

APPLICANT ID

DATE GENERATED

APPLICANT NAME

APPLICANT ADDRESS

Bankruptcy Court Approval Form

Section 3206 of the American Rescue Plan Act of 2021 authorized the Homeowner Assistance Fund (HAF). The Homeowner Assistance Fund provides \$9.9 billion to states to assist homeowners that have experienced the greatest hardships as a result of the coronavirus pandemic. Applicable funding uses include delinquent mortgage payments to minimize foreclosures and reduce housing instability resulting from financial hardship induced by the pandemic.

The US Department of the Treasury (Treasury) allocated funds to states based on homeowner need as of the date of enactment (March 11, 2021), and as determined by reference to one (1) the average number of unemployed individuals over a period of no fewer than three months and no more than 12 months and two (2) the total number of mortgagors with (a) mortgage payments that are more than 30 days past due or (b) mortgages in foreclosure. Pursuant to these guidelines, the HAF allocation for North Carolina is \$273 million.

North Carolina Housing Finance Agency (NCHFA) will administer North Carolina's HAF program, known as the NC Homeowner Assistance Fund. The goal of the NC Homeowner Assistance Fund is to deliver program opportunities to eligible homeowners across North Carolina to stem housing instability and mortgage/loan delinquency.

Assistance Provided under the NC Homeowner Assistance Fund

The Agency established three mortgage assistance options through the NC Homeowner Assistance Fund:

- Mortgage Reinstatement Program;
- Mortgage Reinstatement Program with Ongoing Payments; and
- Payment of Eligible Delinquent Real Estate Taxes, Insurance, and Fees such as reasonable legal fees incurred by servicers, homeowner association dues, condominium association fees, cooperative maintenance fees, and/or insurance payments.

The maximum per household assistance for the NC Homeowner Assistance Fund will be capped at \$40,000 of eligible housing expenses (e.g., principal, interest, tax, condominium/homeowner association fees, cooperative fees, and insurance (PITI) payments).

NC Homeowner Assistance Fund assistance is structured as a grant, recoverable in the event of fraud or overpayment. NCHFA or its agent will disburse NC Homeowner Assistance Fund assistance directly to the mortgage lender/servicer, contract for deed holder, county treasurer or local taxing authority, hazard insurance company, homeowners/condominium association, and/or other payee as applicable. Funding will not be provided directly to the applicant, except in rare circumstances where a dual-party check issued in the applicant and payee's names and requiring applicant countersignature for deposit on debt account may be issued. NCHFA or its agent will disburse the amount quoted by the entity. Any discrepancies must be resolved by the homeowner and lender/servicer or other payee.

Additional Information

You may obtain additional information about the program by visiting the NC Homeowner Assistance Fund website at www.NCHomeownerAssistanceFund.gov.

Request for Written Approval of Court or Trustee

To participate in the NC Homeowner Assistance Fund, applicants who are currently in bankruptcy proceedings must obtain approval from the Bankruptcy Court or appointed Bankruptcy Trustee to participate in the program. While NC Homeowner Assistance Fund understands that this is not typically a condition of bankruptcy proceedings, the NC Homeowner Assistance Fund was informed by mortgage loan servicers and other eligible payees of the program that such approval must accompany the program's payment on the applicant's behalf in order for the payee to accept and apply payment to the applicant's account(s).

Authorization to Participate

Court Name:

Docket/Case Number:

Proceeding Title:

- I am the Judge assigned to this matter.
- I am the Bankruptcy Trustee assigned to this matter.

The bankruptcy case involving _____ (Applicant Name) is a pending matter before the court. The Court has no objection to the aforementioned individual participating in the NC Homeowner Assistance Fund where such funds will be distributed directly to the mortgage lender/servicer, contract for deed holder, county treasurer, local taxing authority, hazard insurance company, homeowners/condominium association, or other payee by the NC Homeowner Assistance Fund and/or its authorized agents on behalf of the applicant. Such grant benefits are expressly for the purpose of paying delinquent amounts owed related to the property located

at _____ (PROPERTY ADDRESS)

Judge or Trustee Printed Name

Date

Signature

Phone Number

Address

Fax

Email Address