

To: Josh Hanford, Commissioner, Vermont Department of Housing and Community Development

Cc: Sen. Michael Sirotkin, Chair, Senate Committee on Economic Development, Housing and General Affairs  
Rep. Thomas Stevens, Chair, House Committee on General, Housing, and Military Affairs

From: Maura Collins, Executive Director of Vermont Housing Finance Agency

Date: January 15, 2021

Re: Vermont Emergency Mortgage Assistance Program (MAP)

This serves as the final report on the Vermont Housing Finance Agency's (VHFA's) emergency Mortgage Assistance Program, which used Coronavirus Relief Funds to assist lower-income mortgaged households in Vermont with a Covid-related economic impact, who fell behind on their mortgage payments. Intended as a foreclosure prevention program to protect the public health of Vermonters by not increasing the risk of homelessness due to foreclosure, this program was authorized in [Sect. 11 of Act 137](#) with an initial award of \$5 million, which was reduced by \$300,000 to \$4.7 million in November 2020.

This serves as the fourth and final report on this program. To fully understand the development, design, uses, and lessons learned throughout this initiative, I am attaching the previous three reports which provide that detail. This report will be limited to updates since the last report of December 15<sup>th</sup>.

As of today, VHFA has spent:

- \$4,200,442 on direct payments to loan servicers on behalf of lower income mortgaged Vermont households who had a Covid-related reason to miss mortgage payments.
- \$420,044 has been spent already on marketing, outreach, program expenses, and administrative costs to deliver the program to the 638 households who have been served, and another \$7,200 will be spent on administrative costs as the remaining funds are deployed.
- Therefore, there is \$72,285 remaining as unspent funding dedicated to this program. This amount is slightly higher than was reported in December due to some returned funds from loan servicers.

Prompted by the Congressional action extending the CRF deadline from December 2020 to December 2021, the state granted VHFA an extension for this program with the stipulation that all funding be distributed by the end of March, 2021.

With such a limited extension, VHFA was unable to re-open the program to new eligible homeowners and re-launch the program but instead has made the following plan to award the remaining funds to homeowners who have been previously assisted through this program but have not reached their maximum benefit of six months.

To do so VHFA has reviewed all previous applicants, has targeted those with the lowest incomes who have received less than six months of assistance, and will be reaching out to them within a week to inquire if they have continued to miss mortgage payments since their assistance was received and if so to request an updated mortgage statement as confirmation. Our first pass at this has identified 50 households who appear to be eligible. Staff will continue to process additional payments in this manner until all program funds are expended.

To: Josh Hanford, Commissioner, Vermont Department of Housing and Community Development

Cc: Sen. Jane Kitchel, Chair, Senate Committee on Appropriations  
Sen. Michael Sirotkin, Chair, Senate Committee on Economic Development, Housing and General Affairs  
Rep. Catherine Toll, Chair, House Committee on Appropriations  
Rep. Thomas Stevens, Chair, House Committee on General, Housing, and Military Affairs

From: Maura Collins, Executive Director of Vermont Housing Finance Agency

Date: August 10, 2020

Re: Vermont Emergency Mortgage Assistance Program (MAP)

The Vermont Housing Finance Agency (VHFA) was invited by the Governor and named by the Legislature to administer \$5 million in mortgage assistance funding as foreclosure protection ([Sect. 11 of Act 137](#)). The purpose of this report is to describe the activities taken to design and launch this program, as well as report on the first month of administration.

To begin, I want to thank the Administration and the Legislature for allowing VHFA the opportunity to help the State of Vermont in this important way. Our mission is to finance and promote affordable, safe, and decent housing opportunities for low- and moderate-income Vermonters and so we are proud and pleased that VHFA is able to live this mission by doing this work on behalf of the Vermonters we serve.

## Program Design

### Income Eligibility

With limited funding for this program, and a desire to serve Vermonters most impacted by COVID-19, the Legislature required VHFA to set income limits for this program. Because a goal was also ease-of-use and speed in making funding available to those in need, VHFA aimed for as many universal rules as possible, without regional differences, yet statute requires VHFA to set “limitations for eligibility regarding the earned income of the homeowners in comparison to the area median income.”

In response VHFA aimed for roughly 80% of Area Median Income (AMI) which meant one income limit for Chittenden County and another for the balance of the state to recognize that with incomes being higher in Chittenden County this would keep all areas at approximately 80% AMI.

Additionally, based on Legislative intent and community input from VT Legal Aid and the state’s Homeownership Centers, it was important to set the income limit as a household’s *current* income (post-pandemic) regardless of their pre-COVID earnings. Therefore the income limits pertain to a household’s income during the past 90 days, so that a household could have earned no more than \$18,000 over the past three months in Chittenden County and no more than \$15,000 elsewhere.

### Amount of Assistance

Our initial assumptions of program demand were based on hearing from lenders that roughly 7-10% of mortgaged households in their portfolio (and nationally) were in forbearance. There are approximately 46,000 mortgaged Vermonters with incomes below the program’s thresholds, so we originally estimated we could see over 4,000 applications.

As a result, VHFA originally advertised that the program could provide up to three months of past due mortgage payments, despite the statute allowing us to pay up to six months of payments. Within two weeks after seeing lower-than-expected applications, VHFA revised its practices to pay up to the full six months and changed all advertising to reflect this.

## Other Program Requirements

To reduce the risk of moral hazard (enticing someone to *not* pay their mortgage as a result of knowing that this funding was available), we required households to be at least two months' delinquent in their mortgage.

