

**SERVICE SCHEDULE B-1**

**Indiana  
Hardest Hit Fund Unemployment Bridge Program**

**Summary Guidelines**

<p><b>1) Program Overview</b></p>	<p>Indiana’s Hardest Hit Fund Unemployment Bridge Program (“UBP”) administered by the Indiana Housing and Community Development Authority (“IHCDA”) offers qualifying homeowners who have experienced an involuntary employment-related financial hardship up to \$30,000 in primary mortgage payment assistance as set forth below. Beginning July 1, 2018, the only assistance available to new applicants through UBP is Reinstatement-Only assistance as described in item (3) below.</p> <ol style="list-style-type: none"> <li>1) For qualifying homeowners who experienced an involuntary employment-related financial hardship, and their monthly mortgage payment is unaffordable based on their current household income, IHCDA may provide temporary monthly assistance to cover the homeowner’s first mortgage payment and related expenses (“Monthly Assistance”).</li> <li>2) For qualifying homeowners of Monthly Assistance who experienced an involuntary employment-related financial hardship that caused, or contributed to, an accumulated mortgage delinquency that they cannot resolve, IHCDA may provide additional funding at the outset of their Monthly Assistance to bring the homeowner’s delinquent mortgage current (“Monthly Assistance with Reinstatement”)</li> <li>3) For qualifying homeowners who experienced an involuntary employment-related financial hardship that caused, or contributed to, an accumulated mortgage delinquency that they cannot resolve (but whose monthly mortgage payment is otherwise affordable based on the homeowner’s current monthly household income, excluding unemployment insurance benefits), IHCDA may provide assistance to bring the homeowner’s delinquent mortgage current (“Reinstatement Only”).</li> </ol>
<p><b>2) Program Goals</b></p>	<p>The goal of the UBP is to:</p> <ol style="list-style-type: none"> <li>1) Provide eligible homeowners an opportunity to secure new employment, access training or education to improve employment options, or pursue other long-term, income-generating options to avoid foreclosure; and</li> </ol>

	2) Mitigate the effects of a recent involuntary employment-related financial hardship.
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<b>3) Target Population / Areas</b>	IHCDA’s target population is low-to-moderate income homeowners in any county in Indiana.
<b>4) Program Funds (Excluding Administrative Expenses)</b>	Not applicable. Program Funds may be disbursed under any program included in Schedule B.
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"> <li>• Must own only one mortgaged home;</li> <li>• Must submit an affidavit documenting an involuntary employment-related financial hardship that occurred on or after January 1, 2015. Involuntary employment-related financial hardships may also include loss of income for borrowers who (a) served on active duty and were released due to a service-connected illness or injury or (b) were in the National Guard or Reserves and were called to active duty, provided that, in either case (a) or (b), the borrower meet the requisite household income guidelines for the respective type of assistance.</li> </ul> <p>In addition, one of the following must apply:</p> <ul style="list-style-type: none"> <li>• Monthly Assistance or Monthly Assistance with Reinstatement borrowers: <ul style="list-style-type: none"> <li>a) Must have a validated monthly first mortgage payment that exceeds 25% of the borrower’s gross monthly household income, excluding unemployment insurance benefits (“Minimum Affordability Threshold”); and</li> <li>b) Current household income must be at or below 140% of AMI, adjusted for borrower household size; and</li> <li>c) Following the reinstatement portion of assistance, if applicable, there must be sufficient funds available within the Maximum Household Assistance cap to allow IHCDA to make at least 3 monthly mortgage payments to the servicer.</li> </ul> </li> </ul> <p>or:</p> <ul style="list-style-type: none"> <li>• Reinstatement-Only borrowers: <ul style="list-style-type: none"> <li>a) Must have a current maximum front-end housing debt-to-income ratio of 38%; and</li> <li>b) Must have an annual gross household income equal to or less than \$150,000.</li> </ul> </li> </ul>

