**DRAFT**

**Washington County Homeowner Stabilization Fund Term Sheet**

The Washington County CDA proposes to use up to $1 Million of CARES Act Coronavirus Relief Fund dollars allocated from the State to Washington County for the purpose of providing assistance to homeowners at risk of mortgage default and/or foreclosure as a result of economic hardship due to the COVID-19 pandemic.

CARES funds require demonstration that expenditures are necessary, incurred as a result of the COVID-19 pandemic, and incurred during the period between March 1 and December 30, 2020. To satisfy these criteria, the Washington County CDA proposes to implement this assistance fund within the parameters outlined below.

* Assistance is prioritized for households with annual gross income of 115% of Area Median Income or below, with assistance available to households above this income threshold if sufficient funds are available.
* Assistance will be initially available for households whose available liquid assets after the assistance has been applied is no more than 6 months of the household’s total monthly mortgage payment, excluding amounts in pre-tax retirement accounts. If sufficient funds are available, this asset limit may be increased.
* Delinquency or hardship in payment of home mortgage/loan, Home Owners Association (HOA) dues, or manufactured home community lot rent must occur between March 1 and December 15, 2020. Delinquent amounts owed before March 1, 2020, will not be paid with this assistance fund.
* The delinquency or hardship must be due to a COVID-19 related financial impact on the household and must be documented.
* Assistance fund dollars may not be used to pay delinquent property taxes paid outside of a household’s regular monthly mortgage payment, as permitted by the CARES Act.
* The maximum assistance amount per household is the lesser of $10,000 or the actual amount owed. Assistance may only be provided once per household.
* Assistance funds will be applied to delinquent amounts of eligible expenses and up to 3 months of non-delinquent eligible expenses.
* Assistance is limited to home mortgage/loan, HOA dues, and manufactured home community lot rent on the household’s primary residence within Washington County. If the primary residence contains a rental unit, the assistance may be applied to the entire property.
* When administratively feasible, assistance payments will be paid directly to the home mortgage servicer and/or HOA, or the homeowner must provide documentation the funds have been applied as intended.
* Applications for assistance will be prioritized according to the level of financial need within the household, including but not limited to household income and available liquid assets.
* To be eligible for assistance, the household must provide all documentation requested by Washington County CDA to determine the level of financial need.
* Households requesting assistance must sign a certification the assistance is financially necessary, due to a COVID-19 related financial impact, and will be used as requested in the assistance application.