Because this was intended as a foreclosure protection program, VHFA allowed the mortgage holder to apply for assistance, due to their COVID-19 economic hardship, but past due mortgage payments are paid directly to the mortgage servicer so that the funding would go directly to the intended use. By accepting even a partial payment on past due balances, a mortgage servicer is required to stay all foreclosure activities and restart any foreclosure process from the beginning. Working directly with mortgage servicers also serves as an anti-fraud protection because VHFA can confirm the delinquent amount and pay up to six months of missed mortgage payments.

VHFA allowed mobile home owners on owned land to participate in the program since it launched. Mobile home owners on leased land (in parks) may receive financial assistance for their lot rent through the Vermont State Housing Authority's Rental Assistance Program (also authorized in Act 137). Vermont Legal Aid encouraged us to request that eligibility for the mortgage program be expanded to include mobile home owners in parks, which the Vermont Department of Housing and Community Development quickly approved. VHFA expanded the program's eligibility two weeks after launching it. Now all primary residence types in Vermont are eligible.

## Program Process

VHFA created a separate webpage ([www.vhfa.org/map](http://www.vhfa.org/map)) that was intentionally not branded with VHFA's logo so as to not confuse those who might think only VHFA borrowers were eligible. On this page there is information about the program, Frequently Asked Questions, and other resources.

Staff also created a secure online application portal that first asks the applicant a few eligibility questions to weed out those who are clearly not eligible. From there it takes a user approximately 15 minutes to complete the online application and the only documentation needed is a copy of their most recent mortgage statement and a forbearance agreement (if they have one). All other information (including income information) is entered by the applicant with no documentation required. When the applicant signs the application, they attest to its accuracy under penalty of perjury.

VHFA decided to not design this program as first-come-first-served in order to serve the lowest income Vermonters most at risk of foreclosure. Therefore we took a "batching" approach, accepting applications from July 13 through August 31<sup>st</sup>. (*See below for information on program extension.*)

Having received 224 full applications to date, currently staff is reviewing applications for completeness, eligibility, and legibility of the document uploads. Starting the week of August 10<sup>th</sup> we will be contacting mortgage servicers to confirm information and their willingness to accept past due payments from the program.

VHFA expects to begin making payments to mortgage servicers in late August/early September.

VHFA staff has been reviewing applications for quality control, following up on ones with \$0 income or unusual data entry (such as abnormally large monthly mortgage amounts). We will be conducting spot checks of information to request additional documentation of certain borrowers to confirm information such as income over the past 90 days. We are in discussions with the Vermont Department of Labor and hope to sign an MOU with them this week that will allow limited information sharing so that they can confirm the amount of unemployment earnings for applicants who claim to have received that, and as a way to confirming their unemployment is COVID-related.

## Outreach and Access

Knowing that people with Limited English Proficiency, people with disabilities, people living in poverty and other groups are commonly marginalized, VHFA has worked hard to ensure equal access to MAP resources. VHFA has taken the following steps to increase outreach and access to this funding and to ensure this limited funding gets to households who need it most:

1. VHFA coordinated with the Vermont State Housing Authority (VSHA) to ask the same demographic questions of applicants to track who had access to the program and who was most in need. The fields collected were determined by VHFA, VSHA, the Vermont Department of Housing and Community Development, and VT Legal Aid.
2. The program was **not** set up as first-come-first-served, which creates barriers to those without computers, high speed Internet, or need assistance in applying.
3. Prior to launching the program, VHFA contracted with AALV to translate an application guide and fact sheet about the program into nine of the most commonly spoken languages in Vermont.
4. VHFA trained the staff at the five regional Homeownership Centers, AALV, and the Vermont Center for Independent Living on the program, on program eligibility, how to apply, and other details. Knowing that there will be individuals who need help with accessing computers, the internet, language services, and more, these seven non-profits have agreed to be available to assist applicants in applying for the MAP and VHFA will reimburse them \$50 for every application they help a homeowner submit.
5. VHFA trained Legal Services of Vermont prior to the program's launch in similar details of the program, and is using their hotline as a primary phone number for consumer calls and questions. Legal Services of Vermont has a contract for interpreter services as needed for callers.
6. VHFA's communications and marketing plan is too expansive to adequately summarize, but the highlights of how we got the word out include:
  - Purchased digital ad buys throughout Vermont using Google, Facebook/Instagram, Front Porch Forum, four TV channel websites, VPR, Seven Days, and the Caledonia Record.
  - Worked to get as much earned media attention when the program launched as possible, including 3 TV new interviews, at least 5 media articles and 2 free public webinars. We will follow up in another week with pitching targeted regional stories of applicants who could be profiled as examples of who the program can help.
  - Emailed all 180 legislators announcing the program launch with [social media assets](#) for them to post on their channels to help spread the word to constituents.
  - Worked with the Department of Financial Regulation to email every mortgage servicer with loans in Vermont to notify them of the program, and we asked them to notify all delinquent borrowers of the availability of the program. Prior to launch we also held two webinars with representatives from the Vermont Bankers' Association, Vermont Mortgage Bankers' Association, and Vermont Association of Credit Unions to explain the program, answer questions, and ask for support in marketing MAP.

- Informed Vermont 2-1-1 about the program, as well as other community partners such as Community Action Agencies, the Vermont Food Bank, Chambers of Commerce, Regional Planning Commissions, Regional Development Corporations, and scores more.
- And finally, we've notified the Vermont League of Cities and Towns and emailed every Town Clerk asking for them to help us spread the word in their upcoming tax and utility mailings as well as through their websites and communications with residents.

## Program Results To Date

With 224 completed applications to date borrowers owe a median monthly mortgage payment of \$1,224. The majority of applicants owe more than six months of mortgage payments, making this truly a foreclosure protection program as intended by the legislature.

