

PENNSYLVANIA HOMEOWNER ASSISTANCE FUND (PAHAF) TRANSITION FREQUENTLY ASKED QUESTIONS

1. What is the PAHAF program and its intended goal?

The American Rescue Plan Act of 2021 (Public Law No: 117-2), established by the U.S. Treasury Department, allocates funds to mitigate financial hardships associated with the coronavirus pandemic. The purpose of the Homeowner Assistance Fund (HAF) is to prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship after January 21, 2020. Funds from the HAF may be used for assistance with mortgage reinstatement and forward payments, homeowner's insurance, utility payments, and other specified purposes. The law prioritizes funds for homeowners who have experienced the greatest hardships, leveraging local and national income indicators to maximize the impact.

2. What is PHFA's role with the PAHAF program?

PHFA is designated as the authority responsible for the distribution of these funds for the Commonwealth of PA. PHFA partnered with a third-party vendor to lead the execution and management of the program with the assistance of PHFA resources, but PHFA is now bringing the full administration of the program into the Agency.

3. How much money has been distributed to date?

Pennsylvania was awarded \$350 million for the administration of the program and the disbursement of funds as part of the American Rescue Plan Act of 2021. The PAHAF program has disbursed approximately \$99 million to Pennsylvania homeowners as of February 6, 2023. As a mission-driven agency, PHFA remains deeply committed to serving its constituents and providing aid to Pennsylvania homeowners.

4. What changes are taking place and why?

A pause on new applications will be effective February 1, 2023. The program administration is transitioning from its current third-party vendor to PHFA. The decision by PHFA to fully administer the program will leverage the Agency's deep knowledge of Pennsylvania's housing market and its broad network of mortgage lenders, community partners, and Housing Counseling Agencies on behalf of eligible applicants. For more than 50 years, PHFA has been dedicated to providing Pennsylvanians with the capital they need for decent, safe and affordable housing.

5. Is pausing the program necessary?

Yes. As part of the transition, PHFA paused the submission of new applications, effective February 1, 2023. This was in order to allow adequate time for the transition, process current applications as a priority, and determine remaining funds available prior to reopening the program. Applications completed and submitted before February 1, 2023, will be processed during the program pause.

6. What is being communicated to assist applicants in understanding their status?

Current applications will continue to be processed without the need to start a new application. Current applicants will receive an email providing information on how to register for the new system and access the status of their application. It is possible that documentation will need to be submitted, but PHFA is proactively communicating with a wide range of stakeholders in order to smooth the transition.

7. Who should someone contact if they have a question about their application status?

Please contact the PAHAF call center at 888-987-2423, Monday through Friday, 8 a.m. to 7 p.m.

8. How many caseworkers does PHFA have available to assist applicants?

PHFA is utilizing approximately 30 staff members for the PAHAF program and will monitor the Agency's application processing volume in order to adjust staffing levels accordingly.

9. What will be done to protect applications during the move to PHFA?

All data migration files will be encrypted and secured.

10. When do you expect to reopen PAHAF for applications?

PAHAF anticipates reopening the program for new applications once the current applications have been addressed and remaining program funds have been assessed.

11. How long will that take?

We will be working through applications based on priority for the homeowners at greatest risk and those who have been waiting the longest. When we have more information to provide, we will post updates on the PAHAF.org website.

12. How will the pause work in practice?

The data migration from the third-party vendor's system to the new PHFA system of those applications that have no disbursements made to date began on February 1, 2023. Applications with at least one disbursement for any of the assistance types will be processed by the third-party vendor to keep all payment information for an application in one system. This is for control and audit purposes.

Once data migration has been completed, PHFA's PAHAF staff will begin working on the migrated applications. The applications will be processed in the following order of those in greatest threat to displacement or loss of service:

1. Act 91, Sheriff Sale, Other Intent to Foreclose Notices, Shut Off Notice
2. By Application Date, beginning with the oldest files in the system

This approach allows the Agency to put all our resources into processing the applications for those homeowners at greatest risk and those that have been waiting the longest for assistance before taking in new applicants.

In the coming weeks, PHFA will be able to share additional information with our applicants related to their application status.

Once we have processed at least 80% of the migrated applications, PHFA will determine readiness and available funds for reopening the system to new applications. This will be announced on the website and via a press release.

13. I don't have an application in the system. What if I receive an ACT 91/ACT 6, Notice of Foreclosure, Sheriff Sale or Shut-off Notice? Can I still get assistance?

During the pause in accepting new applications, homeowners with an imminent adverse action notice are strongly encouraged to work with a Housing Counseling Agency who can assist with other available options.

Homeowners who receive an ACT 91 Notice should contact a housing counseling agency listed in the notice and within the specified time frame also in the notice.

Homeowners who receive an ACT 6 or Notice of Foreclosure should contact their servicer or a Housing Counseling Agency to discuss loss mitigation and other foreclosure prevention options.

Homeowners who receive a Sheriff Sale Notice should contact a legal service provider for assistance.

Homeowners who receive a Shut-off Notice should contact their service provider to establish a payment plan or Regional Housing Legal Services for additional options, including Pennsylvania's Low-Income Energy Assistance Program or LIHEAP.

Applicant-Specific Questions:

1. How do I find out who is processing my application now?

You should have received an email during the week of February 6, 2023, notifying you who your point of contact will be along with further instructions. PHFA is continuing to communicate with PAHAF applicants to update them on the process and answer their questions.

2. PAHAF has stopped accepting applications. Does that mean my application will not be processed?

Applications completed and submitted before February 1, 2023, are being processed during the program pause.

3. With the transition to PHFA program administration, will I need to complete a new application?

No. Your application will continue to be processed without the need to start a new application. As PHFA transitions to the new software and begins processing applications, applicants will be sent information on how to register with the new system and access the status of their application.

4. Will I need to resubmit documentation to PHFA for my application?

We are working to ensure that documentation that has already been submitted will be automatically and securely migrated over to PHFA. If any additional information or updates to your application is required, you will be notified.

5. I cannot reach my case manager. What should I do?

All applicants should reach out to the PAHAF call center for assistance at 888-987-2423.

6. I've been waiting for my application to be processed for a year now. How much longer will it take to process?

PHFA recognizes the processing delay of some applications and the anxiety it has caused. We will be working through applications based on priority for the homeowners at greatest risk and those who have been waiting the longest. When we have more information to provide, we will post updates on the PAHAF.org website.

7. I received mortgage reinstatement assistance from PAHAF but am still waiting on utility assistance. Who will now process this funding?

Applications with at least one disbursement for any of the assistance types but are waiting on other types of assistance will continue to be processed through the original application system by the third-party vendor.

8. I am currently receiving forward mortgage assistance. How do I know the payments will continue?

Applications with at least one disbursement of forward mortgage assistance and await the remaining forward payments will continue to be processed through the original application system by the third-party vendor. For any discrepancies in payments not being made, contact the PAHAF call center at 888-987-2423.

9. Forward mortgage payments to my servicer have stopped. What do I do now?

For any discrepancies in payments not being made, contact the PAHAF call center at 888-987-2423.

10. My servicer is waiting for PAHAF funds to complete a loan modification. When can they expect to receive funds?

This is an application-specific question. Please contact the PAHAF call center at 888-987-2423 to discuss your application details.

11. I have an application in the system. What do I do if I receive an ACT 91, Notice of Intent to Foreclose, or Sheriff Sale Notice?

If you have an application currently being processed, contact the PAHAF call center at 888-987-2423 for assistance.

12. While I wait for my application to be processed, should I make payments if I am able?

Applicants are encouraged to maintain contact with their servicer to discuss appropriate options for their account.