

FORECLOSURE PREVENTION RESOURCE GUIDE



2020 Edition

Prepared by:
UAC Foreclosure
Prevention Task Force

Visit us on the Web: www.cedphilly.org/foreclosure-prevention



Urban Affairs Coalition

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Dear Friends:

For the past 50 years, the Urban Affairs Coalition (UAC) has brought together civic, community, government and business leaders to address inequalities in economic access and make a home for grassroots organizations to thrive. As we enter into our 51th year and new decade of service to the Greater Philadelphia region, we'd like to reflect on the origins of our work in this field.

In 1975, community pressure to address persistent and widespread racial discrimination in mortgage lending practices - otherwise known as "redlining" - culminated in the formation of the Philadelphia Mortgage Plan at Greater Philadelphia Urban Affairs Partnership, one of the predecessor organizations of UAC. This consortium of bankers and community leaders worked tirelessly to tackle unfair mortgage lending practices in the city and later throughout the Delaware Valley region through the expanded Delaware Valley Mortgage Plan.

It was through this original work in Philadelphia that UAC's Community and Economic Development (CED) Committee was formed to bring together lending institutions, community development organizations, government agencies, private companies, and community leaders. Now, over four decades later, UAC is still on the frontlines, working directly with lenders and community members to address the issue of accessing capital for low and moderate income communities.

Today, we are pleased to provide you with the newest edition of the Foreclosure Prevention Resource Guide, another resource in the fight for economic justice. In 2007, community leaders and bankers saw troubling conditions arising from subprime mortgages. In response, CED formed a Foreclosure Prevention Task Force that led to a set of 14 recommendations to guide the City's response to the emerging crisis. One of these recommendations was to create a guide to help professionals and homeowners understand and prevent housing foreclosure.

Preventing foreclosure remains a critical part of CED's work. With the help of this guide and the partnership forged between housing counseling agencies, the City of Philadelphia's Division of Housing and Community Development, the courts, and lenders, the City of Philadelphia's Residential Mortgage Foreclosure Diversion Program has helped save more than 15,000 homeowners from foreclosure over the last 12 years.

In addition to the Foreclosure Prevention Resource Guide, CED also provided on-the-ground programming with partners throughout the Greater Philadelphia region. Financial education workshops are available to all partners to provide free curriculum to increase economic mobility among community members. CED also manages an employer-assisted housing program that provides grant funding for low and moderate-income individuals who are interested in purchasing homes. CED continues to drive forward their goal of ensuring that every Philadelphia homeowner has access to safe and fair homeownership opportunities. We hope this Guide continues to be a useful resource for you and your clients. We also want to thank Santander Bank for providing the support that made production of this edition of the Guide possible. Your feedback or suggestions are welcomed. Please e-mail us at jvarghese@uac.org.

Sincerely,

Sharmain Matlock-Turner
President/CEO

Purpose

This resource guide is intended to raise awareness about the home foreclosure process, related grant and loan programs, and housing counseling resources for the five-county Philadelphia metropolitan area. The Guide is designed to help professionals, who encounter homeowners facing foreclosure, as well as to demystify the foreclosure process for homeowners and help them take advantage of the opportunities to preserve ownership of their homes. Please contact the individual administering agencies for more information.

About the Urban Affairs Coalition (UAC) Foreclosure Prevention Task Force

UAC's Foreclosure Prevention Task Force is helping to strengthen the system-wide strategy of combating the mortgage foreclosure crisis in Philadelphia and helping to prevent unnecessary foreclosures. The Task Force is made up of bankers, bank regulators, housing counselors, legal aid attorneys, community advocates and local government agency representatives. The Task Force was formed in September 2007 and presented recommendations and strategies to UAC's Community and Economic Development (CED) Committee in April 2008.

The Task Force presented strategies and recommendations in three areas: Education and Awareness, Affordable and Beneficial Mortgage/Financial Products, and Government and Mortgage Industry Policies and Regulations.

UAC's Mission

UAC unites government, business, neighborhoods and individual initiatives to improve the quality of life in the region, build wealth in urban communities and solve emerging issues.

CED's Mission

The Coalition's Community and Economic Development (CED) department brings capital to communities by building bridges between low- and moderate-income areas and mainstream financial institutions.

Your Feedback

We welcome your feedback, additions, or corrections. Please contact Jojoy Varghese at 215-851-1737 or jvarghese@uac.org. An electronic version of this Guide is updated periodically and posted online at www.cedphilly.org/foreclosure-prevention

Disclaimer

While this document represents our updated research, UAC does not guarantee the accuracy or timeliness of the information below. This is a fast changing environment. As of January 2020, this is the most current information we have been able to obtain. We strongly suggest contacting the administering agency for further information. The law often changes, and each case is different. This resource guide is meant to provide general information and is not intended to provide any specific legal advice.

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Quick Contacts

Visit us on the Web: www.cedphilly.org/foreclosure-prevention

Phone Contacts

UAC	Urban Affairs Coalition	215-851-1738	www.uac.org
Foreclosure Hotlines	SaveYourHomePhilly Hotline	215-334-HOME	http://saveyourhomephilly.org/
	Pennsylvania Housing Finance Agency Hotline	800-822-1174	www.phfa.org
Homeowner	Fannie Mae	1-800-2FANNIE	www.fanniemae.com
Mortgage Assistance	Freddie Mac	1-800-FREDDIE	www.freddiemac.com
Legal Assistance (income limits)	Community Legal Services	215-227-2400	www.clsphila.org www.philalegal.org
	Philadelphia Legal Assistance	215-981-3800	
	Legal Aid of Southeastern PA	877-429-5994	www.lasp.org
Lawyer Referral	Philadelphia Bar Association Lawyer Referral and Information Services	215-238-6333	www.philadelphiabarlawyers.com
	Lawyer Referral Service of Bucks	888-991-9922	www.bucksbar.org/?page=LawyerReferralServ
	Chester County Lawyer Referral Service	610-429-1500	http://www.chescobar.org/?page=LawyerRefmembers
	Lawyer Referral Service of Delaware County	610-566-6625	http://www.delcobar.org/?page=lawyerreferral
	Lawyer Referral Service – Montgomery County Bar Association	610-279-9660	https://www.montgomerybar.org/
Sheriff's Offices	Philadelphia County Sheriff's Office	215-686-3530	www.officeofphiladelphiasheriff.com
	Bucks County Sheriff's Office	215-348-6124	http://www.buckscounty.org/government/RowOfficers/Sheriff
	Chester County Sheriff's Office	610-344-6850	www.chesco.org/sheriff
	Delaware County Sheriff's Office	610-891-4296	http://www.delcopa.gov/sheriff/index.html
	Montgomery County Sheriff Office	610-278-3000	https://www.montcopa.org/397/Sheriffs-Office
Additional Information and Resources	Federal Reserve Bank of Philadelphia Virtual Foreclosure Resource Center- for consumer information, community resources, research and Publications, policies and regulations, and news		https://www.philadelphiafed.org/foreclosure

Section I:

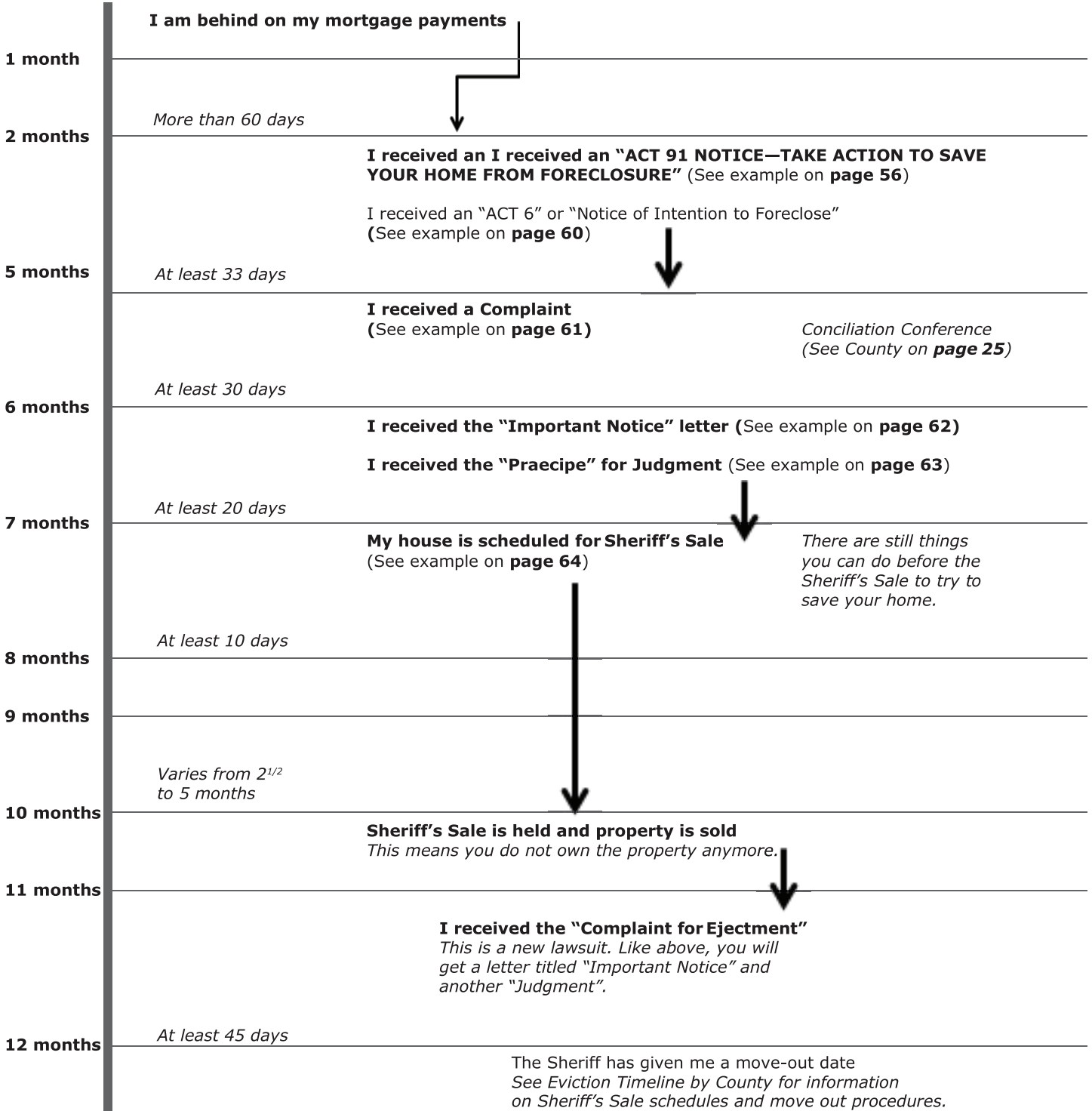
What is mortgage foreclosure and how does it work?

Mortgage foreclosure is a complicated process that requires diligent action by the homeowner and the homeowner's advocates throughout the entire process. This section provides an overview of the foreclosure timeline, as well as detailed explanations of each step along the way. The information in this section may be useful for professionals that are helping homeowners save their homes, or homeowners in foreclosure that want to learn more about the process to assert their rights and save their homes.

Foreclosure Chart

This chart is meant to give you an idea of what happens if you do not do anything to stop the foreclosure. The chart shows the shortest amount of time that can pass between each step. At each step, there are actions you can take to defend against foreclosure that will also result in ending or extending the timelines below. The following section explains each step in detail

Current



The Foreclosure Process Explained

Step 1:

I am behind on my mortgage payments

If you fall behind in your mortgage payments, or your mortgage company bills you for additional charges you cannot pay, or do not believe you owe and therefore refuse to pay, you will receive any number of letters stating that if you do not pay, you may face foreclosure. This means you could lose your home and/or have negative credit information reported about you. Until you receive the official notice in Step 2, you are not really in foreclosure (although it may be treated that way by the mortgage company or credit agencies).

Step 2:

I received a Notice of Intention to Foreclose: Act 91 OR Act 6 Notice

There are two types of "Intent to Foreclose" notices that mortgage companies send to PA homeowners who are behind on their payments: Act 91 and Act 6

If you have a Conventional loan, and are between 2 months and 2 years behind on your mortgage payments, you must receive an **Act 91 Notice** before your mortgage company can file a foreclosure case against you in court (See **page 56**). The notice will usually come by both certified and first-class mail. There must be a separate notice for each person who signed the mortgage. This notice tells you how much you are allegedly behind on payments. Or any other reason why the mortgage company claims you are in default. It also explains what you must do to reinstate your mortgage within 33 days of the date on the notice. If you are able to reinstate the mortgage, you must follow the instructions in the notice precisely.

If you are unable to reinstate on your own, you can meet with a housing counselor to apply for the "Homeowners Emergency Mortgage Assistance Program" (HEMAP) program of the Pennsylvania Housing Finance Agency. (For more information on HEMAP see **page 19** or visit <http://www.phfa.org/counseling/hemap.aspx>)

If you are eligible for HEMAP and you meet with a housing counselor within that 33 day period, no mortgage foreclosure action can be started in court until your application has been reviewed by PHFA. If you are approved and close on a HEMAP loan, you are out of danger of foreclosure. If you are denied for HEMAP, the foreclosure process goes on, even if you appeal the HEMAP decision. (**Note:** You can still apply for HEMAP after 33 days, but it will not stop foreclosure proceedings once that time has passed.)

If you have an FHA Loan (or some other non-conventional loan), you are not eligible for HEMAP / Act 91. You will receive an Act 6 Notice (see **page 60**) or a "Notice of Intention to Foreclose." instead of an Act 91 Notice. You will have 30 days to "cure" (get caught up on) the delinquency before any foreclosure case can be filed against you in court.

NOTE: If you have an FHA loan with an original balance higher than \$260,404 (this number changes annually), or a conventional loan where you are behind more than \$60,000, you may not get an Act 6 or Act 91 Notice, but you will get a notice telling you your rights.

Step 3:

I received a Complaint

If you do not "cure" your delinquency or meet with a housing counselor within 33 days of your Act 91 Notice date, the mortgage company will file a legal document in the local Common Pleas Court, called a "Complaint" (see **page 61**). This is a legal document claiming that you are in default of the mortgage and declaring that the loan is due and payable in full. The Complaint cannot be filed until at least 120 days after the first missed payment.

Service of the mortgage foreclosure complaint

The Sheriff's office in your county must hand deliver a copy of the mortgage foreclosure complaint to an adult at the homeowner's residence (unless the Court has permitted a different form of service, such as posting on your door or by sending certified mail). In Philadelphia, service can also be made by a private process server.

Responding to the mortgage foreclosure complaint

You have 20 days from the date the Sheriff delivers the complaint to respond either by filing preliminary objections or an answer in the Common Pleas Court. You must also "serve" (send by mail) a copy of your filing to the lawyer for the mortgage company. You can file this on your own, but it is best to use the assistance of an attorney as this step is legally complex.

Philadelphia Only: Conciliation Conference (see page 25). The Philadelphia Court of Common Pleas has the "Residential Mortgage Foreclosure Diversion Program" to help homeowners save their homes. Foreclosures of owner-occupied homes have a "conciliation conference" scheduled when the case is filed. Homeowners receive a notice stating when their court conference is scheduled. Before appearing in court, homeowners should try to meet with a certified housing counseling agency (see the Housing Counseling Agency Directory) to prepare a financial hardship application. Appointments can be scheduled by calling the Save Your Home Philly Hotline (215-334-HOME). You should come to court even if you have not submitted a financial packet or met with a housing counselor before your court date!

At the conference, the mortgage company's lawyer will be there, along with a court-appointed mediator, if one is requested. You will have an opportunity to speak with housing counselors (if you have not already done so) and legal aid attorneys.

Homeowners and lenders will speak directly with each other and attempt to reach an agreement or resolution. Lenders' attorneys must attend the scheduled conferences with knowledge of the cases and willingness to attempt to reach a resolution. Homeowners must attend the scheduled conference in order to stay in the program.

Default judgment cannot be taken by the mortgage company while homeowners are still in the conciliation program.

However, homeowners must be prepared to file a response to the foreclosure complaint one day after the end of the process in order to avoid entry of a foreclosure judgment if an agreement is not reached.

Bucks County: Conciliation Conference (See **page 12** for more information). The Bucks County Court of Common Pleas has the "Mortgage Foreclosure Diversion Program" to help homeowners save their homes. Foreclosures of owner-occupied homes may request a "conciliation conference" within 10 days of when the complaint is served. The conference will be conducted by the court-appointed mediator.

Default judgment cannot be taken by the mortgage company until at least 20 days after the conciliation conference. Therefore, homeowners must be prepared to file a response to the foreclosure complaint 20 days after the conference in order to avoid entry of a foreclosure judgment if an agreement is not reached.

Delaware County: No special court mediation program exists in Delaware County at the time of publishing.

Montgomery County: The Court of Common Pleas of Montgomery County launched a pilot mortgage foreclosure diversionary program for homeowners of owner-occupied properties who are the subject of residential mortgage foreclosure complaints filed on or after June 1, 2015 with a total debt of \$300,000 or less. (Commercial properties and those included in divorce, estates or bankruptcy proceedings will not be included in the program.)

Upon the filing of the complaint, an automatic stay of the foreclosure proceedings is issued. A conciliation conference is scheduled for approximately 5 to 6 weeks after the filing of the complaint. A notice is sent with the scheduling order encouraging the homeowner(s) to contact a housing counselor at Clarifi, a HUD approved consumer credit counseling agency (www.clarifi.org or 800-989-2227). The housing counselors are available FREE of CHARGE.

At the conference, homeowners will have an opportunity to speak with housing counselors (if they have not already done so) and legal aid attorneys.

Homeowners and lenders will speak directly with each other and attempt to reach an agreement or resolution. Lenders' counsel must attend the scheduled conferences with knowledge of the cases and willingness to attempt to reach a resolution. Homeowners must attend the scheduled conference in order to stay in the program.

Step 4:

I received the "Important Notice" letter

If you do not file a response to the mortgage foreclosure complaint, the mortgage company lawyer must send you a notice of default informing you that you have not responded to the complaint and that judgment can be entered against you if you do not file a response in the Common Pleas Court within 10 days of the Notice (the day it was sent, not the day you receive it). (See **page 62**)

Step 5:

I received a Judgment and my house is scheduled for Sheriff's Sale

If you do not file a response to the mortgage foreclosure complaint, the mortgage company can take a "default" judgment against you. At the same time, the mortgage company will file a "Writ of Execution" and schedule a Sheriff's Sale of your home (**page 64**). The length of time between entry of default judgment and the date of the Sheriff's Sale varies from county to county (anywhere from 2 to 5 months). The Sheriff must deliver a notice of the sale to each person who signed the mortgage and post a big Sheriff's Sale sign on your door.

NOTE: If your house sells at Sheriff's Sale, you no longer own it and there is almost nothing you can do to save your home (unless there was a technical defect in the foreclosure process, which is extremely rare). See County specific information.

Step 6:

Sheriff's Sale is held and property is sold

If you have not taken any action to prevent the Sheriff's Sale from taking place, (such as "reinstating" the mortgage, finalizing a loan modification, filing a bankruptcy petition, requesting a postponement of the sheriff sale by the court, or having the judgment opened,), and if the mortgage company has met all the requirements for the Sheriff's Sale to proceed, the sale will take place in a public place. Often the auctions are held at the local county courthouse. Once someone buys your home at the sale (often the mortgage company itself will buy it back), you no longer own it. However, you do not have to leave your home on that day.

