

# STATEMENTS OF POLICY

## HOUSING FINANCE AGENCY

[ 12 PA. CODE CH. 31 ]

### Homeowner's Emergency Mortgage Assistance Program; Revised Policy Statement and Uniform Notice

The Housing Finance Agency (Agency) proposes to amend the Homeowner's Emergency Mortgage Assistance Program Policy Statement in Chapter 31, Subchapter B (relating to policy statement on Homeowner's Emergency Mortgage Assistance Program).

#### History

The Homeowner's Emergency Mortgage Assistance Program (HEMAP) was established by the act of December 23, 1983 (P.L. 385, No. 91) (Act 91). HEMAP is designed to provide emergency mortgage assistance to homeowners facing foreclosure because of circumstances beyond their control. Assistance is provided in the form of a loan. The amount of the loan will be sufficient to bring the homeowner's delinquent mortgages current, and in addition, the Agency may provide continuing monthly mortgage assistance, as needed by the homeowner, for a period of time as prescribed by the law. Act 91 contains notice requirements that lenders must follow prior to foreclosure; prescribes procedures that a homeowner must follow in applying to the Agency for mortgage assistance; and prohibits a lender from conducting foreclosure proceedings during the application process. Act 91 requires repayment of the mortgage assistance loan, based upon the financial ability of the homeowner.

On February 21, 1984, the members of the Board of the Agency adopted initial guidelines to implement HEMAP under the authority of section 401-C(b) of the Housing Finance Agency Law (35 P.S. § 1680.401c(b)), which provides in part, that the Agency shall adopt initial program guidelines and may revise the Guidelines whenever appropriate. The members of the Board of the Agency adopted amendments to the guidelines: October 18, 1985, published at 16 Pa.B. 2126 (June 14, 1986); May 12, 1994, published at 24 Pa.B. 3224 (July 2, 1994); published at 29 Pa.B. 2859 (June 5, 1999); 38 Pa.B. 4859 (August 30, 2008), effective on September 6, 2008; published at 46 Pa.B. 2171 (April 30, 2016) (as amended by 46 Pa.B. 2423, May 14, 2016). Under the Agency's authority to revise the policy statement, the Agency proposes to make further revisions to the policy statement and the uniform Act 91 Notice.

#### Summary of Changes

In general, the proposed revised policy statement incorporates program clarifications and makes amendments to the uniform Act 91 Notice. The most significant proposed amendment can be summarized as follows:

- Defines and clarifies the scope of the face-to-face meeting requirement.

#### Public Comment Period

The proposed revised guidelines are being published for comment. The Agency does not anticipate any fiscal impact from the adoption of the revised guidelines. The revised guidelines will not become effective until they are published in the *Pennsylvania Bulletin* as final revised guidelines after consideration of comments received, with a prospective effective date.

The Agency invites interested persons to submit comments, suggestions or objections, in writing only, regarding the proposed revisions to the guidelines to Leonidas Pandeladis, Chief Counsel, Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA 17101, fax (717) 614-2679, HEMAPComments@phfa.org.

Written comments will be received and considered through February 9, 2021.

ROBIN L. WIESSMANN,  
*Executive Director*

**Fiscal Note:** 39-12. No fiscal impact; (8) recommends adoption.

#### Annex A

### TITLE 12. COMMERCE, TRADE AND LOCAL GOVERNMENT

#### PART I. GENERAL ADMINISTRATION

#### Subpart D. HOUSING FINANCE AGENCY

#### CHAPTER 31. HOUSING FINANCE AGENCY

#### Subchapter B. POLICY STATEMENT ON HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM

#### § 31.201. Definitions.

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

\* \* \* \* \*

**Consumer credit counseling agency**—A nonprofit corporation or governmental entity located in this Commonwealth which has been designated by the Agency to provide Homeowner's Emergency Mortgage Assistance Program counseling. A qualified consumer credit counseling agency shall either be certified as a housing counseling agency by the United States Department of Housing and Urban Development or otherwise be determined acceptable by the Agency. A list of counseling agencies approved by the Agency is set forth in Appendix C. This list was last updated and includes all changes through April 1, 2016. Future updates of this list will only appear on the Agency's web site at [www.phfa.org](http://www.phfa.org), and will be updated on a periodic basis as changes occur. The Agency will annually publish a schedule for updates to the list, and mortgagees will be expected to update their lists in accordance with the schedule.

