



June 9th, 2021

Scott Farmer  
Executive Director  
North Carolina Housing Finance Agency  
3508 Bush Street  
Raleigh, NC 27609

Dear Mr. Farmer,

Thank you for the opportunity to provide input on the design and usage of the Homeowner Assistance Fund from the American Rescue Plan. We appreciate NCHFA's leadership during this difficult time.

As you know, Habitat Wake partners with the community and local families to build safe, affordable homes. Homebuyers work alongside sponsors and volunteers to build their house before purchasing the completed market-value home with an affordable mortgage. Since 1985, Habitat Wake has built over 800 homes throughout Wake and Johnston counties.

The Homeowner Assistance Fund is a critical resource to ensure that homeowners across the state can recover from the impact of the pandemic and secure long-term stability. To reach this goal, Habitat Wake believes that NCHFA should:

- **Provide assistance in the form of grants.**  
To allow homeowners to remain economically stable and protect their wealth generation, Habitat Wake recommends that Homeowner Assistance Funds are delivered as grants, rather than loans.
- **Allow borrowers to access assistance until fully stabilized.**  
Homeowner Assistance Funds should meet the urgent need of mortgages in arrears and mortgages that have just been brought current. Low- to moderate-income homeowners are still experiencing financial hardship due to the pandemic. To ensure long-term stability, mortgage payment assistance should include an additional stabilization payment after the homeowner has regained sufficient income.
- **Ensure funds are efficiently deployed.**  
Assistance from the Homeowner Assistance Fund is an urgent need for homeowners across the state, so NCHFA should develop a program that limits barriers to assistance. Rather than require specific documentation that a homeowner's financial loss is due to COVID-19, which can be difficult to gather, NCHFA should recognize that financial loss by a homeowner after January 21, 2020 (as stated by the Department of Treasury) is due in some form to the COVID-19 pandemic.

- **Deliver assistance in an equitable manner.**

We know that COVID-19 has an exacerbated impact on racial and ethnic minorities and lower income households. NCHFA's deployment of the Homeowner Assistance Fund must keep this in mind, following the Department of Treasury's priority to "prioritize equity for the hardest hit homeowners and communities, especially in communities of color." In order to fully recover from the pandemic, we must provide equitable opportunity for relief to all North Carolina families.

- **Uplift and expand existing programs.**

While outside of the designated use for the Homeowner Assistance Fund, there are complementary programs that NCHFA can utilize and expand to get closer to the goal of accessible, affordable homeownership. The Self-Help Loan Pool program has proven to be successful in connecting families to stable and affordable home buying. Habitat Wake will continue to utilize this program, and we encourage NCHFA to consider increasing the allocations beyond twelve loans per year to Habitat affiliates.

Many thanks for your time and consideration of Habitat Wake's input on the design and implementation of the Homeowner Assistance Fund. Please do not hesitate to reach out if we could be of further assistance.

Sincerely,



Bill Ahern, President & CEO  
Habitat for Humanity of Wake County