Sometimes, the new owner (which could be an agent for the bank) may try to contact you. They may offer "cash for keys"—money for you in return for a promise to move out by an agreed upon date or offer to allow you to stay and pay rent. The law does not require the new owner to do any of this. Accepting these offers is your decision. If you do not reach an agreement with the new owner they will probably proceed to eject you.

Step 7:

I received a "Complaint for Ejectment"

The new owner of the house cannot remove you from the home on their own. Only the Sheriff can evict you. The new owner may ask or demand that you leave, but you can choose to remain in possession of the house until a separate court case, called an "ejectment action", is brought against you and won by the new owner. The new owner must file another complaint in the local Common Pleas Court, this time claiming that you no longer have a right to possess your home because you lost legal title to it in the Sheriff's Sale.

NOTE: If you choose to remain in the house, the new owner has the right to demand fair market value rent. Often, they do not try to collect this, but you should know they can demand that money in the ejectment suit.

The Sheriff's office in your county must hand deliver a copy of the ejectment complaint to each adult person in possession of the house (unless the Court has permitted a different form of service). In Philadelphia, service can also be made by a private process server.

You have 20 days from the date the Sheriff delivered the complaint to respond to the complaint by filing either preliminary objections or an answer in the Common Pleas Court. You must also "serve" (send by mail) a copy to the lawyer for the mortgage company or other buyer. If you do not file a response to the ejectment complaint the lawyer for the mortgage company or other buyer must send you a notice of default (entitled "Important Notice"), informing you that you have not responded to the complaint and that judgment can be entered against you if you do not file a response in the Common Pleas Court within 10 days of the Notice (the day it was sent, not the day you receive it).

Step 8:

The Sheriff has given me a move-out date

If you still do not file a response to the ejectment complaint, the mortgage company or other buyer can take a "default" judgment against you. At the same time, the mortgage company or other buyer will file a "Writ of Execution" or a "Writ of Possession." (See **page 64**) The Sheriff will deliver this notice to the house.

Philadelphia County: Writs of Possession are not issued on default judgment. Either a motion or trial must happen first.

The Sheriff will also schedule a time by which you must move out of the house. If you remain beyond that time a Deputy Sheriff can come out to your home and forcibly evict you. How long this can take varies from county to county depending upon the workload of the Sheriff's office. Technically, the Sheriff's office is not allowed to take longer than 90 days to evict you once the writ is filed. In some counties, a representative of the Sheriff's office will notify you a few days or weeks before coming out to evict you, but this is not required. You can call the Sheriff's office to ask when your property is scheduled for a "lock out" and they should tell you. Even if you are evicted from the house, you still have a right to keep all of your personal possessions from the home. However, you will be billed for storage of those items.

How Can I Prevent the Sheriff's Sale?

READ THIS FIRST: Once a Sheriff's Sale is scheduled, you must act quickly. It is important to seek professional legal help. Although you are allowed to act on your own, your chances of success are not in your favor. **Find a professional housing counselor or foreclosure defense attorney** with practical experience and knowledge.

Can I STOP the Sheriffs Sale by making payments?

You have a legal right either to "Reinstate", or to "Satisfy", the mortgage, even one hour before the Sheriff's Sale. But don't wait until the last minute, when a small obstacle can cause a huge problem! Often, funds must be by certified check. And remember that even a "wire" transfer can take hours to be verified. Although the mortgage company is not allowed to charge certain excessive fees, it may be better to stop the sale, first, and to worry about the amounts, later!

"Reinstatement" means COMPLETELY paying ALL missed payments, late charges, court costs, and attorney's fees. This is also called "Curing the Default", or "Paying Current". After you Reinstate your mortgage, it will continue as if you had not had the earlier problems. You will then need to resume your regular monthly payments, going forward. Ask a Housing Counselor about HEMAP, a Pennsylvania program which can help a homeowner pay a mortgage current. A few local organizations may have similar grants.

"Satisfying" (or "Paying Off") the debt means paying the complete judgment amount set by the court, plus interest. If there is no judgement yet, request a written payoff statement from the mortgage company's lawyers—this will tell you an amount you may pay by a certain date. After you Satisfy your mortgage (or judgment), there should be no more payments on that loan, because it is completely paid off. Some people are able to pay off the judgment or mortgage with proceeds from selling their home, or by refinancing the house into a new mortgage. The state, federal government, non-profit organizations, and even some private banks have programs to refinance homeowners into more affordable loans.

It is the mortgage company's decision whether or not to accept any amount LESS THAN the full Reinstatement or Payoff amount—and they very rarely agree to accept less when the foreclosure is farther along. And if they are not going to delay or stop the sale of your home, paying a partial amount may help them more than it helps you.

Can I ask for more time? If you have a Sheriff's Sale scheduled, the sale may be postponed (or "continued") until a certain date, usually at least a month away. Sometimes, the mortgage company may even postpone a sale on its own, without explanation. A court may also "stay" a sale, pausing it until the court "lifts the stay", perhaps after another hearing. A Stay often provides at least three months, if the mortgage company must provide new notices or advertisements. On its own, getting more time will not solve your mortgage delinquency—but it may give you breathing room to create another practical solution.

First, ask the mortgage company if you need more time. Sometimes, the mortgage company (and their attorney) may agree to postpone the sale (at your request). If the mortgage company agrees to postpone or stop the sale, it is very important that you get written confirmation and verify that information with your county's Sheriff's Department. You must note a new sale date for your own records.

Second, if the mortgage company does not agree to postpone or stop the sale, you have the right to ask the court to order that the sale be postponed or stopped. You (or your attorney) can ask the court to order your sale postponed or stopped by filing a formal Petition to Stay.

Petition to Stay In a Petition to Stay, you must explain to the Judge why a delay would be fair. You might explain how the extra time will allow you to resolve the foreclosure, or you might show certain defects in the foreclosure. For example, the court might stay a Sheriff's Sale if you are waiting for some specific money to become available, from any source. Some sources are: a pending loan modification or a refinance in-progress, the sale of your home (an offer is better, but a listing agreement may be enough), or an upcoming award (from another lawsuit, or benefits for retirement or disability).

Typically, a court is more likely to allow a delay where you offer a solution that is definite, and not just wishful. For example, an offer letter for a new job with a definite start date and certain income is usually better than a scheduled job interview. (The job interview does not always lead to a job down the road, and earnings are uncertain.) Courts are often more willing to grant the shortest practical delay, and may be more open to a first stay than any second (or third) stay.

You are allowed to file a Petition to Stay up until the morning of the Sheriff's Sale. But if you are filing within the week of the Sale, you must also explain why you are filing so late. Courts (and law libraries) in Philadelphia and other counties may offer a blank template petition, designed for people without lawyers— **you should ask or check online!**

Petition to Strike (or Open) the Judgment

By itself, filing one of these formal petitions will NOT stop a Sheriff's Sale—you will likely need to file a Petition to Stay at the same time (described above). You MUST act as quickly as possible after a judgment is entered, if you want to Open or Strike that Judgment. Although a few procedural defects may allow a Petition to Strike Judgment later on, a Petition to Open must prove additional things after the 10th day, and a court may find it unfair to Open (or Strike) a judgment after too much time has passed.

If the court already entered judgment against you, you may file a formal Petition to Strike (or Petition to Open) the Judgment, to ask the court to remove that judgment.

If the court grants your Petition—and Strikes or Opens the judgment against you—your case will continue from where it was before any judgment was entered. A lawyer can help you understand whether you should file a Petition to Open or a Petition to Strike the judgment, or even a combined "Petition to Strike or Open Judgment".

Working with the Lender, or Refinancing

Your lender probably allows borrowers to apply to "modify" the terms of their mortgage to resolve a delinquency. Private lenders may have their own rules, but loans with FHA, Fannie Mae, Freddie Mac, VA, and USDA have standardized programs, described more in pages 19 to 28, and page 44 of this guide.

If your first application for loan modification is still pending (or accepted), your mortgage company cannot file a foreclosure lawsuit. If a lawsuit was already filed before you applied, the lender still has to consider you for the modification and they cannot sell your house at Sheriff's Sale until your application is reviewed. Under the Consumer Financial Protection Bureau's rules to protect consumers from wrongful foreclosure, your servicer must not conduct a sale on the home if they receive a complete loss mitigation package at least 37 days before a sale date, unless the application is denied or withdrawn, or the borrower fails to perform under the terms of the loss mitigation agreement.

BE CAREFUL – Just because you are working with a lender does not mean you are in the loan modification process. If you have a Sheriff's Sale scheduled, you should ALWAYS VERIFY IN WRITING with the lender and the Sheriff to confirm that the sale is stopped or postponed ("stayed"). Many lenders will talk to people about resolving problems, but still continue to Sheriff's Sale. Do not let this surprise you!

Rescue Loans There are programs to help people get out of predatory mortgages and into fairly priced loans. Each program has its own requirements, applications, and other rules. **(Watch out for scams—if something sounds too good to be true, ask questions!)**

What about Bankruptcy? Unless you have filed two other bankruptcies in the past year, Bankruptcy typically stops collection and legal actions (including a Sheriff's Sale of your home), to let you propose a plan to the bankruptcy court to figure out how to Cure any Defaults (like "Reinstatement", below, but spread over time). If you have filed one other case in the past year, the stay will last only 30 days.

Up until the moment before the Sheriff's Sale, you can stay the sale by filing a bankruptcy in the federal bankruptcy court. But you may need to take further steps to make sure the Sheriff receives notice of your bankruptcy in time. It is a good idea to file bankruptcy AT LEAST ONE DAY BEFORE a sale, and also to notify the mortgage company and Sheriff in writing, at that time.

If you file a Chapter 7 bankruptcy, you may be forced either to IMMEDIATELY PAY YOUR MORTGAGE CURRENT, GIVE UP YOUR HOME, or pursue another option such as a loan modification. If you file a Chapter 13 bankruptcy, you must propose (and the court must approve, or "confirm") a plan to make all payments over 3-5 years to bring the mortgage (and some other debts) current as of when you filed. During the 3-5 years in a Chapter 13 Bankruptcy, you must make bankruptcy payments IN ADDITION TO your regular payments on your mortgage, and certain other debts!

Before filing bankruptcy, **you MUST get credit counseling from a court-approved bankruptcy counselor.** Visit the official list, at <https://www.justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111>. **(Ask the counselor** about waiving any course fees you cannot afford!) If you do not have a credit counseling certificate when you file bankruptcy, the bankruptcy court likely will dismiss your case, which may cost you valuable time and money.

AND BEWARE! Filing a bankruptcy petition does not solve your problems completely. And a bankruptcy may give you only a little more time if it is not handled appropriately—and this may come at great cost to you. You must also know that bankruptcy sometimes makes it more difficult to get a loan modification, later on! **Get a lawyer to help you.** Filing a bankruptcy yourself is a lot like doing your own taxes, but with NO instructions and SERIOUS consequences! There are MANY confusing forms and rules. This is particularly true for a Chapter 13 bankruptcy, where you must propose a plan to catch up on your mortgage.

After the Sheriff's Sale

READ THIS FIRST:

A key thing to remember: Sheriff's Sale day is not move out day. The Sheriff's Sale process simply transfers ownership of the house to the successful bidder. The successful bidders are often the mortgage company that filed the foreclosure case, but can also be an independent third party bidder. Transfer of ownership doesn't happen immediately at the Sheriff's auction. At the auction, if the property is purchased by a third party, the winning bidder pays a deposit and then after the Sheriff's Sale has a limited period of time to pay the remaining balance of the bid to the Sheriff (Philadelphia – 30 days; Bucks County, Delaware County, and Montgomery County – 10 days; Chester County – 21 days). If the successful bidder does not pay the balance due, the sale is cancelled, unless a second bidder is recorded and pays the balance due on the second bid. After the Sheriff is paid or if the property is purchased by the mortgage company, the Sheriff has 45 days to sign the deed transferring ownership to the new owner. The whole time before that, the house still belongs to the former owner. If there are any of a number of irregularities with the Sheriff's Sale process, the former owner can file a petition to set aside the Sheriff's Sale in the Court of Common Pleas. By rule, this should be filed within 20 days of the Sheriff's Sale, but can be filed any time prior to when the Sheriff's deed is recorded.

In a mortgage foreclosure case, once the deed gives ownership to the new owner, you still have the right to possession of the property, but you could be found liable to pay the new owner fair market rental value if it is determined in Court that you no longer have a legal right to be in the house (although this rarely happens). This is less of a concern if you have filed a timely petition to set aside the Sheriff's Sale, challenging whether the Sheriff's Sale was valid. If you do not relocate voluntarily, the new owner has to file a separate lawsuit, called an ejectment case, to remove you from the house. Ejectment is the **only** legal method to remove a person from a house after a Sheriff's Sale, according to a 2019 ruling of the Pennsylvania Supreme Court (*Assouline v. Reynolds*). However, some buyers attempt to bypass the law. In the following pages are scenarios that sometimes happen, and advice on what to do should you encounter one of these situations.

New owner comes to the house

Sometimes, a new owner will go to the house and knock on the door, or if the mortgage company purchased the property at the Sheriff's Sale, they or their lawyer will typically send you a letter. They might ask you to let them "inspect" the property. They might ask you to move out. They might offer you money to move out.

If the mortgage company purchased the property, this may be done by a company under contract to the mortgage company. The new owner may even try to threaten you to leave by misrepresenting your legal right to remain in the property. They may try to do this before they have paid the balance due or have the deed, sometimes even on the same day as the Sheriff's Sale.

It is OK for the new owner to ask you to leave, but it is also OK for you to say no. You do not have to let them into the house or on the property. If they attempt to enter without your permission, or if they become threatening, abusive, or violent, **call the police**. The new owner is not allowed to "breach the peace." It is the duty of the police to keep the peace. The police should explain to the new owner that they need to go to Court and file an ejectment case to seek your removal from the house.

NOTE: If the new owner is offering you money to move out, you may want to consider the offer. It is legal for you and the new owner to work out a move out agreement. This is called "cash-for-keys." Typically, the occupant promises to move out by a specific deadline, and promises to surrender the house in good condition. In exchange, the new owner pays money. If you get an offer and want advice, a lawyer or housing counselor can help you understand the cash for keys process. Also, for tenant occupants of a home sold at Sheriff's Sale, the current lease must be honored by the new owner under the Protecting Tenants at Foreclosure Act. If the lease is month to month, the tenant occupant has 90 days to move out. Rent would be due to the new owner under the lease.

The new owner changes the locks and/or enters your property

Whether before or after a Sheriff's Sale, the mortgage company or third party new owner is not legally permitted to change the locks or to enter the property, except the mortgage company may do so in limited circumstances. Typical mortgage loan documents provide that the borrower is required to maintain the property. If the lender has reasonable cause to believe that the property is not being maintained or that it has been abandoned, the mortgage company may attempt to rely on those provisions in the mortgage documents to intervene in various ways at the property. However, unless the property has been abandoned by you, this can only legally be done by providing you with notice and arranging an inspection with you, especially with respect to an interior inspection.

If you continue to reside in your home and you see any signs of entry or locks are changed, you should take the following steps. First, re-enter your home, and maintain access and possession of your property. Second, if you can afford it, have all the locks changed back. Third, ask a lawyer or housing counselor to send a letter to the new owner, advising them that you are in possession of your property, that their entry and/or changing the locks was illegal, that you have changed the locks back, and that they may not trespass on your property. Sending such a letter yourself is better than not at all.

If the new owner is the foreclosing mortgage company, actions such as property inspections including taking pictures, maintenance of the property – cutting the grass, making repairs, etc., changing locks, “winterizing” the home, are usually performed by companies contracted by the mortgage company. When such companies come to the property, they will usually post a notice on the door or a window with their contact information, especially if they have entered the home or changed the locks. If it appears such actions have been taken by such a contract company, be sure to send a copy of the letter advising the new owner of your continued possession of the property and not to trespass to the contract company as well.

The new owner turns off the utilities

Turning off utilities to the property is legally referred to as a “constructive eviction”. If the new owner gives any instructions to utility companies to terminate service or to change service out of your name prior to execution of a judgment in an ejectment case, you should contact the utility companies and inform them that you are still living in the property, and to keep your account active until and unless you are forcibly ejected from your home under the authority of a writ of execution entered in an ejectment case. If any utility company does not cooperate in maintaining utility service in your name, while you remain a legal resident in your home, consult a lawyer or housing counselor to intervene on your behalf. You can also contact the Public Utility Commission.

The new owner calls the police

In recent years, there has been a lot of attention to the problem of “squatters.” There is no legal definition of “squatting.” Traditionally, it refers to people who enter a house without permission of an owner for the purpose of living there. Occasionally, a buyer at a Sheriff’s Sale will accuse the former owner of being a squatter. They may even go so far as to call the police and report the former owner as a squatter or trespasser. Here’s what to do if someone accuses you of being a squatter:

- a. The police may investigate an accusation that someone is illegally in a house.
- b. If the police come to your house, be honest and clear about your status:
 - i. If you lost your house because of a mortgage: “I am the former owner of this house. It was recently sold at a Sheriff’s Sale. I am not a squatter. The new owner has to file an ejectment lawsuit to remove me from the property.”
 - ii. **PHILADELPHIA ONLY:** If you lost your house because of property taxes: “I am the former owner of this house. It was recently sold at a sheriff’s sale. I am not a squatter. Under Pennsylvania law, I have the right to redeem this property for nine months after the Sheriff’s Deed. I have the legal right to live in this property during the right of redemption. The new owner has no right to enter or possess the property until the redemption period is over.”
- c. If you have documents to support your claim to the house, show them.
- d. If your answers could implicate you in a crime, you have a right to remain silent.
- e. You should seek legal advice – see “Quick Contacts” on **page 2**.

The new owner files an eviction lawsuit, not an ejectment

The proper legal process to remove a former owner from a house is called ejectment. Ejectment is only available through the Court of Common Pleas. Some Sheriff’s Sale purchasers have tried to evade the ejectment process by filing an eviction case instead in Philadelphia Municipal Court or a Magisterial District Court if outside Philadelphia, which can result in eviction in a significantly shorter period of time.

Eviction should not be used after a Sheriff’s Sale, unless you agreed to rent the property from the new owner (leases do not need to be written – verbal leases are legal in Pennsylvania – so be careful in any dealings with a new owner of your property). This procedure is clearly no longer valid after the Pennsylvania Supreme Court’s November, 2019 decision in *Assouline v. Reynolds*. If you get an eviction lawsuit, you should seek legal representation – see “Quick Contacts” on **page 2**. Even though it is not legal, **do not ignore any Municipal Court or Magisterial District Court eviction papers**. You must be prepared to attend the scheduled hearing and explain to the Judge that the case is not allowed because you are not a tenant (based upon the Pennsylvania Supreme Court case, *Assouline v. Reynolds*).

Sheriff's Procedures: Foreclosure Sales & Ejectment

Bucks County

In FORECLOSURE DOCKET—Time before Sheriff's Sale, after Writ of Execution filed: Approximately three months (11 to 17 weeks).

WHEN? The 2nd Friday of every month, at 11:00 a.m. (But one day earlier if that Friday is a court holiday).

WHERE? the Bucks County Administration Building, Commissioners' Meeting Room, 1st floor, 55 East Court Street, Doylestown, PA 18901.

Other information: To list property for Sheriff's Sale, the mortgage company's law firm must deposit \$2,000 when filing the Writ of Execution in foreclosure, for Sheriff's Fees and advertising costs. Any unused portion will be returned after the sale or if the sale does not take place—you may be entitled to some of this, if you are able to stop the sale.

