



# HARP MARYLAND OUTREACH CAMPAIGN

MARCH 4, 2016



# WHAT IS HARP?

The Home Affordable Refinance Program (HARP) was created by FHFA and the U.S. Department of Treasury, Fannie Mae and Freddie Mac in 2009 to provide refinancing opportunities for homeowners with solid payment history but who lost significant equity in their homes.



**Your best route to  
a better mortgage**

# HARP CONTINUED

HARP enables borrowers with little to no equity to refinance at low interest rates to either:



Reduce the monthly payment, OR



Reduce the term of their mortgage to rebuild equity faster

# HARP ELIGIBILITY REQUIREMENTS

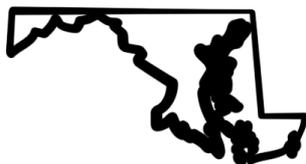
- ✓ Your loan must be owned by Fannie Mae or Freddie Mac
- ✓ Your current loan-to-value ratio must be greater than 80%
- ✓ You must be current on your mortgage, with no late payments in the last 6 months and no more than one late payment in the past 12 months
- ✓ Your home is your primary residence, a 1-unit second home or a 1-4 unit investment property
- ✓ Your loan was originated on or before May 31, 2009

# HARP STATISTICS



## Nationwide

- More than 3.3 million HARP refinances have been completed since March 2009



## In Maryland

- More than 96,000 homeowners have already taken advantage of the program

- Baltimore MSA: 40,546
- Prince George's County: 18,645
- Montgomery County: 12,052
- Anne Arundel County: 9,230

# MARYLAND STATISTICS

Maryland currently\* ranks tenth for states with the highest number of HARP eligibles at 11,879

Of the 11,879 HARP eligibles in Maryland, the top areas include:

- Baltimore MSA: 6,038
- Prince George's County: 2,376

\*statistics as of Q3 2015



# HARP – IN THE MONEY

These homeowners are “in the money” and that means that their mortgage



Is 1 ½ percentage points above current mortgage rates



Has a remaining balance of more than \$50,000



Has an unpaid principal balance that is greater than 80% of the current property value



Has a remaining term of greater than ten years



Your best route to a better mortgage

# Hey, Maryland.

Thousands more could be saving every year.



HARP ELIGIBLE LOANS IN MARYLAND:

11,879\*

NATIONWIDE REFINANCES THROUGH HARP: SINCE INCEPTION IN 2009

3.3 MILLION\*\*

### ▶ TO QUALIFY FOR HARP:

*Your loan is owned* by Freddie Mac or Fannie Mae.

*Your current loan-to-value (LTV) ratio* is greater than 80%.

*You must be current on your mortgage*, with no 30-day+ late payments in the last six months and no more than one in the past 12 months.

*Your home* is your primary residence, a 1-unit second home or a 1- to 4-unit investment property.

*Your loan was originated* on or before May 31, 2009.



AVERAGE SAVINGS FOR MARYLAND HOMEOWNERS WHO HAVE REFINANCED WITH HARP:

\$2,741\* PER YEAR



Source: \*Statistics as of 3rd Quarter 2015.  
\*\*Statistics as of December 2015.

HARP.gov



# The time to HARP is now.

Program expires December 2016.

## ▶ BENEFITS OF A HARP REFINANCE:

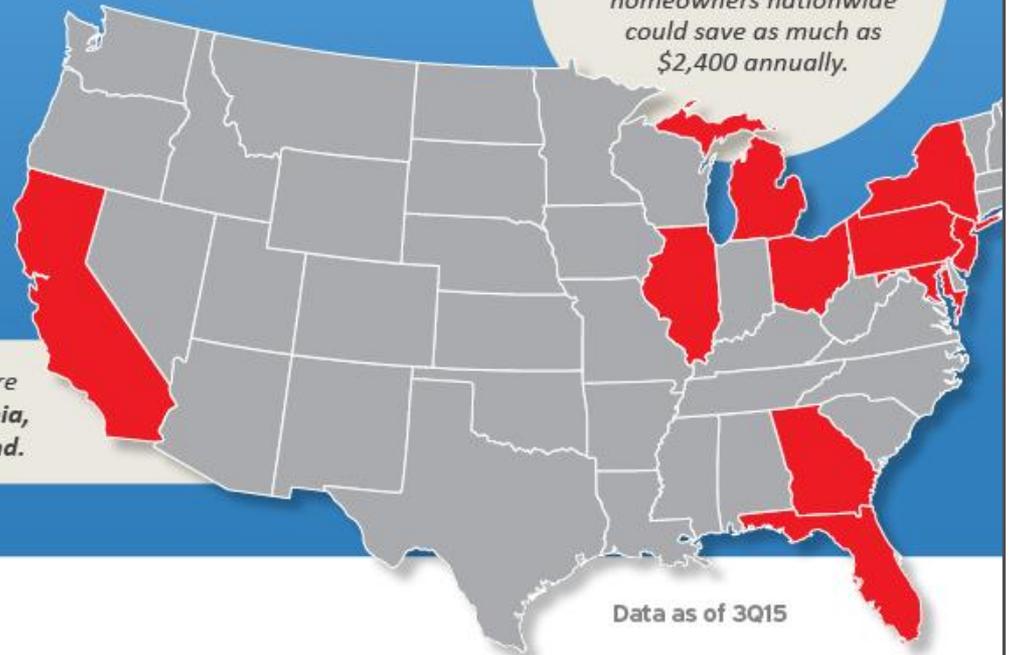
- ✓ Lower your monthly payment
- ✓ Lower your interest rate
- ✓ Shorten your loan term



