



# Delaware

## Mortgage Relief Program

### POLICY MANUAL

June 23, 2022

Delaware State Housing Authority  
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1-888-303-4324



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### INTRODUCTION

The Delaware Mortgage Relief Program (DE-MRP) Policy Manual has been developed to serve as a reference tool when making decisions concerning the DE-MRP program. This document is informed by those rules and guidance promulgated by the United States Department of Treasury, as well as the approved DE-MRP Term Sheets appended to this document.

### EXECUTIVE OVERVIEW

The Delaware Mortgage Relief Program (DE-MRP) is a federally funded program dedicated to assisting homeowners who are at risk of default, foreclosure, or displacement as result of a financial hardship caused by the COVID-19 pandemic.

The Delaware Governor's Office has delegated administration of DE-MRP to the Delaware State Housing Authority (DSHA) with funding provided through the Homeowner Assistance Fund (HAF) under section 3206 of the American Rescue Plan Act of 2021 (P.L. 117-2).

DSHA will create programs focusing on financial assistance to qualified homeowners who are at risk of displacement due to arrearage of housing-related obligations such as mortgage payments and property charges. This assistance will take two forms – the Emergency Displacement Diversion Grant and the Fresh Start Grant. Collectively, in Delaware, these programs will be branded as the Delaware Mortgage Relief Program (DE-MRP). Applicants meeting the stated terms for each track are eligible to apply for assistance through both tracks for a maximum assistance of \$40,000.

Assistance will be structured as a non-recourse grant. Payments will be made directly to the appropriate entity such as the municipality, insurance company, loan servicer or lender (as appropriate).

### DEFINITIONS

**AMI:** Area Median Income as determined by the US Department of Housing and Urban Development on an annual basis.

**Common Data File (CDF):** Electronic data file exchange process to digitally communicate information between the Lender/Servicer and DE-MRP to validate applicant mortgage information.

**Conforming Loan Limit:** The conforming loan limit is the dollar cap on the size of a mortgage, periodically established that Freddie Mac and Fannie Mae are willing to buy or guarantee.

**Delinquent** (for DE-MRP purposes): Being past due at least one payment (30 days +) on your mortgage or other eligible expenses under the DE-MRP program.

**Dwelling** (for DE-MRP purposes): Any building, structure, or portion thereof that is occupied as, or designed or intended for occupancy as, a residence by one or more individuals. This includes mobile and manufactured homes (fixed or unaffixed).

**Eligible Homeowners:** Delaware homeowner who has experienced a Covid-19 related financial hardship after January 21, 2020 and have incomes equal to or less than 150% of the area median income or 100% of the median income for the United States, whichever is greater.

**Escrow:** Taxes and insurance that make up a portion of the monthly mortgage payment and are disbursed to the proper entity when they are due by the mortgage lender/servicer.

**Forbearance:** A period of time when a mortgage servicer allows you to pause or reduce your mortgage payments.

**Foreclosure:** Foreclosure is a legal process of taking possession of a mortgaged property when the mortgagor fails to keep up their mortgage payments.

**Housing Debt-to-Income Ratio (HDTI):** The percentage of monthly income a household uses to pay housing costs consisting of mortgage principal, interest, property taxes, insurance, and Homeowner's Association (HOA) dues when applicable.

**Imminent Risk of Foreclosure:** The foreclosure process has already begun, and a sheriff sale has been or will be scheduled.

**Increase in living expenses:** Increase in out-of-pocket household expenses including but not limited to medical expenses caused by inadequate medical insurance and costs to reconnect utility services directly related to the coronavirus pandemic after January 21, 2020.

**DE-MRP:** Delaware Mortgage Relief Program

**DSHA:** Delaware State Housing Authority

**Limited English Proficient (LEP)** – Individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English.

**Mortgage (US Treasury definition):** Any credit transaction that is secured by a mortgage, deed of trust, or other consensual security interest on a principal residence of a borrower that is a one- to four-unit dwelling, or a residential real property that includes a one- to four-unit dwelling; and the unpaid principal balance of which was, at the time of origination, not more than the conforming loan limit.

