

# FORECLOSURE PREVENTION RESOURCE GUIDE



Winter 2017 Edition

Prepared by:  
UAC Foreclosure  
Prevention Task Force

Visit us on the Web: [www.frc.uac.org](http://www.frc.uac.org)



Urban Affairs Coalition

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## Urban Affairs Coalition

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Dear Friends:

The Urban Affairs Coalition (UAC) for the past 47 years has brought together civic, community, government and business leaders to address inequalities in economic access and make a home for grassroots organizations to thrive.

Let me take you back to 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 Delaware Valley Mortgage Plan.

Out of this work, UAC's Committee on Community and Economic Development (CED) was born. Now, four decades later, UAC is still on the frontlines, working directly with lenders and community members to address the issue of access to capital for low and moderate income communities.

Today, we are pleased to provide you with the newest edition of the Foreclosure Prevention Resource Guide, a product of this on-going collaboration. In 2007, community leaders and bankers started to see 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.

Nine years later, preventing foreclosure remains a critical part of UAC's work. With the help of this guide and the partnership forged between housing counseling agencies, the Division of Housing and Community Development, the courts and lenders, the City of Philadelphia's Residential Mortgage Foreclosure Diversion Program celebrated a key milestone: Together, we saved more than 10,000 homeowners from foreclosure over the last nine years.

The Coalition's Foreclosure Prevention Task Force has continued its work by working with the private sector to provide additional support for the nonprofit housing counseling industry through the Housing Counseling Roundtable Initiative. Working Groups produced seven key recommendations on training, technology and evaluation metrics that are now being considered by a newly organized Housing Counseling Funders Collaborative. The goal is to ensure that every Philadelphia homeowner has access to qualified and well-funded housing counseling services.

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 [foreclosureguide@uac.org](mailto:foreclosureguide@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 Jojy Varghese at 215-851-1737 or [jvarghese@uac.org](mailto:jvarghese@uac.org). An electronic version of this Guide is updated periodically and posted online at [www.frc.uac.org](http://www.frc.uac.org).

## 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 December 2016, 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.frc.uac.org](http://www.frc.uac.org)

## Phone Contacts

Foreclosure Hotlines	SaveYourHomePhilly Hotline	215-334-HOME	<a href="http://www.phila.gov/ohcd">www.phila.gov/ohcd</a>
	Pennsylvania Housing Finance Agency Hotline	800-822-1174	<a href="http://www.phfa.org">www.phfa.org</a>
Homeowner	Fannie Mae	1-800-2FANNIE	<a href="http://www.fanniemae.com">www.fanniemae.com</a>
Mortgage Assistance	Freddie Mac	1-800-FREDDIE	<a href="http://www.freddiemac.com">www.freddiemac.com</a>
Legal Assistance (income limits)	Community Legal Services	215-227-2400	<a href="http://www.clsphila.org">www.clsphila.org</a>
	Philadelphia Legal Assistance	215-981-3800	<a href="http://www.philalegal.org">www.philalegal.org</a>
	Legal Aid of Southeastern PA	877-429-5994	<a href="http://www.lasp.org">www.lasp.org</a>
Lawyer Referral	Philadelphia Bar Association LawyerReferral and Information Services	215-238-6333	<a href="http://www.philadelphiabarlawyers.com">www.philadelphiabarlawyers.com</a>
	Lawyer Referral Service of Bucks	888-991-9922	<a href="http://www.bucksbar.org/?page=LawyerReferralServ">www.bucksbar.org/?page=LawyerReferralServ</a>
	Chester County Lawyer Referral Service	610-429-1500	<a href="http://www.chescobar.org/?page=LawyerRefmembers">http://www.chescobar.org/?page=LawyerRefmembers</a>
	Lawyer Referral Service of Delaware County	610-566-6625	<a href="http://www.delcobar.org/?page=lawyerreferral">http://www.delcobar.org/?page=lawyerreferral</a>
	Lawyer Referral Service – Montgomery County Bar Association	610-279-9660 Ext 201	<a href="http://www.montgomerybar.org/public/lrs/index.php">www.montgomerybar.org/public/lrs/index.php</a>
Other	Urban Affairs Coalition	215-851-1738	<a href="http://www.uac.org">www.uac.org</a>
	Philadelphia County Sheriff’s Office	215-686-3530	<a href="http://www.officeofphiladelphiasheriff.com">www.officeofphiladelphiasheriff.com</a>
	Bucks County Sheriff’s Office	215-348-6124	<a href="http://www.buckscounty.org/government/RowOfficers/Sheriff">http://www.buckscounty.org/government/RowOfficers/Sheriff</a>
	Chester County Sheriff’s Office	610-344-6850	<a href="http://www.chesco.org/sheriff">www.chesco.org/sheriff</a>
	Delaware County Sheriff’s Office	610-891-4296	<a href="http://www.co.delaware.pa.us/sheriff/index.html">www.co.delaware.pa.us/sheriff/index.html</a>
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		<a href="https://www.philadelphiafed.org/foreclosure">https://www.philadelphiafed.org/foreclosure</a>