<b>6) Property / Loan Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• 1-to-4 unit, owner-occupied primary residence or condominium (attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</li> <li>• The unpaid principal balance of the borrower’s first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>• Property is vacant, abandoned or condemned.</li> <li>• Borrower has liquid assets, excluding retirement accounts, sufficient to make 9 monthly PITI payments.</li> <li>• Borrowers with open home equity lines of credit.</li> </ul>
<b>8) Structure of Assistance</b>	<p>All assistance is structured as a forgivable, non-recourse, non-amortizing loan, secured by a junior lien on the property. The loan has a term of 10 years and is forgiven at a rate of 20% per year in years 6 through 10 of the loan term. If the borrower sells the property before the forgiveness period expires, all net sale proceeds up to the full principal balance outstanding will be due and payable to IHCDA. All funds returned to the UBP shall be recycled in accordance with the Agreement.</p>
<b>9) Per Household Assistance</b>	<p>Total assistance per household (“Maximum Household Assistance”) is not to exceed \$30,000.</p>
<b>10) Duration of Assistance</b>	<p>For Monthly Assistance or Monthly Assistance with Reinstatement borrowers, IHCDA may provide up to the borrowers’ Maximum Household Assistance for a period of either: (i) 24 months or (ii) 3 months after an increase in household income that results in the borrower exceeding the Minimum Affordability Threshold, whichever comes first.</p> <p>For Reinstatement-Only borrowers, assistance is a one-time payment to the lender/servicer.</p>
<b>11) Estimated Number of Participating Households</b>	<p>IHCDA estimates that approximately 11,000 households could receive assistance, based on historical averages.</p>
<b>12) Program Inception / Duration</b>	<p>IHCDA initially launched the HHF program on May 5, 2011. Program intake will continue until program funds are exhausted, but not beyond December 31, 2020.</p>
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	<p>Borrowers may be considered for and receive more than one type of Hardest Hit Fund assistance through IHCDA.</p> <p>The total amount of assistance provided may not exceed \$30,000.</p>

<p><b>14) Program Interactions with HAMP</b></p>	<p>Prior to the conclusion of Making Home Affordable programs, borrowers were pre-screened for HAMP, HAFA and HAMP-UP, as applicable, and other programs offered by lenders. HHF funds could be utilized before or after assistance from HAMP-UP.</p>
<p><b>15) Program Leverage</b></p>	<p>No leveraging from banks and servicers is required. IHCD A enters into participation agreements with servicers interested in participating in the UBP that sets forth IHCD A's expectations for servicers.</p>

## SERVICE SCHEDULE B-2

### **Indiana Hardest Hit Fund Recast/Modification Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	<p>The Recast/Modification Program will close on June 30, 2018.</p> <p>Under Indiana’s Hardest Hit Fund Recast/Modification Program (“RMP”) the Indiana Housing and Community Development Authority (“IHCDA”) offers qualifying individuals who are experiencing certain financial hardships up to \$30,000 in primary mortgage payment assistance, as follows:</p> <ol style="list-style-type: none"><li>1) For homeowners whose lender/servicer elects to participate and who are struggling to make their mortgage payment due to an involuntary financial hardship, IHCDA may provide a first mortgage principal balance payment to facilitate a recast/re-amortization by the servicer that results in an affordable monthly mortgage payment as defined in program guidelines (“Recast Borrowers”).</li></ol> <p>If necessary, Reinstatement-Only assistance (as defined in Service Schedule B-1, Indiana Hardest Hit Fund Unemployment Bridge Program) may be combined with the first mortgage principal balance payment, provided that sufficient funds remain within the Maximum Household Assistance amount following reinstatement to achieve an affordable payment through recast/re-amortization.</p> <ol style="list-style-type: none"><li>2) For certain homeowners whose lender/servicer elects to participate, IHCDA may provide Reinstatement Assistance in conjunction with a permanent mortgage loan modification by the servicer (“Modification Borrowers”). Upon acceptance by the servicer, homeowners whose delinquency is above the amount of the Maximum Household Assistance may still qualify for such loan modification. HHF funds may be utilized for principal reduction, if necessary to facilitate a modification.</li></ol>
<b>2) Program Goals</b>	<p>The goal of the RMP is to help homeowners avoid foreclosure by reducing their monthly first mortgage payment to a more manageable level.</p>
<b>3) Target Population / Areas</b>	<p>IHCDA’s target population is low-to-moderate income homeowners in any county in Indiana.</p>
<b>4) Program Funds (Excluding</b>	<p>Not applicable. Program Funds may be disbursed under any program included in Schedule B.</p>

