

United States Department of the Treasury

HAF Annual Report

Submitted by MAVIS MASAKI

Hawaii - HAF AR 2022

Participant Information:

Entity Name	Hawaii
Type of Recipient	State/DC
UEID	L1SGJ7LKJKT3
TIN	990275730
DUNS+4	809930217
FAIN#	HAF0002
Address	415 South Beretania Street, 5th Floor
City	Honolulu
State	Hawaii
Zip	96813-0000

Please report discrepancies (if any) on the above information.	
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Report Status:	Submitted
Date Submitted:	11/10/2022 8:17 PM
Submitted by	MAVIS MASAKI, mavis.m.masaki@hawaii.gov
Certified by	Mavis Masaki

Point of Contact List:

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Name	Title	Email	Roles
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Community Engagement and Outreach:

1. Did you continue outreach to communities once your HAF Program(s) began?	Yes
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2. Please quantify the total amount of funds spent on outreach.	\$0.00
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3. You identified the Community-based Organizations listed below in your HAF Participant Plan or a previous report. Please indicate whether or not you have performed outreach to these organizations using the checkboxes in the "Outreach performed" column.

Community-Based Organization	Type	Added on this report?	Outreach Performed?
Vibrant Hawaii	Community Organization	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HOPE Services	Provider	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Neighborhood Place of Puna	Provider	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Salvation Army	Provider	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hawaii County Economic Opportunity Council	Provider	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Nourish Kauai	Community Organization	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Kauai Federal Credit Union	Provider	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hawaii Habitat for Humanity Association	Community Organization	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hawaii Community Lending	Community Organization	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Council for Native Hawaiian Advancement	Community Organization	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hawaii HomeOwnership Center	Provider	<input type="checkbox"/>	<input type="checkbox"/>
Hawaiian Community Assets	Provider	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal Aid Society of Hawaii	Provider	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Community-Based Organization	Type	Added on this report?	Outreach Performed?
Council for Native Hawaiian Advancement	Provider	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Habitat for Humanity Maui, Inc	Provider	<input type="checkbox"/>	<input type="checkbox"/>
Hale Mahaolu	Provider	<input type="checkbox"/>	<input type="checkbox"/>

Performance Goals:

Title	Program Design Element	Status	New	Continue
Mortgage Related Goals	Mortgage Payment Assistance	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-Mortgage Related	Payment Assistance for Homeowners Utilities	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mortgage Related Goals	Mortgage Reinstatement	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mortgage Related Goals	Mortgage Principal Reduction	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mortgage Related Goals	Facilitate Mortgage Interest Rate Reduction	Not On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-Mortgage Related	Payment Assistance for Homeowner's Insurance	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-Mortgage Related	Payment Assistance for HOA fees or liens	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-Mortgage Related	Payment Assistance for Delinquent Property Taxes	On Track	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Methods for Targeting:

	<p>Awards of HAF funds are targeted first to applicants at or below 100 percent of the Area Median Income (AMI), then to socially disadvantaged applicants. Remaining funds are then targeted to applicants at or below 150 percent AMI. What this means in practice is that 100 percent AMI applications are processed first, followed by socially disadvantaged applications, then the rest, in chronological order within each priority group, so as to allow for continuous application intake. This has resulted in over 93 percent of HAF assistance being expended to date for</p>
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<p>1. Please provide an update on your targeting plan including challenges, successes, etc.</p>	<p>homeowners at or below 100 percent AMI, and for socially disadvantaged applicants to constitute over 86 percent of the population served to date.</p> <p>Challenges include the lack of communication by some servicers. The Hawaii HAF program has experienced a lack of communication from servicers, specifically as it relates to applying HAF funds to homeowner loans. This is due to the fact that servicers have dedicated staff to HAF teams who are separate from their loss mitigation departments. However, the majority of HAF eligible homeowners have lost income and need both HAF monetary assistance and loan</p>
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modifications to reduce their monthly mortgage payments to make them affordable. The separation of HAF teams from loss mitigation departments has created delays in securing workout agreements and ultimately applying HAF funds to loans for approved homeowners. To address this challenge, HAF Program service providers have scheduled monthly pipeline reviews with its servicers and to ensure that both their loss mitigation and HAF teams are working

	together for final resolution.
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2. Is the targeting plan put fourth in the HAF Plan achieving the desired results?	Yes
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Best Practices and Coordination:

1. Have you coordinated with any of these agencies? (FHA, VA, USDA, GSE's, State or Local Agencies that hold mortgage portfolios)	Yes
	<p>An example of coordination on behalf of a Hawaii County homeowner who applied for HAF assistance on December 30, 2021. The County of Hawaii HAF Program verified the homeowner's eligibility and communicated with the VA loan servicer requesting V/O-Record information. Once confirmation was received, the Program's HUD counselors verified all V-Record information for completion and conducted an assessment to identify a strategy to help the homeowner keep their home. The strategy</p>

If so, please provide best practices and information on coordination efforts.

included using HAF assistance in combination with other assistance and client savings to help the homeowner pay past due arrears and reduce loan principal to bring monthly mortgage payments down from the a payment equivalent to 67% of gross monthly income, to an affordability target based on a FHA mortgage, where the monthly housing payment would henceforth be

	only 31% of monthly income.
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2. Have you coordinated with servicers?	Yes
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	<p>Communication between the homeowner, HAF administrator, and HUD counseling agency, servicer, and public funding agencies is critical to find long-term lasting solutions to prevent foreclosure for local families. HAF assistance can be used either as a short-term approach that could lead to foreclosure as soon as maximum funding is met, or as a tool to achieve a long-term workout plan with the servicer. The latter requires more work, harder conversations, and technical expertise that includes mortgage</p>
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If so, please provide best practices and information on coordination efforts.

underwriting experience, but overall is the most effective solution. In cases where such communication and collaboration were successful, each entity has a role in preventing foreclosure for a family. HUD counselors build trust and relationships with the homeowner to search for an agreeable solution with the servicer. Mortgage loan consultants have the technical expertise to underwrite affordable mortgages, and determine the most effective use of HAF funds. Servicers have the ability to provide the homeowner with options - with or without HAF assistance - and can rely on HUD counselors and mortgage loan

	<p>consultants to do the groundwork to identify options they may otherwise not consider. Public funding agencies assist with promoting communication among these various entities, and with getting homeowners to other programs that can provide homeowners with additional non-HAF assistance, should that be</p>
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	necessary to help the homeowners.
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Certification:

1. Did you earn interest in excess of \$500 through the calendar year ending December 31, 2021?	No
2. Did you remit the earned interest in excess of \$500 as required by 2 CFR 200.305(b)(9)(ii)?	