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DEPARTMENT OF PUBLIC WORKS
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DPW Superintendent

DATE: November 22, 2022
TO: Honorable Charter Township of Waterford Board of Trustees
FROM: Rachel Woolcox, DPW Staff Analyst/Safety Coordinator 
RE: Michigan State Housing Development Authority, Michigan Homeowner Assistance Fund

The Waterford Township Department of Public Works is seeking approval from the board to become a participating provider for the Michigan State Housing Development Authority's (MSHDA) Michigan Homeowner Assistance Fund (MIHAF). This fund was established through the American Rescue Plan Act of 2021 and is to help homeowners mitigate financial hardships associated with the coronavirus pandemic. Homeowners can apply for assistance with numerous household expenses including water/sewer bills.

The Provider Participation Agreement will allow Waterford homeowners that experienced financial hardship related to the coronavirus pandemic to receive funding for delinquent water/sewer bills. This agreement will not put any additional burden or cost on our department that we can see, but will help Waterford homeowners with their financial obligations.

<p style="text-align: center;">Requested Board Action</p>
<p style="text-align: center;">Approve Supervisor Wall to sign the Provider Participation Agreement with the Michigan State Development Authority for their Michigan Homeowner Assistance Fund.</p>

With us there are no boundaries



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

Become a MIHAF Partner

The Michigan State Housing Development Authority (MSHDA) opened the Michigan Homeowner Assistance Fund (MIHAF) program on February 14, 2022.

Michigan was allocated \$242.8 million from the American Rescue Plan Act of 2021's (the ARP) Homeowner Assistance Fund (HAF) program which Governor Gretchen Whitmer designated MSHDA as the program's operating agency.

We can help homeowners with delinquent mortgage/housing payments, delinquent property taxes, delinquent condominium association fees or delinquent utility payments to help them avoid foreclosure, displacement, or utility shut-off once you sign up to participate in this much needed program.

If you are a mortgage lender or servicer, please return the fully executed and completed MIHAF Collaboration Agreement and Service Provider Contact and ACH Instructions documents to MSHDA-HO-HAF-Program@michigan.gov.

If you are a County Treasurer, condominium association, utility company, local municipality collecting water/sewer payments, land contract seller or land contract management company, mobile home consumer lender or park manager, or broadband internet provider, please return the fully executed and completed MIHAF Provider Participation Agreement and Service Provider Contact and ACH Instructions documents to MSHDA-HO-HAF-Program@michigan.gov.

You only need to sign up one time. Your name will be added to our Partner Provider Database.

We always disburse MIHAF funds directly to the MIHAF Program Partner to be applied to your client's delinquent account once the homeowner is determined eligible for the MIHAF program assistance.

If you need further information please contact us 517-335-6481 or email your questions to MSHDA-HO-HAF-Program@michigan.gov.

**Michigan Homeowner Assistance Fund
Michigan State Housing Development Authority
Provider Participation Agreement**

This Participation Agreement (Agreement) made this ____ day of _____, 20__ by and between the Michigan State Housing Development Authority (MSHDA) and _____ (Provider), the undersigned, and hereby confirm their mutual agreement on the following principles relating to the Michigan Homeowner Assistance Fund (MIHAF).

RECITALS:

WHEREAS, MSHDA has created a federally funded program under its Michigan Homeowner Assistance Fund (MIHAF) Program; and

WHEREAS the MIHAF program was established to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities, the Provider(s) as described herein, for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of qualified homeowners (“Homeowners”) experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing, for the benefit of those Homeowners; and

WHEREAS, Provider is mortgage-loan servicer, mortgage holder, County Treasurer, land contract vendor, condominium association, or provider of public utilities, to whom one or more debts are owed that are eligible as Qualified Expenses under the MIHAF; and

WHEREAS, if a mortgage-loan servicer or mortgage-holder, Provider is a State, Federal, or national bank regulated by the Federal Reserve, a national bank or federally chartered bank regulated by the Office of the Comptroller of the Currency (OCC), a state bank regulated by the Federal Deposit Insurance Corporation (FDIC), a state or federal chartered credit union regulated by the National Credit Union Administration (NCUA), a state-chartered bank, credit union, or mortgage servicing organization regulated by the Michigan Department of Insurance and Financial Services (DIFS), or a governmental agency, that own the mortgage servicing rights of mortgage loans and services certain mortgage loans for borrowers who may be eligible to participate in the MIHAF program; or