Contact Sheriff's Office: Milton "Milt" Warrell, Sheriff

Info: <http://www.buckscounty.org/government/RowOfficers/Sheriff/SheriffSales>

Real Estate Sales: 215-348-6140

Real Estate FAX: 215-348-6765

Main Phone: 215-348-6124

Bucks County Justice Center, Floor B2 / 100 North Main Street / Doylestown, PA 18901

In EJECTMENT DOCKET—Typical Procedure once judgment entered, and Writ of Possession filed:

- (1) Notice is provided to former owner and/or occupants, typically within 1 week, depending on deputies' workload.
- (2) That Notice will state details regarding final, forcible lock-out. It will state a particular date for the lockout, which will be at least 30 days later, by Sheriff's policy (unless extenuating circumstances require less notice);
- (3) When the deputies return on that date, they will remove you from the home, and change the locks.

Other Information: the new owner must deposit \$125 toward costs of a locksmith, moving and storage of personal possessions you left at the premises. If you ask, in advance, you may be able to choose your own storage facility instead of what the new owner provides for 30 days.

Chester County

In FORECLOSURE DOCKET— Time before Sheriff's Sale, after Writ of Execution filed: Approximately three months (15 to 18 weeks).

WHEN? The 3rd Thursday of every month (except December) at 11:00 a.m.

WHERE? Room 3300 on third floor of Chester County Justice Center.

Other information: To list property for Sheriff's Sale, the mortgage company's law firm must deposit \$2,000 when filing the Writ of Execution in foreclosure, for Sheriff's Fees and advertising costs. Any unused portion will be returned after the sale or if the sale does not take place—you may be entitled to some of this, if you are able to stop the sale.

In EJECTMENT DOCKET—Typical Procedure once judgment entered, and Writ of Possession filed:

- (1) Notice is provided to former owner and/or occupants, typically within 30 days, depending on deputies' workload.
- (2) That Notice will state details regarding final, forcible lock-out. It will state a particular date for the lockout, between 6 and 30 days later (typically, about 3 weeks).
- (3) When the deputies return on that date, they will remove you, and change the locks (unless you and the new owner have worked out other plans, in advance).

Other Information: 24 hours before a scheduled ejectment, the new owner must confirm with the Sheriff they are ready to proceed, and must hire a locksmith, movers, and storage facility. If you ask, in advance, you may be able to choose your own storage facility, instead of what the new owner provides for 30 days

Contact Sheriff's Office: Fredda Maddox, Sheriff-Elect (to take office January, 2020)

Info: <https://chesco.org/3262/Sheriff-Sales>

Email Real Estate Division: sheriffsales@chesco.org

Real Estate Sales: 610-344-6859

Real Estate FAX: 610-344-5345

Main Phone: 610-344-6850

Chester County Justice Center, Suite 1201 / 201 West Market Street / West Chester, PA 19382

Delaware County

In FORECLOSURE DOCKET—Time before Sheriff's Sale, after Writ of Execution filed: Approximately three months (12 to 17 weeks).

WHEN? The 3rd Friday of every month, at 11:00 a.m. (But one day earlier if that Friday is a court holiday).

WHERE? the County Council Meeting Room, 1st floor, Government Center Building, Delaware County Court House, 201 West Front Street, Media, PA 19063

Other information: To list property for Sheriff's Sale, the mortgage company's law firm must deposit \$2,000 when filing the Writ of Execution in foreclosure, for Sheriff's Fees and advertising costs. Any unused portion will be returned after the sale or if the sale does not take place—you may be entitled to some of this, if you are able to stop the sale.

Contact Sheriff's Office: Jerry L. Sanders, Jr., Sheriff
Info: <https://www.delcopa.gov/sheriff/realestate.html>
Email Real Estate Division: clarkeg@co.delaware.pa.us.

Real Estate Sales: 610-891-4305

Main FAX: 610-891-1765

Main Phone: 610-891-4296

Delaware County Courthouse, Room #101 / 201 West Front Street / Media, PA 19063

In EJECTMENT DOCKET—Typical Procedure once judgment entered, and Writ of Possession filed:

(1) Notice is provided to former owner and/or occupants, typically within 1 week, depending on deputies' workload.

(2) That Notice will state details regarding final, forcible lock-out. It will state a particular date for the lockout, which will be at least 30 days later, by Sheriff's policy (unless extenuating circumstances require less notice);

(3) When the deputies return on that date, they will remove you from the home, and change the locks.

Other Information: the new owner must deposit \$125 toward costs of a locksmith, moving and storage of personal possessions you left at the premises. If you ask, in advance, you may be able to choose your own storage facility instead of what the new owner provides for 30 days.

Montgomery County

In FORECLOSURE DOCKET—Time before Sheriff's Sale, after Writ of Execution filed: Approximately three months (11 to 16 weeks).

WHEN? The last Wednesday of every month at 1 p.m.

WHERE? Montgomery County Courthouse, Courtroom A, 3rd Floor, 2 East Airy Street (at Swede Street), Norristown, PA 19404.

Other information: To list property for Sheriff's Sale, the mortgage company's law firm must deposit \$3,020 when filing the Writ of Execution in foreclosure, for Sheriff's Fees and advertising costs. Any unused portion will be returned after the sale or if the sale does not take place—you may be entitled to some of this, if you are able to stop the sale. Deed typically recorded 30 to 45 days after sale.

Contact Sheriff's Office: Sean Kilkenny, Sheriff
Info: <https://www.montcopa.org/413/Real-Estate-Sheriff-Sales>
Email: RealEstateTeamMCSO@montcopa.org

Real Estate Sales: 610-278-3338

Main FAX: 610-278-3832

Main Phone: 610-278-3331

MontCo Court House, 1st Floor / P.O. Box 311 / 2 E. Airy Street (at Swede) / Norristown, PA 19404

In EJECTMENT DOCKET—Typical Procedure once judgment entered, and Writ of Possession filed:

(1) Notice is provided to former owner and/or occupants, typically within 30 days, depending on deputies' workload.

(2) That Notice will provide 30-day notice to vacate.

(3) On or after the 30th day, the deputies will return with details regarding final, forcible lock-out. It will state a particular date for the lockout, typically, within a month.

(4) When the deputies return on that last date, they will remove you, and change the locks (unless you and the new owner have worked out other plans, in advance).

Other Information: the new owner must hire a locksmith, movers, and storage facility. If you ask, in advance, you may be able to choose your own storage facility, instead of what the new owner provides for 30 days

Philadelphia County

In FORECLOSURE DOCKET—Time before Sheriff's Sale, after Writ of Execution filed: Approximately three months (11 to 16 weeks).

WHEN? The 1st Tuesday of every month at 9:00 a.m.

WHERE? First District AME Plaza, 3rd Floor, 3801 Market Street, Philadelphia, PA.

Other information: To list property for Sheriff's Sale, the mortgage company's law firm must deposit \$1,500 when filing the Writ of Execution in foreclosure, for Sheriff's Fees and advertising costs. Any unused portion will be returned after the sale or if the sale does not take place—you may be entitled to some of this, if you are able to stop the sale.

After deed is recorded, new owner must give occupants 30 days' written Notice to Quit , before filing an Ejectment action.

In EJECTMENT DOCKET—Typical Procedure once judgment entered, and Writ of Possession filed:

- (1)** The Philadelphia Court of Common Pleas serves the occupants with the Writ of Possession and provides a 30 day notice to vacate the property.
- (2)** After that 30 days has expired, Philadelphia Sheriff's Real Estate Division will provide the former owner/occupants with a formal eviction notice, which states details regarding final, forcible lock-out. It will state a particular date for the lockout.
- (3)** When the deputies return on that date, they will remove you, and change the locks (unless you and the new owner have worked out other plans, in advance).

Other Information: the new owner must hire a locksmith, movers, and storage facility for any personal possessions you may still have in the property. If you ask, in advance, you may be able to choose your own storage facility, instead of what the new owner provides for 30 days.

Contact Sheriff's Office: Rochelle Bilal, Sheriff-Elect (to take office January 6, 2020)

Info: <https://www.officeofphiladelphiasheriff.com/en/real-estate/how-sheriffs-sales-work>

Listings: <https://www.officeofphiladelphiasheriff.com/en/real-estate/sheriffs-sale-webapp>

Real Estate Phone: 215-686-3565

Real Estate Fax: 215-686-3971

Main Phone: 215-686-3530

Land Title Building, 5th Floor / 100 South Broad Street / Philadelphia, PA 19110

Section II:

How can I prevent mortgage foreclosure?

In response to the national foreclosure crisis there are many programs available to homeowners to help them stay in their homes. This section contains information about proactive actions, such as housing counseling programs, for people who are struggling to pay their mortgage but are not in foreclosure and people who have received a foreclosure notice but have not yet lost their homes.

Housing Counseling and Preventing Foreclosure

Studies of families in foreclosure across the nation found that homeowners in mortgage default who receive counseling were twice as likely to avoid foreclosure as those who didn't. If you have missed your mortgage payment and/or are struggling to keep you home from foreclosure a housing counselor can help. Even if you are afraid to talk to your lender the counselor can intervene directly on your behalf.

Housing counselors are trained and certified professionals who are knowledgeable about mortgages, foreclosure, real estate, housing terminology and concepts. They know the various aspects of the foreclosure processes and may have access to community resources that can help during a financial crisis. Make an appointment to see a counselor right away.

What do housing counselors do?

Due to the complexity of the foreclosure process foreclosure counselors must be proficient in all phases of foreclosure intervention. They are trained in national and local policies, procedures and processes. Some cases may require a series of sessions with the counselor during which the counselor will analyze your budget, spending, credit, loan and court documents. The counselor will contact your lender and negotiate for an affordable resolution to your situation. If you are in the dark about what to do or are experiencing frustrations and difficulties with your mortgage, there is help: call a housing counselor immediately.

How can housing counselors help with foreclosure prevention and other mortgage problems?

Housing counselors can help people at risk of foreclosure. This includes people experiencing hardships that make it difficult to pay their monthly mortgage. Housing counselors know about programs you can take advantage of so that you might avoid losing your home. The sooner you take action, the more the counselor can help you.

At this time of rising mortgage delinquencies and foreclosures, housing counselors are playing a special role in helping homeowners. Counselors can evaluate homeowners' options and take steps to restructure their mortgages to affordable rates. This may resolve a delinquency and prevent foreclosure of the home.

Since everyone's situation is unique and many programs are available, it is important to receive assistance from a knowledgeable housing counselor. They will help identify and pursue the option(s) best suited to each homeowner. Housing counselors can help homeowners navigate or apply for the programs designed to prevent foreclosure and keep mortgages affordable.

What is the benefit of seeing a housing counselor?

Housing counseling sessions are one-on-one. You will receive specialized advice that is unique to your situation. You will also receive an individualized action plan that takes your unique goals and circumstances into consideration. In the counseling sessions, a housing counselor will evaluate your finances. Counselors will also help you explore what options you may have to prevent foreclosure; restructure a mortgage that you feel has unfair terms or how to refinance your home. Another benefit of seeing a housing counselor is that a counselor can help to identify scams and abusive lending that are not in your best interest.

How much does it cost?

Approved nonprofit housing counseling agencies are free. The only fee you may have to pay is for your credit report in order to obtain your credit score. You are entitled to a free credit report once a year, but you have to pay for your credit score. Avoid for-profit companies that charge for their services, especially those who solicit you through the mail. Working with a legitimate counselor can certainly increase your chances of keeping your home—but be wary of people who promise a sure thing. Get the details of your transaction, along with any promises, in writing first. Keep the following tips in mind when you are seeking help:

- Do not delay in providing the requested documents to your counselor.
- Do not feel pressured to sign paperwork that you have not read through carefully or that you do not understand.
- Do not sign blank forms.
- Do not agree to a repayment plan that is not affordable.
- Do not agree or sign anything that transfers the title (your ownership) to another person or party.
- Ask if your housing counselor can discuss your documents with their legal advisor.

Mortgage Foreclosure Rescue and Loan Modification Scams

As if the stress and fear of losing a home through foreclosure weren't enough, now homeowners must be on alert for scam artists trying to take money that could be used to save the home. There are people and companies who prey on vulnerable homeowners. They make empty promises to work things out on behalf of the homeowner. Often, the homeowner is left with a foreclosure in their hands and the person who was supposed to work things out took their money and did little or nothing to prevent the foreclosure. It is important to bring the attention of homeowners to scams so they can protect themselves and increase the chances of staying in their homes.

Although foreclosure rescue scams are on the rise, they aren't always easy to spot. Here are five red flags to indicate that you may be dealing with a loan modification scammer:

1. A company or person asks for a fee in advance to work with your lender to modify, refinance or reinstate your mortgage.

They may pocket your money and do little or nothing to help you save your home from foreclosure.

2. A company/lawyer/person guarantees they can stop a foreclosure or get your loan modified.

Nobody can make this guarantee to stop foreclosure or modify your loan. Legitimate, trustworthy HUD-approved counseling agencies will only promise that they will try their very best to help you.

3. A company/lawyer/person advises you to stop paying your mortgage company and pay them instead.

Despite what a scammer will tell you, you should never send a mortgage payment to anyone other than your mortgage lender. The minute you have trouble making your monthly payment, contact your mortgage lender.

4. Beware of claims of "government-approved" or "official government" loan modifications.

They may be scam artists posing as legitimate organizations approved by, or affiliated with, the government. Contact your mortgage lender first. Your lender can tell you whether you qualify for any government programs to prevent foreclosure. And remember, payment is not normally required to benefit from government-backed loan modification programs.

5. A company/lawyer/person you don't know asks you to release personal financial information online or over the phone.

You should only give this type of information to companies that you know and trust, like your mortgage lender or a HUD-approved counseling agency.

Common Loan Modification Scams

Phony Counseling or Foreclosure Rescue Scams

Scams artists pose as a counselor and tell you they can negotiate a deal with your lender to save your house but only if you pay them a fee first. They may even tell you not to contact your lender; lawyer or housing counselor and those they will handle all details. They may even insist that you make all mortgage payments directly to them while they negotiate with the lender. Once you pay the fee, or a few mortgage payments, the scammer disappears with your money.

Fake "Government" Modification Programs

Some scammers may claim to be affiliated with, or approved by, the government, or they may ask you to pay high, up-front fees to qualify for government mortgage modification programs. The scammer's company name and website may sound like a real government agency. You may also see terms like "federal," "TARP" or other words related to official U.S. Government programs. Your lender will be able to tell you if you qualify for any government programs to prevent foreclosure. You do not have to pay to benefit from these programs.

Rent-to-Own or Leaseback Scheme

A scammer urges you to surrender the title of your home as part of a deal that will let you stay in your home as a renter and then buy it back in a few years. He may tell you that surrendering the title will permit a borrower with a better credit rating to get new financing and keep you from losing your home. However, the scammer may have no intention of ever selling the home back to you. The terms of these deals usually make buying back your home impossible. If the new borrower defaults on the loan, you'll be evicted.

Variations:

1. The scammer raises your rent over time to the point that you can't afford it. After missing several rent payments, you are evicted, leaving the "rescuer" free to sell your house.
2. The scammer offers to find a buyer for your home, but only if you sign over the deed and move out. The scammer promises to pay you some of the profits when the home sells. But the scammer simply rents out your home and keeps the profits while your lender proceeds with the foreclosure. You lose your home and are still responsible for the unpaid mortgage because transferring the deed does not affect your mortgage obligation.

Bankruptcy to Avoid Foreclosure

The scammer may promise to negotiate with your lender or get refinancing on your behalf if you pay a fee up front. Instead of contacting your lender or refinancing your loan, he pockets the fee and files a bankruptcy case in your name—sometimes without your knowledge.

A bankruptcy filing often stops a home foreclosure, but only temporarily. Filing bankruptcy stops any collection and foreclosure while the bankruptcy court administers the case. Eventually you must start paying your mortgage or the lender will be able to foreclose. You could lose the money you paid to the scammer and your home.

Reverse Mortgages to Avoid Foreclosure

A reverse mortgage is a loan product that was intended for senior citizens (generally 62 and over) to borrow against the equity in their home if they have other expenses to take care of but have a limited income. Reverse mortgage loans typically require no repayment for as long as you live in your home and allow borrowers to continue owning their homes. Once the senior citizen leaves the home or passes away, the entire balance becomes due, and if it is not paid off, the home may be sold. Although a reverse mortgage may be appropriate for some people, scammers have picked up on this vulnerable population and used the reverse mortgage as a foreclosure rescue option for homeowners. There are other ways to save your house; the reverse mortgage should be the last option after all options have been exhausted.

In the context of a reverse mortgage, you should never transfer ownership or change property or deed ownership. If you are being asked to transfer ownership, you should not sign any documents and seek legal counsel.

I'm not in foreclosure, but struggling to make my mortgage payments

If you want to avoid foreclosure, please contact us immediately at 215-334-HOME (4663) and we'll discuss your options. There are programs that may allow you to stay in your home as well as options that might help you leave the house without going through foreclosure. The sooner you call us to explore your options, the more alternatives you may have.

I've received a notice and am in foreclosure.

At a federal and local level, programs were created or enhanced to help the growing number of people who were threatened with the loss of their home through foreclosure. The programs in this section, such as mortgage modifications or court intervention, may be useful for individuals further along in the foreclosure process.

Homeowners' Emergency Mortgage Assistance Program (HEMAP)

Purpose: HEMAP was created by Act 91 of 1983, and was designed to protect Pennsylvanians who, through no fault of their own, are financially unable to make their mortgage payments and are in danger of losing their homes to foreclosure. HEMAP is a loan program to prevent foreclosure.

Program: Emergency/Rescue Loan

Program Features:

- Currently (2020) 4% APR. Rate resets annually.
- Two types of assistance are available depending on the income and financial situation:
 - (1) Continuing mortgage assistance loans. Loan recipients of a continuing loan must begin repayment immediately following termination of continuing loan disbursements.
 - (2) Non-continuing mortgage assistance loans.
- Loan recipients of a non-continuing loan must begin repayment immediately following loan closing.
- All HEMAP loan recipients are required to pay up to 40 percent of their net monthly income, as determined by the Pennsylvania Housing Finance Agency, towards their total housing expense. Repayment is set based on income, but must be at least \$25.00 per month per mortgage assisted.

Maximum Amount: All HEMAP loans, continuing or non-continuing, are limited to a maximum of 24 months from the date of the mortgage delinquency or to a maximum of \$60,000.00, whichever comes first.

Eligibility Requirements:

- At least 60 days delinquent on their mortgage and have received an Act 91 Notice from their lender.
- One- or two-family residence; (A home used primarily for business purpose is not eligible).
- Property must be owner occupied and located in the state of Pennsylvania.
- Favorable mortgage credit history prior to the delinquency during the previous five years.
- Homeowner(s) must be suffering financial hardship due to circumstances beyond their control.
- Homeowner(s) must have a reasonable prospect of resuming full mortgage payments within 24 months and paying the mortgage in full by maturity.
- PHFA/HEMAP must have at least a 3rd lien position.
- FHA Title II loans are not eligible.

Geographic Area Served: State of Pennsylvania

Procedures:

- An applicant must meet with an approved counseling agency (list of agencies is attached to the Act 91 notice) for a face-to-face meeting within 33 days from the date of the Act 91 Notice in order to stop a foreclosure case from being filed in court and to begin the application process.
- Within 30 days of the meeting, the counselor must submit the application and supporting documentation to HEMAP.
- The applicant must also prepare a Letter of Circumstance explaining the exact reason their mortgage is delinquent and include verification.
- The application process can take up to four months to complete.
- While applications are processed, foreclosure cases cannot commence if the procedural time limits are met.
- For those who apply after 33 days from the Act 91 Notice date, foreclosure cases can proceed during the application process, but this should not stop a homeowner from applying if they are eligible.

