

## APPEAL PROCESS AND PROCEDURES

**Applicant's Responsibility:** The Applicant's request for appeal must be postmarked or received electronically within **fifteen (15) calendar days** from the date of the Notice of Ineligibility and must include:

- A completed and signed EHLP Appeal Form (attached as Appendix 3);
- A copy of the Applicant's Ineligibility Letter and
- Any supplemental information that the Applicant wishes to have considered as part of the appeal. Note that only supplemental documentation available to the applicant on or before September 30, 2011 may be considered as part of the appeal.

### Required Documentation to Support each Eligibility Criterion

Outlined below is a description of the supporting documentation you are required to provide when appealing the Determination of Ineligibility detailed under this letter. In order to successfully appeal under each of the criteria listed below, you must submit copies of the required supporting documentation associated with the applicable eligibility criteria to the HUD address specified above. HUD staff will use these copies as a source of reference when reviewing your request for an appeal and determining your eligibility for emergency mortgage assistance.

In order to Appeal Under this Eligibility Requirement:	You Must Submit:
<b>Delinquency and Imminent Risk of Foreclosure</b> <i>(Payments under the delinquent mortgage must have been delinquent for at least 90 days on or before June 1, 2011)</i>	<ul style="list-style-type: none"> <li>▪ A copy of the <u>Breach Letter</u> sent by you to your 1<sup>st</sup> lien mortgage servicer <b>AND</b></li> <li>▪ A recent copy of your <u>Credit Report</u> showing that your 1<sup>st</sup> lien mortgage was at least 3 months delinquent as of June 1, 2011.</li> </ul> <p>A free copy of your credit report can be obtained once annually at: <a href="https://www.annualcreditreport.com/cra/index.jsp">https://www.annualcreditreport.com/cra/index.jsp</a>.</p> <p>When ordering a copy of your credit report, it is recommended that you request a report issued by either TransUnion or Equifax, as these report products contain the detailed summary of the consumer's payment history necessary for eligibility determination.</p>
<b>Unemployment/Underemployment</b> <i>(Applicant's termination or reduction in hours/pay resulted from circumstances other than economic conditions or the Applicant's own medical conditions)</i>	<ul style="list-style-type: none"> <li>▪ A copy of the letter from your employer describing how your position was terminated or describing how your wages have been reduced;</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>▪ A signed and dated affidavit attesting to unemployment/underemployment if you are <i>self-employed</i> or if your <i>employer is no longer in business</i> and a letter is unavailable or unattainable.               <ul style="list-style-type: none"> <li>○ <b>NOTE:</b> An affidavit is NOT an acceptable form of documentation in cases where you have experienced a reduction in income due to reduced hours at your place of employment. In this case, a letter from your employer describing the circumstances around this reduction in hours and wages is required.</li> </ul> </li> </ul>
<b>Principal Residence</b>	<ul style="list-style-type: none"> <li>▪ A recent copy of a utility bill mailed to the address you have identified as your principal residence (e.g., telephone, water, gas, or electric bill).</li> </ul> <p>The address on the utility bill must match the principal residence address you have identified in your application package.</p>
<b>Reasonable Likelihood of Resuming Mortgage Payments</b> <b>Test 1: Delinquent Mortgage Payments</b>	<ul style="list-style-type: none"> <li>▪ Documentation demonstrating that you were delinquent on your mortgage payments (both first and second mortgage, as applicable) by 60 days on no more than <u>one occasion</u> in the calendar year preceding the event ("Event") that caused your reduction in income. For example, if your Event occurred in 2009, you need to provide documentation demonstrating that you were only delinquent on your mortgage payment(s) by 60 days on no more than one occasion in calendar year 2008.</li> </ul> <p>Please submit:</p> <ul style="list-style-type: none"> <li>▪ A current credit report that is generated within 30 days previous to the appeals submission. A free copy of your credit report can be obtained once annually at <a href="https://www.annualcreditreport.com/cra/index.jsp">https://www.annualcreditreport.com/cra/index.jsp</a></li> </ul>
<b>Reasonable Likelihood of Resuming Mortgage Payments</b> <b>Test 2: Debt-to-Pre-Event-Income Ratio is Less-than-or-Equal-to 55%</b>	<p><b>In the event</b> that you were delinquent on your mortgage payment(s) by 60 days on more than one occasion in the calendar year preceding your Event, you may still qualify under this criterion if your debt-to-income (DTI) ratio is less-than-or-equal-to 55%. Please submit:</p> <ul style="list-style-type: none"> <li>▪ A current credit report that is generated within 30 days previous to the appeals submission. A free copy of your credit report can be obtained once annually at <a href="https://www.annualcreditreport.com/cra/index.jsp">https://www.annualcreditreport.com/cra/index.jsp</a> <b>AND</b></li> <li>▪ Copies of all pre-Event (either 2008 or 2009) federal income tax returns for each person named on your 1st lien mortgage loan documents.</li> </ul>
<b>Federal Lien</b>	<ul style="list-style-type: none"> <li>▪ Documentation showing that the lien in question has been satisfied or forgiven. This can include a copy of the Release of Lien document provided by the Applicant's creditor,</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>▪ A current credit report that is generated within 30 days previous to the date of the appeals submission which does NOT show that a federal lien has been recorded against your property. A free copy of your credit report can be obtained once annually at <a href="https://www.annualcreditreport.com/cra/index.jsp">https://www.annualcreditreport.com/cra/index.jsp</a></li> </ul>
<b>Total number of Liens on Subject Property</b>	<ul style="list-style-type: none"> <li>▪ Documentation showing that the lien or liens in question have been satisfied or forgiven and are no longer recorded against your property/principal residence. This can include a copy of the Release of Lien document provided by your creditor;</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>▪ A current copy your credit report which demonstrates that there are NOT more than two (2) total liens recorded against your property/principal residence.</li> </ul>
<b>Bankruptcy status</b>	<p style="text-align: center;">Documentation showing that the court has either denied your application requesting bankruptcy protection for your debts <b>OR</b></p> <ul style="list-style-type: none"> <li>▪</li> <li>▪ A Notice of Discharge or equivalent court- issued document demonstrating that your debts have been discharged from bankruptcy as of the date of your appeal submission.</li> </ul>