*\* A reverse mortgage, a loan secured by a manufactured home, or a contract for deed (also known as a land contract) may fall within this definition if it satisfies the criteria in this paragraph, in accordance with applicable state law.*

**Mortgage Related Assistance:** DE-MRP funds paid to a mortgage lender/servicer on behalf of an approved DE-MRP applicant to cure mortgage delinquency (reinstatement) or to assist with paying future mortgage payments.

**Natural Person:** A human being and not a corporate entity or legal person that is created by operation of law.

**Non-Mortgage Related Assistance:** DE-MRP funds paid to a service provider or third party authorized to receive payments on behalf of an approved DE-MRP applicant to cure delinquent, non-escrowed property charges, utilities (as of 22 MAY 2022 for DE-MRP: limited to water and/ or sewer tax payments.).

**Qualified Census Tract (QCT):** A census tract that must have 50% of households with incomes below 60 percent of the Area Median Income or have a poverty rate of 25 percent or more. (HUD definition)

**Qualified Financial Hardship:** A material reduction in income or material increase in living expenses associated with the coronavirus pandemic that has created or increased a risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for a homeowner.

**Socially Disadvantaged Individuals (US Treasury definition):** Those whose ability to purchase or own a home has been impaired due to diminished access to credit on reasonable terms as compared to others in comparable economic circumstances, based on disparities in homeownership rates in the HAF participant's jurisdiction as documented by the U.S. Census. The impairment must stem from circumstances beyond their control. Indicators of impairment under this definition may include being a (1) member of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society, (2) resident of a majority-minority Census tract; (3) individual with limited English proficiency; (4) resident of a U.S. territory, Indian reservation, or Hawaiian Home Land, or (5) individual who lives in a persistent-poverty county, meaning any county that has had 20% or more of its population living in poverty over the past 30 years as measured by the three most recent decennial censuses. In addition, an individual may be determined to be a socially disadvantaged individual in accordance with a process developed by a HAF participant for determining whether a homeowner is a socially disadvantaged individual in accordance with applicable law, which may reasonably rely on self-attestations.

**Targeting** (as required by US Treasury): Not less than 60% of amounts made available to each HAF participant must be used for qualified expenses that assist homeowners having incomes equal to or less than 100% of the area median income or equal to or less than 100% of the median income for the United States, whichever is greater. Any amount not made available to homeowners that meet this income-targeting requirement must be prioritized for assistance to socially disadvantaged individuals, with funds remaining after such prioritization being made available for other eligible homeowners.

**WOB:** Witt O'Brien's, vendor, selected by DSHA, through a procurement process, to support the administration of the DE-MRP program.

**Yardi:** Vendor/System procured as the application, payment, and reporting portal for the DE-MRP program.

### PROGRAM ELEMENTS

Below is a summary of the program elements available through the DE-MRP program. Full policy descriptions can be found in the "Program Specific Policies" section of the document.

The DE-MRP program will include the following two program elements, paired with referral-based housing counseling services to further the program's purpose:

1. **DE-MRP Emergency Displacement Diversion Grant:** Provides up to \$10,000 in financial assistance to eligible homeowners to avoid imminent displacement due to property charges.
2. **DE-MRP Fresh Start Mortgage Grant:** Provides a one-time payment up to \$30,000 on behalf of a qualified homeowner to pay delinquent mortgage arrears and/or facilitate mortgage modification (such as principal curtailment or rate reduction) to right-size future mortgage payments to levels affordable to the homeowner.

*\*All payments are made directly to the loan servicer or vendor on the homeowner's behalf.*

### General Eligibility Requirements

The following eligibility requirements must be met by all applicants and pertain to both program elements listed in the above Program Summary. Failure to meet the requirements below will result in an inability to receive DE-MRP assistance.

Applicant Eligibility

Applicants **must**:

- Be a **Natural Person(s)** or trustee of a non-incorporated living trust (LLCs or other business entities are not eligible)
- Be party to the mortgage and/or hold title to the property
- Maintain the property as their primary place of residence

Income Eligibility

- Household income **must** be equal to or less than 150% of the Area Median Income (AMI) or equal to or less than 100% of the median income for the United States, whichever is greater.