Contact Information: Local PHFA approved agency. See the Housing Counseling Agency Directory.

For More Information: General Information: 1-800-342-2397 or visit www.phfa.org/consumers/homeowners/hemap.aspx

FHA Loss Mitigation (HAMP)

Purpose:	To help borrowers with FHA-insured who have fallen behind on mortgage payments become current and save the home from foreclosure.
Program:	FHA loans have a number of programs available, including repayment agreements, loan modifications, and the Partial Claim option, in which a portion of the arrears or principal balance is converted into a second mortgage that is payable at the maturity date of the loan.
Program Features:	<p>The loss mitigation program requirements for FHA-insured mortgages are contained in the Single Family Housing Policy Handbook (HUD Handbook 4000.1)</p> <p>Different loss mitigation options are available depending on the borrower's available income and reason for default. Borrowers who qualify for a loan modification will first need to enter into a trial period plan (usually lasting 3-4 months) and pay each payment on time. If all requirements of the trial plan are completed, the servicer will offer the borrower a permanent modification.</p>
Eligibility Requirements:	The mortgage loan is a single-family mortgage insured by the Federal Housing Administration.

Formal and Informal Forbearance Eligibility Criteria:

- Forbearance Plans are arrangements between a Mortgagee and Borrower that may allow for a period of reduced or suspended payments and may provide specific terms for repayment.
- Informal Forbearance Plans are oral agreements between the homeowner and the lender which allowing for reduced or suspended payments for a period of three months or less and may provide specific terms for repayment.
- Informal Forbearance Plans are available if the homeowner can bring the mortgage up to day within three months. Formal Forbearance Plans are written agreements executed by one or more of the Borrowers, allowing for reduced or suspended payments for a period greater than three months, but not more than six months and such plans may include specific terms for repayment.
- The Borrower does not need to show a loss of income or increase in living expenses to qualify for a Formal Forbearance Agreement.
- The Borrower does need to provide a budget showing that 85 percent of the Borrower's surplus income is sufficient to bring the Mortgage current within six months.
- The mortgage company must determine that the Borrower is ineligible for other Home Retention Options before offering a Formal Forbearance Agreement.

Special Forbearance Eligibility Criteria:

- A Special Forbearance is temporary suspension of mortgage payments for borrowers having trouble making mortgage payments due to unemployment.
- One or more of the mortgage borrowers has become unemployed, leading to missed payments on the mortgage.
- The borrower is an owner-occupant of the property and will stay in the property for the length of the agreement.
- When all borrowers' income is taken into account, the mortgage payment is currently higher than 40% of the current monthly income.
- Only borrowers experiencing unemployment are eligible for this program.
- The mortgage company may reduce or suspend payments for up to the amount of 12 monthly payments to allow the borrower time to obtain new income.
- Once the 12 month period has ended, or the borrower becomes employed again, the borrower should be considered for other loss mitigation options to bring the loan current.

Loan Modification Eligibility Criteria:

A Loan Modification is a permanent change to one or more terms of a borrower's mortgage loan agreement, such as a change to the interest rate; capitalization of Delinquent principal, interest or escrow items; extension of time available to repay the Mortgage; and/or re-amortization of the balance due.

- At least 12 months must have passed since the loan origination.
- The borrower must be able to show either a loss in income or an increase in living expenses
- The modification must offer a payment that it is less than 40% of the borrower's gross monthly income.
- The mortgage interest rate is set at the Freddie Mac Primary Mortgage Market Survey Rate, and the loan is amortized over 30 years.
- To qualify for a modification, this must result in the loan being reduced by 10% or \$100, whichever is greater.
- The borrower must complete a three-month Trial Period Plan, making all payments on time before the Loan Modification can be finalized.
- The property must be the borrower's principal residence.
- The borrower cannot have had a Loan Modification or FHA-HAMP agreement within the past 24 months.

FHA Loss Mitigation (HAMP) Continued

FHA-HAMP Eligibility Criteria

The FHA-HAMP Option uses a Loan Modification and a Partial Claim to allow the Mortgage to be reinstated, by establishing an affordable monthly payment and providing for principal deferment as needed. A Partial Claim is a subordinate mortgage from the Department of Housing and Urban Development that assists in reinstating a delinquent mortgage, and does not need to be paid until the loan matures or the property is sold.

- At least 12 months must have passed since the loan origination.
- The borrower has made at least four payments on the mortgage
- The borrower must be able to show either a loss in income or an increase in living expenses.
- The borrower does not have sufficient income for the formal forbearance, informal forbearance or loan modification options.
- The mortgage arrears are placed in a partial claim, which cannot exceed 30% of the unpaid principal balance.
- The interest rate is set at the Freddie Mac Primary Mortgage Market Survey Rate, and the remaining principal balance is amortized over 30 years.
- To qualify for a modification, this must result in a payment that is no more than 40% of the borrower's gross monthly income.
- The borrower must complete a three-month Trial Period Plan, making all payments on time before the Loan Modification can be finalized.
- The property must be the borrower's principal residence.
- The borrower cannot have had a Loan Modification or FHA-HAMP agreement within the past 24 months.
- The mortgage lien must retain its lien position status.

Geographic
Area Served: FHA Mortgage in all 50 states.

Administering
Agency: Federal Housing Administration

Procedures:

- Servicers of FHA-insured loans must evaluate a borrower loss mitigation options and provide the appropriate application.
- For free assistance with the application, call a HUD-approved housing counseling agency.
- Housing counselors will assist you with completing and submitting the application to your mortgage servicer or lender.
- *This information is not a guarantee of eligibility for the modification program.*

Flex Modification

Purpose: Flex modification was jointly developed by Fannie Mae and Freddie Mac to replace their prior modification programs, and was introduced with LL-2016-06 on December 14, 2016, replacing HAMP, Standard, Streamlined, and Disaster Streamlined modification programs with a future effective date of October 1, 2017.

Program: Loan Modification

Program Features: The program will offer additional payment relief allowing forbearance of principal to an 80% mark-to-market loan-to-value ratio for eligible borrowers (not to exceed 30% of the unpaid principle balance) in two ways: 1) for borrowers less than 90 days delinquent, the program requires a complete loss mitigation application and targets 20% payment reduction and 40% housing expense-to-income ratio; 2) for borrowers 90 or more days delinquent, the program targets a 20% payment reduction and requires no borrower documentation.

Eligibility Requirements:

- Must be a conventional first lien mortgage loan
- Secured by a principal residence and must be at least 60 days delinquent or at risk of imminent default, or must be at least 60 days delinquent if the loan is secured by a second home or investment property
- Mortgage loan must have been originated at least 12 months prior to evaluation
- The following are excluded from eligibility:
 - Mortgages that have been previously modified three or more times
 - Mortgages previously modified with the Flex Modification terms and the mortgage became 60 or more days delinquent within 12 months of the modification effective date (in this instance, the first modified payment due date) and the borrower has not brought the mortgage current following the delinquency
 - Borrowers, who, within 12 months of the evaluation date, failed a Flex Modification Trial Period Plan.
 - Mortgages subject to an approved short sale or deed-in-lieu transaction
 - Borrowers who are currently performing under another Trial Period Plan, forbearance plan, or repayment plan
 - Mortgages that are currently subject to an unexpired offer to the borrower for another modification or other alternative to foreclosure, such as a forbearance or repayment plan

Geographic Area Served: Nationwide

Administering Agency: Fannie Mae and Freddie Mac

Procedures:

- If the loan is fewer than 90 days delinquent, submit a Borrower Response Package, if not, automatically considered
- Capitalize arrears
- Set the interest rate to the contractual rate or the Fannie Mae Standard Modification Interest Rate depending on which is lower and the MTMLTV
- Set the term of the loan to 480 months
- If the MTMLTV is greater than 100%, forebear principal at the lesser of the amount needed to get to 100% MTMLTV or 30% of the UPB
- Additional principal forbearance may be available if necessary to achieve a 20% P&I payment reduction and a 40% HTI
- Modification must result in a fixed-rate loan

Contact Information: Local Housing Counseling agency. See the Housing Counseling Agency Directory. Mortgage Servicer

For More Information: Know Your Options by Checking Here First: <https://www.knowyouroptions.com/loanlookup>
Loan Look-Up Tool: <https://ww3.freddie.mac.com/loanlookup/>

Reverse Mortgage Repayment Plans for Tax and Insurance Charges

Purpose: Allows senior homeowners with HUD-insured reverse mortgages who are facing foreclosure for failure to pay property tax, hazard insurance, or other property charges to negotiate payment agreements to save their homes.

Program: Many homeowners who have Reverse Mortgages (also called HECMs) are responsible for paying their property taxes and insurance premiums (called "property charges") annually as they come due. If they do not pay, the mortgage servicer will advance the funds to cover the charges and will bill the homeowner. If the homeowner cannot pay the advanced amount within 30 days, the mortgage company may seek to foreclose on the property. A Repayment Plan allows homeowners who have fallen behind on their property charges to enter into an agreement to pay back the charges over a period of up to 5 years, depending on the amount owed, among other factors.

Program Features: Homeowners who have defaulted on their mortgages due to unpaid property charges should contact a HUD-Certified Housing Counselor for Assistance. The HUD-Certified Housing Counselor can assist the homeowner in completing an application, which includes proof of the homeowner's income and budget.

Mortgage servicers will send a Property Charge Delinquency Letter to the homeowner which should include the following substantive information:

- (1) State that an obligation of the borrower to pay property charges has not been met;
- (2) State that failure of the borrower to pay property charges will result in the loan becoming due and payable;
- (3) Include, where a mortgagee has advanced corporate funds on behalf of the borrower, the amount advanced;
- (4) Provide notice of availability of Housing Counseling; and
- (5) Provide notice of any available loss mitigation options the mortgagee may offer.

Homeowners over 80 years of age may also request an "At-Risk" extension, which delays the foreclosure, if they are experiencing critical circumstances such as a terminal illness, long term disability, or terminal illness of a family member receiving care at the residence.

Administrator: The programs are administered and approved by individual mortgage servicers, but they are overseen by the Department of Housing and Urban Development, which insures reverse mortgages.

Procedures:

- Contact the mortgage company for the application for a repayment plan.
- Work with a HUD-Certified Housing Counselor to complete the Application.
- Contact the National HUD Servicing Center at (800) 594-9057 if you encounter problems applying for this program.

Reverse Mortgage Options for the Surviving Spouse of a Deceased Borrower

Purpose: Allows the borrower's surviving spouse (who is not a borrower on the Reverse Mortgage) to continue to live in the property after the borrower's death as long as the surviving spouse meets certain eligibility requirements.

Program: The surviving spouse can request that the reverse mortgage company apply for a Mortgagee Optional Election (MOE) Assignment from the Department of Housing and Urban Development, which allows them to stop any foreclosure proceedings.

Program Features:

- Reverse Mortgage company will not initiate foreclosure proceedings against the surviving spouse as long as the surviving spouse is living in the property.
- Surviving spouse must stay up to date on property charges, including homeowner's insurance and property taxes.
- Reverse Mortgage companies are required to ask for information periodically about whether the borrower on a Reverse Mortgage has a spouse that would meet the program eligibility requirements.

Eligibility Requirements:

- Surviving spouse must have been married to the borrower at the time the borrower took out the Reverse Mortgage (unless the marriage would have been illegal at the time due to laws prohibiting same sex marriage, in which case other requirements apply).
- Mortgage must have originated before August 4, 2014.
- Surviving spouse must have lived in the property as a principal residence for the entire period of the reverse mortgage.
- Surviving spouse must request the MOE assignment within 180 days of the borrower death, or before March 23, 2020, whichever is later.

Geographic Area Served: All 50 States

Administering Agency: The program is administered by individual mortgage servicers and overseen by the Department of Housing and Urban Development.

Procedures:

- Surviving spouses should contact the Reverse Mortgage company to apply for a Mortgagee Optional Election Assignment.
- HUD-certified Housing Counselors can provide assistance applying for the MOE Assignment
- Surviving spouse must sign a certification that they meet eligibility requirements
- Surviving spouse must provide the borrower's Death Certificate and evidence of the marriage such as a marriage certificate

Contact Information: Save Your Home Philly Hotline 215-334-4663

For More Information: Home Equity Conversion Mortgage (HECM) Information Regarding Surviving Non-Borrowing Spouses: https://www.hud.gov/program_offices/housing/sfh/hecm/surviving_non_borrowing_spouse

City of Philadelphia's Residential Mortgage Foreclosure Diversion Program

Purpose: To help homeowners save their homes through advocacy in the court.

Program: Homeowners attend their scheduled Conciliation Conference(s) to attempt to agree upon an affordable mortgage work-out plan in order to stop a foreclosure. Family members, heirs and other named defendants who live in the house may also participate in the Foreclosure Diversion program.

Program Features: Conciliation Conferences are held weekly on Thursdays in City Hall Room 676 at 9am and 1pm

When a foreclosure complaint is filed and the home is owner occupied then the court will schedule Conciliation Conference. The conference date and time will be mailed to the homeowner or attached to the Complaint packet.

- If a homeowner has not been scheduled for a Conciliation Conference, they can file a request (CERDO) with the Office of Judicial Records for a conference as long as the property is owner-occupied.
- Homeowners have the opportunity to save their homes by attending their Conciliation Conference and making an agreement with the mortgage company, usually through a loan modification or other payment agreement that will cure the delinquency.
- The homeowner must meet with an DHCD approved housing counseling agency to prepare and submit a financial hardship application to the mortgage company to attempt to resolve the mortgage default. The application must also be sent to the lawyer representing the mortgage company.
- If a homeowner has not met with a housing counselor before appearing for their first conciliation conference, a 2nd conference will be scheduled within 35 days of the first. (Pay careful attention to deadlines on court orders.)
- Before appearing in court, the homeowner must meet with an OHCD approved housing counseling agency to prepare and submit a proposal to resolve the mortgage default and send it to the mortgage company and the lawyer representing the mortgage company.
- A housing counselor will work with the homeowner and the mortgage company to determine if a loan work-out is possible with the mortgage company.
- If a negotiated agreement cannot be reached, a Conference can be requested with a Judge Pro Tem who acts as a mediator.
- Before leaving the program, homeowners should consult with a legal aid representative and receive and "Exit Interview" that outlines their options once negotiations have not been successful in the conciliation conference program.
- Free legal representation may be available for those who qualify.

Eligibility Requirements:

- Property must be located in the City and County of Philadelphia.
- Property must be a single family home, 1-4 residential units, condominium unit or a residential co-op unit.
- Homeowner must reside in property.
- Mortgage foreclosure complaint against the property must have been filed.

Geographic Area Served: Philadelphia County

Administering Agency: City of Philadelphia and the Philadelphia Court of Common Pleas

Procedures:

- Homeowners will receive a notice of their Conciliation Conference date along with the Complaint.
- Homeowner should call the Save Your Home Philly Hotline first (see below). They will be scheduled for an appointment with a housing counselor.
- Homeowners attend the Conciliation Conference with their housing counselor (and lawyer if desired), and negotiate with the lawyer representing the mortgage company.

Contact Information: Save Your Home Philly Hotline 215-334-4663

For More Information: Phila courts.us: www.courts.phila.gov

Bucks County Mortgage Foreclosure Diversion Program

Purpose: To help homeowners save their homes and/or explore alternatives to foreclosure through court intervention.

Program: Homeowners attend an informal conference at the Bucks County Bar Association to attempt to work out an affordable mortgage work-out plan or alternative in order to avert foreclosure. Lawyers from the Bucks County Bar Association, who are trained as mortgage foreclosure mediators serve pro bono as the mediators at the conferences. The homeowner remains in the program so long as the parties continue to work out an alternative to foreclosure so that several conferences for a single action may be necessary.

Program Features:

- Before appearing in court, homeowners must meet with a HUD approved housing counseling agency to prepare and submit a proposal to resolve the mortgage default at least two weeks prior to the conference. The proposal must be forwarded to the attorneys for the lender and also to the lender.
- Housing counselors will work with homeowner to determine if a loan work-out is possible with the lender.
- Free legal representation may be available for those who qualify, but legal representation is not necessary to participate in the program.
- There are no income restrictions to go through the program.

Eligibility Requirements:

- Property must be located in Bucks County.
- Property must be 1-4 residential units, condominium unit, or a residential co-op unit.
- Homeowner must reside in property.
- Mortgage foreclosure complaint against the residential property must have been filed in the Bucks County.

Geographic Area Served: Bucks County

Administering Agency: Bucks County Court of Common Pleas

Procedures:

- Homeowner will receive an "Urgent Notice" to call the Save Your Home Hotline. This call must be made within 10 days of receiving the notice in order to obtain help.
- The homeowner will be put in touch with a Bucks County Housing Counselor to work out arrangements with the mortgage company. This service is FREE. When the conference is scheduled, the foreclosure action is stayed by the court. The foreclosure action remains stayed until there is resolution through the conference process.
- The Conciliation Conference is not mandated by the court, it is optional. It is vital that homeowners call the hotline to schedule a Conciliation Conference and meet with a housing counselor prior to the conference, so that the foreclosure action can be stopped while attempting alternative resolution to foreclosure.

Contact Information: Save Your Home Hotline at 1-866-760-8911

For More Information: <http://www.buckscounty.org/docs/default-source/row-officers-documents/mortgageforeclosurediversionprogram.pdf>

Montgomery County Mortgage Foreclosure Diversion Program

Purpose: To help homeowners save their homes and or explore alternatives to foreclosure through court intervention.

Program: Homeowners attend an informal conference at the Montgomery County Courthouse to attempt to work out an affordable mortgage work-out plan or alternative in order to avert foreclosure. Appointed masters, who are trained as mortgage foreclosure mediators serve as the mediators at the conferences. The homeowner remains in the program so long as the parties continue to work out an alternative to foreclosure so that several conferences for a single action may be necessary.

Program Features:

- Before appearing in court, homeowners must meet with a HUD approved housing counseling agency to prepare and submit a proposal to resolve the mortgage default at least two weeks prior to the conference. The proposal must be forwarded to the attorneys for the lender and also to the lender.
- Housing counselors will work with homeowner to determine if a loan work-out is possible with the lender.
- There are no income restrictions to go through the program.

Eligibility Requirements:

- Homeowners of properties who are the subject of residential mortgage foreclosure filed in Montgomery County.
- The judgment sought (outstanding balance of the mortgage) must be \$300,000 or less.
- Homeowner must reside in property.
- Properties which are the subject of bankruptcy, estates or divorce proceedings are not included.

Geographic Area Served: Montgomery County

Administering Agency: Montgomery County Court of Common Pleas

Procedures:

- Upon the filing of the complaint, an automatic stay of the foreclosure proceedings is issued.
- A conference is scheduled for approximately 5 to 6 weeks after the filing of the complaint.
- A notice is sent with the scheduling order encouraging the homeowner(s) to contact a housing counselor at Clarifi, a HUD approved consumer credit counseling agency. The housing counselors are available FREE of CHARGE.
- Homeowners may be required to meet with a housing counselor in person and provide financial documents.
- Homeowners must attend the scheduled conference in order to stay in the program.

