

PANDEMIC MORTGAGE ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

UPDATED FREQUENTLY ASKED QUESTIONS

The changes to the program noted below are effective 10/17/2020 and are incorporated into the questions and answers that follow.

WHY DID PHFA MAKE CHANGES TO THE PROGRAMS AT THIS POINT IN TIME?

The agency was contacted by the Wolf Administration regarding interpretation of legislative language that would potentially broaden program participation by landlords and lenders. The Wolf Administration in concert with legislators believed that the statutory language was written in a manner that justifies the alternate reading and legislators had indicated some legislative intent justifying the new reading.

CAN PHFA MAKE THESE CHANGES?

Yes, the legislative language is written in a manner that this alternate reading of the statute is reasonable.

WHAT DOES THE PROGRAM CHANGE DO?

The change removes the obligation for landlords and lenders to release tenants and mortgagors for outstanding balances in excess of the amounts paid each month. Thus, a tenant or mortgagor will now have an obligation to pay the difference between the amount paid under the program and their monthly payment if the landlord or lender requires it. For example, a tenant that owes \$1,000 in rent each month may now have to pay the \$250 balance that remains after the program pays the \$750 authorized by the statute.

WHAT IF I WAS A LENDER OR LANDLORD THAT HAD PREVIOUSLY PARTICIPATED UNDER THE FIRST STATUTORY INTERPRETATION?

PHFA believes that a landlord or tenant that received funds under the previous program requirements are bound by those provisions as well as the program documents that they signed and thus the releases in place prior to the program change remain in effect for payments received prior to the change.

1) WHAT IS PMAP?

PMAP was established pursuant to Act 24 of 2020 (act). The act establishes the Program to be administered by the Pennsylvania Housing Finance Agency ("PHFA") for the purpose of providing emergency mortgage assistance on behalf of homeowners who are delinquent in their mortgage payments and who have experienced job loss or reduced income as a result of the COVID-19 pandemic. Assistance is in the form of a grant and is subject to the availability of funds.

2) WHO CAN APPLY FOR PMAP?

Homeowners may apply for themselves or lenders may apply on behalf of homeowners.

3) HOW DO I APPLY FOR PMAP?

Applications may be submitted through a web-based process at <https://PMAP.phfa.org> or downloaded from PHFA's website at www.phfa.org to be completed and submitted by mail. The web-based application provides a separate area to click to start a new application as a either homeowner or as a lender. When a lender applies on behalf of a homeowner, the lender and homeowner must coordinate to submit the necessary documentation. Regardless of whether the homeowner or the lender submits the application, if the homeowner is approved, all PMAP payments will be made directly to the lender.

PANDEMIC MORTGAGE ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

4) WHEN CAN AN APPLICATION BE SUBMITTED?

The last day for applications to be submitted to PMAP is November 4, 2020. If applying online, your application is not considered “submitted” unless you press the SUBMIT button. If you do not press SUBMIT, your application will not be reviewed. Applications submitted by mail must be postmarked no later than November 4, 2020. Applications postmarked November 5, 2020, or later will not be processed.

5) WHAT ARE THE ELIGIBILITY REQUIREMENTS?

The following minimum requirements must be met for eligibility:

- Property must be an owner-occupied dwelling consisting of one or two separate units.
- Property must be secured by a mortgage or other security interest in cases where the property is subject to an installment sales contract or agreement.
- Property must be located in Pennsylvania.
- Homeowner must have become unemployed after March 1, 2020, or had their annual household income reduced by 30% or more due to reduced work hours and wages. Both the unemployment and the reduced hours and wages must be a result of the COVID-19 pandemic. The Agency must be able to verify the unemployment with the Department of Labor and Industry’s Bureau of Unemployment Compensation.
- Mortgage payments must be due between March 2020 and December 2020.
- The mortgage must be a first or second mortgage on the property.
- The homeowner(s) must hold legal or equitable title. In an effort to assist families with tangled titles and intergenerational family homes, as well as applicants with an installment sales contract or agreement, equitable owners, who are not the sole record owners or mortgagors, may be eligible.
- Current annual household income must not exceed the Area Median Income for the county of residence (adjusted for the number of people in the household). To find the area median income by county, visit <https://www.huduser.gov/portal/datasets/il.html>. Select 2020 as the year and choose “Click Here for FY 20 IL Documentation” to view the income limit per household size. Because the allowance is for the “upper limit”, use the 50% amount and double it to get the amount needed to compare with the annualized current income. The grant cannot be provided if annualized current income exceeds that 100% median income amount.