HAF Income Limits for Delaware: [FY 2022 Maximum Income Limits for Treasury's Homeowner Assistance Fund \(huduser.gov\)](https://www.huduser.gov/portal/section8/2022/2022%20Maximum%20Income%20Limits%20for%20Treasury's%20Homeowner%20Assistance%20Fund.pdf)

**HUD Income Limits**

As Established by the U.S. Department of Housing & Urban Development  
(as of 4/01/22)

**New Castle County (Median Income=\$105,400)**

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	22,150	25,300	28,450	31,600	34,150	37,190	41,910	46,630
50%	36,900	42,200	47,450	52,700	56,950	61,150	65,350	69,600
80%	59,050	67,450	75,900	84,300	91,050	97,800	104,550	111,300

**Kent County (Median Income=\$77,200)**

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	16,250	18,550	23,030	27,750	32,470	37,190	41,910	46,630
50%	27,050	30,900	34,750	38,600	41,700	44,800	47,900	51,000
80%	43,250	49,400	55,600	61,750	66,700	71,650	76,600	81,550



**Sussex County (Median Income= \$84,000)**

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	17,650	20,200	23,030	27,750	32,470	37,190	41, 910	46,630
50%	29,400	33,600	37,800	42,000	45,400	48,750	52,100	55,450
80%	47,050	53,800	60,500	67,200	72,600	78,000	83,350	88,750

Hardship Eligibility

Household must have experienced a **Qualified Financial Hardship**, as defined in the definitions section of this document. *\*Hardship must have happened **after** January 21, 2020.*

**Property Eligibility**

Property **must**:

- Be located in the State of Delaware
- Be applicant’s primary place of residence
- Be one-to-four-unit residential property

*\*Second homes, vacation homes, non-owner-occupied rental properties and vacant properties are **not eligible** for assistance.*

*\*Manufactured and mobile homes, affixed or unaffixed to real property, **are eligible** for assistance.*

**Mortgage Eligibility**

Allowable mortgage types:

- First Mortgages
- Second Mortgages
- Reverse Mortgages
- Loans secured by manufactured/mobile dwellings (real estate or dwelling)
- Land Contracts (secured by consensual security interest in the dwelling)

*\*Applicants currently in foreclosure **may** apply for assistance.*

### Funding Availability

All assistance is subject to the availability of DE-MRP funds. Approved assistance will be disbursed directly to the loan servicer or vendor on the homeowner's behalf.

## **MORTGAGE RELATED ASSISTANCE PROGRAMS**

### **DE MRP Fresh Start Mortgage Grant**

Designed to offer a one-time payment on behalf of a qualified homeowner to pay delinquent mortgage arrears and/or to facilitate mortgage modification (such as a principal curtailment or rate reduction) to right-size future mortgage payments to levels affordable to the homeowner. This option is designed with mechanisms to ensure that the assistance creates a long-term sustainable resolution without the need to reapply for additional assistance.

Applicants will be allowed to submit one active application per property per program. On a case-by-case basis, an applicant may reapply for additional assistance to pay mortgage arrears not to exceed the total maximum amount of assistance of \$30,000.

The following parameters will be utilized to determine the assistance provided:

- Applicants with a 31% DTI or less will be a straight reinstatement.
- Applicants between 31.01% - 45% DTI can opt into a modification agreement, otherwise straight reinstatement will be pursued.
- Applicants in excess of 45% DTI will be required to pursue a modification agreement.
- Applicant in excess of 80% DTI or with no income will be referred to a HUD-approved Housing Counseling Agency to determine the best course of action to assist the applicant.

### Maximum Allowable Assistance Per Homeowner

\$30,000 per household (to be used only for the homeowner's primary residence).

### Program Specific Requirements

- Needed assistance must not exceed the maximum allowable award of \$30,000.
- Eligible financial hardship after January 21, 2020;
- 150% of area median income;
- Delaware homeowners; and
- Homeowners residing in their primary residence.

### Hardship Determination

- Delinquent by at least thirty (30) days, including any payments during a forbearance period along with any required attestations and/or affidavits.
- Mortgage delinquency alone is acceptable evidence of hardship along with any required attestations and/or affidavits.