WHEREAS, if a County Treasurer, Provider is the office of the duly designated receipt of real-property taxes for a county of the State of Michigan, with statutory powers of collection and foreclosure pursuant to the General Property Tax Act, Act 206 of 189; or

WHEREAS, if land-contract vendor, Provider is the vendor of an enforceable land contract governing real property located within the State of Michigan, and possessing legitimate powers of forfeiture and/or foreclosure pursuant to Michigan law; or

WHEREAS, if a condominium association, Provider is a legally recognized entity with authority to administer a condominium project located within the State of Michigan, and possessing a power of foreclosure pursuant to the Michigan Condominium Act, Act 59 of 1978; or

WHEREAS, if a provider of public utilities, Provider is an entity that provides electric, gas, home energy, water, internet service, or related goods and services to one or more residential properties within the State of Michigan, possessing a power to discontinue such services in the event of non-payment by the affected residents; and

WHEREAS, the above-defined Provider is able to document their authority to conduct business within the State of Michigan; where Provider is a company, Provider is able to provide a certified copy of Articles of Incorporation/Organization and certificate of Good Standing from the State of Michigan, or comparable verification of legitimate organization, upon request by MSHDA; where Provider is a County Treasurer, Provider is able to provide confirmation of same on County letterhead; where Provider is a land-contract vendor, Provider is able to provide confirmation that Provider is the person or entity eligible to receive payment under the terms of the land contract. If Provider is a non-Michigan business entity, Provider must upon request provide a certified copy of Articles of Incorporation/Organization filed in the State of Michigan, together with a Certificate of Authority to transact business in Michigan; and

WHEREAS Provider desires to participate in the MIHAF Program; and

WHEREAS Provider understands that participation in the MIHAF Program is voluntary and is distinct from Provider's participation in any other local, state, or federal foreclosure prevention, eviction prevention, or utility-access preservation programs; and

WHEREAS Provider and MSHDA desire to enter into this Agreement to set forth certain premises and mutual covenants:

NOW, WHEREFORE, MSHDA and Provider agree as follows:

1. **Application Process.** Homeowners will access the MIHAF Program through an online MIHAF application, or through a secure phone link, using systems established or designated by MSHDA. Provider understands that it will not be involved in determining eligibility for MIHAF Program, and that MSHDA shall make eligibility determinations according to its sole interpretation of MIHAF program guidelines.
2. **Selection/Qualification of Borrowers.** MSHDA shall be responsible for the selection/qualification of Homeowners to receive MIHAF Program funding. Provider may refer potentially eligible borrowers to MSHDA, and Provider is encouraged but not required to market the MIHAF Program. MSHDA shall make marketing materials available to Provider including web graphics and brochures in pdf format. Providers may refer Homeowners to MIHAF's website at www.michigan.gov/mihaf or MIHAF customer service at 844-756-4423 to apply or for MIHAF Program information.
3. **Point of Contact.** MSHDA shall provide a list of key contacts to Provider. Provider agrees to provide a primary and secondary point of contact, and electronic funds transfer information to MSHDA to facilitate communication and transfer of program funds (**Exhibit A**) and shall provide accessible contacts to MIHAF Program eligible Homeowners to address Provider's participation in the MIHAF Program and the administration of MIHAF payments as to Homeowner's accounts with Provider.

4. **ACH Payments.** Provider shall promptly provide ACH transmission information to MSHDA, as described in **Exhibit A**. Provider agrees that all MIHAF payments will be made via ACH.

5. **Information Sharing/Written Authorization.** MSHDA shall be responsible for procuring written authorization from each Homeowner to share information with Provider. A copy of the signed authorization will be provided to Provider through secured e-mail or web portal. Provider agrees to communicate information about the resolution of the assisted Homeowner's deficiency or default including suspension or termination of foreclosure or forfeiture proceedings, or other resolution options, to MSHDA. MSHDA and Provider agree to use a defined automated and secure process to submit borrowers to Provider for workout consideration.