For More Information: Montgomery County Mortgage Foreclosure Pilot Diversionary Program Guidelines:
<http://www.montcopa.org/DocumentCenter/View/9173>

Application Procedures under Federal Regulations

Purpose: Federal regulations offer rules for major mortgage services for how they handle applications for loan modifications and other assistance. This information provides a guide of the types of communication that borrowers can reasonably expect from their mortgage servicers when they apply for loss mitigation. "Loss mitigation" means any type of assistance offered by the servicer for homeowners in foreclosure and includes loan modifications, repayment plans, short sales, and deeds in lieu of foreclosure. The regulations can be found at 12 C.F.R. §1024.41.

Servicer Requirements: These requirements apply for the first loss mitigation application. **If the borrower has previously submitted an application and been denied, and did not bring the mortgage up to date after the denial, these requirements do not apply.**

- When an application has been submitted, the servicer must respond within 5 business days to tell the borrower if the application is complete or incomplete. If the application is incomplete, the servicer must tell the borrower what documents are missing and how long the borrower has to provide them.
- The servicer must evaluate a complete application within 30 days of receiving the all of the documents that complete the application.
- The servicer must respond to the borrower with a letter explaining whether the borrower was approved for any loss mitigation alternatives to foreclosure and providing the reason for the approval or denial.
- The servicer must evaluate the borrower for all loss mitigation option it provides. **Note:** this means that borrowers may be approved for options that they are not interested in, such as giving up the house. For example, a borrower can apply for a loan modification and receive a response that the application for a loan modification is denied but the application for a deed in lieu of foreclosure is approved.
- If the borrower is approved for a program, the approval letter must tell the borrower how long the borrower has to accept the offer and what steps the borrower must take.
- If the borrower is denied for any loss mitigation options, the servicer must inform the borrower of the right to appeal the decision and provide instructions on how to appeal. To appeal the decision, the borrower typically needs to submit a letter with supporting documentation, if any, usually within 14 days. Borrowers should follow the exact instructions in the denial letter if they wish to appeal the decision.

Loss mitigation during foreclosure:

- If an application for loss mitigation is submitted before a foreclosure action is filed, the servicer cannot begin the foreclosure action until a decision is made on the application.
- If an application for loss mitigation is pending during a foreclosure action, the servicer must not take any legal action until a decision has been made on the application.
- A loss mitigation application must be submitted at least 37 days before a sheriff's sale so that the servicer has a chance to respond before the sale. **Note:** Servicers often apply this requirement even when the application is not the first application submitted.
- If the servicer does not respond to an application before the date of the sheriff sale, the sale must be postponed.
- If a borrower is in a trial period plan, the lender must not take any legal action, including having a sheriff sale.

Section III:

How do I prevent tax or water lien foreclosure?

If property taxes (Philadelphia Dept. of Revenue bills) or municipal water and sewer service bills (e.g. Philadelphia Water Department and Water Revenue bills) are unpaid on a home, it is possible to lose the home if the county sells the home at a Real Estate Tax Sale. This section contains information about how to apply for a payment agreement or low-income assistance program to prevent losing your home through tax or water delinquency foreclosure.

This section also includes a chart briefly summarizing the various state and local “property tax relief” programs, such as the Philadelphia Homestead Exemption and the Pennsylvania Property Tax/Rent Rebate, which may help reduce property tax bills.

City of Philadelphia's Owner-Occupied Payment Agreements for Property Taxes

Purpose: Allows income-eligible homeowners with delinquent property taxes to enter into an affordable payment agreement on their residence.

Program: Written payment agreement.
Pursuant to Philadelphia Code 19-1305, as amended.

Program Features: Program effective October 13, 2013

- The homeowner must pay between 5% - 10% of the household's total monthly income toward delinquent property taxes. Minimum monthly payment is \$25.
- Payments are set based on a formula using household income.
- If homeowners cannot afford 5% to 10% of their monthly income, they can request individualized financial assessments (IFAs) to determine how much of the household's monthly income is available to pay towards the delinquency.
- Under the IFA, minimum payment is \$25 per month. If a person applies for IFA, the monthly payment is the extra income computed by administering agency. Monthly payment may result in being higher than the set percentage of household income.
- No lump-sum payment is required.
- All new property taxes must also be paid on time, although the homeowner can still apply annually with the Department of Revenue for a separate installment agreement for the current property taxes before February 28 of the New Year at the discretion of the agency or collection firm. Failure to pay new taxes is treated as a default of agreement and can result in the agreement being revoked.
- Incentives include tolling of interest and penalties during payment agreement, and some abatement of interest and penalties upon successful completing of payment plan.
- NEW "TIER 5" FINANCIAL INCAPACITY PAYMENT PLANS:
 - Low-income senior citizens, their spouses, people with disabilities & some very low-income homeowners may be eligible for a special "Tier 5" payment plan allowing them to pay *no* property taxes each year and rolling future taxes into the agreement each year.
 - Unpaid taxes remain a lien on the house and continue to earn interest and penalties.
 - Unpaid taxes become due if the house is sold or the homeowner dies.
- All homeowners may appeal to the Tax Review Board for denials of applications, compliance disputes, and other grievances with program.

Maximum Amount: No Maximum

Eligibility Requirements:

- Homeowner must have adequate income to be able to afford to pay the monthly payment under the agreement, plus the current year's property taxes.
- Maximum household income of 70% of area median income (about \$56,210 for a family of 4).
- Homeowner must reside in property.
- Homeowner must have legal or equitable title to the property. Examples include name on deed, lease purchase agreement and inheritance through will or intestate succession. If the homeowner's name is not on the deed, the homeowner needs to take substantial steps within three years to become the owner of record. The Save Your Home Philly Hotline may be able to provide a referral for assistance.
- Homeowner must not have breached a previous OOPA payment plan agreement. If the homeowner defaults on an OOPA payment agreement, a second agreement is at the discretion of the administering agency.
- To be eligible for a "Tier 5" agreement, a homeowner must:
 - (1) Be an individual or family living on a household income of 15% of median income or less; OR
 - (2) Have a household income of 30% of median income or less AND ALSO:
 - a. Be a senior citizen age sixty-five or older; or
 - b. Be an unremarried widow(er) age 55 or older, whose spouse was age 65 or older at the time of death; or
 - c. Be a person with a permanent disability; or
 - d. Be a person who, based on an individualized financial assessment (IFA), lacks the ability to make a regular monthly payment of any amount.

Geographic Area Served: Philadelphia County

Administering Agency: Philadelphia Department of Revenue; City of Philadelphia Law Department

Detailed information on Owner -Occupied Payment Agreements is available on the City's website at :
<<https://www.phila.gov/services/payments-assistance-taxes/payment-plans/owner-occupied-real-estate-tax-payment-agreement/>>

City of Philadelphia's Owner-Occupied Payment Agreements for Property Taxes (Continued)

Procedures:

- Call the Save Your Home Philly Hotline for a referral to a housing counselor. The counselor will help you complete the written application.
- Written application with supporting documentation will be submitted to the agency or firm collecting the debt.
- If a Sheriff's Sale is scheduled, house cannot be sold while an application is pending.
- If accepted, the applicant is presented with a written agreement.

Note: *This written agreement may contain waivers of legal rights. You may wish to review the document with an attorney before signing. The administering agency may conduct annual review of income, called "redetermination." If income has changed, the monthly payment amount can change accordingly. Failure of a homeowner to respond to a request for redetermination can result in default of the repayment agreement.*

Contact Information:

Save Your Home Philly Hotline: 215-334-4663
Linebarger Goggan Blair & Sampson, LLP: 215-790-1117
Goehring Rutter & Boehm Law: 215-735-1910
Philadelphia Department of Revenue: 215-686-6442
City of Philadelphia Law Department: 215-831-5001

City of Philadelphia's Installment Plan Agreements for Current Property Taxes

Purpose: Allows senior citizens, income-eligible homeowners, and homeowners showing a hardship to enter into an affordable payment agreement.

Program: Written payment agreement to pay current year property taxes in up to 12 installments. Account must be in collections with the Philadelphia Law Department or Department of Revenue.

Program Features: Program applies to senior citizens, income eligible homeowners, and other homeowners experiencing a hardship to enter into an installment agreement to pay the current year's property taxes. If payment agreement is completed successfully, Department of Revenue will abate and waive additions, penalties, and interest.

Maximum Amount: No maximum amount. Installment agreements to pay current real estate taxes may run 8 - 12 months.

Eligibility Requirements:

- Household must qualify as either a senior citizen, or 50% of Area Median Income (about \$40,150 for a family of four)
- Applicant must be record or equitable owner of property
- Homeowner must reside in property

Geographic Area Served: Philadelphia County

Administering Agency: Philadelphia Law Department or Department of Revenue

Procedures:

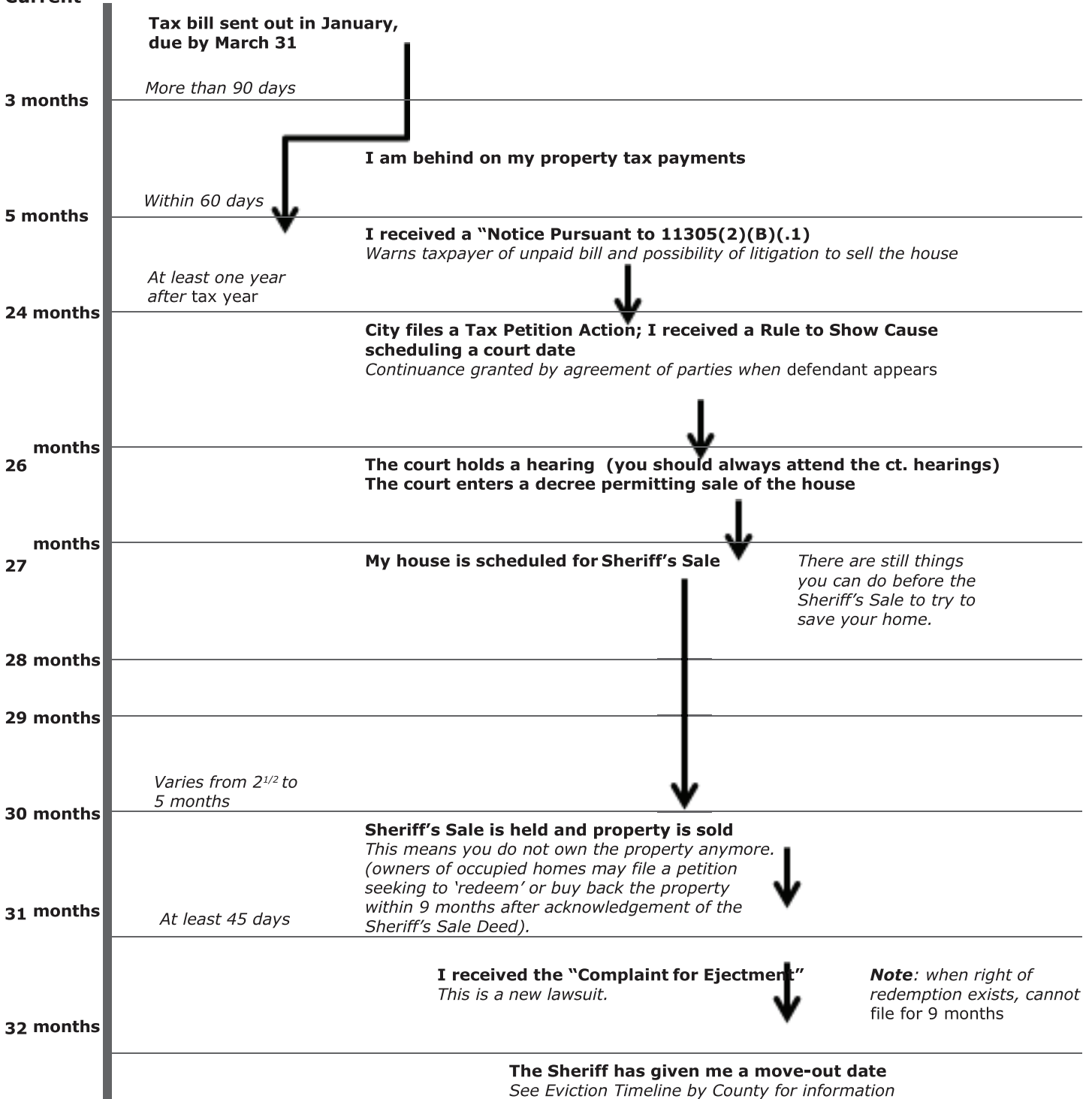
- Contact Department of Revenue for appointment to complete application.
- If legal action has already been commenced, applicants may also wish to contact the City Law Department.
- You may also call the Save Your Home Philly Hotline for a referral to a housing counselor. The City representative or the counselor will help you complete the written application.
- Written application with supporting documentation will be submitted.

Contact Information: Save Your Home Philly Hotline: 215-334-4663
Philadelphia Law Department: 215-683-5001
Philadelphia Department of Revenue: 215-686-6442

Philadelphia Property Tax Foreclosure Chart

This chart is meant to give you an idea of what happens if you do not do anything to stop the property tax foreclosure. The chart shows the shortest amount of time that can pass between each step. At each step, there are actions you can take to defend against foreclosure that will also result in ending or extending the timelines below. The following section explains each step in detail.

Current



Philadelphia Tax Foreclosure Process Explained

Step 1:

Tax Bills are Mailed

Property tax bills are mailed in December or January and should be paid in full by March 31st to avoid penalties, interest, and other charges. If the bill is paid in full by February 28th, taxpayers receive a 1% discount on their bill. If a taxpayer is unable to pay their bill in full, they should apply for a current-year installment plan by March 31st.

Step 2:

Taxpayer receives a Notice pursuant to Phila. Code 19-1305(2)(B)(.1)

If a taxpayer has not paid their bill in full or entered into a current-year installment plan by March 31st, the City should send a Notice pursuant to 19-1305(2)(B)(.1) after 60 days (or around the end of May). This Notice warns the taxpayer of the unpaid tax bill and the possibility of litigation to sell the property. The City may send a second notice 90 days after the mailing of the first Notice (or around the end of August.)

Step 3:

Taxpayer receives a Tax Petition/Rule to Show Cause scheduling a court date

If taxes remain unpaid at the end of the year in which they were due, the City may file a lawsuit (by Petition) to get a court decree to sell the property. The Petition/Rule to Show Cause is the notice a taxpayer will receive of this lawsuit. The taxpayer should receive a copy by mail and by posting on the property. 1st hearings in most property tax actions are usually listed in Ct. Rm. 676 in City Hall. Subsequent hearings may be in Rm. 676 or may be scheduled before a Judge in another room.

Responding to the tax foreclosure petition

A taxpayer has 15–20 days (depending on the language in the Rule) from the date the City mailed or posted the Petition/Rule to respond by filing an Answer in the Common Pleas Court. Even if the taxpayer misses this deadline, they should still file an Answer before the scheduled court date. The taxpayer must also “serve” (send by mail) a copy of their Answer to the lawyer for the City.

Hearing

The taxpayer should attend the scheduled Hearings. If the taxpayer does not attend any scheduled hearings, the City may receive a Decree allowing them to sell the property at Sheriff’s Sale. A judge may not be present at the hearing and it may resemble a settlement conference. Lawyers for the City will be there. This is the taxpayer’s chance to negotiate a payment plan with the City. If more time is needed, the City and the taxpayer can agree to continue the hearing to a new date 45–60 days out. If the taxpayer and the City are unable to reach a payment agreement or other disputes remain, the Hearing can be rescheduled in front of a judge who can rule on the issues.

Decree

If the taxpayer does not attend the Hearing or if a judge rules against the taxpayer, the City will receive a Decree allowing it to sell the property at a Sheriff’s Sale.

The taxpayer should receive notice of the Decree, the taxpayer still has time to stop the sale of the property and make arrangements to pay the taxes owed.

Step 5:

Sheriff’s Sale is held and property is sold

If the property was sold at Sheriff’s Sale, it means the taxpayer no longer owns the property. However, unlike in the context of mortgage foreclosures the taxpayer can still save their property through redemption.

If the taxpayer has not taken any action to prevent the Sheriff’s Sale from taking place (such as entering into a payment plan to pay the taxes), and if the City has met all the requirements for the Sheriff’s Sale to proceed, the sale will take place in a public place, usually the local county courthouse. Once a third-party purchaser buys the property at the sale, the taxpayer no longer owns it. However, the taxpayer does not have to leave the home at that time, and the taxpayer still has a chance to save their home.

Right of Redemption

If a property is a residence and was continuously occupied for the 90 days prior to the Sheriff’s Sale, an owner may petition the court to redeem the property within nine months of the Sheriff’s acknowledgment of the deed to the third-party purchaser. The taxpayer should be prepared to pay the purchase price of the property at auction plus approximately 10% to cover costs. If the taxpayer cannot pay this amount in a lump sum, bankruptcy may be an option. The taxpayer should consult with an attorney to determine whether bankruptcy is a feasible way to redeem their property.

Sometimes, the new owner (which could be an individual or an attorney) may try to contact you. They may offer “cash for keys” — money for you in return for a promise to move out by an agreed upon date or offer to allow you to stay and pay rent. The law does not require the new owner to do any of this. Accepting these offers is your decision. If you do not plan to redeem your property, it may be in your best interest to accept such an offer. If you do not reach an agreement with the new owner they will probably proceed to eject you. Remember, you have the right to remain in your property until your redemption period expires even if you do not plan to redeem. You will need to defend the Complaint in Ejectment though.

NOTE: In addition to redemption, if there was a defect in the foreclosure process, the taxpayer may be able to have the sale set aside if they petition the court within three months of the Sheriff's acknowledgment of the deed to the third-party purchaser. The taxpayer should consult with an attorney, if they feel there was a defect in the foreclosure process.

Step 6: Taxpayer receives a "Complaint in Ejectment"

The purchaser of the house cannot remove you from the home. Only the Sheriff can do this. The purchaser may ask or demand that you leave, but you can choose to remain in possession until a separate court case, called an "ejectment action," is brought against you and won by the purchaser. The purchaser at Sheriff's Sale must file a new legal action in the Court of Common Pleas claiming you no longer have a right to possess your home and the Court must find in their favor.

Service of the ejectment complaint

Either a representative from the Sheriff's Office or a private process server must hand deliver a copy of the ejectment complaint to each adult person in possession of the house (unless the Court has permitted a different form of service).

Responding to the ejectment complaint

You have 20 days from the date the Sheriff delivered the complaint to you to respond to the complaint by filing either preliminary objections or an answer in the Common Pleas Court. You must also "serve" (send by mail) a copy to the purchaser or their lawyer. If you do not file a response to the ejectment complaint the purchaser or their lawyer must send you a Notice of Default (entitled "Important Notice" see **page 62**), informing you that you have not responded to the complaint and that judgment can be entered against you if you do not file a response in the Common Pleas Court within 10 days of the Notice (the day it was sent, not the day you receive it).

Filing an Answer

You can file an answer yourself. If your home was sold at Sheriff's Sale due to unpaid taxes and the Complaint in Ejectment was filed fewer than nine months from the date the Sheriff signed the new deed to the purchaser, you have the right to possess your home and you should say this in your answer.

Step 7:

The Sheriff has given me a move-out date

If you still do not file a response to the ejectment complaint, the purchaser can take a "default" judgment against you. If your time to redeem the property has expired and you have not redeemed, the Court may also find for the new purchaser and grant possession to them. At the same time judgment is entered, the purchaser will file a "Writ of Execution" or a "Writ of Possession." (see **page 64**) The Sheriff will deliver this notice to the house.