<b>Administrative Expenses)</b>	
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"> <li>• Must own only one mortgaged home;</li> <li>• Current household income must be at or below 140% of AMI, adjusted for borrower household size;</li> <li>• Must submit an affidavit documenting involuntary financial hardship that occurred on or after January 1, 2008, including, but not limited to, involuntary loss or reduction in employment income, significant out-of-pocket medical expenses, death of a contributing household member, or divorce. Involuntary employment-related financial hardships may also include loss of income for borrowers who (a) served on active duty and were released due to a service-connected illness or injury or (b) were in the National Guard or Reserves and were called to active duty (“Military Duty Hardship”).</li> </ul> <p>In addition:</p> <ul style="list-style-type: none"> <li>• With respect to Recast Borrowers only: <ul style="list-style-type: none"> <li>a) Must have experienced a minimum reduction in household income of 15% (20% reduction in gross receipts if self-employed).</li> <li>b) To qualify with a medical expense hardship, the borrower’s out-of-pocket expenses must be related to non-cosmetic medical procedures or emergencies, and must be greater than or equal to 10% of gross household income (15% of gross receipts if self-employed) for homeowners under the age of 65. For homeowners age 65 or older, medical expenses must be greater than or equal to 7.5% of gross household income.</li> <li>c) Must have a post-assistance front-end housing debt-to-income ratio of between 31% and 38%.</li> <li>d) To qualify with a Military Duty Hardship, the loss of income must result in a reduction in gross household income of greater than or equal to (a) 7.5% for borrowers who served on active duty and were released due to a service-connected illness or injury or (b) 10% for borrowers who were in the National Guard or Reserves and were called to active duty.</li> <li>e) Eligibility for recast/re-amortization will be determined by IHCDA.</li> </ul> </li> <li>• With Respect to Modification Borrowers only, additional eligibility for loan modification will be determined by the mortgage servicer.</li> </ul>

<b>6) Property / Loan Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• 1-to-4-unit, owner-occupied primary residence or condominium (attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</li> <li>• The unpaid principal balance of the borrower’s first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>• Property is vacant, abandoned or condemned.</li> <li>• Borrower has liquid assets sufficient to make 9 monthly PITI payments, excluding retirement accounts.</li> <li>• Borrowers with open home equity lines of credit.</li> </ul>
<b>8) Structure of Assistance</b>	<p>All assistance is structured as a forgivable, non-recourse, non-amortizing loan, secured by a junior lien on the property. The loan has a term of 10 years and is forgiven at a rate of 20% per year in years 6 through 10 of the loan term. If the borrower sells the property before the forgiveness period expires, all net sale proceeds up to the full principal balance outstanding will be due and payable to IHCDA. All funds returned to the RMP shall be recycled in accordance with the Agreement.</p>
<b>9) Per Household Assistance</b>	<p>Total assistance per household (“Maximum Household Assistance”) is not to exceed \$30,000.</p>
<b>10) Duration of Assistance</b>	<p>Assistance under RMP is a one-time payment to the mortgage lender/servicer.</p>
<b>11) Estimated Number of Participating Households</b>	<p>IHCDA estimates that approximately 220 households will receive RMP assistance.</p>
<b>12) Program Inception / Duration</b>	<p>IHCDA initially launched the HHF program on May 5, 2011. The Recast/Modification Program will close on June 30, 2018.</p>
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	<p>Borrowers may be considered for and receive more than one type of Hardest Hit Fund assistance through IHCDA.</p> <p>The total amount of assistance provided to any individual household may not exceed \$30,000.</p>
<b>14) Program Interactions with HAMP</b>	<p>Prior to the conclusion of Making Home Affordable programs, borrowers were pre-screened for HAMP, HAFA and HAMP-UP, as applicable, and other programs offered by lenders. HHF funds could be utilized before or after assistance from HAMP-UP</p>
<b>15) Program Leverage</b>	<p>No leveraging from banks or servicers is required. IHCDA enters into participation agreements with servicers interested in participating in the</p>