# Months Delinquent	% Applicants
2	4%
3	5%
4	16%
5	20%
6	32%
6-12	19%
12+	4%

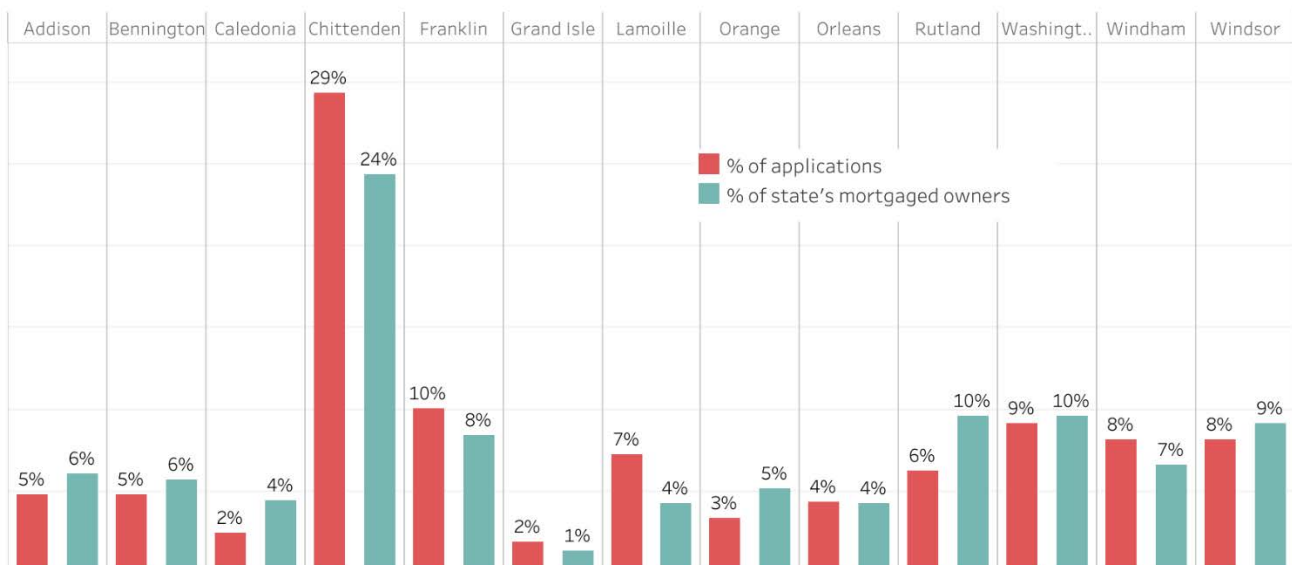
**With the applications received to date, if VHFA were to fund all applications in full, it would expend approximately \$1.4 million of the \$5 million appropriated on direct program costs.** Considering this, VHFA intends to keep the program open beyond its original August 31<sup>st</sup> deadline and continue to operate the program into the Fall.

70% of these applicants have a forbearance agreement – meaning they have been told they can miss making some mortgage payments – but they are still potentially at risk of foreclosure if the repayment agreement of that forbearance will increase their future mortgage payments.

Applicants so far have been younger, more racially diverse, with larger households, and are more likely to be disabled than the general population. We think it helps that we're working with the state's Homeownership Centers, AALV and the Vermont Center for Independent Living for outreach and our marketing is continuing.

The regional dispersion of applicants is fairly in line with the state's mortgaged owners, with the exception of higher levels in Chittenden and Lamoille counties and lower in the Northeast Kingdom.

