



Frequently Asked Questions - Mortgage Reinstatement

HomeSafe Georgia is a limited funded program and not all eligible homeowners may receive assistance before funds are exhausted. Application to HomeSafe Georgia does not guarantee that funds will be available or that assistance will be provided.

HomeSafe Georgia will provide up to \$50,000 in a onetime payment to the lender to reinstate the mortgage for eligible homeowners who became delinquent on their mortgage due to a qualifying hardship. See “Our Programs” for more information.

1. What does reinstatement mean?

To bring the mortgage current. Assistance covers delinquent payments and qualifying lender fees up to \$50,000. Assistance is a onetime payment and the homeowner must have sufficient income to make payments immediately following the reinstatement.

2. Can HomeSafe Georgia provide assistance on my second mortgage?

Assistance is provided on the first mortgage; however, some closed-end second mortgages may be eligible for assistance in conjunction with the first mortgage.

3. What do the Eligibility Requirements mean?

Each applicant/property/mortgage must meet all eligibility requirements established for the HomeSafe Georgia program. Some of the requirements have been listed below.

- **Primary residence.** This is the home where the applicant lives and proof of residency is easily documented.
- **Total mortgage (lien) balance.** The total balance of what is owed on all loans (first mortgage, second mortgage, home equity line of credit, etc.) on the home, which cannot exceed \$453,100.
- **Current on tax filings.** All applicants must be current on tax return filings to the IRS, if their income required them to file.
- **Tax liens.** Applicant(s) cannot have more than \$10,000 in tax liens total against them personally or attached to the property. If tax liens are \$10,000 or less, an active payment plan must be in place for all tax liens; documentation of the payment plan is required at application.
- **Bankruptcy.** Applicant(s) cannot be in an active bankruptcy. This is regardless of the type of bankruptcy filed or if the home was included as part of the bankruptcy. Applicants with a recently dismissed bankruptcy may be required to provide dismissal or discharge papers.
- **Legal resident.** Applicant(s) must be legal resident(s) of the United States.
- **Your lender (or servicer) must be participating in the program, or agree to participate.** If your lender is not listed, please call Customer Service.
- **No previous HomeSafe Georgia assistance received.** HomeSafe Georgia assistance is only available one time, regardless of the amount of assistance received, the year it was received, or the program under which it was received.
- **Other underwriting criteria apply.**

4. What type of hardships can be considered?

Hardships involving involuntary unemployment/underemployment, military, divorce, catastrophic medical, disability, or death that caused the mortgage to become delinquent. Applicants will be required to provide hardship and income documentation with the application.

5. What if I am still experiencing the hardship and have no income?

Affordability of the mortgage payment (40% payment ratio) is required as the homeowner must be able to make the mortgage payments immediately after reinstatement. Please discuss your hardship with your lender or a HUD counselor to determine if other assistance options are available.

6. Who must be on the application?

All homeowners (persons listed on the Warranty or a Security Deed) and borrowers (persons listed on the Note), plus the spouse of the residing homeowner (if married), even if the spouse is not a homeowner or borrower. All must cooperate in the application process.

7. How does the application process work?

The application package should be complete to prevent any delays or withdrawal. There are three steps for approval: processor approval, underwriter approval, and pre-closing, in which the title will be reviewed. With a clear title and a lender approval, an approval letter will be issued (usually via email) and the homeowner will have 30 days in which to close on the loan. A Statement of Ineligibility or Denial will be issued if an applicant, the mortgage, or the property does not meet all requirements.

8. How is assistance provided, and do I have to pay it back?

Assistance is provided through a no interest, forgivable loan. If you close on a HomeSafe Georgia loan, a onetime payment will be made to your lender on your behalf. A subordinate lien is placed on the home, for which the balance will be forgiven at 20% each year. After 5 years, the lien will be cancelled. If you sell your home before the lien is cancelled, you will have to pay the outstanding balance if there is equity in the home. HomeSafe Georgia will subordinate to a no cash out refinance.

9. Is HomeSafe Georgia's assistance considered income?

No. The 1098MA form was created for Mortgage Assistance and if assistance is provided, you will receive the 1098MA form in February following the tax year in which assistance was received. The amount of assistance provided is reported to the IRS, but the form itself is not a line item on the tax return. The IRS offers a safe harbor for calculating mortgage interest deductions. Consult your tax preparer if you have any questions.

10. I was denied for program assistance. Can I dispute the denial?

If you do not understand the denial, ask for an explanation. Then if you feel that the decision was incorrect, dispute the decision in writing within 30 calendar days of the date of the Statement of Ineligibility or Denial, explaining why the decision was wrong and providing supporting documentation. (If the 30th day falls on a weekend or holiday, the next business day. Proof of delivery is suggested). Please note that all ineligibility factors may not be listed on a Statement of Ineligibility or Denial- refer to eligibility requirements.

- A dispute does not guarantee assistance will be granted.
- If an ineligibility cited is overcome, contact us to see if your application can be reopened.

11. What do I do if my application was withdrawn?

If the application was withdrawn for failure to provide documentation requested, submit outstanding items with a request within 30 days of the withdrawal date to reopen the application. If you are unsure of what was being requested or why, please ask.

- A request to reopen the application without the outstanding documents cannot be honored.
- If the request is more than 30 days after the withdrawal, a new application date is given and the application must meet eligibility requirements at that time. Updated documents may be required.
- Once funds are no longer available, the application cannot be reopened.

Have questions or need help with an application?

Customer Service is available Monday through Friday from 8:00 a.m. to 5:00 p.m. except state holidays, to answer general questions regarding HomeSafe Georgia programs.

Applicants needing help with their application can call or email Customer Service to schedule an appointment. Assistance can be provided over the phone or in person at our Atlanta office.

- Phone 770-806-2100, or toll free 1-877-519-4443
- Para asistencia en Español, presiene (4) cuatro
- TDD/TYY Line 404-679-4915, or toll free 1-877-204-1194
- Email: homesafe@dca.ga.gov