

FAQ – Eligibility

Q What happens if a homeowner becomes ineligible due to securing a job that increases their income beyond the 120% of the area median income for their household size?

A The state will make one additional monthly mortgage payment on behalf of the client and then the homeowner will be terminated from the program.

Q If a homeowner drops out of the program due to not meeting the homeowner requirements does the homeowner get the one-month grace period payment?

A No.

Q If a homeowner drops out of the program due to ineligibility for any reason, is their loan re-recorded at the reduced amount?

A No, the lien is for \$20,000, however the loan balance is based on payments made on behalf of the individual homeowner. In other words, while the recorded document says \$20,000, the state will keep track of the amount paid to the lender and if the homeowners sells or refinances the home within 5 years, the homeowner will be required to pay back the amount that was paid to the lender if there is sufficient equity to cover the full amount that was paid to the lender. (See FAQ General for more information.)