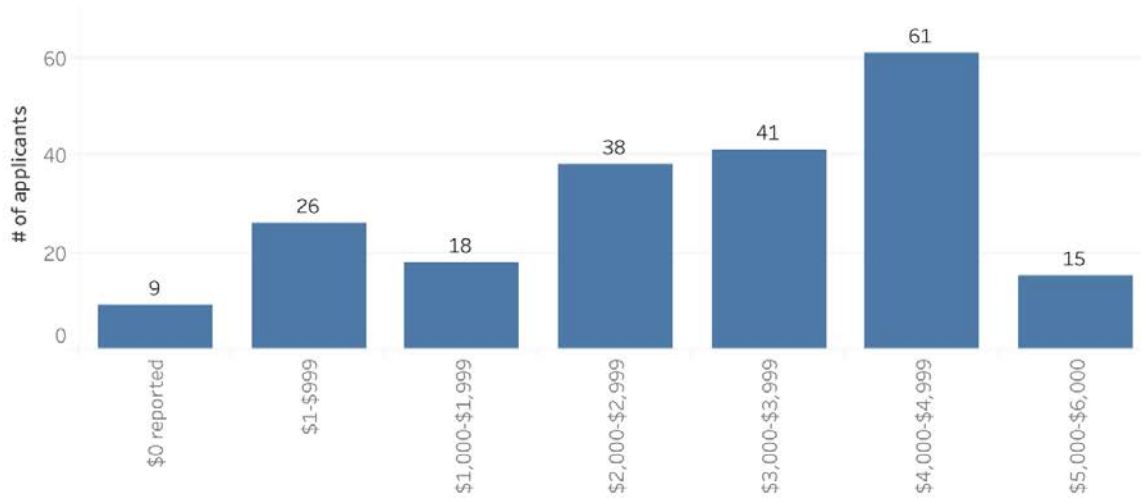
Applications by county



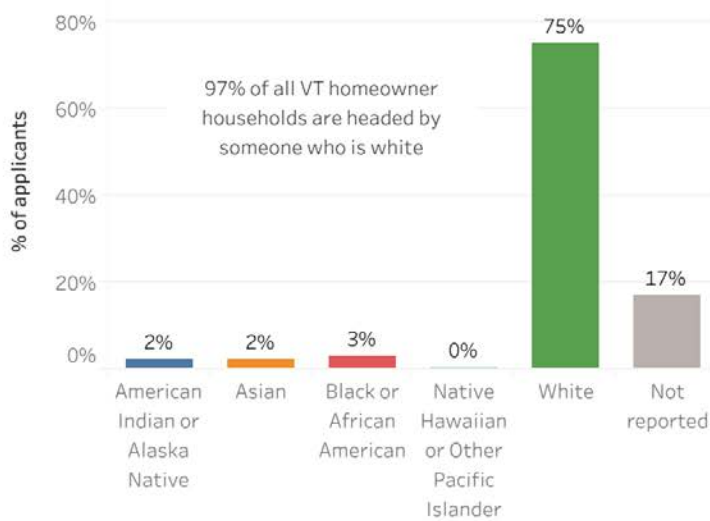


### Average current monthly household income

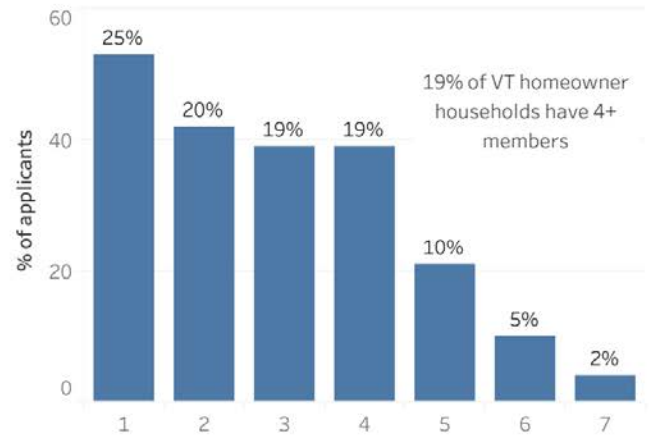
(Applicants reported total income for the last 90 days...)



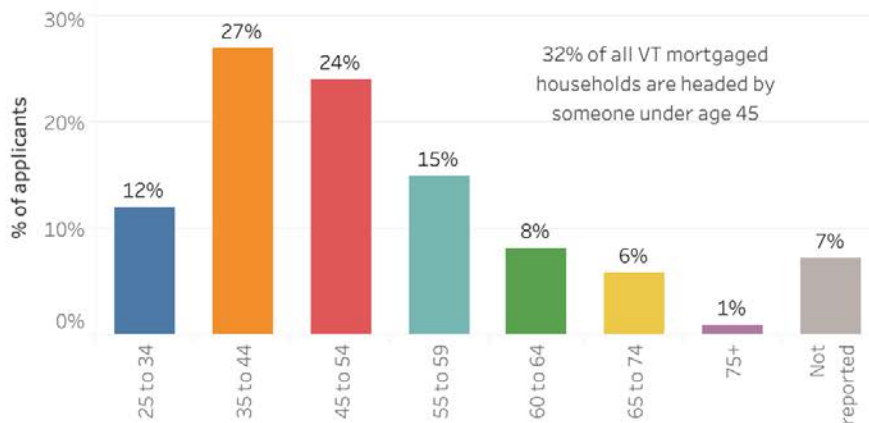
### Race of primary borrower



### Household size



### Age of primary borrower



### Primary borrowers with a disability

**34%**

15% of all Vermonters have a disability

To: Josh Hanford, Commissioner, Vermont Department of Housing and Community Development

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Rep. Thomas Stevens, Chair, House Committee on General, Housing, and Military Affairs

From: Maura Collins, Executive Director of Vermont Housing Finance Agency

Date: September 25, 2020

Re: Vermont Emergency Mortgage Assistance Program (MAP)

Below is the second update on the Vermont Emergency Mortgage Assistance Program. This brief update covers activities since our [last report on August 10<sup>th</sup>](#).

Before I begin I'd like to again thank the state and the legislature for the opportunity you've entrusted to Vermont Housing Finance Agency (VHFA) with the administration of this program. It's been an honor to serve our state in this way. To share how meaningful this has been, below are a few excerpts from individual applications as to how COVID has impacted their families, and why this program has been critical:

- *Before the pandemic, I was a hair stylist in a nursing home but am now prohibited from entering the building and unable to pay all of my bills with unemployment.*
- *I was to be hired as a full time accountant... but I am now getting 5 to 10 hours a week... I've taken out 4 loans from family just pay bills. They now are also tapped out and my savings is drained to nothing ... I've worked my whole life and never had assistance before...this is humiliating and humbling.*
- *We got shortened hours at work and our son's daycare rates have increased due to Covid.*
- *[After losing job in March], I found work in April and am working full time but my income is nowhere near what it was. I am struggling. I want to sell my house but there are some repairs that are necessary that I can't afford. If I can pay my back mortgage then I can put the money into the repairs and get out from under a house I can't afford.*
- *My job will not be hiring me back until probably 2021. The extra \$600 in unemployment has been a godsend and has kept food on the table. My mortgage company thankfully allowed me to go into forbearance, but I don't know how I am going to pay back the forbearance.*
- *We are cruise planners... ALL bookings had been canceled or postponed. There is no way of predicting when travel will pick-up again, but we hope soon, and we are still actively promoting the business for when client confidence is improved.*
- *Due to Covid-19, my children are home 24/7 increasing my home expenses for power, heat and food.*
- *I worked hard to get my two businesses strong, but now, I fear that two very solid points of income may be affected drastically for months to come...with no end in sight.*
- *We are still waiting for unemployment to kick in, plus our COBRA payment if we want to keep health insurance is \$627 per person! We are just trying to stay afloat at this point until we can find new jobs.*
- *I am not able to work through my sole proprietorship. I have been told to stay home due to recovering from cancer, and also having high blood pressure, boarder-line diabetic, over 70 years old, and lung disease.*

