

California Mortgage Relief Program

Program Expansion Press Release

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916-306-7419

press@camortgagerelief.org

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EVEN MORE HOMEOWNERS ELIGIBLE FOR ASSISTANCE WITH MORTGAGE COSTS AS CALIFORNIA MORTGAGE RELIEF PROGRAM EXPANDS

SACRAMENTO, CA – After successfully distributing nearly \$300 million in assistance to eligible homeowners statewide, the [California Mortgage Relief Program](#) is expanding to provide additional assistance and expand eligibility to help even more homeowners who have struggled with housing payments due to the impact of the COVID-19 pandemic.

The program is expanding in four important ways:

- Previously awarded homeowners who are still eligible and need more assistance can return for additional funds with a maximum of \$80,000 in total assistance
- Assistance is now available for homeowners with partial claim second mortgages or loan deferrals taken during or after January 2020
- The delinquency date for assistance with past-due mortgage and property tax payments was reset - applicants must have missed at least two mortgage payments OR at least one property tax payment prior to March 1, 2023
- Homeowners with a primary residence that includes up to 4 units on the property may now be eligible

“Since its inception, the California Mortgage Relief Program has been dedicated to helping California’s most vulnerable homeowners overcome the financial challenges brought on by COVID-19,” said Tiena Johnson Hall, Executive Director of the California Housing Finance Agency (CalHFA), which is administering the program through the CalHFA Homeowner Relief Corporation (CalHRC). “This program has already eased a heavy burden for thousands of families who were worried about losing their homes, and this expansion will allow even more homeowners to protect their single greatest financial asset.”

“Many California homeowners are still recovering from the financial hardships of the pandemic,” said Business, Consumer Services and Housing Agency Secretary Lourdes Castro Ramírez. “This program expansion will enable the state to assist even more homeowners who fell behind on their mortgage

payments. Our primary goal is to keep families in their homes, prevent foreclosures, and assist homeowners on a stable path to financial recovery.”

With this expansion, the California Mortgage Relief Program will now include grants to reduce or eliminate COVID-related partial claim second mortgages and loan deferrals. While many homeowners took action during the COVID-19 pandemic to restructure their mortgages in order to save their homes, they now face large payments at the end of their mortgage. Those who took a partial claim second mortgage or loan deferral during or after January 2020 may now be eligible for assistance.

“Using relief funds to pay down deferred balances for homeowners who experienced COVID hardships restores home equity and puts financially vulnerable families in a stronger position to sustain homeownership,” said Lisa Sitkin, Senior Staff Attorney at the National Housing Law Project. “It also alleviates the anxiety of having to figure out how to pay off a large balloon payment in the future.”

In addition, the Program has reset the delinquency date for households seeking assistance for past-due mortgage payments or unpaid property tax payments. Homeowners must have missed at least two mortgage payments or at least one property tax payment before March 1, 2023, to be eligible. Delinquency dates do not apply to homeowners seeking partial claim second mortgages or deferred loans assistance.

Assistance is now available to homeowners whose property has up to four units. Eligible properties, which must be the applicant’s primary residence, may include houses, condos, permanently affixed manufactured homes, ADUs, duplexes, triplexes or fourplexes.

Additionally, homeowners who previously received funding may return for additional support, up to a total maximum of \$80,000 per household, if they meet all other program requirements at the time of re-application. The grants, which are free and do not need to be paid back, can be given to cover multiple areas of need from past-due mortgage payments to property taxes, partial claim second mortgages and loan deferrals.

Homeowners who previously applied have been notified of the program expansions, and anyone who believes they meet the new criteria is encouraged to apply.

“These funds have changed lives and saved families,” said Volma Volcy, Founder and Executive Director of The Ring of Democracy. “I’ve had the honor of helping homeowners who went from believing they were going to lose their home to experiencing joy and relief after receiving this financial assistance. I’m here to tell anyone who thinks that this help is too good to be true that it is real and they should apply today.”

“Keeping my home is important because it’s not just a house. This is my home. This is the only home my two boys have ever known,” said Kevin Johnson, a homeowner from San Joaquin County. “When I heard I had been granted nearly \$32,000 to catch me up on my mortgage I finally had something joyous to speak about with people. I’m blessed and this program is a testament to me being blessed. I still cannot believe how wonderful of a feeling it was and still is today.”

Since its launch, the program has distributed grants to more than [10,000](#) California homeowners to help them get caught up on their housing payments.

The American Rescue Plan Act's Homeowner Assistance Fund provided all states with critical mortgage relief funds. Launched on Dec. 27, 2021, California is disbursing its \$1 billion allocation to qualified homeowners until the funds are all allocated.

While there is no strict deadline for applications, homeowners in need should apply as soon as possible. Interested applicants can visit the program website at CaMortgageRelief.org to review [eligibility](#) information and apply through the online portal.

A detailed description of the terms for California's program, as approved by the U.S. Department of the Treasury, can be viewed [here](#). Applicants will need to upload documents to determine eligibility, which may include mortgage statements, bank statements, utility bills, and income documentation (i.e. paystubs, tax returns, or unemployment documents). The application process can be completed in under 30 minutes once applicants have gathered all the required documents and information.

Homeowners with questions can call the Contact Center at 1-888-840-2594 between 8 a.m. and 6 p.m. Monday through Friday. They may also visit CaMortgageRelief.org/help to learn more about resources and assistance available to them.

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The CalHFA Homeowner Relief Corporation (CalHRC) is a special-purpose affiliate of the California Housing Finance Agency (CalHFA). CalHFA is an independent state agency that assists low to moderate income Californians by acting as the state's affordable housing lender. Through CalHRC, the agency is able to disburse The American Rescue Plan Act's Homeowner Assistance Fund (HAF) on behalf of the State of California given its extensive expertise in the mortgage assistance and homeownership space.

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