6. **Transmission of Non-Public Personal Information.** All communication that includes a Homeowner's **Nonpublic Personal Information** (as defined below) between MSHDA and Provider shall be sent through encrypted e-mail, secure loan portal or other similar secure electronic delivery system. MSHDA and Provider agree that they will maintain or implement appropriate measures designed to (a) ensure the security and confidentiality of any Nonpublic Personal information it received from the other party, (b) protect against any anticipated threats or hazards to the security or integrity of such information, (c) protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to the subject of such information, (d) ensure the proper disposal of all Nonpublic Personal Information received from the other party upon the termination of the Agreement for any reason, unless the information is required to be retained for legal or regulatory record retention purposes, (e) treat the Nonpublic Personal Information with at least the same degree of care that it uses to protect its own confidential and proprietary information of a similar nature but with no less than a reasonable degree of care, and (f) implement or utilize appropriate technological safeguards that are at least in compliance with the Gramm-Leach Bliley Act and generally recognized industry standards.

"Nonpublic Personal Information" means any information received from or provided by the other party which pertains to or identifies an individual, such as name, postal address, e-mail or IP address, facsimile or phone number, mother's maiden name, social security or identification number, transactional, employment, financial data, medical or health records, personal, gender, political profile, account, and password information.

7. **Homeowner Assistance.** Once a Homeowner is accepted to the MIHAF Program, Provider shall not initiate foreclosure, forfeiture, nor collections, and if the Homeowner is already in the foreclosure, forfeiture, or collections process, shall not continue such process during the term of assistance. In the case of utility assistance, utility service shall be restored. Where a Homeowner's obligations to Provider exceed the maximum assistance that the MIHAF Program will pay on Homeowner's behalf, the MIHAF Program may still pay such benefits for the benefit of the Homeowner, but any agreement addressing the remaining deficiency will be strictly between Provider and Homeowner; neither MSHDA nor the MIHAF Program shall have any further obligation as to such a deficiency, nor shall MSHDA participate in the resolution of, nor be a party to, any agreement resolving such a deficiency. Providers are encouraged but not required to consider mechanisms for addressing such a deficiency that will delay the risk of additional default, such as amortizing the deficiency into future payments due from Homeowner.

MSHDA and Provider agree that all MIHAF Program Homeowner assistance options will be conducted in accordance with the MIHAF program descriptions and requirements detailed in the respective program term sheet(s), which are attached as **Exhibit B** and incorporated herein. Although Homeowner may be eligible for more than one type of relief under the MIHAF Program, Homeowner may only receive such relief one time, and once per home address: there shall be no duplication of relief within the MIHAF program, or between the MIHAF program and any other federal assistance programs. Provider recognizes that the MIHAF program is a federal program administered by the U.S. Treasury, may be subject to program guideline changes issued after the date of this agreement, and agrees to abide by the terms of subsequent or superseding federal guidance.

Provider agrees the program guidelines may be amended by MSHDA from time to time. Provider has reviewed the program term sheet and agrees to comply with all Program guidelines as outlined by MSHDA. MSHDA will notify the primary contact provided by Provider of any program amendments and/or changes. Provider is responsible to obtain any required investor and mortgage insurer approval.

8. MIHAF Program Approval. Upon notification by MSHDA that a Homeowner has been conditionally approved for MIHAF, Provider agrees to promptly accept or deny each Homeowner's participation in the MIHAF Program. Provider agrees that denial shall be only for good cause such as pending litigation, potential fraud, bankruptcy restrictions, and foreclosure status or if denied by investor or mortgage insurer for good cause.

9. MIHAF Program. Provider agrees to provide timely communication of Homeowner's deficiency status to the MSHDA, including sufficient information to identify that the correct deficiency matched to the correct Homeowner, and the amount owed. Provider agrees to apply MIHAF funds towards principal, interest, taxes, and insurance (collectively PITI). MSHDA agrees Provider may apply such funds towards attorney's fees, late charges and NSF fees, property inspection fees, escrow shortage and/or delinquent property taxes, one year of standard homeowner's insurance if forced place insurance has been invoked, and other fees and expenses if they are deemed an advance on Program funds towards delinquent property taxes.