- *I am an adult foster care provider. The person I was caring for is no longer with me. And I can not get a new client until this pandemic is over because they are not moving anyone.*
- *We have had some great years in the past where we contributed a lot of tax revenue... unfortunately this year we need help. It's devastating but trying to stay positive.*

## Expanded Program Access

To respond to program demand and to capitalize on opportunities, VHFA expanded the program eligibility since our last update:

1. VHFA's original expectation was that demand for the program would be much greater than it has been and therefore it pledged to accept applications through August 31<sup>st</sup> and then would prioritize those for assistance if demand outstripped supply of funding available. By late August it was clear there was funding remaining and so VHFA decided to keep the program open until all funds were disbursed or we hit the late December deadline.
2. As of September 1<sup>st</sup> the program's income eligibility was increased from roughly 80% of Area Median Income to more approximately 115% of Area Median Income. While still looking at the most recent 90 days of income, this meant the limits changed:
  - a. From \$18,000 to \$24,000 in Chittenden County;
  - b. From \$15,000 to \$21,000 for all counties other than Chittenden.
3. Delinquent property taxes have always been eligible for MAP assistance if the borrower chose to escrow their taxes, but for borrowers who do not escrow, those property taxes were not originally eligible for payment. After quick approval by the state, VHFA expanded the program to pay up to six months of back property taxes even if the mortgage was current.

## Results To Date

With 432 completed applications to date borrowers owe a median monthly mortgage payment of \$1,190. The majority of applicants owe more than six months of mortgage payments, making this truly a foreclosure protection program as intended by the legislature.

**With the applications received to date, if VHFA were to fund all applications in full, it would expend approximately \$3 million of the \$5 million appropriated on direct program costs.** As of September 24, the Agency has disbursed \$25,000 to loan servicers. While this may seem low, working with mortgage servicers is a slow and deliberative process and we anticipate much larger payments in the near future.

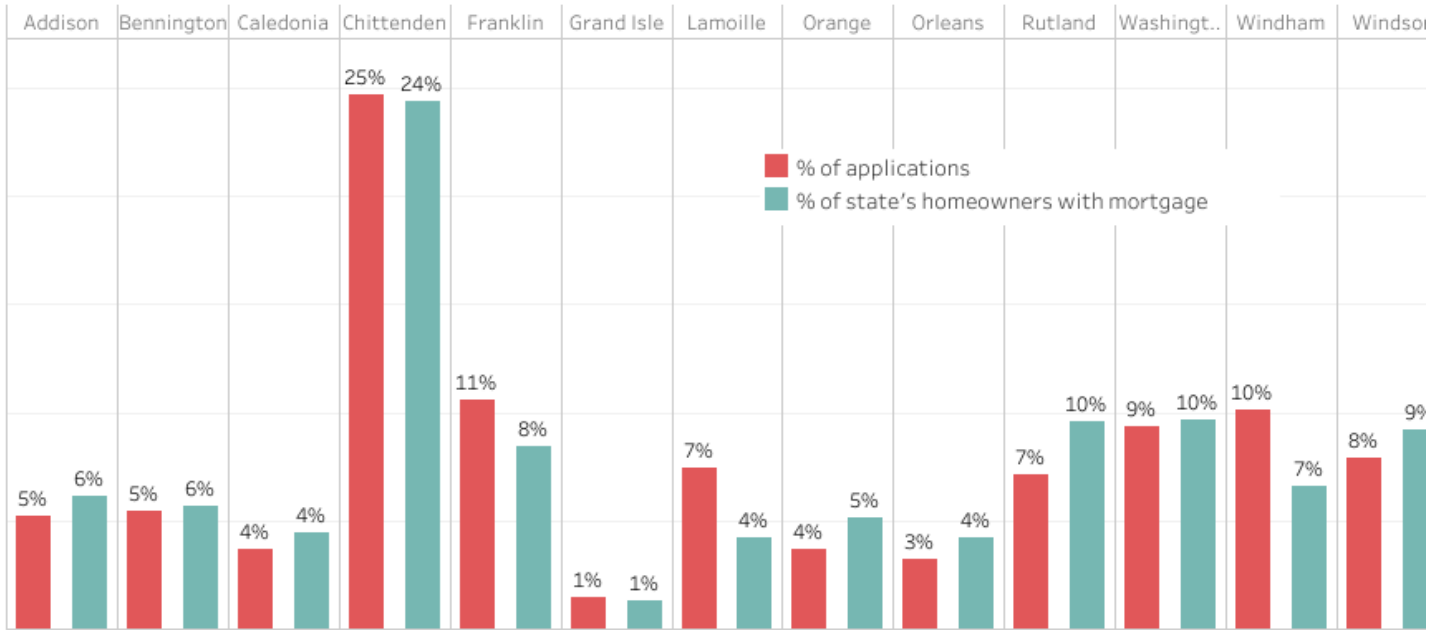
67% of these applicants have a forbearance agreement – meaning they have been told they can miss making some mortgage payments – but they are still potentially at risk of foreclosure if the repayment agreement of that forbearance increases their future mortgage payments beyond what they are able to pay.

*Applicants so far have been younger, more racially diverse, with larger households, and are more likely to be disabled than the general population.* We think it helps that we're working with the state's Homeownership Centers, AALV and the Vermont Center for Independent Living for outreach and our marketing is continuing.

