

## Indy Affordable Modification Program (IndyAMP) Frequently Asked Questions

### What is IndyAMP?

IndyAMP is a mortgage refinance program for Indianapolis homeowners who have been negatively affected by COVID-19. The purpose of IndyAMP is to help homeowners stay in their homes by refinancing their current mortgage.

### Do I qualify for IndyAMP?

In order to qualify, you must be able to answer “yes” to all of the following questions:

1. Do I own a house in Indianapolis?
2. Is the house my primary residence?
3. Do I currently have a mortgage?
4. Is my current mortgage balance between \$20,000 and \$200,000
5. Is my credit score eligible with a mid-score minimum of 600?
6. Have I been negatively impacted by COVID-19? And/or, is my home in one of the following zip codes that have been negatively affected by COVID-19? (46201, 46202, 46205, 46208, 46218, 46219, 46222, 46224, 46226, 46229, 46235, 46254, or 46260)
7. Do I meet the income requirements of my gross yearly income being at or below 120% Area Median Income (AMI) according to the limits in the chart below?

Income Limits per Household for 2023:

1	2	3	4	5	6	7	8
80,900	92,450	104,000	115,500	124,800	134,050	143,300	152,550

### How do I know if I have been negatively affected by COVID-19?

To qualify, you must be able to answer “yes” to at least one of these questions:

- I have been diagnosed with COVID–19 or am experiencing symptoms of COVID–19 and seeking a medical diagnosis
- A member of my household has been diagnosed with COVID–19; I am providing care for a family member or a member of my household who has been diagnosed with COVID–19
- A child or other person in the household for which I have primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID–19 public health emergency and such school or facility care is required for me to work
- I am unable to reach the place of employment because I have been advised by a health care provider to self-quarantine due to concerns related to COVID–19
- I was scheduled to commence employment and do not have a job or am unable to reach the job as a direct result of the COVID–19 public health emergency
- I have become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID–19
- I had to quit my job as a direct result of COVID–19
- My place of employment is closed as a direct result of the COVID–19 public health emergency

## What is a modification program?

A loan modification program helps borrowers change the terms of their home loan. IndyAMP allows qualified homeowners who have been negatively affected by COVID-19 refinance their entire mortgage, including late payments and fees.

## How would this help me?

Homeowners who refinance through IndyAMP can lower their monthly mortgage payment and avoid foreclosure.

- Borrowers will be able to defer their first payment for 90 days.
- Borrowers may include past-due mortgage payments in the new loan to avoid foreclosure.
- Borrowers can choose between a 10-, 20-, or 30-year loan period, depending on how much they want to spend on monthly loan payments.

## What type of loan is this?

This will be a conventional loan.

## What is the interest rate?

3% fixed interest rate\*

*\*A sample loan amount of \$143,250 for refinancing a single-family primary residence with an estimated property value of \$179,150 at a 3.0% interest rate, the APR for this loan type is 3.05%. The monthly payment schedule would be 360 payments at \$603.96, excluding property taxes and homeowner's insurance premiums.*

## Will this make my monthly payments lower?

The low-interest rate may lower the monthly payment amount, and the new loan will not require borrowers to purchase mortgage insurance.

## Can I get extra cash back for home repairs?

No, home repairs and cash back are not eligible under IndyAMP.

## Are there any closing costs? Do I have to pay anything to do this?

Yes, there are closing costs which can be included in the new loan. There are no application fees and no other costs prior to closing.

## Do I have to already have a mortgage?

Yes, all borrowers must have a mortgage on the home they are applying for, and the new loan will pay off the existing mortgage including any past-due amounts.

## I have a family member or friend who cosigned on my mortgage, but they do not live in the home? Do I still qualify?

The home must be the primary applicant's primary residence. The primary applicant must be the person affected by/completing the eligible zip code or COVID-19 certification.

## What if I have a 2nd mortgage on my home - can I still apply?

Yes, so long as the value of your home has a loan to value of up to 95% (based on the market analysis we will prepare), a 2<sup>nd</sup> mortgage can be rolled into the new mortgage.

## What if I have judgments or liens attached to my home - can I still apply?

Yes, so long as your home has a loan to value of up to 95% (based on the market analysis we will prepare) those can be rolled into the new mortgage.

## Do I have to be employed?

Borrowers will need to show proof of income for the past two years to qualify for the mortgage. The program will consider many different types of income such as a job, social security, disability, and other sources of monthly income. Program staff will walk you through the application process to help you identify which documents are acceptable proof of income.

## What if I was laid off/lost income because of COVID-19?

Applicants must have 2 years of steady income to qualify. Consideration will be given to those who are currently actively employed but may have experienced past gaps in employment due to COVID.

## What if I am behind on my mortgage payments, can I still qualify?

Yes. Borrowers who have fallen behind on mortgage payments because of COVID-19 can still apply. Prior to the COVID pandemic, applicants must show 12 consecutive months on-time payment history (not more than 30 days late).

## What if I already asked my bank for help delaying or reducing my mortgage payments (for example a forbearance)? Can I still apply?

Yes. IndyAMP can roll your missed/late mortgage payments into a new loan and may lower your payments altogether by refinancing with a new 10-, 20-, or 30- year loan.

