

FREQUENTLY ASKED QUESTIONS | PENNSYLVANIA HOMEOWNER ASSISTANCE FUND

PAHAF General Information

Q: What is the Pennsylvania Homeowner Assistance Fund?

A: The Pennsylvania Homeowner Assistance Fund, or PAHAF, is a housing-related program funded by the U.S. Treasury to assist Pennsylvania homeowners facing financial hardship due to the COVID-19 pandemic that began after January 21, 2020, (including a hardship that began before January 21, 2020 and continued after that date). The program will provide financial assistance to homeowners for qualified mortgage and housing-related expenses to avoid delinquency, default, foreclosure, or displacement.

Q: When will relief through PAHAF be available to eligible homeowners?

A: The PAHAF plan has now been approved by U.S. Treasury. PAHAF will begin taking applications from eligible Pennsylvania homeowners February 1, 2022.

Q: How can I be notified of PAHAF Program updates?

A: Homeowners should register for updates by signing up on our website at <https://pahaf.org>. Homeowners can also regularly visit our website to watch for new information.

Q: How much was Pennsylvania allocated from the U.S. Treasury?

A: PHFA was allocated \$350 million under the American Rescue Plan Act of 2021 to develop the PAHAF program to help Pennsylvania homeowners avoid mortgage delinquency, foreclosure, or displacement.

PAHAF Eligibility

Q: Do I qualify for financial relief through PAHAF?

A: Please see our fact sheet for more information.

Q: What are the applicable PAHAF income limits?

A: Homeowner(s) must have an annualized current income of no more than the 150% of the area median income (AMI) for a household, for the relevant household size, as published by the U.S. Department of Housing and Urban Development (HUD) in accordance with 42 U.S.C. 1437a(b)(2) for purposes of the HAF, or 100% of the national median income (\$79,900), whichever is greater. Household income at or below 100% of AMI and household income for those who are socially disadvantaged between 100% and 150% of AMI will be prioritized. Because available funding may not be sufficient to meet the needs of all Pennsylvania homeowners, the PAHAF Program is prioritizing applications based on U.S. Treasury guidance.

Q: What if my earnings are from non-traditional income and I do not have proof?

A: PAHAF will work with an applicant with non-traditional income, including self-attestation of income. Supporting documents such as paystubs, W-2s, 1040s, 1099s and other wage statements may also be used. PAHAF will also accept employer attestations as a supporting document for income verification.

Q: What is the definition of a socially disadvantaged individual (SDI) for purpose of HAF income qualifications?

A: For the HAF Program, a socially disadvantaged individual is defined as someone 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 diminished access to credit must stem from circumstances beyond their control. Indicators of impairment under the U.S. Treasury 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-minor Census tract; (3) individual with limited English proficiency; (4) resident of a U.S. territory, Indian reservation, or Hawaiian Home Loan, 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 socially disadvantaged individual in accordance with a process developed by HAF participant for determining whether a homeowner is a socially disadvantaged individual in accordance with applicable law, which may reasonably rely on self-attestations. For purposes of PAHAF, if the applicant or a member of the applicant's household receives income because of a disability, the applicant and applicant's household will be considered socially disadvantaged.

Q: What is a conforming loan? And how do conforming loan limits affect my eligibility for PAHAF assistance?

A: The federal government sets limits on the maximum loan amount for home loans. These limits are known as Conforming Loan Limits and have increased over time. To be eligible for PAHAF assistance, the U.S. Department of Treasury requires that a homeowner's first mortgage is a conforming loan and meets the federal limits for the year in which the loan was taken.

Expenses Covered by PAHAF

Q: What type of assistance is available through PAHAF?

A: The Program helps with various housing-related expenses for homeowners. Please see our fact sheet for more information.

Q: Do I need to be delinquent on payments to be eligible?

A: Yes. To be eligible for PAHAF, an applicant must be delinquent on housing expenses by at least one month.

Q: What if my delinquency amount is greater than the PAHAF cap amount?

A: You may still be eligible if your delinquency amount is greater than the PAHAF cap of \$30,000. Eligible homeowners must contribute enough funds or document an approved loss mitigation plan to cover the additional need beyond the PAHAF cap to bring the mortgage current. Homeowners may be referred to a housing counseling agency. Call the PAHAF Call Center Monday through Friday from 8 a.m. to 8 p.m. for additional information at 888-987-2423.