10. Timing. Provider acknowledges that it is responsible for timely application of MIHAF Program funds. Provider shall hold the Homeowner harmless if payments are not applied timely. Provider agrees that it will timely provide MSHDA with written reports documenting application of MIHAF Program funds or alternatively to provide MSHDA an exception report for any funds that could not be applied. All remaining delinquencies identified after MIHAF funding must be resolved between Homeowner and Provider. The period of performance for MIHAF Program awards begins on the date hereof and ends on September 30, 2026, unless otherwise extended by U.S. Treasury. Provider shall not be eligible to receive MIHAF Program funds after such period of performance ends.

11. Repayment of Funds. Where the Homeowner has an ongoing obligation to the Provider that will continue after application of program funds to the deficiency, such as with an ongoing mortgage loan, MSHDA agrees that Provider will not be required to repay amounts applied to a borrower's loan if that borrower is later determined to be ineligible. If the Provider is eligible to

retain excess funds and overages, those may be retained by Provider and applied for the benefit of the Homeowner's ongoing obligation. Provider may be required by MSHDA to demonstrate how retained excess funds will be applied for the benefit of the homeowner, in such format as MSHDA shall require. If Provider is not eligible to retain and apply excess assistance due to the lack of an ongoing obligation or shall otherwise fail to apply Grant funds to the Homeowner's housing delinquencies, such unapplied funds are the property of MSHDA and shall be promptly returned to Grantor within thirty (30) days of determination of excess funding, but in any event shall not be paid directly to the Homeowner.

12. Homeowner Actions/Fraud. Provider agrees to promptly notify MSHDA in writing of any ongoing legal action against a Homeowner, including fraud-related activities.

13. Cessation of Mortgage Payments. MSHDA agrees it will promptly provide notice before it ceases payment of MIHAF Program funds to allow Provider time to evaluate the Homeowner for other loss mitigation options.

14. MIHAF Program Eligibility. Provider agrees that it is not authorized or empowered to determine and/or communicate to the Homeowner eligibility for MIHAF Program funds. MSHDA agrees that it is not authorized or empowered to determine and/or communicate to the Homeowner eligibility for foreclosure, forfeiture, or shut-off prevention programs of Provider. MSHDA retains sole authority for its MIHAF Program eligibility determination and communication to the Homeowner and Provider. Provider will communicate with Homeowner and MSHDA regarding modification and other Provider-driven approvals.

15. Provider Legal Compliance Obligations. Provider recognizes and accepts that the MIHAF Program is a federally funded grant program and acknowledges that failure to abide by MIHAF Program terms may result in recapture of grant funds or other sanctions.

Provider will comply with local, state, and federal laws pertaining to discrimination, including, but not limited to: the Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations; Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) and implementing regulations; Title VIII of the Civil Rights Act of 1968 (as amended by the Fair Housing Amendments Act of 1988) and implementing regulations; the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations; Title II of the Americans with Disabilities Act (42 U.S.C. 12101, et seq); the Elliott-Larsen Civil Rights Act; and the Michigan Persons With Disabilities Civil Rights Act.

16. Termination. Participation in the MIHAF Program is voluntary, and either Provider or Homeowner may terminate their respective participation agreement without cause, with 30 days written notice, unless or until MIHAF Program funds have been paid to Provider by MSHDA and accepted by Provider for the benefit of the Homeowner. Either party may terminate immediately upon material breach from the other party; in event of such termination, Provider shall accept and apply payments as agreed on behalf of a Homeowner already approved prior to the immediate termination, or shall return applicable assistance funds to MSHDA, at Provider's discretion.

Accepted and agreed to by:

Provider: _____

By: _____

Print: _____

Its: _____

Date: _____

Address: _____

Michigan State Housing Development Authority

By: _____

Its: _____

Date: _____

EXHIBIT A
Provider Contact and ACH Instructions

EXHIBIT B
MIHAF Program Term Sheet

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

**735 E Michigan Avenue
Lansing, Michigan 48912**

**Michigan Homeowner Assistance Fund (MIHAF) Provider Contact
Information
and ACH Instructions**

MiEncrypt is used to exchange secure communication. The State of Michigan Data Exchange (DEG) is used to send records back and forth. When your MSHDA MIHAF Advisor reaches out to the contacts below, the Provider will be assigned a username and password to access the site. MIHAF will communicate case level detail to the individual listed below using the Common Data File (CDF) or Excel or encrypted email. Approved funds will be deposited into the Depository Financial Institution (DFI) account provided.