## How do I find out if my credit score is high enough?

Borrowers should have a minimum credit score of 600. However, the lender will review your credit history to further determine eligibility.

## Is there a minimum/maximum income to qualify?

Minimum income requirements will be determined based on the required loan amount to refinance your mortgage.

## Is this only for Indianapolis and/or Marion County?

Yes, only residents of Indianapolis/Marion County may refinance their mortgage through IndyAMP.

## Will I need a home inspection?

- No, you do not need to have a home inspection for this application.
- Please be aware that program staff will perform a visual inspection of the exterior of the house only, including photographs, as part of the process.

## Will I need an appraisal?

No, however your home's value will be determined as part of the process based on recently sold, similar properties in the immediate area.

## Do I need insurance?

- Yes, you will need to show proof of homeowner's insurance (this is insurance that protects your house in case of an accident or disaster).
- No, you do not need mortgage insurance (this is insurance that applies to your loan and is normally associated with a FHA mortgage loan).

## How much do I have to pay to refinance?

Closing costs will be rolled into the refinanced loan. If you have a current escrow account, you could receive funds back from your current lender for the balance of your existing escrow account.

## What is an escrow account?

Your mortgage payment includes money for the bank to pay your monthly homeowner's insurance and semi-annual property taxes. This is called an escrow account, and it means that you will not have to send separate checks for those bills because the bank will take care of them for you.

## What happens to my house if I can't afford to keep up with my monthly payments?

We can provide you with options for assistance.

## How do I apply?

- The very first step in the process is to visit our website [www.IndyAMP.org](http://www.IndyAMP.org) to certify/sign that you meet the criteria below [if you cannot use the website, see below to contact us by phone]:
  - A. live in the Marion County home for which you are applying; and

- B. have been negatively affected by COVID-19 which has impacted your ability to pay your monthly mortgage bills. OR live in one of the zip codes that has been negatively impacted by Covid-19. (46201, 46202, 46205, 46208, 46218, 46219, 46222, 46224, 46226, 46229, 46235, 46254, AND 46260)
- After completing your certification, you will receive an email with a link to the full application where you will be directed to upload all required and applicable documents.
  - Call 317-932-3777. Borrowers can work directly with an outreach specialist who can walk you through the application process and, if requested, can help you fill out the online application and scan and upload required documents for you.

## What if I don't have an email or computer or a phone that accepts SMS messages?

Our staff can help you complete the application online. Call us at 317-932-3777.

## What information do you need from me?

The application will request certain documents to verify identity and income. The documents below in **bold** are required for all applicants and the rest will be needed only if they apply to your situation (ex. If you have a bank account, we will need your bank statements). If you need assistance walking through these documents to determine which apply to you, we can help:

- **COVID 19 or zip code self certification (the screening form on online application)**
- **Government issued ID all members of household to be listed on the deed/mortgage**
- **Social security card**
- **Most recent mortgage statement**
- **Most recent Tax Return (If self employed, will need 2 years)**
- **Proof of Homeowners Insurance**
- **Release Authorization Form (for the bank to verify your application)**
- **Social Security payments**
- **W-2's (last 2 years)**
- 2 months most recent full checking account(s) statements
- 2 months most recent full saving account(s) statements
- 2 months of recent electronic wallet account(s) activity (Venmo, Paypal, CashApp)
- 30 day most recent paystubs
- Pension
- Child Support and/or Alimony
- Severance pay, Unemployment compensation, and/or Workers compensation
- VA Benefits
- Disability Benefits
- Rental Income
- Seasonal Income
- Capital Gains Income
- Overtime/Bonus Pay
- Retirement Account Distributions

## What if I don't have internet access or a computer at home?

We can work with you to fill out the application and upload the appropriate documents. We can help you through every step of the process. Call us at 317-932-3777, leave a message, and an outreach specialist will be in touch with you promptly.

## What if I can't leave my house because of COVID-19 health concerns?

We can work with you by phone and/or video to help you submit your application and upload the appropriate documents.

## Do I have to have my signature notarized?

No, you will not have to have your signature notarized for the application. However, a notarized signature may be required for the loan closing documents. We can assist you with that.

## Can I add or delete someone from the original mortgage?

- The name/names on the original mortgage which you will be refinancing must match the borrowers' names on the new loan.
- If there has been a change in status, we can work with you to find the right documentation to submit such as a legal name change, death certificate, or other applicable information.

## How long does the process take?

Closing should happen approximately 30 days after we have received all of the required documents from you and the lender has approved you to close.

## Do I keep paying my mortgage while I am applying?

You should continue to make your regular payments until you hear from the bank that you have been approved for this loan.

## When will my payments change/new payments start?

Your first payment will be due the first of the month 90 days after closing (example: if you close January 15th, the 90 days end on April 15, and your first payment would be May 1).

## Who will I make my monthly payments to? Can I pay by check or online?

Once your application is approved, the bank that provides your loan will send you payment details.

## Is the mortgage assumable by a family member on the original terms?

No, the mortgage is not assumable.

## Where do I find out more information?

[www.IndyAMP.org](http://www.IndyAMP.org)