The Sheriff will also schedule a time by which you must be out. If you remain beyond that time a Deputy Sheriff can go out to your home and forcibly remove you. The length of time varies depending upon the workload of the Sheriff's office, but the Sheriff's office is not allowed to take longer than 90 days to evict you once the writ is filed. In some counties, a representative of the Sheriff's office will notify you a few days before coming out to evict you, but this is not required. You still have a right to keep all of your personal possessions from the home.

City of Philadelphia’s Water and Sewer Payment Agreements and Low Income Assistance Programs to Prevent Water Foreclosure

Purpose: PWD may pursue a Sheriff’s Sale for unpaid water debts (in practice, PWD has implemented a \$5,000 threshold) after other collection methods have failed to result in a repayment agreement on outstanding arrears.

Program

Features: Currently, PWD notifies customers by issuance of a “Notice of Intent” to seek Court permission to sell the property to satisfy the back balance.

PWD must comply with further notice requirements imposed by the Philadelphia Code: No less than ninety days before filing any water foreclosure action, the Revenue Department must send to the customer, and deliver to each dwelling unit at the service address, a Warning of Risk of Water Foreclosure Action containing the following information:

- a brief description of any possible legal action and its consequences, including a clear and conspicuous statement, where appropriate, that the customer will become in danger of losing his or her home or property if he or she does not act; a brief description of the “Income-Based Water Rate Assistance Program” (described below) and the other assistance programs available for residential customers; the steps the customer must take to enter into such programs, and the deadline for doing so; and a brief description of any charges, fees, penalties, or interest that may be imposed;
- the total amount required to pay off the arrears in full, the date by which it must be paid, the addresses where payments can be made, and accepted forms of payment;
- a statement explaining the types of other City-related debt that may be capable of being liened against a property including, without limitation, property tax, nuisance and demolition fees and fines, and a brief explanation of how the customer may request confirmation as to the existence and amounts of any such debt;
- lists of the free housing counseling agencies and the legal services agencies that offer relevant services and may be available to assist the customer, including addresses and phone numbers.

Following the provision of notice, the process leading up to a Sheriff’s Sale is identical for tax and water foreclosure, e.g., filing of a rule to show cause, court order, public advertisement, etc.

Eligibility

Requirements: In order to access any payment agreement or low-income assistance program to avoid water foreclosure, the person applying must be the named customer of the Philadelphia Water Department/Water Revenue Bureau (PWD). Accordingly, an equitable owner or other occupant should take all necessary steps to become a customer in order to avoid foreclosure. The customer should ensure that all unpaid water charges from prior owners or occupants are transferred to the new account in order to be able to address any ongoing or future collection or enforcement action through a payment agreement or the Tiered Assistance Program for low-income customers.

Customers and their advocates should review the most current version of PWD regulations, available at www.phila.gov/water to determine whether available payment agreement terms have been modified.

NOTE: Customers have the right to cure breached payment arrangements prior to a shut off of water service. Although some payment agreements described below may no longer be available, the terms may still be important for purposes of calculating cure payments.

City of Philadelphia's Water and Sewer Payment Agreements and Low Income Assistance Programs to Prevent Water Foreclosure (Continued)

Eligibility Requirements (Continued):

Standard Payment Agreement Terms (pursuant to PWD regulations in effect as of July 2018):

- Available to customers with household income above 250% of Federal Poverty Level
- Initial payment equal to 25% of the balance
- Subsequent equal monthly payments for a term that normally will not to exceed 18 months.
- If service has been shut off, payment agreement terms to restore service are different, requiring 50% down, and a shorter period of installments. If service has been shut off after breach of a payment agreement, PWD may require the customer to pay 100% of the balance to restore service. PWD has the ability to restore service on more favorable terms.

Payment Agreements for Customers between 150-250% FPL:

- Payment terms may exceed 18 months, may waive initial down payments, and penalties do not accrue on outstanding balance.
- Payment terms are intended to result in total monthly payment (current service plus payment on arrears) approximating 4% of household income.
- If service has been shut off, payment terms to restore service are different, requiring 25% down in the event there has not been a previous payment agreement or 50% down if a previous agreement has been breached. After restoration, monthly bills (current service plus payment on arrears) are intended to approximate 4% of household income.

Water Revenue Assistance Program (WRAP) Payment Agreement Terms (grandfathered; closed to new applicants):

- Available to customers with household income at or below 250% of Federal Poverty Level, and customers with higher income who cannot meet the terms of a standard payment agreement (e.g., due to high medical expenses).
- Initial payment equal to 10% of the balance or 15% of combined monthly household income, whichever is less.
- Subsequent equal monthly payments may be as much as 5% of the balance per month, or extend for periods longer than 36 months (in practice, PWD extends payment terms for as long as 60 months).
- If service has been shut off after a breach of a payment agreement, PWD may require the initial payment to restore service to be 25% of the balance. PWD has the ability to restore service on more favorable terms.

Water Revenue Bureau Conference Committee (WRBCC) Payment Agreement Terms (grandfathered; closed to new applicants):

- Customers with income at or below 250% of FPL may apply as of right.
- Customers with higher than 250% of FPL must show inability to meet Standard and WRAP payment agreement terms (e.g., due to high medical expenses).
- WRB must refer customers with income at or below 150% of FPL for WRBCC payment agreements.
- WRBCC payment agreements may establish a fixed dollar monthly payment amount for current service and provide for suspension of interest and penalty accrual on outstanding arrears. Customers receiving WRBCC agreements may receive an annual grant (applied in monthly installments) to reduce current service charges and reduce outstanding arrears. To the extent the grant, plus the customer's WRBCC payment amount, is less than the current charges the customer would otherwise be billed, the difference may be added to outstanding arrears.

City of Philadelphia's Water and Sewer Payment Agreements and Low Income Assistance Programs to Prevent Water Foreclosure (Continued)

Eligibility Requirements (Continued):

TAP: Tiered Assistance Program (AKA "Income-Based Water Rate Assistance Program) (effective July 2017):

- Customers with income at or below 150% of FPL will receive affordable monthly bills calculated as a percentage of income as follows:
- 0-50% FPL: monthly bill equals 2% of income
- 50-100% FPL: monthly bill equals 2.5% of income 100-150% FPL: monthly bill equals 3% of income
- Customers who are enrolled in TAP shall be required to make no additional payment in respect to any pre-TAP arrears to maintain service.
- Earned forgiveness of arrearages shall be available under such terms and conditions as are adopted by regulation. Currently, after twenty-four months of payment, penalty charges are forgiven. Arrearages older than 15 years are eliminated yearly, such that all arrears are eliminated after 15 years.
- Customers with household income above 150% FPL may demonstrate special hardship (increase in dependents, serious illness, circumstances that threaten access to necessities of life) to enroll in TAP.
- Customers falling behind in TAP can apply for further TAP payment agreement, generally providing 12 months to catch up on unpaid TAP bills.
- Enforcement is stayed on accounts enrolled in TAP
- PWD postpones termination activity and will restore service to customers requesting TAP applications (subject to reasonable limitations on the number of times someone can request an application to have service restored)

During any period prior to the date of the actual sheriff's sale, the customer (or person seeking to become a customer) may seek to postpone the sale by demonstrating to Water Revenue Bureau's Sheriff Sale Unit and/or the Philadelphia Law Department that the customer is likely to succeed in entering into one of the payment agreements described herein. Typically, this would be undertaken with the assistance of counsel, and legal services agencies, in particular Community Legal Services Energy Unit, have experience in this capacity.

Suburban Philadelphia Agreements for Delinquent Property Taxes

Purpose:	Allow homeowners with delinquent property taxes to enter into an affordable payment arrangements under the terms of the Pennsylvania Real Estate Tax Sale Law.
Program:	Written payment agreement with the County Tax Claim Offices. Not All taxing entities (school districts, municipalities etc.) collect through the County Tax Claim Offices. If your taxing entity does not collect via the Tax Claim office you will have to contact the collection agent hired by your school board or municipality.
Program Features:	<p>The Pennsylvania Real Estate Tax Sale Law, 72 Pa .C .S. §§ 5860 .101, et seq., applies to all counties except Philadelphia. Section 5860 .603 of the Tax Sale Law provides the basic standards under which counties offer payment agreements to homeowners with delinquent taxes:</p> <ul style="list-style-type: none">• Any owner or lien creditor of the owner may, at the option of the bureau, prior to the actual sale:<ul style="list-style-type: none">○ Cause the property to be removed from the sale by payment in full of taxes which have become absolute and of all charges and interest due on these taxes to the time of payment or○ Enter into an agreement, in writing, with the bureau to stay the sale of the property upon the payment of twenty-five per centum (25%) of the amount due on all tax claims and tax judgments filed or entered against such property and the interest and costs on the taxes returned to date, as provided by this act and agreeing therein to pay the balance of said claims and judgments and the interest and costs thereon in not more than three (3) installments all within one (1) year of the date of said agreement, the agreement to specify the dates on or before which each installment shall be paid and the amount of each installment.○ So long as said agreement is being fully complied with by the taxpayer, the sale of the property covered by the agreement shall be stayed. But in case of default in such agreement by the owner or lien creditor, the bureau, after written notice of such default given by United States mail, post- age prepaid, to the owner or lien creditor at the address stated in the agreement, shall apply all payments made against the oldest delinquent taxes and costs, then against the most recent• If sufficient payment has been made to discharge all the taxes and claims which would have caused the property to be put up for sale, the property may not be sold.• If sufficient payment has not been received to discharge these taxes and claims, the bureau shall proceed with the sale of such property in the manner herein provided either at the next scheduled upset sale or at a special upset sale, either of which is to be held at least ninety (90) days after such default. If a party to an installment agreement defaults on the agreement, the bureau shall not enter into a new installment agreement with that person within three (3) years of the default.• Some counties allow homeowners to make monthly payments rather than quarterly to make the payments more affordable. Monthly payment agreements have slightly different procedures to apply (see county specific information).
Geographic Area Served	All Pennsylvania counties, except Philadelphia.
Costs or fees:	No cost to apply. Unpaid taxes will accrue at an interest rate of 0 .75% per month (9% per year). Some counties have service fees. See county specific information.
Administering Agency:	Generally, each county has a Tax Claim Bureau that handles delinquent taxes. See county specific information.
Procedures:	Contact the administering agency to begin the application process to enter an affordable agreement plan. See county specific contact information on next page.
Contact Information:	See county specific information on next page.

County Specific Information for Delinquent Property Tax Agreements (by county)

Each County's Tax Claim Bureau collects for three things: County & School District & Municipality (Township or Borough). Local municipalities may also collect for Water, Sewer, Trash, or other services.

Bucks County

Special Program Features

If taxes are not paid by December 31st of the year the taxes become due and payable, a local tax collector returns all delinquent and uncollectables to the Tax Claim Bureau for further collection. The Bureau sends out a "Notice of Claim" which notifies each property owner with the delinquent taxes that a claim has been entered against the property. These notices are generally mailed by certified mail in the spring of the year after the tax was due.

If homeowners are unable to pay the entire amount owed, they have until June 30th of the same year to make smaller payments until the lien is satisfied. To make this arrangement, homeowners must call the Tax Claim Bureau.

Timing: Typically, the Bureau mails a "Notice of Claim" (by certified mail) in the spring of the year after the tax was due. In the July following a Notice of Claim, notice is sent that the property will be advertised, posted and sold. That Upset sale is held between the 2nd Monday in September and October 1. An Adjourned Upset Sale and a Judicial Sale may each be held later, in that same year.

Administering Agency

Bucks County Tax Claim Bureau

Contact Information

55 East Court Street
Third Floor, Administration Building Doylestown, PA 18901
Phone: 215-348-6274
Hours: Monday through Friday 8:00 a.m. To 5:00 p.m.

Additional Information

<http://www.buckscounty.org/government/Finance/Tax-ClaimBureau>
<http://pa-chestercounty.civicplus.com/1307/Tax-Claim-Bureau-Overview>

Chester County

Special Program Features

If taxes are not paid by December 31st of the year the taxes become due and payable, a local tax collector returns all delinquent and uncollectable taxes to the Tax Claim Bureau and sends out a "Notice of Claim," which notifies each property owner with delinquent taxes that a claim has been entered against the property. These notices are generally mailed by certified mail in the spring of the year after the tax was due.

If homeowners are unable to pay the entire amount owed by December 31st of the current year, they should contact the Tax Claim Bureau following receipt of the notice to discuss payment options that may be available.

Timing: The Upset Tax Sale is held in September, the Continued Upset Sale is held in December, and more than one Judicial Sale may be held during the year.

Administering Agency

Chester County Tax Claim Bureau

Contact Information

313 W. Market Street, Suite 3602
West Chester, PA 19380-0991
Phone: 610-344-6360
Fax: 610-344-4722

Additional Information

www.chesco.org/162/Tax-Claim-Bureau

Delaware County

Special Program Features

Monthly payment agreements are available to those who are unable to afford the standard quarterly payment. This feature is not income restricted and is open for all to apply.

Costs or Fees

There is no fee for a hardship agreement. Additional fees are incurred from time to time to cover costs of delinquency notification and for documentation prior to the ultimate sale of the property.

Procedure

If the homeowner is applying for the monthly payment agreement, they will need to go to the tax claim office and fill out an application. Once the application has been filled out the home- owner will meet with the County Treasurer and Tax Claim Office Director.

Timing

Upset sale is held each fall. Unsold properties from the Upset Price Sale are auctioned again in a Judicial Sale each spring, free and clear of liens.

Administering Agency

Delaware County Tax Claim Bureau

Contact Information

Government Center, Ground Floor 201 W. Front Street
Media, PA 19063
Phone: 610-891-4293
Fax: 610-891-4115

Additional Information

www.delcopa.gov/treasurer/propertytaxes.html
www.delcopa.gov/treasurer/backyeartaxes.html

Montgomery County

Special Program Features

If taxes are not paid by December 31st of the year the taxes become due and payable, a local tax collector returns all delinquent and uncollectable to the Tax Claim Bureau for further collection. The Bureau sends out a "Notice of Claim" which notifies each property owner with the delinquent taxes that a claim has been entered against the property. These notices are generally mailed by certified mail in the spring of the year after the tax was due.

Administering Agency

Montgomery County Treasurer's Office

Contact Information

Montgomery County Tax Claim Bureau One Montgomery Plaza,
Suite 600
P.O. Box 311 Norristown, PA 19401
Phone: 610-278-1216
Fax: 610-994-2881

Additional Information

<http://www.montcopa.org/569/Tax-Claim-Bureau>

Tax Assistance Programs Requirements

Circumstances may prevent residents from being able to pay their real estate tax bills. Help is available through a variety of assistance programs for senior citizens, low-income households, rental tenants, owner-occupants, and more.

Please review the chart below to determine if you qualify for assistance

Program	Age Restrictions	**Income Restrictions	Rental Tenants	Military Only	Contact Number	Deadline	For more information, contact:
Homestead Exemption					215-686-9200	Sept. 13 th	www.phila.gov/homestead
Property Tax/Rent Rebate	✓	✓	✓		800-236-2194	Jun. 30 th	www.revenue.pa.gov
Current Year Property Tax Installment Plan	✓	✓			215-686-6442	Mar. 31 st	www.phila.gov/revenue/installment-plan
Owner-Occupied Real Estate Payment Agreement ("OOPA")		✓			215-686-6442		www.phila.gov/oopa
Senior Citizen Low-Income Property Tax Freeze	✓	✓			215-686-6442	*Jan. 31 st	www.phila.gov/senior-freeze
Longtime Owner Occupants Program ("LOOP")		✓			215-686-9200	*Feb 17 th	www.phila.gov/loop
Real Estate Tax Deferral		✓			215-686-6442	* Mar. 31 st	www.phila.gov/revenue
Real Estate Tax Credit for Active Duty Reserve and National Guard				✓	215-686-6442		www.phila.gov/revenue/active-duty-tax-credit
Catastrophic Loss Adjustment					215-686-9282	Approximately 6 months from loss	www.phila.gov/opa
PA Disabled Veterans Real Estate Exemption		✓		✓	215-686-3256		www.phila.gov/opa

Notes:

(1) All programs require the property be used as the applicant's primary residence, except for the Catastrophic Loss Adjustment.

(2) All programs require an ownership interest, except for the Rent Rebate.

*Deadline extended by Phila. Dept. of Revenue. See program descriptions for details.

**Income restrictions vary by program. Programs may have strict income limits or tiered eligibility that phases out as income increases.

Homestead Exemption:

Exempts the first \$45,000 of a homeowner’s property value (its assessed market value) from taxation. Homeowners can save up-to \$629 on their Real Estate Taxes.

Property Tax/Rent Rebate:

Homeowners and renters may receive a rebate of their property tax or rent payments once they are payed in full, totaling from \$250 to \$975.

Current Year Property Tax Installment Plan:

This program is for all senior citizens and low-income taxpayers who own and live in their home who can pay current-year Real Estate Tax in monthly installments if eligible.

Owner-Occupied Payment Plan (“OOPA”):

This program allows homeowners to make affordable monthly payments on property taxes that are past due.

Senior Citizen Low-Income Property Tax Freeze:

The Philadelphia Department of Revenue will stop increasing, or "freeze", taxpayers Real Estate Tax amount if they meet certain age and income requirements.

Longtime Owner Occupants Program (“LOOP”):

Real Estate Tax relief program for eligible homeowners whose property assessments (after the Homestead Exemption) increased by 50%, or more, from last year. This cannot be applied at the same time as a Homestead Exemption

Real Estate Tax Deferral:

Allows taxpayers whose property taxes increase at least 15% in a given year and who demonstrate financial hardship to defer payments of taxes.

Real Estate Tax Credit for Active Duty Reserve and National Guard:

Active Duty Reserve and National Guard Members who serve on active duty outside of Pennsylvania may be granted a credit toward the City’s portion of real estate taxes (does not affect School District taxes). The credit is awarded for each day spent outside of the state on active duty, and is given the year after the service is performed.

Catastrophic Loss Adjustment:

Property owners (no residency required) may request an adjustment to the assessed value of their property if it suffers a loss of at least 50% of its value. The adjustment may result in a reduction in taxes owed for the current year, which will be applied as a credit to the following tax year’s bill.

PA Disabled Veterans Real Estate Exemption:

FHA Rate and Term Refinances

Program exempts veteran's home from payment of all property taxes on primary residence, for honorably discharged veterans (and their widow(ers) if not remarried) if, as a result of military service, a veteran is 100% disabled, blind, paraplegic, or has lost two or more limbs AND has a financial need. Financial need for this program is presumed if the veteran earns less than \$92,594 annually (in 2019) and must be proven if income exceeds this amount.

Purpose: Refinancing of existing FHA or non-FHA mortgages for homeowners current on their existing mortgage.

Program: Refinancing option

Program Features: Fixed rate or adjustable rate mortgage

- Maximum term—30 Years
- Maximum loan-to-value ratio (LTV) on FHA 1st mortgage — 97.75% (85% if borrower has occupied the property for less than 12 months, or if the property was purchased less than 12 months ago, has not occupied the property during the whole period of ownership) If there is sub-ordinate debt, the combined loan-to-value ratio remains 97.75 percent unless subordinate financing carries more restrictive requirements.
- Short refinance may be available if existing non-FHA lender is willing to write off the remaining balance.
- Interest rates decided by lender based on current market rates
- 1-4 unit properties, including condominiums and manufactured housing permanently affixed to foundation
- Up front mortgage insurance premium (MIP): 1.75%
- Monthly MIP: .8% to 1.05%
- Monthly MIP: 1.3% to 1.35%

Maximum Amount: \$402,500 as for 2019 may be subject to change (not including the upfront MIP, if financed into the new loan). This amount is based on a 1 unit residence.

