

HAF Program Design Overview

The Delaware State Housing Authority (“DSHA”) will create a program focusing on financial assistance to qualified homeowners who have an imminent risk of foreclosure due to housing-related obligations such as mortgage payments, property charges, condominium fees, or water and sewer related costs. This assistance will be in the form of reinstatement or monthly payment assistance. In Delaware, the program will be branded as the Delaware Mortgage Relief Program (DE-MRP). Applicants meeting the stated terms are eligible to apply for assistance for a maximum assistance of \$50,000.

Delaware Mortgage Relief Program

Element # 1: Mortgage Reinstatement

<u>Criteria</u>	<u>Terms</u>
<u>Program Description</u>	Designed to offer a one-time payment on behalf of a qualified homeowner to pay delinquent mortgage arrears, <u>and/or</u> to facilitate mortgage modification (such as a principal curtailment or rate reduction) to right-size future mortgage payments to levels affordable to the homeowner.
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$50,000 to be used only for the homeowner’s primary residence. This includes all assistance for any other program elements except property rehabilitation.
<u>Eligibility criteria and documentation requirements</u>	Homeowner must meet the following requirements <ul style="list-style-type: none">• Eligible financial hardship after January 21, 2020;• 150% of area median income;• Delaware homeowners; and• Homeowners residing in their primary residence.
<u>Loan eligibility criteria specific to the program</u>	Delinquent by at least thirty (30) days, including any payments during a forbearance period or facing imminent threat of delinquency. And the original loan amount must be within the applicable conforming loan limit.
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. Payments may be made directly to the lender or servicer (as appropriate).

Element # 2: Mortgage Payment Assistance

<u>Criteria</u>	<u>Terms</u>
<u>Program Description</u>	<p>Designed to provide full monthly mortgage payment to homeowners who are brought current from the reinstatement program but are unable to make future monthly mortgage payments. This program element is available as a standalone option if the mortgage is current and the homeowner qualifies for imminent default (meaning the HTI is over 31% with an eligible hardship). Eligible homeowners must meet the following criteria in order to receive monthly payment assistance:</p> <ul style="list-style-type: none"> • Applicants between 31.01%-50% HTI reinstatement plus up to three months of monthly payment assistance. • Applicants over 50.01% HTI reinstatement plus up to six months of monthly payment assistance. <p>NOTE: Reinstatement and monthly payment assistance to not exceed program maximum assistance limits.</p>
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$50,000 to be used only for the homeowner's primary residence. This includes all assistance for any other program elements except property rehabilitation.
<u>Eligibility criteria and documentation requirements</u>	<p>Homeowner must meet the following requirements</p> <ul style="list-style-type: none"> • Eligible financial hardship after January 21, 2020; • 150% of AMI; • Delaware homeowners; and • Homeowners residing in their primary residence.
<u>Loan eligibility criteria specific to the program</u>	In forbearance or facing imminent threat of delinquency. And the original loan amount must be within the applicable conforming loan limit.
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. Payments may be made directly to the lender or servicer (as appropriate).

Element # 3: Property Charges

<u>Criteria</u>	<u>Terms</u>
<u>Program Description</u>	Designed to avoid imminent displacement due to property charges including, but not limited to: <ul style="list-style-type: none"> • Tax delinquency, chattel loan, or land lease delinquency; • Water and sewer delinquencies; • Homeowner’s association fee/condominium association fee delinquency; and/or • Homeowner’s Insurance delinquency.
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$50,000 to be used only for the homeowner’s primary residence. This includes all assistance for any other program elements except property rehabilitation.
<u>Eligibility criteria and documentation requirements</u>	Homeowner must meet the following requirements <ul style="list-style-type: none"> • Eligible financial hardship after January 21, 2020; • 150% of AMI; • Delaware homeowners; and • Homeowners residing in their primary residence.
<u>Expense eligibility criteria specific to the program</u>	Delinquent by at least thirty (30) days.
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. Payments will be made directly to the appropriate entity (municipality, insurance company, etc.).

Element # 4: Property Rehabilitation

<u>Criteria</u>	<u>Terms</u>
<u>Program Description</u>	Housing Rehabilitation program is designed to help homeowners who have critical repairs in their primary residence that they are unable to address because of the financial impact of COVID-19. Without addressing these repairs, it may cause the homeowner to be “involuntarily or voluntarily displace” from the property. The grant will be capped at \$20,000 and can be used to address any critical repairs.
<u>Maximum amount of assistance per homeowner</u>	Each Homeowner will be eligible for up to \$20,000 to be used only for the homeowner’s primary residence*. *A homeowner that previously received assistance under a different program element is eligible to apply for and receive this assistance. The previously assisted applicant program cap is \$70,000, with this program element cap at \$20,000.
<u>Eligibility criteria and documentation requirements</u>	Homeowner must meet the following requirements <ul style="list-style-type: none"> • Eligible financial hardship after January 21, 2020; • 80% of AMI; • Delaware homeowners; and • Homeowners residing in their primary residence • Work with program approved homeowner repair assistance provider
<u>Eligible Repairs</u>	<i>Mold/Mildew Remediation, Asbestos removal, Electrical Repairs, Plumbing Repairs, Roof Repair/Replacement, Flooring Repair/Replacement, Reduce/eliminate Lead Paint Hazards, Structural/Maintenance issues, Window Replacement, Repair/replace porches, Interior/Exterior Stairway Repair/Replacement, install/replace accessibility aids (such as hand railings, ramps, grab bars, wider doorways, etc.), Upgrade/repair HVAC/Heating repair, Retrofit lighting, Insulation, Pest abatement.</i> *Additional repairs will be assessed on case-by-case basis
<u>Form of assistance</u>	Assistance will be structured as a non-recourse grant. Payments will be made directly to the appropriate entity.