

State Works Together to Help Families Save Their Homes from Foreclosure

December 28, 2012 (DOVER, DE) – In 2011, Gilbert and Cheryl Kimble contacted the Delaware State Housing Authority (DSHA) for help to keep up with their mortgage because Gilbert had been laid off and Cheryl's company folded due to the economy. Like many Delaware families, the Kimbles were struggling in this tough economic climate. They reached out to the State and nonprofit agencies for assistance, and a counselor at Hockessin Community Center suggested they apply for the Delaware Emergency Mortgage Assistance Program (DEMAP). DEMAP provides up to \$30,000 to bring home mortgage, property taxes, and homeowner's insurance current, and can help make mortgage payments for up to two years.

"Because of DSHA, we are thankful each month to be able to make our payment. They helped us in paying the mortgage until we could get back on our feet again. We are appreciative to have that to fall back on, and grateful for what DEMAP and the state has done to help us during our hardship," said Cheryl. Her advice to families in a similar situation is not to be embarrassed to ask for help before it's too late. "It's a gift to be able to use it, we are truly blessed."

Unforeseen financial hardships can cause the threat of foreclosure for even the most responsible of homeowners. As part of the total \$45 Million in National Mortgage Foreclosure Settlement, (resolved unfair mortgage practice claims filed by states against the 5 largest mortgage servicers in the country), funds obtained by Delaware, \$11 Million in direct payments to the state will allow for the investigation and prosecution of mortgage fraud, education, and outreach to homeowners in mortgage default, and support foreclosure

prevention work being done by non-profit housing counseling and legal services agencies, in addition to supplemental funding for the DEMAP program.

“Homeownership is one of the cornerstones of our economy,” said Governor Jack Markell. “Programs like DEMAP are offering critical help to financially distressed families facing the prospect of foreclosure. As much as possible, we are helping people work through economic challenges in order to be able to keep their homes.”

“Foreclosures are devastating to homeowners and also to neighborhoods through lower home values, and vacant properties attract crime,” Attorney General Biden said. “Reducing foreclosure is the reason we changed the law to require banks to meet face-to-face with homeowners in foreclosure to discuss available alternatives. It’s why my office has held dozens of workshops with lenders across our state, and it’s why we secured \$45 million for Delawareans in a national mortgage settlement this year. I urge homeowners who face foreclosure to call our Mortgage Hotline at 800-220-5424 to be connected to the many programs that could help them stay in their homes and avoid foreclosure.”

“Homeownership is vital to the stability of families and communities. Through foreclosure prevention assistance and counseling, DSHA has been able to help thousands of families. Because of the hard work and partnership with the Department of Justice, the housing counselors, and DSHA staff, we have been able to get additional funding to reach even more suffering homeowners who would otherwise have no place to turn,” said DSHA Director Anas Ben Addi.

To qualify for DEMAP, applicants must be facing residential mortgage foreclosure from circumstances beyond their control that result in a loss of 15% or more of their income. Homeowners who are delinquent on the first mortgage and at risk of foreclosure should meet with an approved DEMAP housing

counseling agency as soon as possible. The counselor will help determine whether DEMAP is right for you and guide you through the DEMAP application process.

For additional information about DEMAP eligibility requirements or other programs, please visit our website <http://www.destatehousing.com> or call (888) 363-8808. Additional foreclosure prevention resources can also be found at www.DEForeclosureHelp.org or by calling the Mortgage Hotline at 800-220-5424.

About the Delaware State Housing Authority

The Delaware State Housing Authority (DSHA), formed in 1968, is dedicated to providing quality, affordable housing opportunities and appropriate supportive services to low- and moderate-income Delawareans. In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it also serves as a Public Housing Authority and acts as a Community Development and Planning Agency. As a Public Housing Authority, DSHA receives funding from HUD to build, own, and operate public housing in Kent and Sussex counties, two of Delaware's three counties. For more information about the Delaware State Housing Authority, please call: (302) 739-4263 or visit our website at: www.destatehousing.com