

(EMPLOYER'S NAME)
Employer Assisted Housing (EAH)
Sample Program Requirements

_____ has established a program to assist employees with the purchase of a home by providing downpayment/closing cost assistance in the form of a loan forgivable over a ____-year term. The program began _____ and will be available to employees who purchase a home on or after that date.

Amount Available

- \$ _____ per employee if the mortgage loan is **not** using the Pennsylvania Housing Finance Agency Keystone Home Loan or Keystone PLUS Home Loan Program.
- (Optional) \$ _____ per employee if the Pennsylvania Housing Finance Agency Keystone Home Loan or Keystone PLUS Home Loan Programs **are** used.

Repayment Terms

- Zero percent interest deferred loan, forgiven _____ percent each year over _____ years.
- Employee must remain employed by the _____ for the full ____ years. If an employee leaves employment with _____ within the ____-year period, the remaining unforgiven amount will be due and payable upon termination of employment.
- The home must be the principal residence of the employee for the entire ____-year term.
- The loan will be forgiven in its entirety in the event the employee dies, retires, or becomes permanently disabled.

Use of Funds

- The _____ EAH loan can be used for the purchase of an existing home or the purchase and rehabilitation of an existing home or the purchase/construction of a new home.
- The _____ EAH loan can be used in combination with the Pennsylvania Housing Finance Agency Keystone Home Loan or Keystone PLUS Home Loan programs, the Pennsylvania Housing Finance Agency Access Home Modification or Access Downpayment and Closing Cost Assistance Programs.

Tax Liability

- The portion of the loan that is forgiven each year is treated as income and will appear on your W-2 Form as "Other Income". For example, if the loan is forgiven over five years, 1/5 will be reported each year for five years.

Administration

- The program will be administered through the Human Resources Office ("HR"). You can apply as soon as you have a signed Agreement of Sale to purchase a home and provide HR with a copy of the Agreement. Notify HR as soon as you have a commitment for mortgage financing and a scheduled closing date. You will then need to sign a Promissory Note for the amount of the loan and a check will be issued made payable to the lender or settlement agent. Following your loan closing, you must deliver a copy of the HUD-1 Settlement Statement to HR which shows how the funds were applied.

Eligibility

- Temporary and permanent part-time employees are eligible for the EAH Program provided he/she have been employed with the _____ for at least one year prior to application date.
- Newly-hired employees within their 6-month probationary period are not eligible for the EAH Program. Once regular employment status is awarded, employees are eligible for the EAH Program.