

## BEWARE OF FORECLOSURE SCAMS

Homeowners facing foreclosure are often targeted by scammers with offers to “save” their home. These scam artists get homeowners’ money, but fail to provide any real assistance. Delaware law regulates foreclosure “rescuers” by requiring that:

- Contracts be in writing and provide notice of cancellation rights.
- Contracts be provided to homeowners at least 24 hours before signature.
- No money be collected until ALL services are performed as promised.

Report foreclosure scams to the  
Attorney General’s Office at  
1-800-220-5424



Attorney General  
Joseph R. “Beau” Biden, III

## Delaware Foreclosure Mediation Program



*In danger of losing your home to  
foreclosure? Free help is available!*

Contact the Attorney General’s  
Office to learn how you may be able  
to save your home.

1-800-220-5424

[www.attorneygeneral.delaware.gov](http://www.attorneygeneral.delaware.gov)

[mortgage.mediation@state.de.us](mailto:mortgage.mediation@state.de.us)

Delaware’s free foreclosure mediation program is available to homeowners who:

1. Have taken out a mortgage on a one- to four-unit home in Delaware.
2. Use that home as their primary residence.
3. Have had their mortgage foreclosed upon on or after January 19, 2012.

Getting started:

1. Contact a HUD-approved housing counselor and complete a Certificate of Participation Form (see list of housing counselors on the next page).
2. Watch for scheduling notices and other important information in the mail.

Act now!

Starting the mediation process as soon as possible after you receive a notice of foreclosure may help you save your home. Contact a HUD-approved housing counselor who will guide you through the steps.

Mediation process:





**THE FORECLOSURE MEDIATION PROGRAM** requires lenders to meet with homeowners to discuss alternatives to foreclosure *before* a homeowner loses their home.

## POSSIBLE ALTERNATIVES TO FORECLOSURE INCLUDE:

### HOMEOWNER REMAINS IN THE HOME:

**Loan Modification:** An agreement to permanently change one or more of the terms of the mortgage contract to make payments more manageable.

**Loan Repayment:** The lender gives the homeowner a fixed amount of time to repay the amount they are behind by adding a portion of what is past due to their regular payments.

**Forbearance Agreement:** Mortgage payments are reduced or suspended for a period of time. At the end of that time, the

homeowner resumes their regular payments as well as a lump sum payment or additional partial payments for a period of time to bring the loan current.

### HOMEOWNER EXITS THE HOME:

**Short Sale:** The lender allows a home to be sold for less than the amount owed on the mortgage, agreeing to forgive the shortfall between the sale price and the mortgage balance.

**Deed in Lieu:** The homeowner voluntarily transfers their property title to their lender in exchange for cancellation of the remainder of their debt.

## CONTACT INFORMATION

### Government Resources:

#### State Government

##### Office of the Attorney General

820 North French Street

Wilmington, DE 19801

1-800-220-5424 or (302) 577-8600

[www.attorneygeneral.delaware.gov/mortgageforeclosure](http://www.attorneygeneral.delaware.gov/mortgageforeclosure)

##### Delaware State Housing Authority

18 The Green

Dover, DE 19901

1-888-363-8808 or (302) 739-4263

[www.deforeclosurehelp.org](http://www.deforeclosurehelp.org)

#### Federal Government

##### Federal Trade Commission

[www.ftc.gov](http://www.ftc.gov)

##### U.S. Department of Housing & Urban Development (HUD)

[www.hud.gov](http://www.hud.gov)

##### Making Home Affordable Program

[www.makinghomeaffordable.gov](http://www.makinghomeaffordable.gov)

##### Homeowner's HOPE Hotline (24 hours/day)

1-888-995-HOPE

### HUD-approved counseling agencies:

#### CCCS of Maryland & Delaware

Delaware.....(866) 731-8486

#### Clarifi

Wilmington, DE.....(800) 989-2227

[www.clarifi.org](http://www.clarifi.org)

#### First State Community Action Agency, Inc.

Dover, DE.....(302) 674-1355

Georgetown, DE.....(302) 856-7761

New Castle, DE.....(302) 498-0454

[www.firststatecaa.org](http://www.firststatecaa.org)

#### Hockessin Community Center

Hockessin, DE.....(302) 239-2363

#### Housing Opportunities of Northern Delaware, Inc.

Wilmington, DE.....(302) 429-0794

[www.hond.org](http://www.hond.org)

#### Interfaith Community Housing of Delaware

Dover, DE (Kent and Sussex).....(302) 741-0142

Wilmington, DE.....(302) 652-3991

[www.ichde.org](http://www.ichde.org)

#### NCALL Research, Inc.

Dover, DE.....(302) 678-9400

Newark, DE.....(302) 283-7505

Georgetown, DE.....(302) 855-1370

[www.ncall.org](http://www.ncall.org)

#### Neighborhood House, Inc.

Middletown, DE.....(302) 378-7217

Wilmington, DE.....(302) 652-3982

[www.neighborhoodhse.org](http://www.neighborhoodhse.org)

#### West End Neighborhood House, Inc.

Wilmington, DE.....(302) 658-4171

[www.westendnh.org](http://www.westendnh.org)

#### YWCA Delaware

Newark, DE.....(302) 224-4060

[www.ywcade.org](http://www.ywcade.org)