# **Section I:**

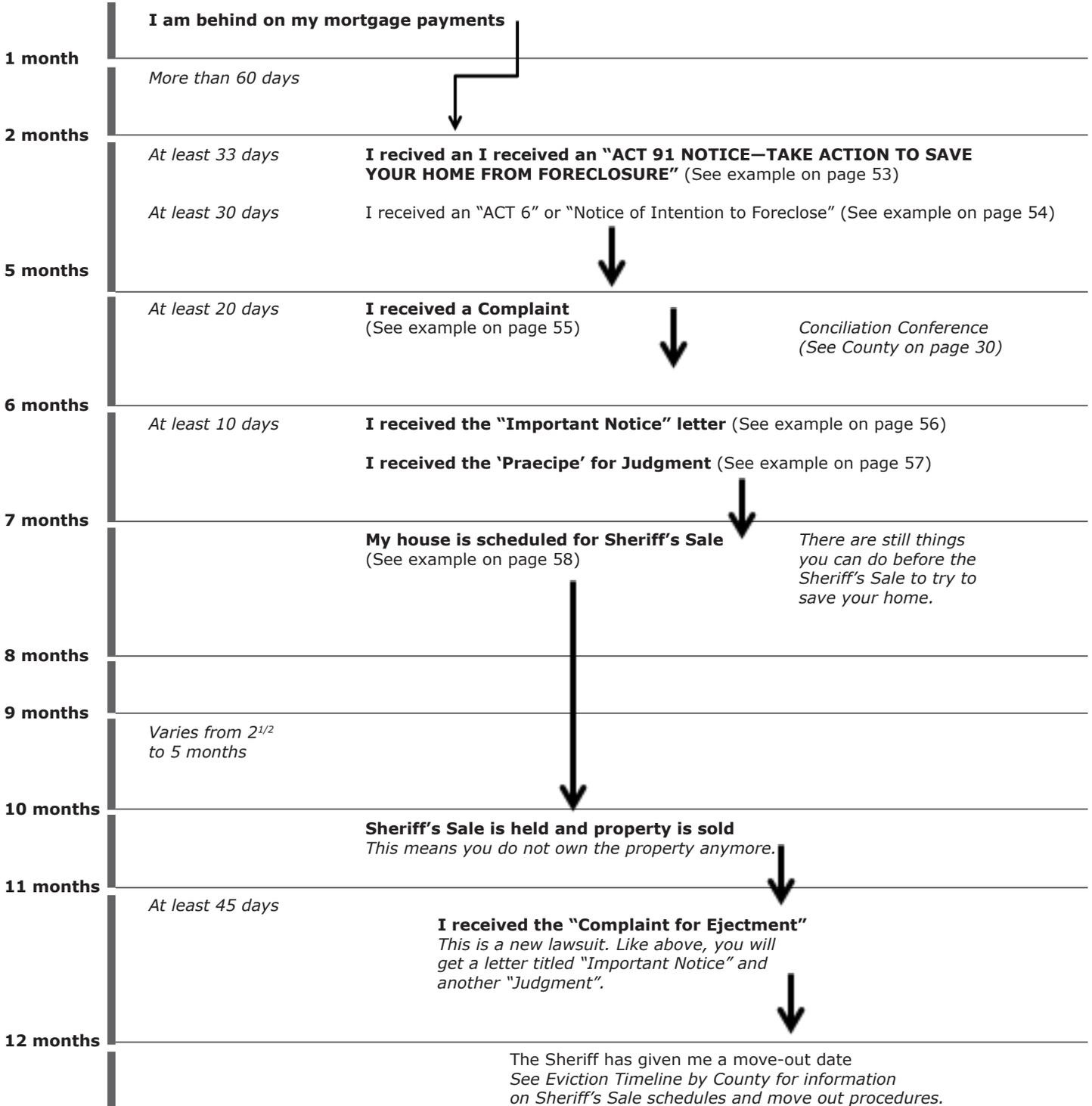
## **What is mortgage foreclosure and how does it work?**