**Face-to-face meeting**—A meeting conducted either in-person or remotely using technological means, through which the applicant and consumer credit counseling agency communicate with each other contemporaneously, both audibly and visually.

**Gross household income**—The total income of the applicant, all other owners-occupants of the residence, any spouse and children residing in the same household as the applicant and other residents of the household declared by the mortgagor as dependents for Federal tax purposes. The term does not include the income of minor children. The income of adult children or other unrelated individuals residing in the household shall be considered part of gross household income only to the extent that their income is available to the household.

\* \* \* \* \*

## APPENDIX A

All paragraphs contained within the body of the notice shall appear in 12 point font.

Date: \_\_\_\_\_

**Act 91 Notice\*** (24 point font, bold)

**La Notificación Acto 91\*** (14 point font, bold)

**Save Your Home From Foreclosure**

This is an official Act 91 Notice. You are receiving this notice because Pennsylvania law requires mortgage lenders to send it to homeowners facing foreclosure. This notice contains important legal information about your rights and how you can save your home. **YOU MAY BE ELIGIBLE FOR STATE FUNDED ASSISTANCE** from the Homeowner's Emergency Mortgage Assistance Program (HEMAP), a program of the Pennsylvania Housing Finance Agency (PHFA).

**CALL A COUNSELING AGENCY FOR A MEETING.**

**APPLYING FOR HEMAP MAY TEMPORARILY STOP A FORECLOSURE ACTION.**

To apply, you **must** have a face-to-face meeting with a HEMAP-approved Consumer Credit Counseling Agency **within 33 days** of the date of this notice. This meeting is free and is the only way to apply for HEMAP. A list of approved Counseling Agencies is attached. A list is also available at <http://www.phfa.org/counseling/hemap.aspx>. If after speaking with a Counseling Agency you have further questions about HEMAP, please call 1 (800) 342-2397. Individuals with hearing impairment may call 711 (RELAY).

To make sure you meet the deadline, please call a Counseling Agency **immediately** to schedule a face-to-face meeting. **[ Take ] Keep** this entire Act 91 Notice, including the attached Account Summary, **[ with you to ] and have it available for** your face-to-face meeting, **whether done in person or remotely**. A counselor can:

- Help you apply for HEMAP and explain how the program works.
- Talk with your lender about a loan modification or other repayment plan.
- Explain possible options to avoid foreclosure such as loss mitigation, refinancing your loan, selling or transferring your property to a third party or having a third party cure the delinquency on your behalf through a short sale or assumption of mortgage.
- Provide referrals for other assistance, programs or services.
- Explain other rights you may have, including your right to assert the non-existence of the debt and any other defenses you may have.

Even if you miss the deadline, you may still apply for HEMAP, but a late HEMAP application will not stop your lender from foreclosing. However, if your application is approved, a HEMAP assistance loan will bring your mortgage current and stop the foreclosure. HEMAP may also temporarily help you make future mortgage payments.

Alternatively, you may save your home from foreclosure by curing your default. That means paying your lender all amounts currently due, including reasonable late charges, attorney fees and other costs and by otherwise fulfilling your mortgage obligations. You may cure the default at any time up to one hour before a Sheriff's Sale, up to three times in any calendar year.

If you have filed a petition in **bankruptcy**, this notice is provided for informational purposes only and is not an attempt to collect a debt. If you are protected by a bankruptcy filing you may still apply for HEMAP assistance.