### Counseling and Legal Servicers Requirement

All participants in the program will be provided with information regarding housing counseling providers and services for any ongoing support or assistance they may need. Housing counseling and legal servicer is a not a mandatory requirement to receive assistance.

### Payments

If approved, a lump sum payment will be made directly to the loan servicer or vendor on the homeowner's behalf.

*\*In no instance will assistance exceed \$30,000 per household.*

## **NON-MORTGAGE RELATED ASSISTANCE**

### **DE MRP Emergency Displacement Diversion Grant**

Designed to avoid imminent displacement due to property charges including, but not limited to:

- 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.

\*Taxes and insurance delinquencies covered by mortgage payments (escrow) will be paid through the Fresh Start Mortgage Grant track.

### Maximum Amount of Assistance Per Homeowner

\$10,000 per household (to be used only for the homeowner's primary residence).

### Program Specific Requirement

- Needed assistance must not exceed the maximum allowable award of \$10,000.
- Eligible financial hardship after January 21, 2020;
- 150% of AMI;
- Delaware homeowners; and
- Homeowners residing in their primary residence.

### Hardship Determination

- Delinquent by at least thirty (30) days, including any payments during a forbearance period, or for outstanding property charges along with any required attestations and/or affidavits.
- Eligible property charge delinquency alone is acceptable evidence of hardship along with any required attestations and/or affidavits.

### Counseling and Legal Services Requirement

All participants in the program will be provided with information regarding housing counseling providers and services for any ongoing support or assistance they may need. Housing counseling and legal services **is a not a mandatory requirement** to receive assistance.

### Payments

If approved, a lump sum payment will be made directly to the loan servicer or vendor on the homeowner's behalf.

Reimbursement for past payments is not allowable.

*\*In no instance will assistance exceed \$10,000 per household.*

## **DOCUMENTATION REQUIREMENTS**

The following documentation is required for an application to move to the processing and underwriting phase of the review process.

### Applicant Identification

All parties signing the application must upload a legible copy of an acceptable form of identification. Acceptable forms of identification include:

- Delaware Issued Driver's License
- Delaware Issued State Identification
- Copy of the front of your Delaware Issued Driver's License
- Copy of the front of your Delaware Issued State Identification
- Military ID
- Naturalization Certificate
- Lawful Permanent Residency Card
- Other Government Issued Photo ID

*\*If the Delaware License or Delaware State ID does not show the property address, the applicant may provide a current utility bill showing the name and address of the applicant and/or a complete a statement to explain why a different address is used.*

### Household Income

To qualify for DE-MRP, applicants must certify household income for all household members 18 years and older. The following documents will be accepted as income verification (only applicable documents are required):

- **Tax Return** – Most recent filed tax return
- **Paystubs** – Two most recent paychecks or paystubs or letter from employer showing payment rate for the pay period, hours worked in the pay period, employer name, year-to-date gross earnings
- **Self-Employment and Gig Economy Jobs** – YTD or most recent quarterly profit and loss statement, all pages of statements for all bank accounts (business and personal) for the same current year and three-month period, and most recent tax return with all schedules or transcript
- **Pension or Annuity** – Pension or annuity benefits statements or most recent bank statement within the last 60 days showing deposit amount
- **Social Security** – Social Security benefits award letter or annual notice of benefits or 2020 SSA-199 statement or most recent bank statement showing deposit amount dated within the past 30 days
- **Worker’s Compensation Benefits Statement** – Worker’s Compensation benefits statements dated within the past 30 days
- **Rental or boarder income** – Current lease and most recent two months of bank statements showing rental income deposits
- **Alimony or Child Support** – Court order or written agreement and two most recent months of bank statements showing support income deposits
- **Unemployment Benefits Statement** – Unemployment benefits most recent statements (Unemployment benefits are only included if the benefit is available for at least 6 additional months)
- **VA Benefits Statement** – VA Benefits statements or most recent bank statements showing deposit amount
- **In the event a household member has no income**, a signed self-attestation from the household member to attest zero income will be accepted.
- **Waivers or exceptions** - DSHA may provide waivers or exceptions to this documentation requirement as reasonably necessary to accommodate extenuating circumstances, such as disabilities, practical challenges related to the pandemic, or a lack of technological access by homeowners.

