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Hoosiers Eligible for Increased Mortgage Assistance

Indiana expands foreclosure prevention program; launches new user-friendly website

INDIANAPOLIS—The Indiana Foreclosure Prevention Network (IFPN), a statewide multi-agency collaboration operated by the Indiana Housing and Community Development Authority (IHCDA), updated its Hardest Hit Fund Unemployment Bridge Loan Program (Hardest Hit Fund), opening the door for more financial assistance to Indiana homeowners. The program update coincides with the launch of IFPN's newly refreshed website, www.877GetHope.org. The website offers a more user-friendly visitor experience, including an improved online application process.

The Hardest Hit Fund is a national program available in 18 states and the District of Columbia. Indiana's program, administered by IHCDA, offers individuals who are unemployed through no fault of their own assistance in paying their mortgage while they seek employment. The program also offers formerly unemployed individuals, who are now back to work, help catching up on their mortgage if they fell behind while unemployed.

The U.S. Department of the Treasury approved the changes, which broaden borrower eligibility, eliminate mortgage co-payment, increase the amount of assistance some borrowers receive and add reinstatement modification for those with delinquency above the \$18,000 assistance maximum.

Specific program changes include:

- **Increasing Borrower Eligibility.** The borrower's monthly first principal, interest, taxes and insurance (PITI) payment must be greater than 25 percent of the borrower's gross monthly household income, excluding unemployment insurance (UI) benefits in order to receive assistance.
- **Eliminating Borrower Contribution.** Eligible borrowers will have their mortgage paid in full for the duration of their enrollment. Borrowers formerly were required to pay a portion of their mortgage.
- **Increasing Maximum Household Assistance.** The amount of assistance available to each eligible borrower in all Indiana counties is \$18,000. This applies to all borrowers who did not sign closing documents prior to July 18, 2012. While

the Hardest Hit counties have always been eligible for \$18,000, some counties formerly had a \$12,000 assistance maximum for borrowers.

“These changes allow us to better serve homeowners struggling to pay their mortgages due to unemployment,” said Mark Neyland, director of Asset Preservation for the Indiana Housing and Community Development Authority (IHCDA), the agency that oversees the IFPN. “This, in turn, helps strengthen families and neighborhoods throughout Indiana.”

The U.S. Department of the Treasury established the Housing Finance Agency Innovation Fund for the Hardest-Hit Markets (Hardest Hit Fund) to provide financial assistance to families in the states most impacted by the downturn of the housing market. The U.S. Department of the Treasury designed the overall program to give each participating state the flexibility to tailor its program to the unique factors contributing to its state’s foreclosure problem.

Indiana was awarded more than \$221 million to help unemployed homeowners pay their mortgage and began providing assistance in 2011. Under the Hardest Hit Fund, IFPN is targeting low-to moderate-income homeowners whose primary residence is in any county in Indiana.

Interested homeowners should visit www.877GetHope.org or call 1-877-Get-Hope (1-877-438-4673) to apply.

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About the Indiana Foreclosure Prevention Network: The Indiana Foreclosure Prevention Network is a coalition of community service and housing-related organizations, government agencies, lenders, realtors, and trade associations that are actively addressing Indiana’s foreclosure crisis through a variety of methods. For further information on IFPN or the Hardest Hit Fund, visit www.877GetHope.org.