional documents throughout the application process.

- Proof of US Citizenship (Birth Certificate or US Passport)
- Proof of Florida residency (Florida ID or Florida Driver’s License)
- Copy of your deed (if available)
- Most recent mortgage statement
- Last 60 days of pay stubs for all employment and income sources
- Last two months of all current bank statements
- Bankruptcy discharge/dismissal (if applicable)
- If self-employed:
 - A copy of the last two year’s tax returns with all schedules attached
 - Two months current personal and business bank statements
 - Year-to-date profit and loss statement completed by a third party

Important information: the documentation you are required to provide for your application includes sensitive, personally identifiable information (PII). Please do not send any documents with PII to your advisor through unprotected email. Additionally, please do not send any application materials directly to Florida Housing.

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13. How is my loan-to-value (LTV) percentage determined?

One of the main requirements of the Principal Reduction (PR) program is that your home must be “underwater.” This means the LTV percentage must be above 115 percent. This is determined by a valuation done by CoreLogic, a nationally recognized valuation company. Florida Housing pays for this in conjunction with your application. However, if you are not satisfied with the outcome of CoreLogic’s appraisal, you have the option to pay out-of-pocket for an independent one.

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14. How do I apply?

To apply for the Florida HHF-PR program, you will need to use our web-based system from a computer with Internet access. The website address is www.PrincipalReductionFLHHF.org. This site contains all the information you will need to begin your application for assistance, with step-by-step instructions and prompts to help you.

If you do not have access to the Internet from your residence, public computers can be found throughout many communities at public libraries, schools or educational centers, or government-run facilities in your county.

Additionally, participation in the Florida HHF-PR program is on a first come, first served basis; only homeowners with complete application packages will be forwarded to their lender for final approval (a complete application package must have all the homeowner’s mandatory and requested documents submitted and reviewed). Homeowners who meet all eligibility criteria, but have not submitted required and requested documentation will not have their application sent to the lender, nor will a “place in line” be saved for him or her.

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15. Will a homeowner who receives HHF-PR funding need to pay the money back?

Please refer to [the answer to question 4.](#)

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16. Can a homeowner receive HHF-PR funds if he or she is part of another program such as: HAMP, HARP, HHF UMAP, HHF MLRP, or any other loan and/or trial modifications?

Please refer to [the answer to question 6.](#)

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17. Can I apply for HHF-PR if I was denied for HHF UMAP and/or HHF MLRP?

If you previously applied for the HHF UMAP and/or MLRP programs, and were denied, you may still apply for HHF-PR funding.

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18. How can I receive help during the application process?

If during the application process you are unsure as to how to complete the application, or you have any questions at all, please click the “Assign Me Now” button, which is located throughout the application. When you click this button, you will be immediately assigned to an advisor that can assist you through the application process. Once they have reached out to you, contact them regarding your questions about the application.

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19. What follow-up is required for the HHF-PR program?

Your assigned advisor is your **ONLY** point of contact. You will need to contact your advisor for follow-up and updates on your application. Do not call Florida Housing.

Be sure to check the email you used as your username at the beginning of the application, as well as your junk or spam mail folders. The first point of contact from your HHF Advisor may be by phone, but will most likely be by email. It may take up to 10 working days (excluding holidays and weekends) from the completion of your application for your advisor to contact you.

Note: If you receive a "referral code" from an approved advisor agency (a five-digit number that may be printed on HHF materials), you will need to type that number into the space titled "Referral Code" located on the first page of the online application to ensure you are automatically assigned to that specific agency. You are not required to have a referral code to complete the application; however, if you do not, you will be assigned to an advisor agency randomly. Florida Housing will not reassign you once the assignment has been made.

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20. What happens once I complete the online application?

Once you complete the required information on the website, your initial contact by your assigned advisor may be by phone, but most likely via email. If you have been given an appointment to meet with your advisor bring your required documents. Otherwise, fax or mail them to your advisor. Florida Housing will **NOT** contact you during the application process; Florida Housing only communicates with your advisor. Your assigned advisor is your point of contact and all your questions should be directed to him/her.

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21. Where can I find additional information about the HHF-PR program?

More information on the HHF-PR program can be found on the website at www.PrincipalReductionFLHHE.org.

For additional questions, please call the Florida Hardest-Hit Fund Information Line toll-free at:

1 (877)863-5244.

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