\*CONSULTE AL DORSO LA TRADUCCIÓN DE ESTA NOTIFICACIÓN IMPORTANTE, O LLAME AL 1.800.342.2397.  
ACT 91 NOTICE PAGE 1

Fecha: \_\_\_\_\_

**Notificación sobre la Ley 91\***

**Act 91 Notice\***

**Salve a su Hogar de la Ejecución Hipotecaria**

La presente es una notificación oficial sobre la Ley 91. Usted está recibiendo esta notificación porque la ley de Pennsylvania requiere que los prestamistas hipotecarios la envíen a los propietarios de viviendas que se encuentren enfrentando una ejecución hipotecaria. Este aviso contiene información legal importante acerca de sus derechos y de lo que puede hacer para salvar su hogar. **ES POSIBLE QUE SEA ELEGIBLE PARA OBTENER AYUDA CON FONDOS ESTATALES** del Programa de Asistencia de Emergencia Hipotecaria para Dueños de Hogares (HEMAP, por sus siglas en inglés), un programa de la Agencia de Financiamiento de Hogares de Pennsylvania (PHFA, por sus siglas en inglés).

**LLAME A UNA AGENCIA DE ASESORAMIENTO PARA CONCERTAR UNA REUNIÓN. LA SOLICITUD PARA EL HEMAP PUEDE DETENER DE FORMA TEMPORARIA LA EJECUCIÓN DE UNA HIPOTECA.**

Para presentar su solicitud, debe celebrar una reunión presencial con una Agencia de Asesoría Crediticia para el Consumidor aprobada por el HEMAP, **antes de que transcurran 33 días**, a partir de la fecha de esta notificación. Esta reunión es gratuita y es la única manera de solicitar el HEMAP. Se adjunta una lista de Agencias de Asesoría aprobadas. También puede encontrar una lista en <http://www.phfa.org/counseling/hemap.aspx>. Si luego de hablar con una Agencia de Asesoría tiene alguna pregunta sobre el HEMAP, por favor llame al 1 (800) 342-2397. Las personas con discapacidades auditivas pueden llamar al 711 (RELÉ).

Con el fin de asegurar que cumpla con el plazo, por favor llame a una Agencia de Asesoría y programe una reunión presencial **de inmediato**. [Lleve] **Conserve** esta Notificación sobre la Ley 91, [junto] con el Resumen de Cuenta adjunto, **y téngalo disponible para** a su reunión presencial, **ya sea en persona o de forma remota**. Un asesor puede:

- Ayudarlo a presentar su solicitud al HEMAP y explicarle cómo funciona el programa.
- Hablar con su prestamista acerca de una modificación del préstamo u otro plan de pago.
- Explicarle las opciones posibles para evitar la ejecución de la hipoteca, como la mitigación de pérdidas, la refinanciación del préstamo, la venta o transferencia de su propiedad a un tercero, o que un tercero pague el atraso en su nombre, a través de una venta al descubierto o asumiendo la hipoteca.
- Derivarlo a otro tipo de asistencia, programa o servicio.
- Explicarle otros derechos que pueda tener, incluido su derecho de reivindicar la no existencia de la deuda y cualquier otra defensa que tenga.

Incluso si no cumple con el plazo, es posible presentar su solicitud para el HEMAP, pero la solicitud tardía al HEMAP no impedirá que su prestamista ejecute la hipoteca. Sin embargo, si se aprueba su solicitud, el préstamo de ayuda del HEMAP pondrá su hipoteca al día y detendrá la ejecución. El HEMAP también puede ayudarlo, de manera temporal, a realizar los pagos de hipoteca futuros.

También puede optar por la alternativa de subsanar el incumplimiento para salvar a su hogar de la ejecución hipotecaria. Eso significa pagarle a su prestamista todos los montos adeudados a la actualidad, incluidos los cargos moratorios, los honorarios de abogados y otros costos razonables, y cumplir con sus obligaciones hipotecarias. Puede subsanar el incumplimiento en cualquier momento, hasta una hora antes de la subasta judicial, un máximo de tres veces por cada año calendario.

