

United States Department of the Treasury

HAF Annual Report

Submitted by Stephen Enz

Indiana Housing and Community Development - HAF AR 2023

Participant Information:

Entity Name	Indiana
Type of Recipient	State/DC
UEID	PW8WAKF1KWG9
TIN	351485172
DUNS+4	086870479
FAIN#	HAF0018
Address	30 South Meridian Street, Suite 900
City	Indianapolis
State	Indiana
Zip	46204-3565

Please report discrepancies (if any) on the above information.	
--	--

Report Status:	Submitted
Date Submitted:	11/14/2023 10:49 AM
Submitted by	Stephen Enz, senz@ihcda.in.gov
Certified by	Stephen Enz

Point of Contact List:

Name	Title	Email	Roles
Richard Harcourt	Chief Financial Officer	rharcourt@ihcda.in.gov	HAF - Point of Contact for Reporting;HAF - Authorized Representative
Jacob Sipe	Executive Director	jsipe@ihcda.in.gov	HAF - Point of Contact for Submission
Stephen Enz	Real Estate Policy and Data Manager	senz@ihcda.in.gov	HAF - Account Administrator;HAF - Point of Contact for Reporting;HAF - Authorized Representative

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.	\$1,684,180.00
---	----------------

3. You identified the Community-based Organizations listed below in your HAF Participant Plan or a previous report. Please indicate whether or not you have performed outreach to these organizations using the checkboxes in the "Outreach performed" column.

Community-Based Organization	Type	Added on this report?	Outreach Performed?
Indiana Foreclosure Prevention Network	Community Organization	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Indiana Foreclosure Prevention Network	Provider	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Performance Goals:

Title	Program Design Element	Status	New	Continue
Provide 3-6 months of Mortgage Payment Assistance	Mortgage Payment Assistance	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Mortgage Reinstatement Assistance to eligible homeowners	Mortgage Reinstatement	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide payment assistance for Homeowner's insurance	Payment Assistance for Homeowner's Insurance	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide payment assistance for Homeowner Association fees	Payment Assistance for HOA fees or liens	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Assistance for Property Tax Payments	Payment Assistance for Delinquent Property Taxes	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Homeownership Counseling to eligible families and households	Other measures to prevent homeowner displacement	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Methods for Targeting:

<p>1. Please provide an update on your targeting plan including challenges, successes, etc.</p>	<p>IHAF had devised a targeting plan based upon these distinct county-by-county measures: 1) the number of households earning less than 100% AMI, 2) the percent of cost burdened households, 3) the percent of socially disadvantaged individuals/households, 4) the unemployment rate of a county as of June 2021, 5) delinquency rate, 6) forbearance rate. Using a weighted average of these measures, a single Economic Distress measure was created. Counties with higher Economic Distress measures were to receive enhanced outreach. If successful, this would likely result in higher per capita assistance in those counties with higher measures.</p> <p>Even with</p>
---	--

2. Is the targeting plan put forth in the HAF Plan achieving the desired results?	No
---	----

	As we analyze the
--	-------------------

expenditures made to date, the Economic Distress measure is a less reliable indicator of the amount of assistance granted to a county than is the county's total population. Considering just the top 15 county's awards per capita, only four of the 15 most distressed counties make the list. At the same time, eight of the largest counties (by population) appear on the list of the top 15 counties by assistance per capita.

Much of the targeted outreach for IHAF was performed through the agencies that make up the Indiana Foreclosure Prevention Network. Another part was through the statewide

<p>If you selected 'no', please explain what did not work and how the program is working to improve results.</p>	<p>information line Indiana 2-1-1. And the general outreach was managed primarily through digital efforts such as sponsored online searches and social media placement. It is difficult to determine how much awareness of the program could be attributed to word of mouth.</p> <p>Even with broad marketing efforts and with locally targeted information campaigns, the rural, thinly disbursed nature of much of Indiana's population is a characteristic that is difficult to overcome.</p> <p>An alternate explanation of results of the analysis of Economic</p>
--	---

Distress vs. Population could be the independent nature of those people who live in more rural environments. They may indeed be less likely to ask for help, instead finding ways through the difficulty on their own, without public assistance.