Mortgage foreclosure is a complicated process that requires diligent action by the homeowner at every step. This section provides an overview of the entire process, 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.

# 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 refuse to pay, you will receive any number of letters stating that if you do not pay, you may face foreclosure, 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**

If you are less than 24 months behind on your mortgage, are behind less than \$60,000 and do not have a federally insured mortgage (FHA), you must receive an Act 91 notice before your mortgage company can file a foreclosure case against you in court — at the top it says “Act 91 NOTICE — TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE”. This notice is combined with a Notice of Intention for and advises you of how much you are allegedly behind on payments or any other basis upon which the mortgage company claims you are in default and stating what you must do to rein-state your mortgage.

Before an Act 91 Notice can be sent to you, you must be at least 60 days in arrears. There is no minimum number of days you must be in arrears before an Act 6 Notice can be sent; you simply must be in default under the mortgage. These notices usually come by both certified and first-class mail. There must be a separate notice for each person who signed the mortgage. Most homeowners receive the combined Act 91 Notice. The Act 91 Notice gives you 33 days to “cure” (get caught up on) the delinquency and, if you are eligible, to 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 20 or visit <http://www.phfa.org/counseling/hemap.aspx>)

If you “cure” the delinquency or, if you are eligible for HEMAP, you meet with a housing counselor within that 33 day period, no mortgage foreclosure action can be started in court and the mortgage company cannot foreclose on your home while you have a pending HEMAP application. (Note: You can still apply for HEMAP after 33 days but it will not stop foreclosure proceedings.)

If you are not eligible for HEMAP / Act 91 you will receive an Act 6 Notice instead of an Act 91 Notice or “Notice of Intention to Foreclose.” You will have 30 days to “cure” (get caught up on) the delinquency before any foreclosure case can be filed against you in court. There is no minimum number of days you must be in arrears before an Act 6 Notice can be sent; you simply must be in default under the mortgage.

**NOTE:** If you have an FHA loan with an original balance higher than \$244,856, you will not get an Act 91 notice or an Act 6 Notice but you will get a notice telling you your rights. FHA loans are not eligible for HEMAP

## Step 3:

### **I received a Complaint**

If you do not “cure” your delinquency or meet with a housing counselor within 33 days, the mortgage company must file a legal document in the local Common Pleas Court, called a “complaint”, claiming that you are in default of the mortgage and declaring that the loan is due and payable in full. The foreclosure cannot be filed until at least 120 days after 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 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 delivered 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 to the lawyer for the mortgage company.

**Philadelphia Only: Conciliation Conference.** 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, home owners must prepare a proposal to resolve the mortgage default and send it to the lawyer for the mortgage company. Homeowners can do so by scheduling an appointment with a certified housing counseling agency (see the Housing Counseling Agency Directory). Appointments can be scheduled by calling the Save Your Home Philly Hotline.

