

Comparison of
H.R. 3766, Main Street TARP Act of 2009
And
S. 1731, Preserving Homes and Communities Act of 2009

	H.R. 3766	S. 1731
National Housing Trust Fund	Provides \$1 billion from funds provided under the Emergency Economic Stabilization Act of 2008 (TARP).	Provides \$1 billion from the sale of warrants acquired by the federal government under TARP
Trust fund rents	Adopts Brooke rule limiting tenant rent payments in units funded by NHTF to 30% of tenant's income.	No similar provision.
Assistance to homeowners facing foreclosure due to loss of income	<p>Provides \$2 billion from TARP to assist owner occupants who</p> <ul style="list-style-type: none"> • Are at least 3 months behind on their mortgagee payment • Have suffered a substantial reduction in income due to involuntary unemployment, underemployment or medical conditions and are financially unable to make full mortgage payments, and • Have a reasonable prospect of being able to make full payments in the future. <p>Assistance can be provided as loans, advances or credit or other forms of relief.</p> <p>Assistance can be used to make monthly payments in the amount needed to make up the difference between the monthly mortgage payment and the amount the homebuyer is capable of contributing to the payment.</p> <p>Payments can be made for 12 months, with one possible 12 month extension.</p> <p>Amounts provided shall be repaid by the homeowner under the terms and conditions established by the Secretary.</p>	<p>Authorizes \$6.4 billion in FY10 and such sums as are necessary for FY11, FY12 and FY13 for grants to states to be used to assist homeowners avoid foreclosure.</p> <p>Eligible homeowners</p> <ul style="list-style-type: none"> • Must be residents of the state • Agree to participate in housing counseling • Have a financial hardship that is unexpected and beyond the control of the homeowner • Be unable to correct any delinquency within a reasonable time and be unable to make full payment • Have requested a loan modification • Have a reasonable probability of resuming full payments within 15 months of receiving assistance, and • Have not previously received assistance under the program. <p>To be eligible, the interest rate on the mortgage can not have exceeded the prime rate at the time the mortgage was made and the mortgage must have been within the GSE loan limits at that time.</p>

	<p>States with programs meeting the criteria of the national program can administer the funds.</p>	<p>Grant funds may be used to provide</p> <ul style="list-style-type: none"> • One-time emergency grants or loans to assist homeowners with past due amounts • Grants or loans to for specified number of future mortgage payments, or • Stipends of not more than \$1,500 for relocation expenses. <p>States are also required to provide information on public services available to defaulting homeowners, referrals to counseling agencies, and information on public assistance or benefit programs, mortgage assistance programs, home repair, utility and food assistance programs.</p> <p>Funds are to be distributed to states based on a formula that takes into account the population of the state, the rate of delinquent mortgages in the state, the number of foreclosures in the state and the change in unemployment in the state between 2007 and 2008.</p> <p>Loans are to be repaid.</p> <p>States with existing loan funds established to make loans to assist homeowners avoid foreclosure may use grant funds for the state program even if it is different from the federal program.</p>
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<p>Loan Modification Requirements</p>	<p>No similar provision.</p>	<p>Provides that before lender can begin or continue a foreclosure on a federally-related mortgage loan (a loan made by an insured depository institution, purchased by Freddie or Fannie Mae, or insured by FHA or the VA) the lender must certify that any borrower who is qualified for a modification under a program established or approved by the Secretaries of Treasury and HUD has been offered such modification.</p> <p>Would also prohibit the sale of a property by a lender unless the eligible borrower has been offered a modification.</p> <p>Prohibits the imposition of unnecessary fees in connection with the modification or foreclosure.</p>
<p>Mediation</p>	<p>No similar provision.</p>	<p>Establishes a competitive grant program to encourage states to establish mortgage foreclosure mediation programs.</p>
<p>Data Collection</p>	<p>No similar provision</p>	<p>Requires the Secretary of HUD, in consultation with federal and state banking regulators, to develop and implement a plan to monitor the housing market to predict foreclosure trends and the effectiveness of efforts to reduce mortgage defaults and foreclosures.</p> <p>Requires the HUD Secretary to report annually to Congress on the results of the monitoring plan and to make recommendations on how to reduce mortgage defaults.</p>