At this point in the program, Indiana has distributed or obligated most of our funding. We have implemented a waitlist for applications received on or after 10/21/2023. We are able now to award funds to new applications based on the amount of recoupments made before the close of our program. As such, we are not in a position to change our

	<p>outreach efforts at this time.</p> <p>However, for future programs, Indiana should consider new methods of outreach, especially to smaller counties and communities. Creating or tapping into a network of community social organizations may serve Indiana well in the future.</p>
--	--

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)	Yes
	<p>The agency IHAF has had the most contact with is the USDA. With the clear main objective of serving their borrowers well, we have worked on issues regarding the interpretation of the CDF and its requirements, especially the timing of T-records and P-records in particular. We have had one distinct, unfortunate difference of interpretation which has caused confusion. For IHAF's process, we have defined Mortgage Reinstatement and Mortgage Payment Assistance as two different programs. As such, we have issued T-records after the Reinstatement payment (R program), and then again at the end of the Mortgage Payment Assistance (U program). Unfortunately, at least in the beginning of the year, upon receipt of a T-record for the R Program, USDA terminated the borrower from access to any future payments of assistance. With</p>

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

that, they refused and returned many Monthly Payments. This quickly put homeowners/borrowers into a renewed hardship.

To compound the issue, USDA has found it difficult to stay up to date on returning P-records. This is likely due to staffing and technological issues. In any case, it is posing a problem for Indiana's ability to maintain detailed records of payments received and applied.

As for best practices, the CDF is a good form with all the appropriate information. The improvement may simply be clear guidance from Treasury as to whether Mortgage Reinstatement and Mortgage Payment Assistance should be considered as two different programs or

	just one, especially for the the issuance of T-records.
--	---

2. Have you coordinated with servicers?	Yes
---	-----

	<p>IHAF has worked very closely with mortgage servicers from the very beginning of the program, from onboarding through the issuance of payments and the exchange of CDF information.</p> <p>As with the USDA above, IHAF has experienced challenges in the timely receipt of V records and P records from servicers. As part of the onboarding process for any future program, an emphasis on the timing of transmittal of these records from servicer to the Program must be emphasized</p>
--	---

as strongly as possible. The servicers would all be well-advised to assign dedicated staff to the verification and confirmation tasks associated with the CDF.

Also, as a best practice, once servicers is onboarded, they should be encouraged (or even required) to send Program eligibility and application information to any borrower who is 30+ days delinquent, and again to any borrower who may be facing foreclosure or any loss mitigation or forbearance arrangement.

Another standard (best) practice would be that foreclosure

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

	and loss mitigation proceedings might be suspended during a borrower's application and eligibility
--	--

	process, for a reasonable time frame.
--	---------------------------------------

Certification:

Statement

I certify that the information provided is accurate and complete after reasonable inquiry of people, systems, and other information available to the HAF participant. The undersigned acknowledges that any materially false, fictitious, fraudulent statement, or representation (or concealment or omission of a material fact) in this submission may be the subject of criminal prosecution under the False Statements Accountability Act of 1996, as amended, 18 USC 1001, and also may subject me and the HAF participant to civil penalties, damages, and administrative remedies for false claims or otherwise (including under 31 USC 3729 et seq.) The undersigned is an authorized representative of the HAF participant with authority to make the above certifications and representations on behalf of the HAF participant.

1. How much in interest did you earn on HAF award funds in your last fiscal year?	\$0
2. If you earned interest in excess of \$500, did you remit that excess earned interest to the Department of Health and Human Services Payment Management System (PMS)?	N/A – Interest earned less than \$500