States with the most HARP-eligible homeowners are Florida, Illinois, Michigan, Ohio, Georgia, California, Pennsylvania, New Jersey, New York and Maryland.

# \$2,400

On average, eligible homeowners nationwide could save as much as \$2,400 annually.



Data as of 3Q15



Your best route to a better mortgage

[HARP.gov](http://HARP.gov)



# WHY DO WE NEED YOUR HELP?



Before FHFA launched its national outreach initiative, we heard many borrowers say they were overwhelmed with all the information they were getting in the mail and didn't know who to trust.



FHFA has invited trusted advisors in communities across the country to help us get the word out that “in the money” homeowners could save money each month by refinancing with HARP.



As community stakeholders you can vouch for the validity of FHFA's message and that HARP is not a SCAM.

# TOP MYTHS ABOUT HARP



I've heard HARP is a scam.



HARP is a legitimate product which offers flexibilities to borrowers who have been doing the right thing – making their payments despite home price declines.

I'm too far underwater to use HARP.



There is no maximum loan-to-value (LTV) ratio for HARP. Being significantly underwater does not disqualify a borrower from HARP.

My loan has been modified so I'm not eligible for HARP.



HAMP and HARP are not mutually exclusive; if a borrower makes their payments after their HAMP modification, they should consider using HARP to potentially lower their payment and move to a product without rates resets.

I've already been turned down for HARP.



HARP has been continuously enhanced since it was launched. Even if a borrower was turned down previously, they might qualify now.

I can wait to HARP.



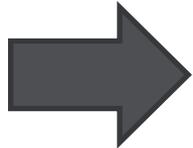
Although the HARP expiration date was recently extended to December 31, 2016, monthly savings are based on low current interest rates. If rates rise, savings will go down. The time to act is now.

For more information, visit Fannie Mae's [Know Your Options](http://knowyouroptions.com/refinance/home-affordable-refinance-program) site: <http://knowyouroptions.com/refinance/home-affordable-refinance-program>

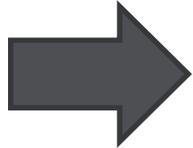


# STEPS TO GET STARTED WITH HARP

Find out if Freddie Mac or Fannie Mae own your loan:



Visit <https://ww3.freddiemac.com/loanlookup/>  
to see if Freddie Mac owns your loan



Visit [www.knowyouroptions.com/loanlookup.com](http://www.knowyouroptions.com/loanlookup.com)  
to see if Fannie Mae owns your loan

## HARP Success Stories

**Josh and Kelly:** *"We wanted to take advantage of today's low rates but didn't think we could since we were underwater. When we found out about HARP, we were thrilled. Now we're saving more than \$500 per month and have peace of mind."*

**Vicki and Steve:** *"The process was very easy and took only five or six weeks to complete. Homeowners who are underwater and have a higher mortgage rate need to do something. Otherwise, you're throwing away money you could be using every month."*

# MAKING HOME AFFORDABLE (MHA)

MHA and related programs work together to help homeowners avoid foreclosure.



**HAVING A TOUGH TIME WITH YOUR MORTGAGE?**  
Reduce your monthly payment with the Home Affordable Modification Program (HAMP).

**UNEMPLOYED?**  
SUSPEND/REDUCE your mortgage payments up to a year while searching for a new job with the Home Affordable Unemployment Program (UP).

**CONSIDERING A SHORT SALE?**  
Make the transition easier with up to \$10k in relocation assistance through the Home Affordable Foreclosure Alternatives Program (HAFA).

**HAVING TROUBLE REFINANCING?**  
Refinance into a FIXED-RATE MORTGAGE, even if you're underwater, using the Home Affordable Refinance Program (HARP).