#### Proof of Qualified Financial Hardship

A Qualified Financial Hardship is defined as a material reduction in income or material increase in living expenses associated with the Coronavirus pandemic that has created or increased the risk of mortgage delinquency, mortgage default, foreclosure, loss of utilities or home energy services, or displacement for the applicant homeowner. In order to receive DE-MRP assistance the applicant must have experienced a Qualified Financial Hardship after January 21, 2020.

*\*All applicants must attest to having suffered a Covid-19 related hardship as part of the application.*

Current mortgage and/or property charge delinquency is a requirement for all program elements in support of a Qualified Financial Hardship.

*\*Applicants claiming a material increase in expenses will also need to provide a complete and signed attestation.*

### Proof of Ownership

The applicant is **required** to either be on the mortgage or the title to the property of which they are seeking assistance. Applicants will need to provide one of the following documents as proof of ownership:

- deed
- mortgage statement
- title policy
- co-op lease
- land contract
- property tax bill
- homeowner's insurance policy for structure
- HOA (Homeowners Association) or co-op statement

*\*Alternative forms of documentation may be reviewed on a case-by-case basis for individuals unable to provide the above information.*

### Proof of Primary Residence

All applicants will be asked if the property for which they are seeking assistance is their primary place of residence. The answer to this question will be attested to when the applicant e-signs the required attestation of truthfulness at the end of the application.

### Proof of Delinquency

For certain DE-MRP program elements, applicants **must provide** documentation evidencing delinquency. These documents will also be used to determine the monetary need of the applicant.

- DE-MRP Fresh Start Mortgage Grant Program
  - Most recent mortgage statements for all mortgages (including any Home Equity Lines of Credit and Home Equity Loans)
  - Foreclosure Notice
  - Other documentation from servicer evidencing delinquency

*\*If the mortgage servicer chooses to participate, DE-MRP reviewers will verify current mortgage delinquency information, via the Common Data File (CDF), directly from the mortgage servicer or alternate format provided through the application portal, for mortgage servicers not participating in the CDF process.*

- DE-MRP Emergency Displacement Diversion Grant Program
  - Property Tax Delinquency Notice
  - Tax Sale Notice
  - Notice of Insurance Lapse (homeowners and flood insurance)
  - Homeowner’s Association/Condominium Association Fee Delinquency Notice
  - Cooperative Maintenance Fee Delinquency Notice
  - Common Charge Delinquency Notice
  
- Utility Payment Assistance
  - Past due bills:
    - Water and sewer only

### Third-Party Authorization

All applicants will e-sign the Third-Party Authorization document at the conclusion of the application. This document allows the application reviewers to obtain required information from third parties, including mortgage servicers and utility or service providers.

### Attestation of Truthfulness

All applicants will e-sign the Attestation of Truthfulness at the conclusion of the application. The applicant will be attesting to the truthfulness of all the information they have provided in the application and acknowledging that they understand there are legal ramifications to knowingly presenting false information during that application process.

## **APPLICANT PRIORITIZATION**

Applications will be prioritized for review in a manner to ensure US Treasury guidelines for targeting are being met, as well as making sure that those households at the greatest risk of imminent foreclosure are addressed quickly and efficiently.

Application review will be prioritized in the following order:

- Priority Group 1: Foreclosures sale date within 15 days or less of the application submission date. No AMI consideration.
- Priority Group 2: Foreclosures sale date within 16 days or more of the application submission date and an AMI of 100% or less.
- Priority Group 3: Foreclosures sale date within 16 days or more of the application submission date and an AMI over 100%.
- Priority Group 4: AMI of 100% or less.
- Priority Group 5: Socially Disadvantaged Individuals as defined by Treasury and applicable (Race/Ethnicity, Limited English proficiency).

- All others.

### APPLICATION PORTAL

#### Application Portal

Applicants may apply to DE-MRP through the application portal. Applicants will complete a registration which includes multi-factor authorization. Applicants will need to validate their registration through either email or via SMS and will then create a password to complete the process. The application portal is the only option available to apply for DE-MRP assistance.