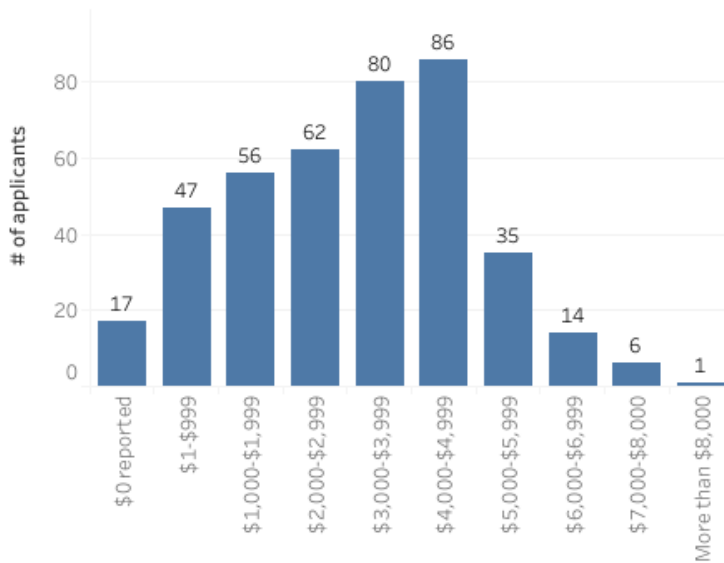
For more routine updates of program outcomes all of the facts above and charts below are available online at <https://www.vhfa.org/partners/initiatives/map>, which is updated weekly.



### Applications by county

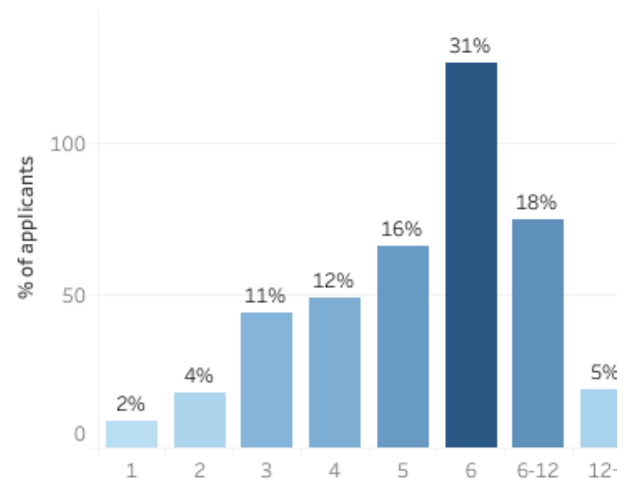


### Current monthly household income

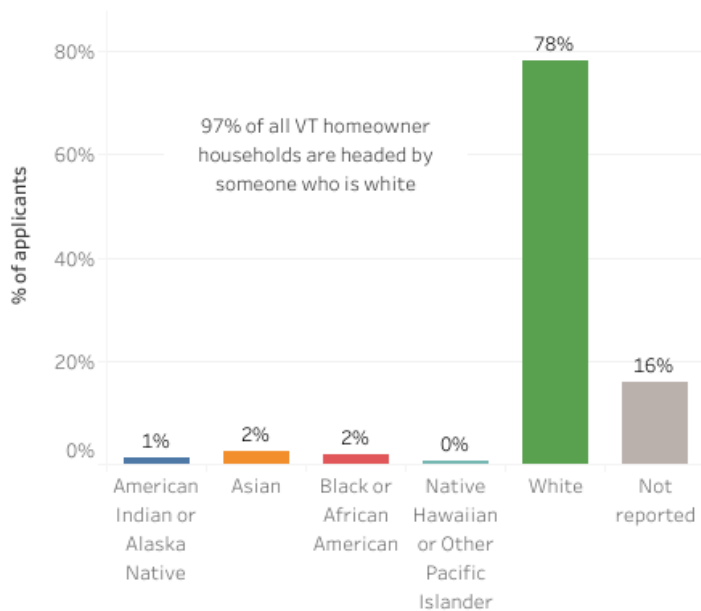


Applicants reported total income for the last 90 days. The data shown is averaged for a single month

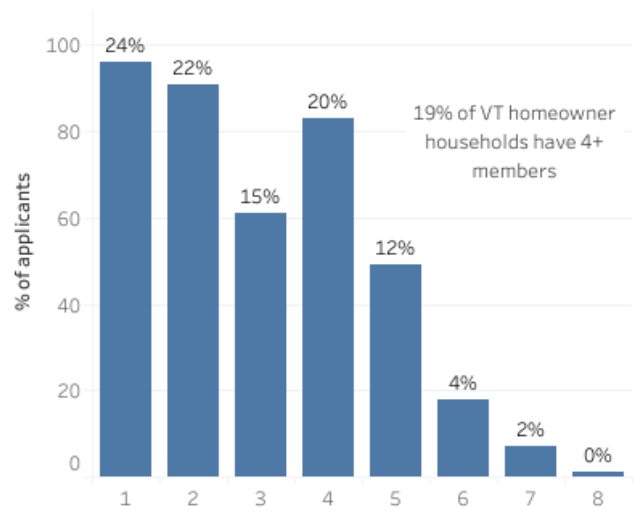
### Months currently delinquent on mortgage



