

MHAP

Required Document – Prequalification Checklist

APPLICANT NAME: _____

CO-APPLICANT NAME: _____

PROPERTY ADDRESS: _____

1. Reason for Hardship - MUST BE ONE OF THE FOLLOWING - (CHECK ONE)

	UNEMPLOYMENT – LOSS OF EMPLOYMENT
	UNDEREMPLOYMENT – INCOME 85% OR LESS OF PREVIOUS INCOME
	INJURY OR MEDICAL EMERGENCY – INCOME 85% OR LESS OF PREVIOUS INCOME

2. BASIC MHAP LOAN APPLICATION PACKAGE REQUIREMENTS

- (1) COMPLETED LOAN APPLICATION - INCLUDING 5 YEAR EMPLOYMENT HISTORY
- (2) AUTHORIZATION TO RELEASE INFORMATION - SIGNED
- (3) HARDSHIP LETTER FROM THE BORROWER - INCLUDING MONTH AND YEAR HARDSHIP BEGAN
- (4) COPY OF CURRENT HAZARD INSURANCE POLICY
- (5) COPY OF VEHICLE TITLE (AND FIRST LIEN HOLDER LETTER SIGNED BY LENDER)

THE FOLLOWING DOCUMENTATION IS ALSO REQUIRED TO DETERMINE LOSS OF INCOME

<input checked="" type="checkbox"/>	WAGE EARNING (W2) EMPLOYEE	<input checked="" type="checkbox"/>	SELF EMPLOYED
<input type="checkbox"/>	LETTER FROM EMPLOYER VERIFYING JOB LOSS (OR CHANGE IN FULL TIME STATUS TO LESS THAN FULL TIME STATUS FOR UNDER-EMPLOYED BORROWER) OR DEPT. OF LABOR UNEMPLOYMENT INSURANCE DETERMINATION NOTICE WITH PRIOR YEAR'S EARNINGS	<input type="checkbox"/>	YEAR TO DATE PROFIT & LOSS STATEMENT
<input type="checkbox"/>	MOST RECENT FEDERAL INCOME TAX RETURN	<input type="checkbox"/>	MOST RECENT PERSONAL AND BUSINESS/CORPORATE TAX RETURNS
<input type="checkbox"/>	SIGNED FORM 4506T	<input type="checkbox"/>	SIGNED FORM 4506T
<input type="checkbox"/>	LAST 2 PAYSTUBS OR LAST FULL YR FEDERAL TAX RETURN & W2 PRIOR TO INCOME REDUCTION AND UNEMPLOYMENT CHECK STUB OR MOST RECENT PAYSTUB WITH YTD EARNINGS SINCE INCOME REDUCTION (FOR UNDER-EMPLOYED BORROWERS) (IF INCOME NOW >85% OF PRE-HARDSHIP INCOME, MUST PROVIDE FEDERAL TAX RETURN OR W-2 DOCUMENTING LOSS OF INCOME DURING HARDSHIP)	<input type="checkbox"/>	COPY OF CURRENT MORTGAGE/RENT STATEMENT OR AFFADAVIT VERIFYING THE ACCOUNT IS 90 DAYS OR MORE PAST DUE OR PROOF THE LOAN HOLDER/LANDLORD HAS INDICATED IT INTENDS TO FORECLOSE OR EVICT
<input type="checkbox"/>	COPY OF CURRENT MORTGAGE/RENT STATEMENT OR AFFADAVIT VERIFYING THE ACCOUNT IS 90 DAYS OR MORE PAST DUE OR PROOF THE LOAN HOLDER/LANDLORD HAS INDICATED IT INTENDS TO FORECLOSE OR EVICT		

THE FOLLOWING DOCUMENTATION IS REQUIRED FOR THOSE CLAIMING LOSS OF INCOME FROM INJURY AND MEDICAL EMERGENCY

✓	WAGE EARNING (W2) EMPLOYEE	✓	SELF EMPLOYED
O	SIGNED STATEMENT FROM ATTENDING PHYSICIAN(S) CONFIRMING THAT THE INJURY OR OTHER MEDICAL EMERGENCY HAS IMPACTED THE MORTGAGOR'S ABILITY TO MAINTAIN THE LEVEL OF EMPLOYMENT AND INCOME AS HAD BEEN THE CASE BEFORE THE INJURY OR MEDICAL EMERGENCY, WHEN IT OCCURRED, AND AN ESTIMATE OF WHEN THE PATIENT WILL BE ABLE TO RETURN TO WORK	O	SIGNED STATEMENT FROM ATTENDING PHYSICIAN(S) CONFIRMING THAT THE INJURY OR OTHER MEDICAL EMERGENCY HAS IMPACTED THE MORTGAGOR'S ABILITY TO MAINTAIN THE LEVEL OF EMPLOYMENT AND INCOME AS HAD BEEN THE CASE BEFORE THE INJURY OR MEDICAL EMERGENCY, WHEN IT OCCURRED, AND AN ESTIMATE OF WHEN THE PATIENT WILL BE ABLE TO RETURN TO WORK
		O	A LETTER OF EXPLANATION FROM BORROWER REGARDING HOW THE INJURY OR MEDICAL EMERGENCY HAS DIRECTLY, OR NEGATIVELY IMPACTED THE MORTGAGOR'S INCOME AND/OR ABILITY TO MANAGE THEIR BUSINESS IN THE SAME CAPACITY AS PRIOR TO THE HARDSHIP EVENT

3. Income Limits- Income May Not Exceed Income Limits – (CIRCLE ONE)

*	KENT COUNTY	NEW CASTLE COUNTY	SUSSEX COUNTY
Income Limit	\$85,560	\$93,265	\$85,560

* IF APPLICANT EXCEEDS MAXIMUM INCOME LIMITS, APPLICANT IS NOT ELIGIBLE FOR THE MHAP PROGRAM.

4. Borrower's Housing Payment Assistance Amount

SCHEDULED LOAN PAYMENT AND LOT RENT	\$
(MINUS) BORROWER'S TOTAL MONTHLY INCOME \$ _____ X .31%	
=BORROWER(S) REQUIRED MONTHLY CONTRIBUTION	\$
= MAXIMUM DSHA BENEFIT *	\$

* IF 31% OF MONTHLY INCOME EXCEEDS SCHEDULED MONTHLY HOUSING PAYMENT, APPLICANT IS ELIGIBLE FOR PAYMENT OF ARREARAGE ONLY.

5. Verification of Reduction of Income

1. Prior to Event Annual Household Income	\$ _____ X .85%	\$
2. Hardship Income or Current Annual Household Income (if still in hardship)		\$
If Household income during hardship exceeds line #2, NOT Eligible		

IF INCOME HAS RETURNED TO >85% OF PRE-HARDSHIP INCOME LEVELS, APPLICANT IS ELIGIBLE FOR PAYMENT OF ARREARAGE ONLY.

6. Sustainability Calculation

1. Prior to Event Monthly Household Income \$ _____ X .55%	\$
2. Total of All Monthly Obligations from Credit Report (Loans, Lot Rent/Loans, Credit Cards, Auto Loans)	\$

If Total of #2 exceeds line #1, Borrower is not eligible

Completed by: _____
COUNSELOR NAME AND AGENCY Date

Counselor Contact: (_____) _____
Phone Number E-mail Address