In order to Appeal Under this Eligibility Requirement:	You Must Submit:
<b>Delinquent Federal Debt</b>	<ul style="list-style-type: none"> <li>■ Documentation showing that the delinquency in question has been resolved between you and your federal creditor(s). For example, if your credit report shows delinquent federal student loan payments, then you must provide a letter from the holder of the federal student loan debt either describing: how the loan payments have been deferred; or describing how you have been approved for a loan forbearance; or how the delinquency has been cured, including repayment plans from your federal creditor(s); <b>OR</b></li> <li>■ A current credit report that is generated within 30 days previous to the date of the appeals submission evidencing that you have no delinquent federal debt payments. A free copy of your credit report can be obtained once annually at <a href="https://www.annualcreditreport.com/cra/index.jsp">https://www.annualcreditreport.com/cra/index.jsp</a></li> </ul>
<b>Flood insurance policy in good standing (where required)</b>	<ul style="list-style-type: none"> <li>■ A signed and dated affidavit attesting to the fact that your principal residence is NOT located within a flood zone; <b>AND</b></li> <li>■ A current Federal Emergency Management Administration (FEMA) flood zone map for the address of your principal residence. You can generate a flood zone map through the FEMA website at the following URL: <a href="http://www.floodsmart.gov/floodsmart/pages/floodingfloodrisks/mapupdat.eschedule.jsp">http://www.floodsmart.gov/floodsmart/pages/floodingfloodrisks/mapupdat.eschedule.jsp</a> <b>OR</b></li> <li>■ A copy of the flood insurance policy in good standing that is currently insuring your principal residence from damage caused by flooding.</li> </ul>
<b>Citizenship/Immigrant/Residency Status</b>	<ul style="list-style-type: none"> <li>■ Copies of any of the specified documentation from the <a href="#">List of Acceptable Citizenship and Immigration Documentation</a>, attesting to your status as a US citizen, a US national non-citizen, or a qualified alien status, as well as applicable documentation for each additional person named on your 1<sup>st</sup> lien mortgage documents (Note and/or mortgage/deed of trust).</li> <li>■ <b>Additional Citizenship Guidance can be found online here:</b> <a href="http://findchlp.com/documents/EHLPCitizenshipshipandQualifiedAlienRequirements2.pdf">http://findchlp.com/documents/EHLPCitizenshipshipandQualifiedAlienRequirements2.pdf</a></li> </ul>
<b>Pre-Event income is Less-than-or-Equal-to the Greater of Either:</b> <ul style="list-style-type: none"> <li>■ \$75,000, OR</li> <li>■ 4-Person Household Area Median Income (AMI), as Determined by HUD (<a href="http://www.huduser.org/portal/chlp/index.html">http://www.huduser.org/portal/chlp/index.html</a>)</li> </ul> <p><i>The income you reported on your pre-Event (either 2008 or 2009) federal income tax return must meet this standard. If you have one or more additional persons named on your 1<sup>st</sup> lien mortgage, you are required to provide a pre-Event (either 2008 or 2009) income tax return for each such co-signor.</i></p>	<ul style="list-style-type: none"> <li>■ Your pre-Event (either 2008 or 2009) federal income tax return; AND</li> <li>■ A pre-Event (either 2008 or 2009) income tax return for each co-signor named on your 1<sup>st</sup> lien mortgage documents (Note and/or mortgage/deed of trust).</li> </ul>