Under no circumstances may a homeowner applicant be charged a fee for application or charged a fee for third party services to apply.

*\*Application progress can be saved until the application is completed.*

#### Portal Access

Access to the DE-MRP application process is open to all Delaware homeowners who are seeking assistance.

#### Non-English Proficient Persons

##### System Capabilities

The homeowner portal will allow applicants to choose a preferred language from seventeen choices prior to beginning their application. This option is presented at the login page that translates the application and future messages into their preferred language. This provides a better interface for the user as follow up messages through the system by the DE-MRP case management team are easily understood and the process in general is easier to navigate.

##### Call Center Capabilities

The DE-MRP call center is equipped to provide a service in a variety of languages as well as utilizing non-profit networks and language lines, as needed.

#### Disabled Persons

DE-MRP provides reasonable accommodation to applicants with disabilities and may make reasonable modifications to its policies, practices, or procedures when necessary to avoid discrimination based on disability and to ensure meaningful access to programs, benefits, and facilities, except where the provision of an accommodation would fundamentally alter the nature of a DE-MRP service, program, or activity. Applicants who assert that they have a



disability may request reasonable accommodation by contacting the DE-MRP Call Center 1.888.303.4324.

### Call Center Capabilities

Call center staff are proficient at utilizing TTY communication/relay systems to complete calls to a person who is Deaf, Hard of Hearing, DeafBlind or who has a Speech Disability .

In-Person Assistance –As it is made available, DE-MRP applicants may be able to receive in-person assistance with the submission of their application through participating HUD-approved housing counseling agencies.

## **APPLICATION PROCESS**

*The application review, approval and payment process utilize role-based security to mitigate any internal risk when reviewing and approving applications.*

### **Initial Review**

Applications completed by the applicant or with the assistance of a homeowner representative, the call center or in-person intake, will be assigned to a case auditor, based on the priority order defined in the Prioritization section of the document. The case auditor will review the application for completion and eligibility and validate the file.

### **Application Approval**

Applications validated by a case auditor will be assigned to a case supervisor who is tasked with reviewing the application to approve assistance and authorize payments.

*\*Only case supervisors have the authority to authorize payments on applications approved by a case auditor.*

### **Payment Initiation**

The Finance Manager initiates a funding request that will release payments to mortgage servicers and service providers. Payments are issued by either ACH (Automated Clearing House) transfer or a physical check generated through the DE-MRP portal. All funding requests are approved by DSHA.

*\*Only finance managers have the authority to initiate payment requests for applications approved by the case supervisor.*

### **Structure of Assistance (Security Instruments)**

The structure of assistance is the same for each program:

- Mortgage Related Assistance equal to or less than \$30,000
  - Applicant will receive a non-recourse grant for the amount of approved assistance. Applicant will receive a notice of assistance, via email, establishing the amount and requirements of receiving assistance.
  - DSHA will maintain grant documentation for each applicant.
  - No instrument will be recorded.
  
- Non-Mortgage Related Assistance up to \$10,000
  - Applicant will receive a non-recourse grant for the amount of approved assistance. Applicant will receive a notice of assistance, via email, establishing the amount and requirements of receiving assistance.
  - DSHA will maintain grant documentation for each applicant.
  - No instrument will be recorded.

\* All assistance funds will be forwarded to the mortgage servicer, service provider or third party authorized to receive payments.

### **Recertification**

Depending on the approved program element and the amount of funding received; recertification may be required.

### **Application Denials**

Applications/Applicants that fail to meet the requirements for DE-MRP assistance will receive a notice of ineligibility via email, that will inform the applicant of the specific denial reason(s). Denials may be based on failure to meet AMI requirements; property not meeting primary residence requirement; the mortgage servicer is unwilling to participate in the DE-MRP program; and/or inability for DE-MRP funds to fully cure delinquency. This is not an exhaustive list of denial reasons and may be updated over time.

