

# What happens to my deceased relative's mortgage?

## ***My Family member passed away, they had a PHFA loan, what does PHFA need?***

If your family member was the only person on the loan, we will need:

- An original or legible copy of the death certificate.
- A copy of the Short Certificate (AKA Letters of Administration) OR the Will (all pages, including signatures) OR Letters of Testamentary OR Durable Power of Attorney.
- If you are the child, spouse or parent of the decedent, and no estate has been opened yet, provide identification such as a driver's license along with your birth certificate or marriage license so that we can verify you as a Successor in Interest.
- A statement as to what the plans are for the property. For example, is it listed for sale? Is a relative living there? Is it vacant? If vacant, is it secured and winterized?
- If you are a sibling or other relative, contact the Special Loans department at [SpecialLoans@phfa.org](mailto:SpecialLoans@phfa.org) or 855.827.3466.

## ***My family member passed away, but there is also another living borrower still on the loan. What do I do?***

- We need an original or legible copy of the death certificate for your family member. Nothing further is needed.

## ***Where do I send the death certificate and any other documents needed?***

- Please scan and fax to Special Loans at 717.614.2764 or mail to PHFA, Attn: Special Loans, P.O. Box 15057, Harrisburg PA 17105-5057.

## ***Are the mortgage payments still due?***

- Yes, the payment must still be paid each month. The payments can be made by anyone; please add the loan number on the check or money order. If you use the payment coupon attached to the billing statement, it can be mailed to the address on the coupon. Otherwise, payments can be mailed to PHFA, Loan Servicing, PO Box 15057, Harrisburg, PA 17105-5057.

***Do I need to refinance the loan? Or can I assume the loan of my deceased family member?*** You do not need to obtain another loan or attempt to refinance the loan. We can assist with this process; we will need a copy of the information below:

- An original or legible copy of the **Death Certificate** for the decedent.
- A copy of the **Will or Short Certificate or Durable POA** letting us know who will oversee the Estate.
- **ID, Driver's License or Passport** for the executor identified in the Will or on the Letters of Administration or Durable POA.
- A copy of the **Marriage Certificate**, if married.
- If no estate has been opened and you are assuming your parent's loan, provide a legible copy of your **Birth Certificate** to prove you are a Successor in Interest.

- A copy of the **New Recorded Deed** transferring the title of the house into *your* name only. Need full deed, all pages, including recording page.
- There is a processing fee of \$50, plus any county recording fees, this will be addressed in letters from the Special Loans department as the process is underway.
- The completion of other documents such as a Uniform Residential Loan Application and W9 may also be required. The Special Loans department will advise if anything further is needed once we review your other documents.

***My family member has 2 loans, can I assume both loans?***

- Yes, you would be required to assume both. Assumption Agreements will be prepared on all accounts. There will be a recording fee for each Assumption Agreement. If you assume one, you must assume all of the decedent's loans or pay them off.

***What if I don't have any of the information listed on this page?***

- The best thing would be to find an Estate Attorney to discuss your options with them. There are several options, and they are not all the same for each family. If you can't afford an attorney, you may qualify for free or reduced cost legal aid. Visit <https://palegalaid.net> or call 800.322.7572.

***The deed is in my name already, do I have to put my name on the mortgage and note?***

- No. However, it may be in your interest to do so; for example, if you want the payment history to appear on your credit, or if you want to apply for loss mitigation assistance or include the interest as a tax deduction. You may want to consult an attorney or financial advisor for advice.

***The borrower had life insurance on the loan, what do I do now?***

- Contact the Life Insurance company and they will explain the next steps.
- Please note that Mortgage Insurance is not the same as Mortgage Life or Disability insurance. The latter is sometimes bundled with the homeowner's insurance policy. Speak to the agent with the homeowner's insurance company first.

***What do I do with the homeowner's insurance and taxes?***

- The taxes will remain in the name of the deceased party until the deed is transferred to someone else, that is when that name on the tax bill will change. PHFA will continue to escrow for the taxes and insurance, which are included in the monthly mortgage payment.
- You will need to contact the agent for the homeowner's insurance company and notify them of the policy change if you have not already done so. We are also required to contact the homeowner's insurance company which may result in them contacting you.