Si usted ha presentado una solicitud de quiebra, esta notificación se proporciona solo con fines informativos y no es un intento de cobrar una deuda. Usted puede solicitar la ayuda del HEMAP, incluso si está protegido por una declaración de quiebra.

\*SEE REVERSE SIDE FOR TRANSLATION OF THIS IMPORTANT NOTICE OR CALL 1.800.342.2397. (10 POINT FONT)

ACT 91 NOTICE

PAGE 2

**Fecha:** \_\_\_\_\_

**ACT 91 NOTICE** (12 point font, bold)

**Account Summary** (12 point font, bold)

**Your Loan Details:** (16 Point Font, Bold)<sup>1</sup>

Name(s) on Account: (12 Point Font) <sup>2</sup>	[Name(s)] The name(s) of the homeowner(s) and any other name appearing on the account; if the notice is being provided to additional parties not appearing on the account, the names of the additional parties shall be included under the names of the homeowner and other names appearing on the account. (12 Point Font) <sup>3</sup>
Address of Mortgaged Property:	[Address] The address of the mortgaged property. [Address]
Account Number:	[Account Number] The account number used by the mortgagee to reference the homeowner's account.

**How to Contact Your Lender:**

Current Lender or Servicer:	[Lender or Servicer Name] The name of the current Lender/Servicer for the account.
Lender or Servicer Address:	[Address] The address of the current Lender/Servicer [Address] for the account.
Lender or Servicer Phone Number:	[Phone Number] The general phone number for the Lender/Servicer (i.e., a 1(800) number).
Contact Person:	[Name] The name of a contact person at Lender/Servicer for the account.
Phone Number:	[Phone Number] The direct phone number for the contact person for the account.
Fax Number:	[Fax Number] The fax number for the contact person for the account.
Email:	[Email Address] The email address for the contact person for the account.

<sup>1</sup> All Table headings shall appear in 16 point font, bold.

<sup>2</sup> All Field headings shall appear in 12 point font.

<sup>3</sup> All account information shall appear in 12 point font unless otherwise indicated.

**Default Information:**

Monthly Payments Missed:	[Months missed e.g., Jan. 2014-August 2014]
Total Amount Past Due:	<b>[\$amount(s)]<sup>4</sup></b> ; itemize and describe; <b><i>*Please be aware that fees and costs may continue to accrue through the duration of the delinquency.</i></b> An itemization of all amounts necessary to cure the delinquency, including fees and costs. Language regarding the continued accrual of fees should appear at the end of the itemization.

ACT 91 NOTICE

PAGE 3

**Fecha:** \_\_\_\_\_

**How to Cure the Default:**

Within 30 Days of the Date on This Notice:	Pay <b>[\$amount]<sup>5</sup></b> , plus any payment and other charges that have become due to your lender or servicer by cash, cashier's check, certified check or other means acceptable to both parties.
Send Payment and Make Payable to:	[Lender or Servicer Name]Lender/Servicer name and [Address]address where the Lender/Servicer receives [Address]payment.
To Cure "Other Default":	[describe]Action homeowner must take to remedy a default other than a financial default.
Is the Mortgage Assumable?	Language indicating whether the mortgage is assumable. If the mortgage is assumable, the text in this box should read, "Yes, you may sell or transfer your home to a buyer or transferee who will assume the mortgage debt, if all the outstanding payments, charges and attorneys fees and costs are paid prior to or at the sale and if the other requirements of the mortgage are satisfied." If the mortgage is not assumable, the text in this box should read "No" only. If the mortgage is not assumable under the terms of the contract, but the Lender is willing to discuss the possibility of allowing an assumption of the mortgage, the text in this box should read "No, but please contact your Lender to discuss your options."

ACT 91 NOTICE

PAGE 4

[Pa.B. Doc. No. 20-1809. Filed for public inspection December 24, 2020, 9:00 a.m.]

<sup>4</sup> All amounts listed in this field shall appear in 12 point font, bold. The itemization and description of the amounts shall not appear in bold.

<sup>5</sup> All amounts listed in this field shall appear in 12 point font, bold.