Service Provider Name:

Primary/Management Contact Information:

(name, phone number, email address)

Case Level Contact Information:

(name, phone number, email address)

ACH Instructions for Provider's Depository Financial Institution (DFI):

DFI Routing-Transit Number _____

DFI Name: _____

Account Name: _____

Account Number: _____

Type of Account: _____ Checking _____ Savings

Michigan Homeowner Assistance Fund (MIHAF) Term Sheet

Program: Michigan Homeowner Assistance Fund (MIHAF)

Date: May 1, 2022

Program Overview	This MIHAF program was established under section 3206 of the American Rescue Plan Act of 2021 (the ARP) to mitigate financial hardships associated with the coronavirus pandemic by providing 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 on or after January 21, 2020, through qualified expenses related to mortgages and housing.
HAF Program Goal	To provide financial assistance to Michigan Eligible Homeowners to eliminate or reduce past due payments associated with homeownership, including payments under a forbearance plan, deferred payments, full or partial reinstatements, corporate advances on a Reverse mortgage, and past due payment on loans secured by manufactured home or contracts of deeds. To provide financial assistance to Michigan Eligible Homeowners to eliminate or reduce past due property tax, condominium association dues, and/or housing utility payments.
Size of MIHAF Program	Michigan State Housing Development Authority (the Authority) will utilize up to \$206,086,279 (total award \$242,812,277 less 15% administrative costs) of its total HAF allocation for this program.
Targeted Population of Homeowners and Financial Challenges Program Seeks to Address	Not less than 60% of amounts made available for MIHAF program expenses will be used for qualified expenses to assist homeowners having incomes equal to or less than 100% of the area median income household limit in accordance with HUD’S FY 2021 HAF Income Limits. Any amount not made available to homeowners that meet this income-targeting will be used for qualified expenses to assist homeowners having incomes equal to or less than 150% area median income and will be prioritized for assistance to socially disadvantaged individuals as outlined in U.S. Department of the Treasury Guidance dated August 2, 2021. Program funds will be made available to assist all eligible homeowners on a first come, first serve basis.
Eligible Homeowners	<p>“Eligible Homeowners” for Michigan’s MIHAF program must meet the following criteria:</p> <ul style="list-style-type: none"> • Homeowner must have experienced and attest to a Qualified Financial Hardship on or after January 21, 2020 or had a Qualified Financial Hardship that began before January 21, 2020 but continued after that date. The attestation must describe the nature of the financial hardship.

	<ul style="list-style-type: none"> • Homeowner must currently own and occupy the property as their primary residence. • Homeowner must meet the Homeowner Income Eligibility Requirements.
<p>Eligible Legal Ownership Structures</p>	<p>“Eligible Legal Ownership Structures” include only the following:</p> <ul style="list-style-type: none"> • Those where the home is owned by a “natural person” (i.e., LLP, LP, S-Corp, or LLC <u>do not</u> qualify). Where the estate of a deceased natural person is the ownership entity, the owner may be eligible, subject to review by the Authority. • Those where the homeowner has transferred their ownership right into non- incorporated, Living Trusts, provided the homeowner occupies the home as the primary/principal residence. • Those where the home is under a Purchaser’s Interest in a Land Contract valid under Michigan law. • Those where the home is owned by a certificate of title. • Those where the occupant is a member of a “Consumer housing cooperative organized under Michigan law.”
<p>Qualified Financial Hardship</p>	<p>A “Qualified Financial Hardship” is a material reduction in income or material increase in living expenses associated with the coronavirus pandemic that has created or increased a risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.</p> <ul style="list-style-type: none"> • Reduction of Income – Temporary or permanent loss of earned income on or after January 21, 2020 or that began before January 21, 2020 but continued after that date. • Increase in living expenses – Increase in out-of-pocket household expenses such as, medical expenses, inadequate medical insurance, increase in household size, or costs to reconnect utility services directly related to coronavirus pandemic on or after January 21, 2020 or that began before January 21, 2020 but continued after that date.
<p>Homeowner Income Eligibility Requirements</p>	<p>To be eligible for assistance under the Michigan’s MIHAF Program, homeowners must have incomes equal to or less than 150% of the area median income household limit in accordance with HUD’S FY 2021 HAF Income Limits. (“Homeowner Income Eligibility Requirements”).</p>
<p>Homeowner Prioritization</p>	<ul style="list-style-type: none"> • The Authority will prioritize funding to the following populations: • Not less than 60% will be used for qualified expenses that assist homeowners having incomes equal to or less than 100% of the area median income. • Amounts not made available to homeowners that meet the above