At the conference, the mortgage company lawyer will be there, along with a court-appointed mediator if one is requested. Default judgment cannot be taken by the mortgage company during the conciliation process. 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 10 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:** Borrowers may participate in a conference with a housing counselor and obtain a 30-day stay of foreclosure. The purpose of the stay is to give the borrowers time to work with the lender to find a way to avoid foreclosure. For more information, go to [www.co.delaware.pa.us/sheriff/realstate.html](http://www.co.delaware.pa.us/sheriff/realstate.html) and click on "Administrative Order and Notice of Foreclosure Program."

**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](http://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, and 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).

#### **Step 5:**

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

If you still 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. The length of time varies from county to county (anywhere from 2½ to 5 months) between entry of default judgment and the date of the Sheriff's Sale. 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 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 having the judgment opened, "re-instating" the mortgage, are in the process of getting a HAMP loan modification or filing a bankruptcy petition), 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, usually the local county courthouse. Once someone buys your home at the sale (often the mortgage company itself), you no longer own it. However, you do not have to leave your home at that time.

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, only the Sheriff can. They 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. Again, the mortgage company or other buyer at the Sheriff's Sale 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.

Service of the ejectment complaint. 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.

Responding to the ejectment complaint. 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." 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 be out. If you remain beyond that time a Deputy Sheriff can go out to your home and forcibly evict you. The length of time varies from county to county 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.

# How Can I Prevent the Sheriff's Sale?

## **READ THIS FIRST:**

If your house reaches the point where a Sheriff's Sale date is scheduled, it is crucial that you act quickly. It is also strongly recommended that you do not do it alone; your chances of success on your own at this point are not in your favor. Find a professional housing counselor or foreclosure defense attorney who has the practical experience, as well as extensive knowledge on the issue to help you.

If you have a Sheriff's Sale scheduled, the sale can be postponed (most commonly referred to as "stayed") or stopped (also called "cancelled") voluntarily or involuntarily by an order of the court. The mortgage company can voluntarily instruct their attorneys to postpone or cancel the Sheriff's Sale. If the mortgage company has agreed to postpone or stop the sale, get written confirmation and verify the information with your county's Sheriff's Department. You should note the new sale date in your records. If the mortgage company refuses to voluntarily postpone or stop the sale, you have the right to ask the court to stay or postpone the sale. You may need to obtain a court order to postpone sale by filing a Petition to Stay.

## **Petition to Postpone**

Petitions can be filed up until the day of the Sheriff's Sale. However, if you are filing within the week of the Sale, you will be asked to explain why you are filing at that time. You will need to explain to the Judge why you need additional time and what you plan to do to resolve the foreclosure. Common reasons for postponing the Sheriff's Sale include applying for a loan modification, listing the property for sale, getting money together to bring the mortgage current, or preparing to file for bankruptcy.

## **Right to Reinstate**

Up until one hour before the Sheriff's Sale, you can "reinstate" the mortgage by paying the mortgage company any missed payments, late charges, court costs, and attorney's fees. Be careful that you are not charged excessive attorney's fees because they must be "reasonable" and actually paid by the mortgage company. There are several ways to get money to reinstate. Pennsylvania runs a program called HEMAP, which helps homeowners bring their mortgages to current status. Other local organizations provide grants to help bring loans current. Funds must be by certified check.

## **Right to Pay Off in Full**

Up until one hour before the Sheriff's sale, you can satisfy the mortgage or judgement by paying the complete amount owed on the mortgage. If there is a judgement, you must pay the amount set by the court in the judgement, plus interest. If there is no judgement, you have to get a payoff figure from the mortgage company or its lawyers. There are several ways to get money to pay off such as refinancing your 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.

## **Working with the Lender**

Many lenders have programs that allow some borrowers to change the terms of their mortgage (called "modification") to resolve a delinquency. Not all lenders offer loan modifications. If you have a pending loan modification application, and it is your first application, or if you have been accepted for a loan modification, your mortgage company cannot file a foreclosure lawsuit. If the 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.