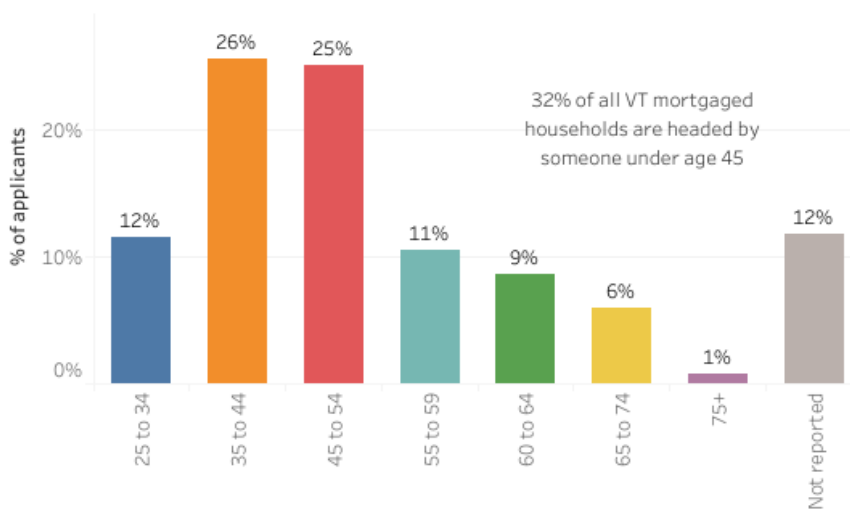
Race of primary borrower



Household size



Age of primary borrower



Primary borrowers with a disability

36%

15% of all Vermonters have a disability

## Outreach & Marketing

Knowing that Coronavirus Relief Funds have an aggressive deadline of late December, VHFA has been working hard to ensure all eligible Vermonters are aware of the program. Since our last update VHFA has done the following to promote the program:

- VHFA maintained an aggressive advertising campaign across several channels, including: digital and social media advertising (Google, Facebook, Instagram, Twitter and Spotify), radio spots (VPR, WOKO, The Point), and print advertisements in local newspapers statewide. VHFA will continue to monitor areas of state that appear to be underserved and will focus additional marketing resources accordingly.
- Pitched [a human-interest story](#) focusing on two specific applicants to the program to all major news outlets and offered to set up interviews with those households as a way of earning media attention. [Vermont Digger ran this.](#)

- Asked one senator in every county to post pre-written information about the program to all Front Porch Forums in their county.
- The Vermont State Employees Union included program information in their newsletter to all union employees. We also asked 50 other statewide and community organizations to share news of the program's expanded availability.

Additionally, the translated application guides which are available in nine languages other than English have all remained up to date with the latest program information. To date 92 of those guides have been downloaded as can be seen in the table.

#	Language
26	French
20	Arabic
13	Spanish
10	Mandarin
7	Vietnamese
6	Somali
4	Swahili
3	Nepali
3	Burmese

### Other Programmatic Activities

VHFA staff has been working with multiple mortgage servicers to confirm the information provided by Vermont mortgage applicants and to set up the transfer of funds from the program to the servicers directly.

Additionally, to protect against fraud, VHFA has a signed MOU with the Vermont Department of Labor to access a database of Vermonters receiving unemployment assistance to ensure all income reported is correct. VHFA does additional checks for any applicants reporting \$0 income.

Finally, as a way of providing customer service, we built an online tool for applicants to check the status of their application so they can see where along the process their decision stands.

To: Josh Hanford, Commissioner, Vermont Department of Housing and Community Development

Cc: Sen. Michael Sirotkin, Chair, Senate Committee on Economic Development, Housing and General Affairs  
Rep. Thomas Stevens, Chair, House Committee on General, Housing, and Military Affairs

From: Maura Collins, Executive Director of Vermont Housing Finance Agency

Date: December 15, 2020

Re: Vermont Emergency Mortgage Assistance Program (MAP)

Below is the third update on the Vermont Emergency Mortgage Assistance Program (MAP).

## Foreclosures Prevented

The Vermont Housing Finance Agency (VHFA) assisted 645 homeowner households with its Emergency Mortgage Assistance Program (MAP). The median monthly mortgage payment was \$1,175 and by far the majority owed more than six months of mortgage payments. With homeowners so far behind on their mortgages, this truly was a foreclosure prevention program because without this infusion of funding those homeowners almost certainly would have faced foreclosure once the moratorium lifts. The median amount of assistance provided was just over \$6,000.

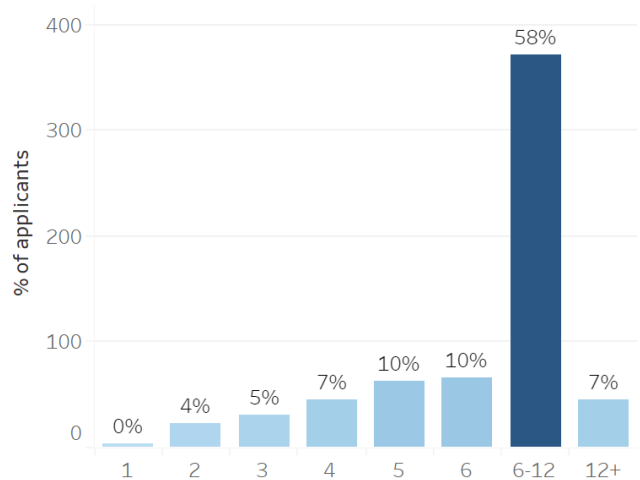
As can be seen on the right, the median monthly income of program participants was just over \$3,000.

About 65% of households had a forbearance agreement – meaning they could skip some mortgage payments – but they are still potentially at risk of foreclosure if the repayment agreement of that forbearance increases their future mortgage payments beyond what they are able to pay. There is more on this at the end of the report.

