

What is HAP?

The Homeowners Assistance Program (HAP) provides some monetary relief to eligible service members and federal employee homeowners who suffer financial loss on the sale of their primary residences when a base closure or realignment announcement causes a decline in the residential real estate market and they are not able to sell their homes under reasonable terms or conditions.

In May 2009, the Department of Defense announced details of a temporary expansion of HAP using funds from the American Recovery and Reinvestment Act (ARRA). The \$555 million allocated to the HAP will be used to provide benefits to eligible military and DoD civilians who face losses selling their primary residence during the current housing downturn.

Under the new expansion, the DoD will temporarily expand the program to partially reimburse home sale losses in the following priority order:

- Wounded service members relocating for treatment or medical retirement, and for the survivors of those who have died while on deployment;
- Military and DoD civilians affected by the 2005 Base Realignment and Closing round, without the need

(which existed under the previous law) to prove that the base closure caused the local market decline

- Some normal military PCS moves, on a temporary basis.

All active and former members of the armed forces, as well as DoD civilians, who may have sold a primary residence for a loss within the past three years are encouraged to visit the HAP website to check specific program criteria, and if eligible, apply online.

Benefits under HAP

Private Sale

Eligible applicants may be compensated for the difference between 95% of the appraised fair market value of the property prior to the announcement date, and the appraised value of the property at the time of sale, or the sales price, whichever is greater. Closing costs are reimbursed for private sales.

Government Purchase

An eligible applicant may elect to sell the property to the government and receive, as the purchase price, an amount not to exceed 75% of the appraised fair market value prior to the date of the announcement, or the current total amount of outstanding mortgages, whichever is greater.

Foreclosure Assistance

If foreclosure proceedings have commenced, an applicant may elect to receive foreclosure benefits or private sale benefits. Foreclosure benefits may be paid directly to the applicant to reimburse for foreclosure costs paid by the applicant, or paid to third parties on the applicant's behalf.

NOTE: Eligible HAP applicants who work at overseas installations announced for closure or realignment may receive only private sale benefits. Government purchase benefits are not available at overseas installations.

How to Apply

The basic application is made on DD Form 1607, Application for Homeowners Assistance Program. Part III, Section IV of the form must be completed by your personnel officer. In addition, you must submit a variety of documents to show evidence of your ownership of the property, your occupancy dates, your assignment orders, your efforts to sell the home (whether it was sold), and mortgage details.

For more information and a downloadable application package, see <http://hap.usace.army.mil> or call the National Assistance Hotline at 1-888-363-4271.

CONSUMER LAW SERIES

The Homeowners Assistance Program



Contact 31 FW/JA for more information or legal assistance on this topic.

DSN 632-7843 or Commercial 0434-30-7843

Legal Assistance Walk-In Hours
Monday and Wednesday 1530-1630;
Friday 0900-1000

<https://aflegalassistance.law.af.mil>