Subordinate Financing No restrictions on new or existing subordinate financing. Combined LTV not to exceed 97.75%

Eligibility Requirements:

- Borrower must be owner-occupant.
- A sustained history of employment.
- Sufficient and fully documented income.
- Borrower must be current on existing mortgage.
- Minimum FICO score of at least 500. For financing greater than 90% LTV, the minimum credit score is 580.
- Must qualify under standard FHA underwriting guidelines.
- Combined LTV not to exceed 97.75%

Geographic Area Served: All 50 states

Costs or Fees: Customary and reasonable closing costs and prepaid expenses. Closing costs and expenses may be included in new mortgage amount.

Administering Agency: Federal Housing Administration

Procedures: Contact an FHA-approved lender

Contact Information: For a list of FHA-approved lenders, visit www.fha.gov or call 1-800-CALL-FHA

More Information: www.fha.gov

Section IV:

Understanding Rent to Own

A new kind of transaction has resurfaced in recent years. It goes by many names: Rent-to-own, lease purchase, lease with option to purchase, lease with purchase option, lease with option, contract for deed, to name a few. Legally, they are called "installment sales agreements." Whatever name is used, at their core, they all share the same idea – pay money now, get a deed later. These transactions are fraught with problems, either intentionally by scammers and "investors" willing to exploit vulnerable buyers, or unintentionally because unsophisticated parties encounter unanticipated problems. When a problem develops, the buyer loses. For this reason, **we do not recommend rent to own transactions.**

In this section, we will highlight the different issues that can arise, and options to address the situation. In general, you should always seek the help of an attorney if you are considering entering a rent to own deal, or if you are already in one.

What's in a name?

Rent-to-own, lease purchase, lease with option to purchase, lease with purchase option, lease with option, contract for deed. Are they really all the same? While these names might convey slightly different contract terms, they all have the same fundamental problem: The buyer doesn't get a deed until the final payment is made. If anything goes wrong during the deal, it becomes difficult, if not impossible, to get a deed. And the seller keeps all the money.

Some sellers are expressly saying "rent to own is bad, do lease with option to purchase instead." We say NO. This is a disingenuous sales pitch. Any deal that requires you to make monthly payments with the expectation that you will get a deed in the future leaves you vulnerable.

What’s the difference between a mortgage and rent to own?

Some people think it doesn’t matter whether they buy a house with a mortgage or a rent to own deal. On the surface, it seems the same. They have to make payments every month for a long time, and, if they stop paying, the mortgage company or the seller takes the house. But the details make a HUGE difference. There are decades of legal protections that have been created for homeowners with mortgages. Buyers in rent to own deals are far less protected. When a problem develops, the buyer loses.

This is why doing rent to own is **NEVER** a good idea

MORTGAGE	RENT TO OWN
Owner gets a deed on at the start. They are the legal and record owner.	Buyer doesn’t get a deed until the final payment is made.
Deed is recorded with the county Recorder of Deeds. This protects the owner’s claim on the house. <ul style="list-style-type: none"> • There is a formal record that the house belongs to the owner. • Any disputes regarding the house will require notice to the owner. • No mortgages can be taken out without the owner’s consent. 	Contracts are rarely recorded. Many contracts have provisions specifically prohibiting recording. Most are not notarized, which is required for recording. <ul style="list-style-type: none"> • Outside parties do not understand the buyer has a claim on the house. • Buyers do not get notices when there are disputes about the house (tax debts, sheriff’s sales, etc.). • The seller can still put new debts (mortgages) against the house without the buyer’s knowledge or consent.
Mortgage may be transferred to a different company, but all the same terms apply, and the deal is not impacted.	Unrecorded deals are unknown to other people. This can be a big problem when the seller dies, becomes incapacitated, or sells the property to a third party. New people often refuse to honor the deal.
All increases in value in the house belong to the owner. If things go terribly wrong, the owner can “cash out” by selling the house, paying off the mortgage, and keeping the extra.	Buyer doesn’t have the ability to sell the property on the open market. Often, sellers will try to claim increases in property value for themselves. If buyer struggles to make payments, they have no ability to “cash out” by selling the house.
Property can be transferred to owner’s heirs/family. Federal law requires the mortgage company to keep accepting payments from the original owner’s heirs.	Sellers will often refuse to honor the contract if the buyer passes away. Family members may struggle to get the benefit of the money the buyer already paid. Seller may try to remove family, claiming the contract is cancelled.
Mortgage companies require clean title when the mortgage is taken out, and title insurance is required to protect against unforeseen debts or ownership claims.	Title searches are rarely done before entering rent to own deals. Title insurance cannot be purchased by buyers in rent to own contracts. Even with a title search done at the start, new debts or ownership claims can pop up in the middle of the deal.

What's the difference between a mortgage and rent to own? Continued

MORTGAGE	RENT TO OWN
<p>Owner has access to homeownership programs:</p> <ul style="list-style-type: none"> • Local home repair assistance • State mortgage assistance when they fall behind on payments (HEMAP) • Local mortgage assistance programs when they fall behind on payments • Mortgage company work out programs • PA property tax rebate • Local tax repayment programs 	<p>Buyer is shut-out of most programs.</p> <ul style="list-style-type: none"> • No home repair assistance • No state assistance when they fall behind on payments • No local assistance programs when they fall behind on payments • Any work outs are at the discretion of the seller • Might be eligible for PA rent rebate • Might be eligible for local tax payment plan
<p>Homeowner's insurance is mandatory and protects both the owner and the mortgage company in the event of damage to the house.</p>	<p>Insurance companies will not write policies to buyers. Sellers may require insurance, but they are typically listed as the sole beneficiary – the seller keeps all the money in a payout. Buyers are left unprotected in the event of damage to the house.</p>
<p>Local codes often treat owner-occupied properties different from rental properties. Owners are not held to the heightened standards of a rental property.</p>	<p>Local code enforcement may view the property as a rental or "tenant occupied" and apply the higher code standards. This can lead to violation fines which the seller may try to pass on the buyer. Seller may also demand that the buyer pay for any repairs or improvements to bring the house up to the heightened code requirements. These codes are more financially burdensome on the buyer than a traditional owner would face.</p>
<p>Right to an accounting of payments, access to documents, and a dispute process (RESPA) when a problem arises with the mortgage company.</p>	<p>Sellers rarely keep accurate records. Seller often refuses to comply with accounting or document production requests. No formal dispute resolution process.</p>
<p>When owner falls behind on payments, Act 91 notice or comparable federal notices must be sent to the owner. Owner has a right to cure until the day of the Sheriff's Sale.</p>	<p>When buyer falls behind on payments, right to cure until entry of a judgment in litigation (eviction or ejectment). Sellers often ignore the legally required notices and refuse to honor the right to cure.</p>
<p>Foreclosure process is required to take back house if owner defaults on the mortgage. Foreclosure is a slow process, and many counties have diversion programs, which provide the owner an opportunity to get back on track and save the house.</p>	<p>Depending on the way the deal is written, either ejectment or eviction is the correct legal process. Eviction is extremely fast and limits the buyer's ability to get back on track and save the house. Most eviction courts are not prepared to handle the complexity of a rent to own transaction. Ejectment is slower, but still lacks the formal diversion programs designed to save houses</p>

If these things are so bad, they must be illegal, right?

Sadly, no. While some versions of these transactions can cross the line into illegal, the basic transaction is not. Pennsylvania allows installment sales contracts for real estate. In some parts of the state, there are even special laws for these types of contracts. You should never enter into a bad deal on the hope that the law will protect you when a problem develops.

You should avoid a bad deal altogether.

Here are the red flags to help you identify a potentially predatory transaction:

The seller who refuses to put the deal in writing.

As a rule, any contract involving land or a house should be in writing. If you ever encounter anyone who makes verbal promises, but refuses to put those promises in writing, you should walk away.

The seller who refuses to provide receipts, or who will only take cash.

Any failure to make payments could potentially cancel the contract, causing the buyer to lose all the money they have put into the house. Having a clear, traceable, payment history acknowledged with receipts by the seller can be vital to a buyer when a dispute arises.

A large deposit or down payment to start.

These contracts always say the seller keeps the money, even if the buyer walks away. Paying a large deposit upfront puts the buyer at risk of losing that money if a problem develops.

The tenant/buyer is required to pay for repairs to the house.

This is the most problematic part of these deals. Scammers and exploitive investors try to push all responsibility for the repairs onto the buyer. Buyers cannot access home repair programs designed to help low-income homeowners. When a major repair becomes necessary, the buyer may not be able to afford the repair, and the seller refuses to do the repair. The result is often the buyer is stuck living in an uninhabitable house. If the buyer wants to move, the seller never pays the buyer back for the repairs and improvements the buyer made to the property.

A large payment at the end to get the deed.

Another trap is a contract where the final payment is a large lump sum. Often, these deals are sold with the idea that "you'll work on the credit, then you'll get a mortgage." But what happens if you get to the end and you don't get a mortgage? The answer: You forfeit everything you already paid, and the seller kicks you out. This is a recipe for disaster.

Only a small part of the monthly payment is applied to the purchase price.

Sometimes, the contract is silent about how the monthly payment is applied. Sometimes, the contract says only part of the payment goes towards the purchase – either a set dollar amount, or a percentage. In some parts of Pennsylvania, this practice is specifically illegal. In other parts, it's legal. Regardless, it's exploitive and unfair to the buyer.

A clause that says payments are for purchasing the house, but if you don't finish buying, those payments are "forfeited" or "surrendered" or "become rent."

These provisions are universally problematic. A buyer pays money expecting it will be applied towards the purchase. They also spend money fixing up the house expecting they are building equity. The buyer expects a deed at the end of the deal. But if something happens, they lose every penny of their investment. It's exploitive and unfair to the buyer.

Oops! I'm already in a rent to own deal! What do I do?

Get help. Even if you don't have any problem right now, many of these deals can go on for years or decades before the problem develops. But when a problem does arise, most of the harm falls on the buyer. Even if you have a written contract, the burden is on the buyer to take the seller to court to force compliance. That is expensive and can take years to resolve. At its worst, you may discover that your rights are not clearly protected in the agreement, and you could find yourself with no house and no deed. Don't wait for the problem to blow up! Get advice from a lawyer now. To find a lawyer in your area, see "Quick Contacts" on **page 2**.

General background/historical articles and reports:

- August 2019 study showing rent to own transactions are concentrated in neighborhoods with lower incomes and higher shares of non-white residents. The American Dream or Just an Illusion? Understanding Land Contract Trends in the Midwest Pre- and Post-Crisis.
<https://www.jchs.harvard.edu/research-areas/working-papers/american-dream-or-just-illusion-understanding-land-contract-trends>
- July 2016 report on national problems with rent to own, by the National Consumer Law Center. Toxic Transactions: How Land Installment Contracts Once Again Threaten Communities of Color.
<http://www.nclc.org/images/pdf/pr-reports/report-land-contracts.pdf>
- The Atlantic article on history of rent to own in African American communities and the reemergence of rent to own since 2009.
<http://www.theatlantic.com/features/archive/2014/05/the-case-for-reparations/361631/>

Free webinars and podcasts:

- "The Dangers of Rent-to-Own Agreements"
<https://www.youtube.com/watch?v=BB0AkgLLM0I>
- "One legacy of the housing crisis: risky rent-to-own deals" By Amy Scott, NPR
<https://www.marketplace.org/2018/06/28/economy/financial-crisis-still-isnt-over-homebuyers-rent-own-deals>
- Understanding Rent to Own Transactions
<https://housingalliancepa.org/webinar-recording-the-dangers-of-rent-to-own/>
- Tips for Advocates
<https://housingalliancepa.org/webinar-tips-for-advocates-with-clients-who-have-rent-to-own-transactions/>

Section V:

If losing my home is inevitable, what are my options?

If it appears there is no resolution between the homeowner and the lender to modify the loan, there are other options besides foreclosure such as a short sale and a deed-in-lieu (DIL) of foreclosure. Although the homeowner will not own the home at the end of the process, these alternatives may be less costly and traumatic.

Short Sales and Deeds-in-Lieu of Foreclosure

Short Sales

If a borrower is having trouble making its mortgage payment, has a documented financial hardship, and owes more on the mortgage than the home is worth, a short sale may be an acceptable foreclosure prevention option. This option may be best for a borrower who has been denied a loan modification, is ready to leave the property, is in a payment default situation and has already listed the home, or wants to resolve foreclosure as soon as possible. The mortgage servicer allows the borrower to sell the property at fair market value, which may be less than the full amount due on the mortgage, and foreclosure is avoided. In some cases, the short sale may also include a full deficiency waiver.

This is a complex transaction involving careful coordination and cooperation among a number of parties including the borrower (seller), purchasers (buyer), servicers, junior lien holders, appraisers, real estate agent/brokers, title agencies, HOA (Home Owner Associations), and often mortgage insurance companies. The servicer uses specific forms (available on servicers' websites) and guidelines to approve short sale terms. The process is very similar to a regular home sale, except the real estate agent will send any offers on the home to the servicer for approval or counteroffer. The borrower must agree to list and actively market the home. Once there is an agreed upon price, the standard sale and closing process occurs. A short sale can benefit the lender and the borrower if it is done properly. It may minimize loss and debt exposure. Also depending on the situation of the borrower and based upon investor guidelines, the borrower may be eligible for financial re-location assistance.

Upon completion of the short sale, it will be reported to the Credit Bureau as "Paid in Full - Less than the amount owed" so there is a negative impact to the borrower's credit. However, this may allow the opportunity to restore credit score and purchase a new home in a more reasonable time frame than a foreclosure does. The borrower might be responsible for certain taxes after a short sale occurs. If the borrower actively markets the property but is unable to sell it within the agreed upon time period, a servicer may consider a deed-in-lieu.

Deeds-in-Lieu

A Deed-in-Lieu of Foreclosure (DIL) is a process where the mortgage company allows the borrower to give the title back, if the title is clear of other liens or payments owed. The mortgage company will work with the borrower and third parties in an attempt to obtain clear title and to finalize the title transfer. The difference between selling a property for less than owed (short sale) and transferring ownership to the mortgage company is the borrower is not responsible for listing and selling the home.

A DIL can benefit the lender and the borrower if it is done properly. It may minimize loss and debt exposure. Upon the completion of the DIL, it will be reported to the Credit Bureau as "Paid in Full-Less than the amount owed" so there is a negative impact to the borrower's credit. However, this may allow the opportunity to restore credit score and purchase a new home in a more reasonable time frame than a foreclosure does. The borrower might be responsible for certain taxes after a DIL. The borrower must leave the property at the time of the DIL.

In Pennsylvania, mortgage lenders in some cases may seek a "deficiency judgment" if the sheriff sale price for the property is less than what is owed on the mortgage. The lender must start a separate proceeding to collect the deficiency and it is not automatic. If the lender obtains a deficiency judgment, the borrower becomes responsible for paying this difference in addition to legal fees and late charges. A Deed in Lieu of Foreclosure usually results in an agreement that the lender will not seek a deficiency judgment against the borrower.

Generally, DIL are used when there is only one lien on the property. There are federal programs created to incentivize lenders to find an alternative to foreclosure. For example, under the Making Home Affordable Foreclosure Alternative Program the short sale and DIL process and paperwork were simplified and streamlined. Additionally, lenders are being provided with financial incentives to proceed with a short sale or a DIL instead of a foreclosure.

Section VI:

**Resources: Housing Counseling Agency Directory and
Sample Forms**

Housing Counseling Agency

Approved by
(as of 11/15/2019)

Name	Address	City	Zip	Phone	PHFA/ CHCI	DHCD	HUD	HEMAP
Affordable Housing Centers of Pennsylvania	846 N Broad St.	Philadelphia	19130	215.765.1221	x	x	x	x
	6325 Frankford Ave Suite D	Philadelphia	19135	215.624.0221	x	x	x	x
American Credit Alliance	2 S. Delmorr Ave	Morrisville	19067	215.295.7195			x	
APM-Association of Puertorriquenos en Marcha	600 West Diamond Street	Philadelphia	19122	215.235.6070	x	x	x	x
Bucks County Housing Group	626 Jacksonville Rd, Suite 140	Warminster	18974	215.394.8259	x		x	
Clarifi	101 Greenwood Ave, Suite 340	Jenkintown	19046	215.563.5665	x	x	x	x
	1635 Market St. Suite 510	Philadelphia	19103	215.563.5665	x	x	x	x
	7340 Jackson St.	Philadelphia	19136	215.563.5665	x	x	x	x
	1410 W. Erie Ave. Suite 122	Philadelphia	19140	215.563.5665	x	x	x	x
	1424 Chestnut St	Philadelphia	19102	215.563.5665	x	x	x	x
Center In the Park	5818 Germantown Ave	Philadelphia	19144	215.848.7722	x	x		
Chester Community Improvement Project	23 E. 5th Street 2nd Floor	Chester	19103	610.876.8663	x		x	
Concilio- Council of Spanish Speaking organization	141 E Hunting Park Ave	Philadelphia	19124	215.627.3100	x		x	
Congreso De Latinos Unidos	216 W Somerset St.	Philadelphia	19133	215.763.8870	x	x	x	x
	2800 American St.	Philadelphia	19133	215.763.8870	x	x	x	
Credit Counseling Center	832 2nd St.	Richboro	18954	215.348.8003	x		x	
	208 Levittown Pkwy	Levittown	19054	215.348.8003	x		x	x
	11 Weldon Drive, Suite 200	Doylestown	18601	215.348.8003	x		x	x
Diversified Community Services	1920 S. 20th Street	Philadelphia	19145	215.336.3511	x	x	x	x
Esperanza	4261 N 5th St.	Philadelphia	19140	215.324.0746	x		x	x
Genesis Housing Corporation	1430 DeKalb Street Suite 2020	Norristown	19401	610.275.4357	x		x	
Greater Philadelphia Asian Social Services Center	4943 N. 5th Street	Philadelphia	19120	215.456.1662	x	x	x	x
Hispanic Assoc. Of Contractors & Enterprises	167 W. Alleghany Ave, Suite 200	Philadelphia	19140	215.426.8025	x	x	x	x
	4907 Frankford Ave.	Philadelphia	19124	215.437.7867	x	x	x	x

PHFA/CHCI – PHFA’s Comprehensive Homeownership Counseling Initiative (CHCI) trains and certifies organizations to provide homebuyer workshops, pre-settlement counseling, and pre-purchase counseling to help prospective homeowners throughout Pennsylvania

PHCD – Philadelphia Division of Housing and Community Development: must be 80% or below the median income

HUD – United States Department of Housing and Urban Development: can do conventional or FHA mortgage.