6) WILL I BE ELIGIBLE IF I HAD TO LEAVE MY EMPLOYMENT BECAUSE MY CHILD’S DAY CARE/SCHOOL CLOSED BECAUSE OF COVID-19?

Provided that all other eligibility criteria are met, homeowners who needed to leave their employment to care for a child or children as a result of day care or school closings in response to COVID-19 may be eligible, but must provide the following documentation:

- the name of the child/children being cared for;
- the name of the school, place of care or childcare provider that closed or became unavailable; and
- a written statement from the applicant that no other suitable person was available for the care of the child/children.

7) WILL I BE ELIGIBLE IF I HAD TO LEAVE MY EMPLOYMENT OR TAKE A LEAVE OF ABSENCE WITH NO PAY OR REDUCED PAY TO CARE FOR SOMEONE WHO WAS DIAGNOSED WITH COVID-19?

Provided that all other eligibility criteria are met, homeowners who needed to leave their employment to care for someone diagnosed with COVID-19 may be eligible, but must provide the following additional documentation:

- name of person who left employment
- dates of time period unable to work
- statement explaining the reason he/she is unable to work

PANDEMIC MORTGAGE ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

8) WHAT IS INCLUDED AS INCOME UNDER PMAP?

Income under PMAP will include compensation for services, including fees, commissions, fringe benefits, and similar items. Income will also include all gross income derived from businesses.

9) WHAT INFORMATION IS NEEDED TO APPLY?

- Photo ID
- Social Security Card or Individual Tax Identification Card
- Deed
- A copy of any Act 6 Notice of Intent to Foreclose or Act 91 Notice if the homeowner has received such documentation. If the homeowner has not received either an Act 6 Notice of Intent to Foreclose or an Act 91 Notice, the applicant must provide the most recent mortgage statement or a statement from the lender verifying the payments owed on the mortgage or in the case of a mortgage in forbearance the amount that would have been due had the forbearance not been put in place.
- Mortgage information: lender name and address, type of mortgage, lien position, loan number, original loan amount, term, monthly payment, date of last full payment and what month it was applied to and delinquent amount.
- Verification that accurately reflects homeowner's household income prior to the pandemic-related loss of income and following the pandemic-related loss of income in order for the Agency to assess the pre-pandemic level and post-pandemic level of income so that a determination can be made as to whether there has been a 30% reduction in income. Documentation demonstrating homeowner's current household income must also be submitted.
- Homeowners who needed to leave their employment to care for a child or children as a result of day care or school closings in response to COVID-19 must provide the following additional documentation:
 - the name of the child/children being cared for;
 - the name of the school, place of care or childcare provider that closed or became unavailable;
 - a written statement from the applicant that no other suitable person was available for the care of the child/children.
- Homeowners who needed to leave their employment or take a leave of absence with no pay or reduced pay to care for someone who was diagnosed with COVID-19 must provide the following additional documentation.
 - Name of person who left employment
 - Dates of time period unable to work
 - Statement explaining the reason he/she is/was unable to work.
- Any other information you feel will help explain your situation.

10) WHAT ARE THE PAYMENT TERMS FOR PMAP ASSISTANCE?

Assistance will be provided in the form of a grant with no repayment terms.

11) HOW MUCH ASSISTANCE CAN SOMEONE GET FROM PMAP?

Assistance is limited to a maximum of six months of mortgage payments, at a maximum payment of \$1,000 each, for no more than two mortgages. Therefore, an applicant could be granted a maximum of \$6,000 each on up to two mortgages provided the mortgage is either a first or second mortgage on the property. The number of months of assistance granted is based on a review by Agency staff of the homeowner's circumstances and income.

PANDEMIC MORTGAGE ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

12) WHAT TYPES OF ASSISTANCE ARE AVAILABLE?

Assistance will be provided as a one-time payment and may include future mortgage payments not to exceed a maximum of \$1,000 per month for a total of six months per mortgage. An itemization sheet will be provided with payment to verify how funds are to be applied. Eligible payments are those due between March 2020 and December 2020.

13) DOES EVERYONE NAMED ON THE DEED NEED TO SIGN THE APPLICATION?

All owners of a property must complete and sign the application; however, a homeowner may be eligible if a co-owner is absent, unable or unwilling to complete the application.

14) WHAT IF THE MORTGAGE PAYMENT IS MORE THAN \$1,000 PER MONTH?

