



AROUND *the* HOUSE A NEWSLETTER FOR HOMEOWNERS & HOMEBUYERS

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\$350 MILLION HOMEOWNER ASSISTANCE FUND LAUNCHES



Governor Tom Wolf has announced the statewide launch of the Pennsylvania Homeowner Assistance Fund (PAHAF), which took place on Feb. 1. The program is being administered by PHFA. This federal funding supports Pennsylvania homeowners facing the possible loss of their homes due to financial hardships resulting from the COVID-19 pandemic.

PAHAF has begun accepting applications for assistance. The application process can be completed entirely online. Also available is in-person assistance provided by housing counseling agencies and legal service providers across the state. To qualify for assistance, Pennsylvania homeowners must have experienced a reduction of income or increase in living expenses due to COVID-19 after January 21, 2020 (including a hardship that began before January 21, 2020 but continued after that date). They also must currently own and occupy their home in Pennsylvania as their primary residence. There are specific income requirements to qualify. For a full list of eligibility requirements, visit <https://pahaf.org/am-i-eligible/>. For more PAHAF resources and information, please visit www.pahaf.org.

REMINDER: New PHFA borrower website is now up and running

In case you missed the earlier announcement, PHFA has launched a new borrower website called **Servicing Digital**. The new site is your one-stop shop for managing and tracking your mortgage loan. It also has educational tools to help boost your mortgage know-how. If you haven't created your new user profile yet, you can do so here: <https://loansphereservicingdigital.bkiconnect.com/phfa/#/login>.

I overdid it with holiday spending this year, and I need my tax refund ASAP. My friends say I can get part of my refund now. It sounds too good to be true. Is that something I should do?

It's very tempting to buy into (no pun intended) the idea of getting your refund now, and you are right to be cautious. Refund anticipation loans (or RALs) do provide a way to tap into *a portion* of your anticipated refund, but they come with risk and cost. First, remember this is a loan which means you have to pay it back when the IRS issues your actual refund. If the refund is less than anticipated and not enough to cover the loan, tax preparation fees, and RAL interest/fees, you will be liable for repayment. Second, loans are not free. You may see advertisements for no-fee or no-interest RALs, but there may be elevated tax preparation costs or other fees, such as a fee to have the RAL loaded on a debit card. Keep in mind, that if your tax preparer e-files your return and you have your refund directly deposited in your bank account, the IRS will typically process your return and refund within 21 days. To learn more about refund anticipation products from the Consumer Financial Protection Bureau, visit: <https://www.consumerfinance.gov/about-us/blog/tax-refund-tips-understanding-refund-advance-loans-and-checks/>.

The Money Guru