HEMAP – Homeowners’ Emergency Mortgage Assistance Program

Housing Counseling Agency Directory

Approved by
(as of 11/15/2019)

Name	Address	City	Zip	Phone	PHFA/ CHCI	DHCD	HUD	HEMAP
Housing Partnership of Chester County	41 W. Lancaster Ave.	Downingtown	19335	610.518.1522	x		x	
Intercommunity Action	6012 Ridge Ave.	Philadelphia	19128	215.487.1750	x	x	x	x
Intercultural Family Services, Inc.	4225 Chestnut St.	Philadelphia	19104	215.386.1298	x	x	x	x
Liberty Resources	112 N. 8th St. Suite 600	Philadelphia	19106	215.634.200	x	x	x	x
Media Fellowship House	302 S. Jackson St.	Media	19063	610.565.0434	x		x	
Mt. Airy USA	6703 Germantown Ave, Suite 20	Philadelphia	19119	215.844.6021	x	x	x	x
New Kensington CDC	2515 Frankford Ave.	Philadelphia	19119	215.844.6021	x	x	x	x
Northwest Counseling Service	6521 N. Broad St.	Philadelphia	19126	215.324.7500	x	x	x	x
Norris Square Community Alliance	174 W. Diamond St.	Philadelphia	19122	215.426.8734	x	x	x	x
Nueva Esperanza	4261 N. 5th St.	Philadelphia	19140	215.324.0746	x	x	x	x
Pathstone	450 Cleveland Ave.	Chambersburg	17201	717.264.5913	x		x	x
Philadelphia Council for Community Advancement	5218 Master St.	Philadelphia	19131	215.567.7803	x	x	x	x
Philadelphia Senior Center	509 S. Broad St.	Philadelphia	19147	215.546.5879		x		x
SeniorLaw Center	1500 JFK Blvd. Suite 1501	Philadelphia	19102	215.988.1244		x		
South Philadelphia H.O.M.E.S.	1444 Point Breeze Ave.	Philadelphia	19146	215.334.4430		x		x
Southwest CDC	6328 Paschall Ave	Philadelphia	19142	215.729.0800	x	x	x	x
Tabor Community Services, Inc.	308 E King St.	Lancaster	17602	717.397.5182	x		x	x
Unemployment Information Center	112 N Broad St, 11th Floor	Philadelphia	19102	215.557.0822	x	x	x	
United Communities Southeast Philadelphia	2029 S 8th St.	Philadelphia	19148	215.468.1645	x	x	x	x
Urban League of Philadelphia	121 S. Broad St. 9th Floor	Philadelphia	19107	215.985.3220	x	x	x	x
West Oak Lane CDC	2502 W. Cheltenham Ave.	Philadelphia	19150	215.549.9462	x	x	x	x

PHFA/CHCI – PHFA’s Comprehensive Homeownership Counseling Initiative (CHCI) trains and certifies organizations to provide homebuyer workshops, pre-settlement counseling, and pre-purchase counseling to help prospective homeowners throughout Pennsylvania

PHCD – Philadelphia Division of Housing and Community Development: must be 80% or below the median income

HUD – United States Department of Housing and Urban Development: can do conventional or FHA mortgage.

HEMAP – Homeowners’ Emergency Mortgage Assistance Program

Samples of Notices and Forms

This section shows mock ups or samples of six notices that a homeowner may receive by mail during the foreclosure process. While each notice may contain many additional pages, the following may only show an example of the first page of the notice.

Act 91 Notice

Date: _____

Act 91 Notice*

La Notificación de Acto 91*

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 this entire Act 91 Notice, including the attached Account Summary, with you to your face-to-face meeting. 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 Continued

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 esta Notificación sobre la Ley 91, junto con el Resumen de Cuenta adjunto, a su reunión presencial. 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.

Act 91 Notice Continued

ACT 91 NOTICE Account Summary

Your Loan Details:

Name(s) on Account:	
Address of Mortgaged Property:	
Account Number:	

How to Contact Your Lender:

Current Lender or Servicer:	
Lender or Servicer Address:	
Lender or Servicer Phone Number:	
Contact Person:	
Phone Number:	
Fax Number:	
Email:	

Default Information:

Monthly Payments Missed:	
Total Amount Past Due:	
<i>*Please be aware that fees and costs may continue to accrue through the duration of the delinquency.</i>	

Act 91 Notice Continued

How to Cure the Default:

<p>Within 30 Days of the Date on This Notice:</p>	<p>Pay 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.</p>
<p>Send Payment and Make Payable to:</p>	
<p>To Cure "Other Default":</p>	
<p>Is the Mortgage Assumable?</p>	<p><input type="checkbox"/> 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.</p> <p><input checked="" type="checkbox"/> No, the mortgage is not assumable.</p> <p><input type="checkbox"/> No. The mortgage is not assumable under the terms of the contact. However, your Lender is willing to discuss the possibility of an assumption. Please contact your Lender to discuss your options.</p>

Act 6 Notice

(The regulations allow flexibility on how the notice is expressed. Following is an example of how this might be done by the lender.)

Notice of Intention to Foreclose (Act 6 Notice) (Residential Foreclosures) (PA)

NOTICE OF INTENTION TO FORECLOSE MORTGAGE

The MORTGAGE held by [CURRENT LENDER'S NAME] (hereinafter "we," "us," or "ours") on your property identified above and legally described as follows:

[PROPERTY DESCRIPTION]

IS IN SERIOUS DEFAULT [because you have not made the following payments: \$_____ for the months _____].

Late charges and other fees have also accrued to this date in the amount of \$[NUMBER]. The total amount now required to cure this default, or in other words, get caught up in your payments, as of the date of this letter, is \$[NUMBER].

You may cure this default within THIRTY (30) DAYS of the date of this letter, [by paying to us the above amount of \$ [NUMBER], plus any additional monthly payments and late charges that may fall due during this period/by paying to us the above amount of \$[NUMBER] and doing the following: [ACTIONS NEEDED TO CURE DEFAULT]]. Such payment must be made either by cash, cashier's check, certified check, or money order, and made at: [ADDRESS].

If you do not cure the default within THIRTY (30) DAYS, we intend to exercise our right to accelerate the mortgage payments. This means that whatever is owing on the original amount borrowed will be considered due immediately and you may lose the chance to pay off the original mortgage in monthly installments. If full payment of the amount of default is not made within THIRTY (30) DAYS, we also intend to instruct our attorneys to start a lawsuit to foreclose your mortgaged property. If the mortgage is foreclosed, your mortgaged property will be sold by the Sheriff to pay off the mortgage debt. If we refer your case to our attorneys, but you cure the default before they begin legal proceedings against you, you will still have to pay the reasonable attorney's fees, actually incurred, up to \$50.00. However, if legal proceedings are started against you, you will have to pay the reasonable attorney's fees even if they are over \$50.00. Any attorney's fees will be added to whatever you owe us, which may also include our reasonable costs. If you cure the default within the thirty-day period, you will not be required to pay attorney's fees.

We may also sue you personally for the unpaid principal balance and all other sums due under the mortgage.

If you have not cured the default within the thirty-day period and foreclosure proceedings have begun, you still have the right to cure the default and prevent the sale at any time up to one hour before the Sheriff's foreclosure sale. You may do so by paying the total amount of the unpaid monthly payments plus any late or other charges then due, as well as the reasonable attorney's fees and costs connected with the foreclosure sale [AND PERFORM ANY OTHER REQUIREMENTS UNDER THE MORTGAGE]. It is estimated that the earliest date that such a Sheriff's sale could be held would be approximately [APPROXIMATE DATE OF SALE/AMOUNT OF TIME UNTIL SALE]. A notice of the date of the Sheriff sale will be sent to you before the sale. Of course, the amount needed to cure the default will increase the longer you wait. You may find out at any time exactly what the required payment will be by calling us at the following number: [PHONE NUMBER]. This payment must be in cash, cashier's check, certified check, or money order and made payable to us at the address stated above.

You should realize that a Sheriff's sale will end your ownership of the mortgaged property and your right to remain in it. If you continue to live in the property after the Sheriff's sale, a lawsuit could be started to evict you.

You have additional rights to help protect your interest in the property. YOU HAVE THE RIGHT TO SELL THE PROPERTY TO OBTAIN MONEY TO PAY OFF THE MORTGAGE DEBT, OR TO BORROW MONEY FROM ANOTHER LENDING INSTITUTION TO PAY OFF THIS DEBT. [YOU MAY HAVE THE RIGHT TO SELL OR TRANSFER THE PROPERTY SUBJECT TO THE MORTGAGE TO A BUYER OR TRANSFEREE WHO WILL ASSUME THE MORTGAGE DEBT, PROVIDED THAT ALL THE OUTSTANDING PAYMENTS, CHARGES, AND ATTORNEY'S FEES AND COSTS ARE PAID PRIOR TO OR AT THE SALE, [AND THAT THE OTHER REQUIREMENTS UNDER THE MORTGAGE ARE SATISFIED]. CONTACT US TO DETERMINE UNDER WHAT CIRCUMSTANCES THIS RIGHT MIGHT EXIST.] YOU HAVE THE RIGHT TO HAVE THIS DEFAULT CURED BY ANY THIRD PARTY ACTING ON YOUR BEHALF.

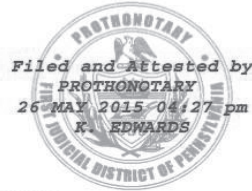
If you cure the default, the mortgage will be restored to the same position as if no default had occurred. However, you are not entitled to this right to cure your default more than three times in any calendar year.

Complaint

SAMPLE COMPLAINT IN FORECLOSURE

LAW OFFICES OF ***BANK LAWYER***

LAWYER'S NAME, OFFICE NAME
ADDRESS
PHONE NUMBER



ATTORNEY FOR PLAINTIFF

PLAINTIFF'S NAME

COURT OF COMMON PLEAS

CIVIL DIVISION

PLAINTIFF

PHILADELPHIA COUNTY

VS.

HOMEOWNER/ DEFENDANT(S)

NO.

PHILADELPHIA, PA 19144
DEFENDANT

COMPLAINT IN
MORTGAGE FORECLOSURE

NOTICE

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defense or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the Court without further notice for any money claimed in the complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

Lawyer Referral and Information Service
Philadelphia Bar Association
1101 Market Street, 10th Floor
Philadelphia, PA 19107
(215) 238-6333

Important Notice



OFFICE OF JUDICIAL RECORDS
 COURT OF COMMON PLEAS
 ROOM 284, CITY HALL PHILADELPHIA, PA 19107

ERIC FEDER
 DIRECTOR, OFFICE OF JUDICIAL RECORDS

_____	:	COURT OF COMMON PLEAS
<i>Plaintiff</i>	:	(Philadelphia County)
	:	
vs.	:	_____ Term, 20 _____
	:	No. _____
_____	:	
<i>Defendant</i>	:	

To: _____ (*Defendant*)
 (NOTE: Serve on unrepresented defendant or on defendant's attorney)

Date of Notice: _____

Notice, Rule 237.5 Notice of Praecepto to Enter Judgment by Default

IMPORTANT NOTICE

You are in default because you have failed to enter a written appearance personally or by attorney and file in writing with the Court your defenses or objections to the claims set forth against you. Unless you act within ten days from the date of this notice, a judgment may be entered against you without a hearing and you may lose your property or other important rights.

You should take this paper to your lawyer at once. If you do not have a lawyer, go to or telephone the office set forth below. This office can provide you with information about hiring a lawyer.

If you cannot afford to hire a lawyer, this office may be able to provide you with information about agencies that may offer legal services to eligible persons at a reduced fee or no fee.

Philadelphia Bar Association
 Lawyer Referral and Information Service
 1101 Market Street, 11th Floor Philadelphia, Pennsylvania 19107
 (215) 238-6333

NOTIFICACION IMPORTANTE

Usted está en defecto porque usted no ha podido entrar en un aspecto escrito, personalmente o mediante abogado y archivo por escrito ante el Tribunal sus defensas u objeciones a las alegaciones expuestas en su contra. A menos que usted actúa dentro de los diez días siguientes a la fecha de esta notificación, la resolución podrá ser en su contra sin una audiencia y usted puede perder su propiedad u otros derechos importantes.

Usted debe tomar este trabajo con su abogado a la vez. Si usted no tiene un abogado, vaya a o llamar por teléfono a la oficina se establece a continuación. Esta oficina puede proporcionar información sobre la contratación de un abogado.

Si usted no puede permitirse el lujo de contratar a un abogado, esta oficina puede ser capaz de proporcionar información acerca de las agencias que pueden ofrecer servicios legales a personas con derecho a una tarifa reducida o ninguna cuota.

Asociacion de Licenciados de Filadelfia
 Servicio de Referencia e Informacion Legal
 1101 Market Street, 11th Floor
 Filadelfia, Pennsylvania 19107
 (215)238-6333

If you have any questions concerning this notice, please call:

 (Name of Attorney or Plaintiff)

 (Attorney's or Plaintiff's Address)

Judgment

**IN THE COURT OF COMMON PLEAS FIRST
JUDICIAL DISTRICT OF PENNSYLVANIA TRIAL
DIVISION – CIVIL**

	:	Term, _____
	:	
	:	No. _____
Vs.	:	
Plaintiff(s)	:	
	:	
	:	
	:	
Defendant(s)	:	

PRAECIPE TO ENTER JUDGMENT

To the Office of Judicial Records:

Please enter a Judgment in favor of _____ and against
_____ in the amount of \$ _____.

_____.

BY: _____
Signature

Print

I.D. #: _____

Address: _____

Sheriff's Sale Scheduled

Mortgage Foreclosure Ground Rent (rem)

Commonwealth of Pennsylvania
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
COUNTY OF PHILADELPHIA

Plaintiff

vs.

Defendant

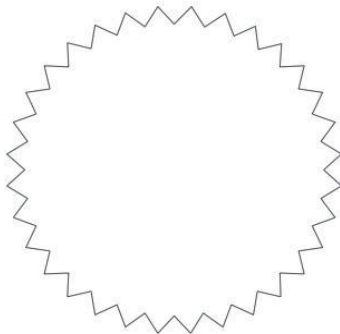
: COURT OF COMMON PLEAS
:
:
: _____ Term, 20_____
:
:
: No. _____
:

Writ of Execution

TO THE SHERIFF OF PHILADELPHIA COUNTY:

To satisfy the judgment, interest and costs in the above matter you are directed to levy upon and sell the following described property: _____

_____.



AMOUNT DUE \$ _____

INTEREST
from _____ \$ _____

(Costs to be added) \$ _____

Eric Feder, Director
Office of Judicial Records

By: _____
Clerk

Date: _____

Sheriff's Sale Scheduled Continued

Court of Common Pleas

_____ Term, 20_____

No. _____

Plaintiff

vs.

Defendant

Writ of Execution

Real Debt \$ _____

Interest
from _____ \$ _____

Costs Paid:

Office of Judicial Records \$ _____

Sheriff \$ _____

Statutory \$ _____

Costs due to

Office of Judicial Records \$ _____

Tax Foreclosure Warning



WARNING OF RISK OF TAX FORECLOSURE

NOTICE PURSUANT TO 19-1305(2)(b) (.2)

Dear property owner:

Our records show that you owe Real Estate Taxes and have not entered into a payment agreement. This letter includes a bill with the address of the property and the amount due. Pay now to avoid extra charges and legal actions, which may include sale of your property.

NON-PAYMENT MAY RESULT IN SHERIFF'S SALE OF YOUR PROPERTY





Real Estate Taxes for 2019 were due March 31, 2019. If you don't pay in full or enter into a payment agreement with the City by December 31, 2019, the City may start the foreclosure process.

Waiting to pay only increases your bill. The City has already added costs to your bill. If your 2019 Real Estate Tax is still unpaid on January 1, 2020 you will face extra costs, such as:

- January 1, 2020 – Lien charges and interest
- February 1, 2020 – Penalties, attorney's fees, and other costs or expenses

If you also owe Real Estate Taxes for previous years, the City can take legal action at any time before December 31, 2019. This legal action includes adding costs to your bill, such as: penalties, interest, fees, expenses and attorney fees. Legal action may also include selling your property at Sheriff's Sale. If sold at Sheriff's Sale, the Philadelphia Land Bank has a right to buy your property for the amount of outstanding municipal claims. No other bidding will occur if the Land Bank chooses to exercise this right. For complete balance information, visit www.phila.gov/revenue.

TO AVOID LEGAL ACTION, PAY THE REAL ESTATE TAX IN FULL

	ONLINE	www.phila.gov/pay	eCheck online is FREE! Fees apply for debit or credit payments
	PHONE	(877) 309-3710	eCheck over the phone is FREE! Fees apply for debit or credit payments
	BY MAIL	Mail to: City of Philadelphia Department of Revenue P.O. Box 8409 Philadelphia, PA 19101-8409	Pay by check, money order, or other certified funds. Make payable to: City of Philadelphia, please include your OPA number
	IN PERSON	Pay by cash, check, money order, other certified funds, credit or debit. Fees apply for debit or credit payments. Monday through Friday 8:30 A.M. – 5 P.M.	
		<i>Center City</i> Municipal Services Building 1401 John F. Kennedy Blvd	<i>North Philadelphia*</i> Hope Plaza 22nd St and Somerset St
			<i>Northeast Philadelphia*</i> 7522 Castor Ave

**Cash payments are not accepted at these locations*

CAN'T PAY IN FULL? TO AVOID LEGAL ACTION, ENTER INTO A PAYMENT AGREEMENT REDUCE YOUR BILL, LEARN ABOUT DISCOUNTS & ASSISTANCE PROGRAMS

Learn about payment agreements and how to lower your bill on the next page!

Have questions or need help? Visit www.phila.gov/revenue or call (215) 686-6442

You may be eligible for taxpayer assistance programs, including the Homestead Exemption and tax relief. The enclosed document "Taxpayer Resources & Programs" has more information about tax relief programs.



**Owner-Occupied
Payment Agreement**

- You must have an ownership interest and live in the property to qualify
- Allows affordable monthly payments based on your income and ability to pay



**Standard
Payment Agreements**

- You do not need to live in the property to qualify
- The City will work with you to arrange a payment agreement

NEED MORE HELP? YOU HAVE A RIGHT TO HOUSING COUNSELING

Free housing counseling and legal services agencies are trained to help homeowners with delinquent Real Estate Taxes. The enclosed document "Taxpayer Resources & Programs" has more information about these housing counseling and legal service agencies.

BE AWARE OF OTHER CHARGES & LIENS

In addition to Real Estate Taxes, other amounts owed to the City of Philadelphia may be filed as liens against the property, including, but not limited to, water and sewer charges, refuse collection fees, and nuisance and demolition fees and fines. For more information, including amounts due call:

- Water Revenue Bureau at (215) 685-6300
- Refuse Collection Unit at (215) 686-5090
- Department of Licenses and Inspections (Agency Receivables Unit) at (215) 686-2670 or (215) 686-6648

Sincerely,
City of Philadelphia
Department of Revenue

Para la traducción de esta información, visite la página web www.phila.gov/warningletter y para los servicios de traducción, llame al (215) 686-6442

Pour la traduction de cette information, rendez-vous au www.phila.gov/warningletter et pour les services de traduction, appelez au (215) 686-6442

Para obter a tradução das informações, visite www.phila.gov/warningletter e para serviços de tradução, ligue para (215) 686-6442

Để có bản dịch thông tin này, xin vui lòng vào www.phila.gov/warningletter và để có dịch vụ dịch thuật hãy gọi (215) 686-6442

Перевод данной информации можно найти на сайте www.phila.gov/warningletter, а услуги перевода можно заказать по телефону (215) 686-6442

بزيارة قم المعلومات لهذه ترجمة على للحصول
على اتصل الترجمة لخدمات www.phila.gov/warningletter.
(215) 686-6442 ١

본 정보의 번역본을 확인하시려면
www.phila.gov/warningletter 를 방문하시고, 번역
서비스를 원하시면 (215) 686-6442 번으로 문의해
주십시오

如需此資訊的翻譯，請造訪
www.phila.gov/warningletter。如需翻譯服務，請致電
(215) 686-6442

Have questions or need help? Visit www.phila.gov/revenue or call (215) 686-6442



Production of this Foreclosure Guide made possible by a grant from Santander



Santander