	<p>income-targeting requirement will be used to assist homeowners having household incomes equal to or less than 150% of area median income and prioritized for assistance to socially disadvantaged individuals as defined by the Department of U.S. Treasury’s guidance dated August 2, 2021.</p> <p>“Socially Disadvantaged Individuals” are those whose ability to purchase or own a home has been impaired due to diminished access to credit on reasonable terms as compared to others in comparable economic circumstances, based on disparities in homeownership rates in Michigan as documented by the U.S. Census. “Socially Disadvantaged Individuals” are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities. Social disadvantage must stem from circumstances beyond their control.</p> <p>Indicators of socially disadvantage impairment may include being a 1) member of a group that has been subjected to racial or ethnic prejudice or cultural bias with American society; 2) resident of a majority-minority Census tract; 3) individual with limited English proficiency; 4) individual who lives in a persistent-poverty county that has had 20% or more of its population living in poverty over the last 30 years; 5) single-member households, Female heads of households with related children and Shelter overburden households as supported in Michigan’s data analysis, and 6) an individual who identifies and self-attests to being socially disadvantaged within the application process.</p>
<p>Eligible Properties</p>	<p>“<u>Eligible Properties</u>” are those that are:</p> <ul style="list-style-type: none"> • Single-family (attached or detached) properties • Condominium units. • 1 to 4-unit properties where the homeowner is living in one of the units as their primary residence. • Manufactured homes permanently affixed to real property and taxed as real estate. • Mobile homes not permanently affixed to real property. <p><u>Ineligible properties:</u></p> <ul style="list-style-type: none"> • Vacant, lacking a dwelling, or abandoned. • 2nd homes. • Investment property. • 1 to 4-unit properties where the homeowner/landlord has received Emergency Rental Assistance Funds.
<p>Eligible Qualified Expenses MIHAF Program Proceeds</p>	<p>Housing obligations as listed below and incurred by a Homeowner’s Qualified Financial Hardship on or after January 21, 2020 or had a Qualified Financial Hardship before January 21, 2020, but continued after that date are eligible “Qualified Expenses” of MIHAF Program Proceeds:</p> <ul style="list-style-type: none"> • Existing delinquent first mortgage lien payments (principal, interest, taxes, insurances (PITI)), escrow shortages, corporate advances. • Existing first mortgage lien partial or full forbearance reinstatement

	<p>and/or delinquent monthly forbearance payments.</p> <ul style="list-style-type: none"> • Existing delinquent subordinate mortgage lien payment (P&I) • Existing delinquent government subsidized, amortized lien payments (P&I) • Land Contract delinquent monthly payment (P&I) • Manufactured/mobile home delinquent loan monthly payment (P&I) and delinquent lot rent, if applicable. • Utilities, including electric, gas, home energy and water delinquent balances and costs to restore services, if arrearages not otherwise covered from another source of funds. • Internet service, including broadband internet access, delinquent balances, and costs to restore services, if arrearages not otherwise covered from another federal assistance source of funds. • Homeowner’s association fees, condominium association fees or common charges, delinquent balances including costs for lien extinguishment. • Homeowner’s hazard, flood and/or mortgage insurance delinquent balances, including force place coverage, and costs to reinstate coverage. • Delinquent property taxes, including assessed interest and penalties. • Homeowner counseling/non-profit legal entity application assistance costs • De minimis lender-assessed fees. <p>Arrearages of qualified expenses are eligible for purposes of HAF regardless of the date they were incurred, including if arose before January 21, 2020 per U.S. Treasury guidance dated August 2, 2021.</p> <p>Exhibit A to this Program Design contains the other Treasury-required requirements, such as the maximum dollar amount that this program will provide to each homeowner for each type of qualified expense (“Per Item Maximum Amount”.)</p>
<p>Maximum Per Household MIHAF Assistance</p>	<p>The Authority will not exceed its “Maximum Per Household MIHAF Assistance” amount of \$25,000 per household, combined across all Eligible Uses, in the MIHAF Program.</p> <p>Additionally, the Authority will not exceed its Per Item Maximum Amounts listed in Exhibit A.</p> <p>Additionally, assistance is limited to one-time, per household.</p>
<p>Assistance Type</p>	<p>Assistance will be structured as a non-recourse grant.</p>