<b>Substantial Reduction In Income &lt; 85%</b> <p><i>Standard: The lesser of either (A) your combined total 2010 AGI or (B) your current Income (including income of all persons on mortgage and/or note) must be at least 15% less than your combined total pre-Event Income (2008 or 2009 AGI, whichever year qualifies as "pre-Event").</i></p>	<ul style="list-style-type: none"> <li>■ A signed/completed copy of either your 2008 or 2009 (pre-event) income tax return as well as either the 2008 or the 2009 income tax return of each person named on your 1<sup>st</sup> lien mortgage documents (Note and/or mortgage/deed of trust); <b>AND</b></li> <li>■ Copies of all required current supporting income documentation (see below).</li> </ul> <p><b>Supporting Income documentation includes each of the following as these apply to you and to each additional person named on any of your first lien mortgage documents (Note and/or mortgage/deed of trust):</b></p> <p><b>2010 AGI:</b> A signed/completed copy of your 2010 income tax return as well as the 2010 income tax return of each the person named on your 1<sup>st</sup> lien mortgage documents.</p> <p><b>Wages/Salary:</b> Paystubs capturing the most recent month or the most recent consecutive four (4) weeks' income.</p> <p><b>Unemployment:</b> Copies of unemployment insurance benefit checks capturing the most recent month or the most recent four (4) consecutive weeks' income.</p> <p><b>Disability/SSI:</b> Copies of Disability /SSI benefit checks capturing the most recent month or the most recent four (4) consecutive weeks' income.</p> <p><b>Pensions/Annuities/Retirement Plans:</b> Copies of checks/paystubs capturing the most recent month or the most recent four (4) consecutive weeks' income.</p> <p><b>Temporary Aid for Needy Families (TANF):</b></p> <ul style="list-style-type: none"> <li>■ Copies of checks/paystubs capturing the most recent month or the most recent four (4) consecutive weeks' income.</li> <li>■ <b>Other (Self-Employed Income, Alimony, Dividends, Interest):</b> Copy of the first two pages of your <b>2010</b> federal income tax return (as well as a copy of federal income tax returns for co-signor and/or co-mortgagor named on your 1<sup>st</sup> lien mortgage).</li> </ul>
<b>Mortgage Cost Burden</b> <p><i>This figure is calculated by dividing your current/post-event income by your current monthly 1<sup>st</sup> lien mortgage payment amount. The eligibility threshold is any resulting amount exceeding the greater of \$150 or 31% of your current income.</i></p>	<ul style="list-style-type: none"> <li>■ The most current copy of your monthly 1<sup>st</sup> lien mortgage statement <b>AND</b></li> <li>■ Copies of all required documentation (see documents specified under <b>Substantial Reduction in Income, above</b>), e.g., paystubs, unemployment benefit statements, etc., for each person named on any of your 1<sup>st</sup> lien mortgage loan documents (Note and/or mortgage/deed of trust).</li> </ul>