Homeowners may still apply if the monthly mortgage payment is more than \$1,000 per month and are obligated to pay the difference between the maximum amount paid under the Program of \$1,000 and their total monthly mortgage payment if the lender requires it.

15) IS THE FACT THAT HOMEOWNERS ARE OBLIGATED TO PAY ANY AMOUNT OVER THE \$1,000 MAXIMUM PER MONTH PER MORTGAGE A CHANGE FROM THE ORIGINAL GUIDELINES AND WHY WAS THE CHANGE MADE AT THIS POINT IN TIME?

Yes, it is a change effective 10/17/2020. The Agency was contacted by the Wolf Administration regarding interpretation of legislative language that would potentially broaden program participation by lenders. The Wolf Administration in concert with legislators believed that the statutory language was written in a manner that justifies the alternate reading and legislators had indicated some legislative intent justifying the new reading.

16) CAN PHFA MAKE THESE CHANGES?

Yes, the legislative language is written in a manner that this alternate reading of the statute is reasonable.

17) WHAT DOES THE PROGRAM CHANGE DO?

The change removes the obligation for lenders to release homeowners of any remaining obligation for any past due or future mortgage payment for which the Agency pays the lender. Thus, a homeowner will now have an obligation to pay the difference between the amount paid under the program and their monthly payment if the lender requires it. For example, a homeowner that owes \$1,500 in mortgage payments each month may now have to pay the \$500 per month balance that remains after the program pays the \$1,000 authorized by the statute.

18) WHAT IF I WAS A LENDER THAT HAD PREVIOUSLY PARTICIPATED UNDER THE FIRST STATUTORY INTERPRETATION?

PHFA believes that a lender that received funds under the previous program requirements are bound by those provisions as well as the program documents that they signed and thus the releases in place prior to the program change remain in effect for payments received prior to the change.

19) WILL PMAP PAY THE FULL MORTGAGE DELINQUENCY?

PMAP funds may only be applied to mortgage payments and may not be used to pay any other charges imposed by the lender, such as late fees, legal fees, property inspections, etc.

20) WHO RECEIVES THE PMAP FUNDS?

All PMAP funds will be sent directly to the lender(s) on behalf of approved homeowners.

PANDEMIC MORTGAGE ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

21) WHEN WILL I GET A DECISION ON MY APPLICATION?

Decisions will be made as soon as possible, but no later than 60 days from receipt by PHFA.

22) HOW WILL I KNOW IF MY PMAP APPLICATION IS APPROVED?

Homeowners and lenders applying on behalf of homeowners will be sent a decision letter by mail. Lender(s) approved will get a copy of the approval letter for any approved homeowner.

23) WHAT SHOULD I DO IF MY INCOME CHANGES AFTER I APPLY?

Homeowners are required to notify PHFA in writing of any changes that occur in the household income during the application process and as long as payments are being made on their behalf through PMAP. The Agency will notify the homeowner if any adjustment in PMAP assistance is needed as a result of such changes. Homeowners who apply electronically will have the option of uploading the new income verification through the web-based program but must first contact the Agency at 800-342-2397. Homeowners who apply by mail must submit the changes to the Agency at PHFA/ PMAP, P. O. Box 15530, Harrisburg, PA 17105-5530.

24) IF I'M APPROVED, DO I HAVE TO SIGN ANY DOCUMENTS?

If approved, all homeowners will be required to sign an Acknowledgement. The approved homeowners must certify that they have not accepted and will not accept any other mortgage or rental assistance from any other local, state, or federal program for the same time period and for the same property covered by any PMAP assistance. In addition, approved homeowners must also certify that they will notify the Agency of any changes in income or residence during the PMAP assistance period.

25) DOES MY LENDER HAVE TO SIGN ANY DOCUMENTS?

Following approval, lenders will need to complete and submit a PMAP Verification Form, which provides PHFA with information about the mortgage including, but not limited to, the months owed and the monthly payment amount. The PMAP Verification Form also requires that the lender attest that they agree to apply PMAP funds to the mortgage payments only and for the timeframe the homeowner is deemed eligible. In addition, the lender must agree to notify the Agency of any changes in the amount of the monthly payments as such changes occur and to reimburse PHFA/PMAP for any duplicate payments made. The lender must also agree to maintain any existing escrow account for payment of real estate taxes and homeowner's insurance, as well as to make such payments promptly when due.

26) HOW LONG WILL IT TAKE FOR PAYMENT TO BE MADE TO THE LENDER?

Grants will be processed as quickly as possible, but all assistance provided under PMAP must be disbursed no later than November 30, 2020.