

# SAVE OUR HOME ARIZONA PROGRAM

Arizona Department of Housing

This program is designed to assist struggling homeowners in Arizona. Each component is summarized below:

1. **UMA Unemployed Mortgage Assistance** – assists homeowners to pay for all or a portion of their mortgage, **they must be eligible for Unemployment Benefits**. Second mortgage holder or spouse must contribute 31% of their income to the mortgage payment.
2. **Underemployed Mortgage Assistance** – employed homeowner(s), whose current income level is below their previous earnings and whose monthly 1<sup>st</sup> mortgage payment is greater than 31% of their current income– very similar to our current Unemployment Mortgage Assistance. Must not be a self-imposed hardship, homeowner should have been laid off from previous job.
3. **SMS Second Mortgage Settlement** – participants accepted into the other components can get assistance paying of their second mortgage through a settlement.
4. **RAC Reinstatement Assistance** – to cure or pay current a homeowners delinquency who has experienced a qualifying hardship and *now* their monthly 1<sup>st</sup> mortgage payment is affordable (31% or less) and sustainable.
5. **SSA Short Sale Assistance** – providing a short sale homeowner, up to \$4,500 in transition assistance as well as paying up to 3% of closing costs on their behalf. Must apply before short sale has been approved by the bank.
6. **PRA Principal Reduction Modification** – this program is difficult to get into due to low participation by the mortgage companies. FHA loans are ineligible for this program.

Regardless of the program component, there are three general guidelines that must always be true in order to qualify.

## Qualifications

1. The homeowner must have an eligible hardship - Death, Divorce, Medical, Unemployment or Underemployment
2. The homeowner 1<sup>st</sup> mortgage PITI must be over 31% of their pretax income (even in the reinstatement component this must have occurred during the delinquency period)
3. The homeowner has not cashed out and accessed their equity by refinancing with cash out or home equity line of credit

This is a program of the Arizona Department of Housing, they have partnered with 11 non-profits to administer this program. The application can be completed online at [www.azhousing.gov](http://www.azhousing.gov). ***Make sure to add Labor's Community Service Agency as your Housing Counseling agency!!!***

Contact **Labor's Community Service Agency (LCSA)** to determine if you may be eligible and to apply. LCSA is a HUD - certified housing counseling agency that advocates for families facing foreclosure.

All services are provided free of charge!

Housing Counselor Gila: 602-263-5741 or [gila@lcsa.us](mailto:gila@lcsa.us)

