

# NCSHA 2015 Annual Awards Entry Form

(Complete one form for each entry)

**Deadline: Wednesday, June 10, 2015**

Visit [ncsha.org/awards](http://ncsha.org/awards) to view the Annual Awards Call for Entries.

**Instructions:** Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact Matt Cunningham at [mcunningham@ncsha.org](mailto:mcunningham@ncsha.org) or 202-624-5424.

Fill out the entry name *exactly* as you want it listed in the program.

**Entry Name:** \_\_\_\_\_

**HFA:** \_\_\_\_\_

**Submission Contact:** (Must be HFA Staff Member) \_\_\_\_\_ **Email:** \_\_\_\_\_

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

\_\_\_\_\_

Use this header on the upper right corner of each page:

**HFA:** \_\_\_\_\_

**Entry Name:** \_\_\_\_\_

**Select the appropriate subcategory of your entry and indicate if you are providing visual aids.**

<b>Communications</b>	<b>Homeownership</b>	<b>Legislative Advocacy</b>	<b>Management Innovation</b>
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
<b>Rental Housing</b>	<b>Special Needs Housing</b>	<b>Special Achievement</b>	<b>Are you providing visual aids?</b>
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

**2015 NCSHA Annual Awards for Program Excellence  
Wisconsin Housing and Economic Development Authority (WHEDA)  
Special Achievement | Bond Claim Program**

**Background**

For over 40 years, the Wisconsin Housing and Economic Development Authority (WHEDA) has been a housing leader in Wisconsin. In the fall of 2013, WHEDA's Single Family Housing Team created a new loss mitigation program for bond borrowers. The Bond Claim Program is intended to assist WHEDA borrowers who have overcome their original reason for default, and help them keep their home. The program consists of a WHEDA-funded loan to qualifying bond homeowners to reinstate their first mortgage. The loan then becomes a lien on the property with guidelines for paying the loan back to WHEDA.

Keeping borrowers in their homes and continuing with a performing loan allows WHEDA to save money in servicing costs while continuing to earn interest. The potential loss to WHEDA is then mitigated by offering the Bond Claim Program.

With a scheduled rollout in spring of 2014, the Bond Claim Program needed an appropriate funding source so all funds could be tracked. In June 2013, the WHEDA Board of Directors approved an allocation of \$500,000 from the Authority's Homeownership Development Fund to subsidize the new program.

**Program specifications**

WHEDA's Bond Claim Program offers a WHEDA-funded loan to qualifying bond homeowners to reinstate their delinquent first mortgage. The loan, eligible only for first mortgages, features a 0% interest rate and is due on payoff or at non-owner occupancy. Eligible bond homeowners must have a commitment to remain in the property, which is their primary residence.

**Program qualifications**

Under the Bond Claim Program, the loan must be for mortgages more than three months in default. The maximum loan amount cannot exceed \$25,000, and the maximum WHEDA combined loan-to-value (CLTV) ratio cannot exceed 150%. Foreclosure and bankruptcy status loans are eligible, and a three-month trial period must be completed.

**Borrower requirements**

To qualify for the Bond Claim Program, the borrower must demonstrate the reason for default has been overcome. Necessary documentation must be provided including the reason for default, appropriate financial statements, proof of income, and any additional information requested. The borrower's monthly surplus income must be equal to either 10% of the borrower's gross monthly income or \$150.

**Timeline for the rollout**

Before the Bond Claim Program could be executed, WHEDA took specific actions between January and March of 2014 to ensure success. A thorough three-part process involved contacts with potential borrowers, an analysis of the contact findings, and a decision on eligibility.

The first step in contacting borrowers was sending solicitation letters that included a checklist of required information. The second step included call campaigns, which were conducted as a means to follow up and/or clarify documentation WHEDA received.

Next, internal WHEDA reviews were executed using the financial information obtained from borrowers with decisions based on those reviews. Postcards were mailed in cases of incomplete documentation or non-responsive borrowers. The final step was bringing borrowers in for face-to-face meetings at WHEDA's office.

**Results**

The first Bond Claim loan was successfully completed July 1, 2014. The Bond Claim Program has shown significant, positive impact in keeping WHEDA borrowers in their homes. To-date, 14 WHEDA borrowers have overcome their reason for default and successfully completed the program. All 14 borrowers have remained current on their mortgage payments.

**Bond Claim Loans Funded by City:**

ADELL	1	\$ 5,651.00
CUDAHY	1	\$ 4,703.00
GRAFTON	1	\$ 13,087.90
GREEN BAY	1	\$ 2,374.92
HALES CORNERS	1	\$ 13,351.00
MEILLSVILLE	1	\$ 2,237.00
MILWAUKEE	4	\$ 26,395.82
RACINE	1	\$ 3,475.54
ROSHOLT	1	\$ 2,301.00
SCHOFIELD	1	\$ 4,395.00
WEST ALLIS	1	\$ 10,141.00
Total	14	\$ 88,113.18

In summary, WHEDA's Bond Claim program was a creative response to provide an additional path for consumers toward the many benefits of homeownership. The initial results have proven to be quite positive ensuring that the pilot will continue.