	RMP that sets forth IHCDA's expectations for servicers, including acceptance of payment from IHCDA.
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## SERVICE SCHEDULE B-3

### **Indiana Hardest Hit Fund Transition Assistance Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	<p>The Transition Assistance Program will close on June 30, 2018.</p> <p>Under Indiana’s Hardest Hit Fund Transition Assistance Program (“TAP”) the Indiana Housing and Community Development Authority (“IHCDA”) will provide transition assistance to eligible homeowners with unaffordable mortgage payments who obtain a short sale or deed-in-lieu of foreclosure from their lender/servicer and leave their home in a marketable condition.</p> <p>The following TAP assistance will be available:</p> <ul style="list-style-type: none"><li>a) \$2,500 to the homeowner to assist with moving and relocation expenses (“Transition Assistance”); and</li><li>b) Up to \$5,000 to the primary mortgage lender/servicer or, if necessary, to escrow funds with legal counsel to extinguish and release subordinate liens as part of a short sale or deed-in-lieu of foreclosure agreement.</li></ul>
<b>2) Program Goals</b>	<p>The goal of the TAP is to prevent avoidable foreclosure and help stabilize neighborhoods by helping homeowners to achieve and orderly exit from their home.</p>
<b>3) Target Population / Areas</b>	<p>IHCDA’s target population is low-to-moderate income homeowners in any county in Indiana.</p>
<b>4) Program Funds (Excluding Administrative Expenses)</b>	<p>Not applicable. Program Funds may be disbursed under any program included in Schedule B.</p>
<b>5) Borrower Eligibility Criteria</b>	<p>With respect to all borrowers:</p> <ul style="list-style-type: none"><li>• Owning only one mortgaged home.</li><li>• Current household income at or below 140% of AMI, adjusted for borrower household size.</li><li>• Submission of affidavit documenting involuntary financial hardship that occurred on or after January 1, 2008.</li><li>• The short sale or deed-in-lieu transaction must not have occurred prior to the application for transition assistance funds.</li></ul>

	<ul style="list-style-type: none"> <li>• Military personnel who have received a permanent change of station order necessitating a short sale or deed in lieu of foreclosure are also eligible.</li> </ul>
<b>6) Property / Loan Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• One-to-four-unit, owner-occupied primary residence or condominium (attached or detached) located in Indiana. Manufactured or mobile homes are eligible if on a foundation permanently affixed to real estate owned by the borrower. Land contracts are not eligible.</li> <li>• The unpaid principal balance of the borrower's first-lien mortgage cannot exceed the conforming loan limit established by the Federal Housing Finance Agency, as modified from time to time.</li> </ul>
<b>7) Program Exclusions</b>	<ul style="list-style-type: none"> <li>• Property is vacant, abandoned or condemned.</li> <li>• Borrower has liquid assets sufficient to make 9 monthly PITI payments, excluding retirement accounts.</li> </ul>
<b>8) Structure of Assistance</b>	TAP funds will be provided to eligible homeowners as a non-recoverable grant.
<b>9) Per Household Assistance</b>	Maximum assistance per household available under TAP is \$7,500.
<b>10) Duration of Assistance</b>	Assistance is a one-time payment to the homeowner and a one-time payment to the lender/servicer (or legal counsel, if applicable).
<b>11) Estimated Number of Participating Households</b>	IHCDA estimates that approximately 20 participating households will receive TAP assistance.
<b>12) Program Inception / Duration</b>	IHCDA initially launched the HHF program on May 5, 2011. IHCDA anticipates that program intake will last through March 31, 2017.
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	Homeowners who received Indiana Hardest Hit Fund Unemployment Bridge Program assistance through IHCDA may also receive TAP assistance.
<b>14) Program Interactions with HAMP</b>	Prior to the conclusion of Making Home Affordable Programs, Transition Assistance funds could be used in conjunction with HFAA.
<b>15) Program Leverage</b>	No leveraging from banks and servicers is required. IHCDA enters into participation agreements with servicers interested in participating in the TAP that sets forth IHCDA's expectations for servicers, including acceptance of payment from IHCDA.