**NOT SURE WHERE TO START?**  
Expert help is free.  
Call 888-995-HOPE (4673).  
Visit [MHA.gov](http://MHA.gov).

MAKING HOME AFFORDABLE

# MARYLAND HOMEOWNERS SAVE WITH MHA

MARYLAND  
HOMEOWNERS  
SAVE AN AVG.  
**\$562**/mo.  
with **HAMP**<sup>®</sup>



  
MAKING HOME AFFORDABLE

# HOME AFFORDABLE MODIFICATION PROGRAM (HAMP)



HAMP HOMEOWNERS ARE  
ELIGIBLE TO EARN UP TO  
**\$10,000** IN **SAVINGS**  
TO REDUCE THEIR  
PRINCIPAL BALANCE

MAKING HOME AFFORDABLE

# HOME AFFORDABLE FORECLOSURE ALTERNATIVE (HAFA)

**HAFA**

- \$10,000** in relocation assistance
- All mortgage **debt/deficiency waived**
- Shorter timeframe** for financial recovery/home re-purchase
- Better management** of your mortgage situation

**VS.**

**FORECLOSURE**

- No financial incentive
- More adverse effect on credit score
- Longer time to recover financially/home re-purchase
- Harder time finding rental housing as a result of credit
- Excessive mortgage-related fees, due to lengthy timing

MAKING HOME AFFORDABLE

# MHA OFFERS REAL HELP TO HOMEOWNERS

**MHA** has helped  
**1.8M families**



receive

**MORTGAGE HELP**

Let us **HELP**

**YOU**



  
MAKING HOME AFFORDABLE

Visit [MHA.gov](http://MHA.gov) or  
Call 888-995-HOPE™ (4673)

# BENEFITS OF SAME SERVICER HARP: M&T BANK

Customers may be eligible even if



They've had a recent bankruptcy



They've had a reduction in income



They've recently changed jobs



They are self-employed

These benefits, which many customers are unaware of, have allowed M&T loan officers to help many customers that originally thought they were out of options.

# M&T BANK: PRIMARY CHALLENGES

## Customer Education

- Having been turned down in the past or being told by another lender that they don't qualify
- Skeptical that we would be willing to lower their interest rate
- Believing that if “underwater” they don't have any options to refinance their home
- Believing one late payment disqualifies them from eligibility
- Believing a bankruptcy automatically disqualifies them from eligibility

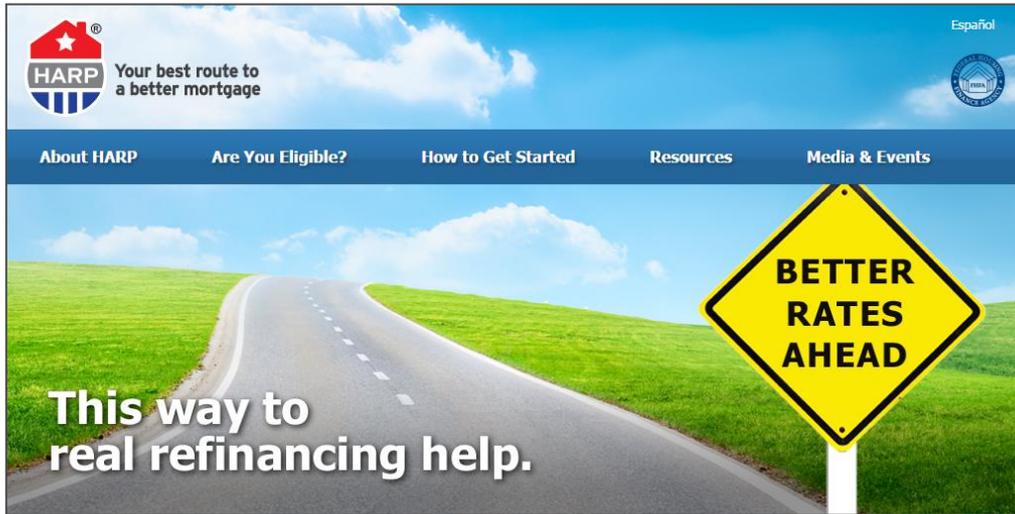
## Non-responders

- Counteracting the “too good to be true” belief
- Repeated attempts to contact (time/expenses incurred)





# HARP RESOURCES



## HARP.gov

- Eligibility map
- Videos
- Fact sheets
- Determine eligibility

# HARP RESOURCES CONTINUED

## HARP Toolkit:

- Sample Newsletter
- Fact Sheets
- FAQs
- Infographics:
  - Road Map
  - Are you Eligible for HARP?

Follow FHFA on Twitter @FHFA





QUESTIONS?

# FOR MORE INFORMATION

FHFA

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Department of the  
Treasury

Chris Dove | Director of Operations, Homeownership  
Preservation Office | MakingHomeAffordable.gov

Fannie Mae

Robert Koller | Director of Credit Risk Management |  
KnowYourOptions.com

Freddie Mac

Frank Pasqualone | Senior Director of Mortgage Credit  
Policy, Single-Family Risk Management Division |  
MyHome.FreddieMac.com

M&T Bank

Guy Stafford | Vice President | Community Lending Manager |  
MTB.com

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