Q: What types of properties are eligible?

A: Eligible property types are:

1. Residential real property that includes a one-to- four-unit dwelling
2. Manufactured/Mobile Home
3. Condominium

Q: Are second mortgages eligible for PAHAF assistance?

A: No, only first mortgages are eligible for PAHAF assistance.

Q: What is the maximum amount of assistance available?

A: Please see our fact sheet for more information.

PAHAF Special Circumstances

Q: Can I participate in PAHAF if I am currently in bankruptcy?

A: Yes. Homeowner(s) who are in active bankruptcy must provide proof of court or trustee approval to participate in the Program.

Q: I currently do not possess a title for my property or have inherited the property, do I qualify for PAHAF assistance?

A: You may still be eligible for assistance, although you will need to prove your ownership interest in the property. You may seek assistance with obtaining proof of ownership through a PAHAF legal service provider, working with your own attorney or contact the PAHAF Call Center for further assistance at 888-987-2423 Monday through Friday from 8 a.m. to 8 p.m.

Q: I am a homeowner with an Act 91 or foreclosure notice, do I qualify for assistance?

A: Receiving an Act 91 or facing foreclosure does not disqualify you for assistance. You may still be eligible if you meet all other Program eligibility requirements. If you need *immediate* assistance, please contact a housing counselor in your area. Visit our website at <https://pahaf.org> to find a list of available housing counselors.

Q: I am a homeowner facing a sheriff sale, do I qualify for PAHAF assistance? And if so, how quickly would I get assistance?

A: You may still be eligible for assistance. When PAHAF launches, applications will be processed, based on U.S. Treasury's income prioritization guidance. Application processing will be completed, as quickly as possible once all documentation is submitted. A payment timeframe cannot be guaranteed to qualified homeowners.

PAHAF Application Assistance

Q: Is there a cost to apply for PAHAF?

A: No. There is no cost to apply.

Q: What if I don't have internet access?

A: The PAHAF application portal will be accessible online and via mobile device. Homeowners who may require additional assistance in completing the application will also be able to contact the PAHAF Call Center at 888-987-2423 or participating housing counseling agency for assistance. The PAHAF Call Center is open Monday through Friday from 8 a.m. to 8 p.m.

Q: When can I reach out to PAHAF for assistance?

A: The PAHAF Call Center will be open Monday through Friday from 8 a.m. to 8 p.m. For assistance, please call us at 888-987-2423.

Q: What if I run into issues completing the application?

A: Once the Program launches, homeowners can call the PAHAF Call Center at 888-987-2423 for assistance in completing the application Monday through Friday from 8 a.m. to 8 p.m. Additionally, participating housing counseling agencies will be able to provide assistance with completing and submitting applications.

PAHAF Application Approved, Now What?

Q: If approved for assistance, will I receive the funds directly?

A: No, the Program will pay your mortgage servicer, utility company, local municipality, etc. Applicants will be notified of the amount of assistance to be disbursed on their behalf.

Q: Will I be required to pay back PAHAF funds?

A: No. PAHAF is structured as a non-recourse grant with no repayment terms. However, PAHAF funds are recoverable in the event of fraud or overpayment, and all applicants must certify during the PAHAF application process that they will not accept assistance from any other federal, state, local, or tribal program for the same expenses.

Q: If I receive PAHAF funding will I be taxed on the benefit or do I need to list it on my taxes?

A: The U.S. Treasury has provided guidance that HAF funds are not a taxable benefit. PAHAF cannot provide advice on these matters. It is the responsibility of the homeowner to seek tax advice from professional financial or tax service providers.

Related Assistance Programs

Q: Is assistance also available for renters through PAHAF?

A: No, PAHAF is only available for homeowners. Renters experiencing financial hardship due to the pandemic are encouraged to contact the Pennsylvania Department of Human Services, which is overseeing the Emergency Rental Assistance Program (ERAP).

Q: Are there other resources available to help people affected financially by the pandemic?

A: Yes, PHFA maintains a webpage of resources for individuals who have lost income due to the COVID-19 pandemic on our website at <https://www.phfa.org/>. The Pennsylvania Department of Health and Department of Human Services also have useful webpages, including information on the Low-Income Home Energy Assistance Program (LIHEAP). We also encourage all homeowners to reach out to their servicers and mortgage lenders to discuss loss mitigation options which may provide a more immediate solution.