## SERVICE SCHEDULE B-4

### **Indiana Hardest Hit Fund Blight Elimination Program**

#### **Summary Guidelines**

<b>1) Program Overview</b>	Under Indiana’s Hardest Hit Fund Blight Elimination Program (“BEP”) the Indiana Housing and Community Development Authority (“IHCDA”) will work with applicants and their Program Partners ( <i>i.e.</i> , nonprofit entities (“NFPs”), community development corporations (“CDCs”), land banks and/or for-profit entities) to strategically target residential properties for demolition and greening within the state of Indiana.
<b>2) Program Goals</b>	The goal of the BEP is to decrease foreclosures, stabilize homeowner property values and increase neighborhood safety in communities across the state of Indiana through the demolition and greening of vacant and blighted residential properties. IHCDA will work with applicants and their Program Partners to identify meaningful indicators that will enable them to track and quantify the BEP’s impact in the designated communities.
<b>3) Target Population / Areas</b>	Municipalities located within the state of Indiana (“Applicants”) will be eligible to apply for BEP property eligibility through a competitive application process. Each Applicant will apply in one of six population divisions based on the population of the county in which the Applicant is located.
<b>4) Program Funds (Excluding Administrative Expenses)</b>	Not applicable. Program Funds may be disbursed under any program included in Schedule B.
<b>5) Property Eligibility Criteria</b>	<p>Vacant and blighted residential properties located in Indiana.</p> <p>For any requests submitted on or after January 15, 2016, properties must not be legally occupied at the time of any review or approval by the HFA or eligible entity (as applicable) for blight elimination activity.</p> <p>IHCDA will determine property eligibility.</p> <p>Each property for which an Applicant requests blight elimination funding will be individually scored based on factors including, but not limited to:</p> <ul style="list-style-type: none"><li>• Inhabitability of Property</li><li>• Structural Damage</li></ul>

	<ul style="list-style-type: none"> <li>• Public Safety Impact</li> </ul> <p>Properties will be evaluated using a scoring matrix created by IHCD and will be required to meet a minimum threshold score to be targeted for receipt of blight elimination funds.</p>
<b>6) Ownership / Loan Eligibility Criteria</b>	A Program Partner must hold title to the property at the time of demolition.
<b>7) Program Exclusions</b>	<p>Commercial structures.</p> <p>Properties listed on a national, state, or local historic register.</p>
<b>8) Structure of Assistance</b>	<p>IHCD will determine project sites in direct consultation with Applicants.</p> <p>Subject to Section 6 above, Program Partners and/or Applicants will be responsible for property acquisition (if necessary).</p> <p>Applicants are responsible for ensuring that demolition work is competitively bid.</p> <p>Program Partners are responsible for on-going property stabilization.</p> <p>Applicants must submit in their application to IHCD for BEP funds, information including, but not limited to, the following:</p> <ul style="list-style-type: none"> <li>• A full and complete list of all properties the applicant seeks to make eligible</li> <li>• Acquisition information</li> <li>• The Program Partner responsible for the property</li> <li>• The post-demolition goal for each lot</li> <li>• Demolition bids from licensed contractors that include the removal of</li> <li>• all debris, the backfill of basements or cellars, and any necessary environmental remediation</li> </ul> <p>Upon receipt of appropriate documentation confirming the completion of BEP activities, IHCD will provide Hardest Hit funding to the Applicant after the Applicant's and Program Partner's execution of a secured lien mortgage and note for a maximum of \$25,000 in favor of IHCD.</p> <p>Total assistance will include acquisition (if necessary), demolition, and property stabilization costs. Property stabilization costs will be a</p>