<p>Payout of MIHAF Assistance</p>	<p>The Authority will disburse MIHAF assistance directly to mortgage lender/servicer, land contract holder, manufactured/mobile home lender/park (lot fees), county treasurer, condominium/homeowners' association, utility provider, local municipality, internet and/or broadband service providers.</p> <p>The Authority will make no more than one disbursement to each payee.</p> <p>The Authority will disburse the amount quoted by the lender/servicer; any discrepancies to be resolved by the homeowner and lender/servicer.</p> <p>If Homeowner's past due amount exceeds the amount that the Authority can provide, Homeowner may pay the difference, and the Authority will pay the maximum of their limit.</p>
<p>Structure of Assistance and Payment Process Description of Qualified Expenses</p>	<p>MIHAF assistance will be prioritized to Eligible "Qualified Expenses" of MIHAF Program Proceeds as follows:</p> <ol style="list-style-type: none"> 1) Mortgage/housing loan assistance, 2) Land Contracts and Reverse Mortgages, 3) Property taxes, 4) Condominium/homeowners' association fees, 5) Mobile home and/or lot payment assistance, 6) Homeowner's insurances, 7) Utilities, 8) Internet services.
<p>Program Launch</p>	<p>The Authority is planning to launch the program to the public statewide in the fourth quarter of 2021 subject to the timing of Michigan's legislative appropriation of program funds to the Authority, MSHDA Board approval, and the Department of U.S. Treasury's approval of Michigan's MIHAF Plan. The terms hereof are subject to change based on the foregoing.</p>
<p>Program Duration</p>	<p>The period of performance for the MIHAF award begins on the date hereof and ends on September 30, 2026. HAF recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.</p> <p>The Authority plans to disburse all funds prior to the end of program date, September 30, 2026.</p>
<p>Program Leverage with Other Financial Resources</p>	<p>The Authority will undertake best effort approach to leverage the assistance that might be available for homeowners through other federal programs that have been created expressly for that purpose before using MIHAF funds for utility assistance, for example.</p>
<p>Program Exclusions</p>	<ul style="list-style-type: none"> • Home repair/property improvement assistance • Rent to Own or Lease to Own Agreements

	<ul style="list-style-type: none"> • Partial payments or Payoff of an FHA Partial Claim • Balloon Payment on Land Contract/Mortgage/Consumer loan (manufactured/mobile home) • Principal Reduction or full payoff of a 1st or 2nd mortgage lien/land contract • Received assistance from Michigan’s COVID Emergency Rental Assistance (CERA) program • MSHDA employees
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Exhibit A

Eligible Uses of MIHAF Program Proceeds	Per Item Maximum Amount Per Homeowner	Description of Intended Impact on Eligible Homeowners
Housing Payment Assistance (Mortgage, Land Contract, Mobile Home)	\$25,000	Reinstate, avoid foreclosure, retain homeownership
Property Tax Assistance	\$25,000	Reinstate, avoid foreclosure, retain homeownership
Condominium Association Assistance	\$10,000 budgeted (and included in \$25,000 Housing payment assistance)	Reinstate, avoid foreclosure, retain homeownership
Homeowner’s Insurances (Hazard, Flood or Mortgage)	\$25,000 (included in Housing payment assistance)	Reinstate and restore coverage
Utility Assistance	\$500 budgeted (and included in \$25,000 Housing payment assistance)	Reinstate and restore services