### **Housing Counselors and Legal Aid Services**

DSHA is not mandating Housing Counseling or Legal Aid Services in an effort to avoid any barrier to application into the program. DSHA has partnered with HUD-approved housing counseling agencies to help with application intake and submission processes and to assist homeowners who cannot participate in the program. Additionally, all participants in the program will be provided with information regarding housing counseling providers and services for any ongoing support or assistance they may need. Homeowners that cannot participate in the program will be connected with these services to continue exploring loss-mitigation efforts.

**Link to HUD approved counselors:** <https://decovidhousinghelp.com/housing-counselors/>

**Legal Aid Services:**

**[Community Legal Aid Society, Inc.](#)**

Provides civil legal services to members of our community who have low incomes, who have disabilities, or who are age 60 and over.

New Castle County: 302-575-0660  
Kent County: 302-674-8500  
Sussex County: 302-856-0038

**[Delaware Volunteer Legal Services \(DVLS\)](#)**

DVLS is an organization of primarily volunteer attorneys that provides legal assistance to members of our community who have low-incomes or are victims of domestic violence with problems in a variety of civil areas. They can be reached at 302-478-8680 or 1-888-225-0582.

**[Legal Services Corporation of Delaware, Inc.](#)**

Provides legal representation to Delaware's low-income population in civil matters such as bankruptcy petitions and advice, consumer problems, housing problems, and unemployment benefit problems.

New Castle County: 302-575-0408  
Kent County: 302-734-8820

**Link to Homeowner Resources:** <https://decovidhousinghelp.com/homeowner-resources/>

Delaware Federation of Housing Counselors  
Delaware 19901  
[www.defhc.org](http://www.defhc.org)

**Appeal Process**

*\*Only applications that have been denied may submit a request for an appeal review.*

Applicants who disagree with a reason for denial will have 30 days from the denial notification to submit a written appeal request. The request must include the following information:

- Applicant Name, Property Address and DE-MRP ID
- Explanation of why they are appealing the determination

- Back-up documentation supporting reason for appeal

DE-MRP appeal reviews will be performed by team members who have not previously reviewed the application and will follow the same flow as an original application review. DE-MRP staff will have 30 days to review and respond to the appeal request.

*All appeal decisions will be considered final. Applicants will not be able to submit for additional review.*

Exceptions: Applicants who have been determined to be ineligible for DE-MRP assistance due to arrearages exceeding maximum allowable funding per household as well as other extenuating circumstances (reviewed on a case-by-case basis), will be allowed to resubmit their applications, if they have obtained other assistance that will bring them within the required assistance limits, such as:

- Additional loss mitigation services
- Personal funds
- Gift funds

The 30-day limitation on submitting an appeal request will be waived for these applicants. However, funding approval is subject to the availability of program funds. Applicants that exceed the 30-day limitation may contact the call center to have their case escalated for review. DSHA may contact the applicant to reinstate the case to permit the applicant to submit an appeal along with supporting documentation.

### **Incomplete Applications**

Applications that have not been fully submitted (incomplete applications) will be moved to an “inactive” status after 45 days of inactivity.

Applicants who seek to complete their applications after being moved to inactive status, will be able to contact the call center of the case auditor to have the application reinstated.

### **Non-Responsive Applicants**

Applicants who are non-responsive to requests from case-auditors, after fifteen (15) days and three (3) attempts to communicate with the applicant, will be moved to a “denied” status.

### **Applicant Withdrawal of Application**

Applicants who choose to no longer continue with the application process may withdraw their applications by contacting the call center or the assigned case auditor. The application will be moved to a “withdrawn” status.

### **Quality Assurance/Quality Control**

Quality Assurance/Quality Control (QA/QC) will be conducted by DSHA or another contracted vendor. A random review of all applications will be performed periodically to ensure policies and procedures are being followed.

### **REPORTING**

DSHA will adhere to the reporting requirements, process and guidelines established by the US Treasury.

**Responsible Office:** Housing Finance  
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**Date of Initial Approval:** May 23, 2022

**Policy Revision History**

Authorized by	Approval Date	Summary of Change(s)	Page Number(s)
		Edit Sussex County Median Income chart title from "\$,100" to "\$84,000"	9
		Confirmed aforementioned edit.	