	<p>maximum of \$1,000 per year for a term of three years, provided the Program Partner retains title to the property during that term and otherwise complies with program requirements.</p> <p>The secured lien mortgage and notes will be structured as zero percent, non-amortizing loans, secured by a lien on the property. Loans will expire three years after their origination date (“Expiration Date”). Prior to the Expiration Date, loans will be forgiven at a rate of 33.3% per annum as long as covenants are met.</p> <p>The outstanding loan balance will become due and payable if a property is sold or title transferred, or unauthorized use prior to the Expiration Date. The method for calculating the outstanding balance will be determined based upon the time and method of transfer. The outstanding balance may include any and all net sale proceeds and/ or the full principal balance of the loan. Prior to the Expiration Date, all proceeds will be due and payable to IHCDA. All proceeds returned to the IHCDA from the BEP shall be recycled in accordance with the Agreement.</p> <p>Special considerations may be made by IHCDA to release or subordinate its lien prior to expiration based upon the merit of the request and the proposed positive economic impact to the community as set forth in the program guidelines.</p>
<b>9) Per Household Assistance</b>	Maximum of \$25,000 per property, which includes the costs of acquisition (if necessary), demolition and property stabilization for a period of 3 years.
<b>10) Duration of Assistance</b>	One-time assistance per property
<b>11) Estimated Number of Properties Demolished</b>	IHCDA estimates that approximately 3000 properties could be served under this program.
<b>12) Program Inception / Duration</b>	IHCDA anticipates program roll-out during the first quarter of 2014. BEP closed to new applicants as of May 2018.
<b>13) Program Interaction with Other Programs (e.g. other HFA programs)</b>	Property will only be eligible for one IHCDA Hardest Hit Fund Program.

**SCHEDULE C**  
**PERMITTED EXPENSES**

	Indiana
<b><i>One-time / Start-Up Expenses:</i></b>	
Initial Personnel	\$0.00
Building, Equipment, Technology	\$89,000.00
Professional Services	\$120,000.00
Supplies / Miscellaneous	\$3,150.00
Marketing /Communications	\$175,000.00
Travel	\$10,000.00
Website development /Translation	\$175,000.00
Contingency	\$0.00
<b>Subtotal</b>	<b>\$572,150.00</b>
<b><i>Operating / Administrative Expenses:</i></b>	
Salaries	\$6,847,639.00
Professional Services (Legal, Compliance, Audit, Monitoring)	\$4,754,305.00
Travel	\$70,000.00
Buildings, Leases & Equipment	\$423,235.00
Information Technology & Communications	\$5,500,000.00
Office Supplies/Postage and Delivery/Subscriptions	\$260,000.00
Risk Management/ Insurance	\$0.00
Training	\$20,000.00
Marketing/PR	\$3,018,765.00
Miscellaneous	\$400,000.00
<b>Subtotal</b>	<b>\$21,293,944.00</b>
<b><i>Transaction Related Expenses:</i></b>	
Recording Fees	\$530,000.00
Wire Transfer Fees	\$228,925.00
<b><i>Counseling Expenses</i></b>	
File Intake	\$3,254,681.00
Decision Costs	\$7,729,335.00

Successful File	\$4,720,000.00
Key Business Partners On-Going	\$2,111,719.00
<b>Subtotal</b>	<b>\$18,574,660.00</b>
<b>Grand Total</b>	<b>\$40,440,754.00</b>
<b>% of Total Award</b>	<b>14.24%</b>
<b>Award Amount</b>	\$283,994,336