



Preserving New Jersey Homeownership Opportunities

ERMA Program Overview

- Provides up to \$35,000 for New Jersey homeowners who were unable to pay their mortgage or other eligible housing expenses, such as property taxes, due to a COVID-19 related hardship
- Eligible to assist one-to-four-unit owner occupied dwellings with:
 - Mortgage Reinstatement
 - *One-time payment to settle mortgage arrearages*
 - Monthly Payment
 - *Up to four months of mortgage payment assistance*
 - Other Eligible Expenses
 - *Delinquent property tax*
 - *Property tax lien or municipal liens*
- Structured as a 0% interest rate (non-amortizing), forgivable, subordinate three-year loan



ERMA Program Performance, as of June 2022

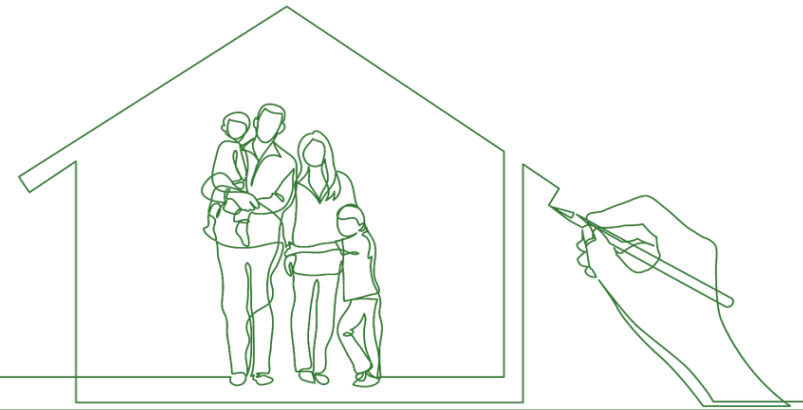
- 89% of Awardees have a household income at or below 100% of their county AMI.
 - Average award recipient earns approximately 45% of their respective county AMI.
- 72% of award recipients have met the definition of socially disadvantaged, as defined by US Treasury.
 - Households subject to historical racial or ethnic bias
 - Residents of a majority-minority census tract
- ERMA Performance in Targeted PUMAs, which are PUMAs that have higher than statewide averages for all the following criteria:
 - Estimated count of mortgages in distress;
 - Estimated mortgage distress rate;
 - Estimated count of low-income homeowners;
 - Estimated count of minority homeowners; and
 - Estimated count of low-income minority homeowners

	% of Statewide Mortgage-Holding Households	% of ERMA Recipients
Targeted Areas	14.89%	25.93%
Non-Targeted Areas	85.11%	74.07%



HUD-Certified Housing Counselors

- HMFA offers housing counselor assistance – funded both by the Homeowner Assistance Fund and state funds (P.L.2019, c.64 & P.L. 2021, c.373) – to assist homeowners in achieving their best possible outcomes.
- Since the start of the pandemic, HMFA assisted thousands of families with housing counseling assistance facing housing instability. This includes:
 - Pre-foreclosure counseling assists to help address the problem early on before it becomes insurmountable; and
 - Foreclosure mediation assistance to bring the lender and the homeowner (assisted by their counselor) face-to-face with a court appointed mediator to work toward a suitable resolution of the mortgage delinquency.
 - Application assistance for navigating state and federal programs, such as ERMA.



Foreclosure Prevention Act

History

- Passed in 2021, the Foreclosure Prevention Act (“FPA”) authorized HMFA to undertake foreclosure interventions and funded programs that would promote homeowner and community stability by purchasing nonperforming notes, while providing opportunities for first-time homebuyers to purchase a home without competing with investors.
- Due to the stays on various funding mechanisms, the program was allocated \$10 million in SFRF revenue to engage with contractors and make initial bulk purchases.

Program Description

- NJHMFA is utilizing the funds and authorization in the programs to stabilize communities through supportive homeowner interventions and vacancy rehabilitation for sale to stem the loss of single-family home stock through conversion to rental by institutional investors.
- By targeting specific areas for purchase of non-performing notes offered by FHA, NJHMFA will ensure that neighborhoods are able to remain stable and available for the communities that currently live there.



Healthy Homes Initiative

Description

- NJHMFA anticipates utilizing available funds to provide critical improvements to substandard residential housing in neighborhoods adjacent to Hospital Partnership Program sites. The program will improve and support community health, ensuring that the investment of health and housing resources permeate throughout the neighborhood.
- Funding for the program will be used to partner with community-based organizations for the purpose of our conducting outreach, inspections and community health-based interventions for occupied low-to-moderate income families. Eligible interventions will aim to address, but not be limited to:
 - Asthma and other respiratory triggers (e.g., mold, dust, moisture, etc.)
 - Household injuries
 - Fire and smoke
 - Pests
 - Potentially, asbestos, radon, carbon monoxide, and other poisonous/volatile compounds