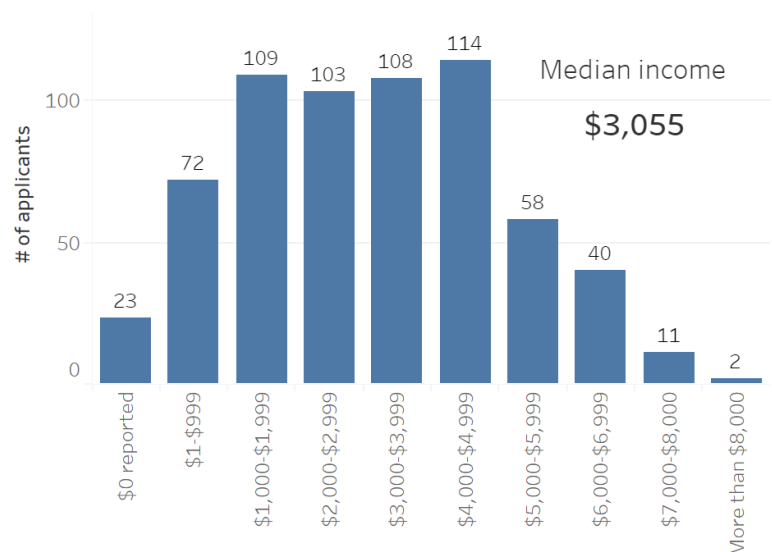
***This program was able to serve Vermonters who are younger, more racially diverse, with larger households, lower incomes, and are more likely to be disabled than the general population.***

More demographic details of those served is available on [VHFA's website](#).

Months currently delinquent on mortgage



Current monthly household income



Applicants reported total income for the last 90 days. The data shown is averaged for a single month

## Funding Results

While originally awarded \$5 million for the program, by late October the application rate for new assistance was such that VHFA estimated there could be approximately \$300,000 in unspent funding for this program. VHFA and the Agency of Commerce and Community Development (ACCD) entered a grant amendment to return that amount to the state, and we were told that funding would go to support the “red tagged” oil tanks for homeowners with heating systems that were not up to code and could potentially result in unsafe and instable housing this winter.

**With \$4.7 million available for the program the Agency used all but \$36,000, as of December 15.** \$4.07 million was disbursed to loan servicers; \$167 thousand has been reviewed by staff, deemed eligible, and the loan servicers are reviewing the details so that this can be paid before the end of the month; and the remaining \$423 thousand was spent administering and marketing the program.

VHFA accepted applications through November 6<sup>th</sup> to allow staff and servicers time to process all the information before the late December deadline. For applicants who had not already exhausted their full six months of benefits through their November mortgage payment, then missed December mortgage payments were covered by the program funds, meaning the November deadline did not shorten the amount of assistance provided to eligible applicants.

## Administrative Lessons Learned

Standing up a new program and administering it within six months takes considerable staff time and effort. For VHFA, this meant that since the program launched over 20% of our entire Agency’s staff time was spent administering this program, despite this being the smallest funded program we administered during that time.

Creating an online application portal was critical to the program’s success. Through this, VHFA staff could communicate with applicants and all communication was saved for future reference to ensure consistency. Applicants could check on the progress of their application’s review. There were eligibility checks built into the system that could alert applicants if they did not qualify, saving time and hassle for everyone.

As a mission-driven lender it was imperative that eligible homeowners have equal access to this resource. To do this, VHFA:

- Translated application guides into nine languages other than English. One hundred guides were downloaded as can be seen in the table.
- Funded the state’s five Homeownership Centers, which serve the full state, to sit with households who had no computer access, or needed assistance with their application.
- Funded the Vermont Center for Independent Living and AALV to provide assistance for their clients applying for assistance.
- Measured the demographic characteristics and geographic distribution of applications and made marketing decisions accordingly to increase participation in underserved areas. We also made all this data public so the media, policy makers, and the public could monitor the outcomes. That information is still available online at [www.vhfa.org/partners/initiatives/map](http://www.vhfa.org/partners/initiatives/map).

#	Language
26	French
21	Arabic
15	Spanish
13	Mandarin
7	Vietnamese
6	Somali
5	Swahili
4	Nepali
3	Burmese
100	<i>Total</i>



Overall the biggest lesson that was clear throughout this program was the deep dedication and heartfelt commitment to low- and moderate-income Vermonters held by the VHFA staff. At every step of the way they were champions of the mission and intention of the program serving those hardest hit by COVID's economic impacts.

## Policy Lessons for the Future

Looking forward – knowing that the full economic impact of the pandemic will not be clear for months or years – it is important to pause and be clear about the need and impact of this program, so that it can inform future decisions.

First, **providing emergency mortgage assistance in 2020 stabilized hundreds of Vermont homeowners** who were precariously on the edge of eventually losing their homes and due to their job loss or income reduction, would have certainly struggled to regain their footing. This program served the intended audience that we heard the Governor's administration and legislature agree were the target: lower-income homeowners at risk of foreclosure and losing their homes due to COVID-19. With two-thirds of those assisted being more than six months in arrears on their mortgage, that is a hole that few can dig out of before foreclosure actions begin. By paying up to six months of mortgage payments, these households will emerge from 2020 closer to whole.

Second, if job loss or income reductions continue in 2021, **additional assistance will be needed**. So many Vermont households live on the brink, financially, and prolonged economic hardship caused by COVID-19 will stress household budgets and likely show a need for additional mortgage assistance. There are proposals in Congress designed to address this need, and VHFA is working with our Congressional delegation and national networks to encourage their passage.

Third, the decisions by Fannie Mae and Freddie Mac – who own about 45% of the nation's mortgages – to broadly offer forbearance agreements to homeowners so that they can skip six, or up to 12, months of mortgage payments, has greatly helped those struggling because of the pandemic. As stated when we designed the program: there are over 45,000 lower-income Vermont homeowners with mortgages. If even 10% of those had a pandemic-related economic disruption making them eligible for assistance, we would have expected demand for this program to be far higher than those who applied. It is our opinion that **it was the immediate payment relief of forbearance agreements that led most of these owners to not apply for MAP funding**.

To the extent that these agreements result in extended loan terms (meaning that the missed payments are tacked on to the end of the mortgage) as opposed to higher monthly payments so that the missed payments are repaid quickly, this will help ease the financial burden of forbearance. For those Vermonters with mortgages not covered by or eligible for this type of forbearance agreement, there is still a high risk of foreclosure.