The Consumer Financial Protection Bureau introduced new rules that help protect consumers from unnecessary and wrongful foreclosure. Under these rules, if the servicers received a completed loss mitigation package at least 37 days prior to the sale date, the lender must not conduct a sale on the home unless the application is denied, 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 with the lender and the Sheriff to confirm that the sale is stopped or postponed (also called "stayed"). Many lenders will talk to people about resolving the problem while the house continues to go to Sheriff's Sale. Do not let this happen to you!

## **Rescue Loans**

There are programs designed to help people get out of predatory mortgages and, in exchange, give people fairly priced loans. These programs differ in their requirements, application policies, and other rules.

## **Petition to Strike the Judgment**

If a judgement is taken against you, but something was wrong in the way the judgement was done, you can file a Petition to Strike the Judgment. The errors that allow a judgement to be stricken include improper service, lack of jurisdiction, and other procedural errors. If granted, it is as if the judgement were never issued. You can then respond to the complaint and fight the foreclosure. Please note: filing this petition does not stop the Sheriff's Sale. Only when the court grants the petition is the Sheriff's Sale topped. It can take several months for a court to grant a petition. If you want to stop the Sheriff's Sale while the court considers the petition, you need to file a separate petition to stay the Sheriff's Sale (see below).

## **Petition to Open Judgment**

If judgment is taken against you and you have a good defense, you can file a Petition to Open Judgment within 10 days and have the default judgement set aside. (You can still file a Petition to Open Judgment after 10 days from the date of the default judgement, but you would also have to show excusable neglect in not responding and that you acted promptly once you found out that judgement was entered.) If granted, you can then respond to the complaint and fight the foreclosure. Please note: filing this petition does not stop the Sheriff's Sale. Only when the court grants the petition is the Sheriff's Sale stopped. It can take several months for a court to grant a petition. If you want to stop the Sheriff's Sale while the court considers the petition, you need to file a separate petition to stay the Sheriff's Sale (see below).

## **Petition to Stay or Postpone**

You can try going to a judge and asking him or her to stay (postpone) the sale while you work out the problem. You have to file a formal motion with the court to do this Philadelphia County has a form petition designed for people without lawyers. In some instances, the judge may require you to provide protection to the mortgage company for the costs of the delay.

This protection is often in the form of a bond or money deposit with the court. Postponing the sale does not stop it forever, it only postpones it. If the sale is stayed, it will usually be for at least three months since the Sheriff's Sale would need to be readvertised and new notices must be sent out. You still need to come up with a way to resolve your mortgage delinquency.

## **What About Bankruptcy?**

Up until the moment before the Sheriff's Sale, you can stay the sale by filing a bankruptcy in the federal bankruptcy court. If you file during the hour immediately before the sale, it will stop the sale, but you may need to take further steps if the Sheriff did not receive notice of the bankruptcy in time. It is a good idea to file bankruptcy the day before at the latest to notify the mortgage company and Sheriff.

**BUT BEWARE!** Filing the bankruptcy petition does not solve the problem completely. Bankruptcy requires everything to stop (including the Sheriff's Sale), so that you can propose a plan to the bankruptcy court and the court can figure out how to handle your finances. If you file a Chapter 7 bankruptcy, you either have to immediately bring the mortgage fully current, surrender the house, or pursue another option such as a loan modification. If you file a Chapter 13 bankruptcy, you can be required to have the court confirm (approve) a plan under which you will make payments over 3-5 years to bring the house mortgage current. During those 3-5 years, you are still in bankruptcy.

Before filing bankruptcy, you must get credit counseling from a bankruptcy court-approved counselor. Visit the official link at <https://www.justice.gov/ust/list-credit-counseling-agencies-approved-pursuant-11-usc-111>. If you do not have the credit counseling certificate when you file bankruptcy, it is likely that the bankruptcy will be dismissed and will not help you save your home from foreclosure.

Get a lawyer to help you. Filing a bankruptcy yourself is a lot like doing your own taxes, but without instructions. There are a lot of forms and many rules that are not easy to understand – particularly with a Chapter 13 bankruptcy, during which you propose a plan to catch up on your mortgage. Mistakes when filing can have big consequences.

# Sheriff's Procedures: Foreclosure Sales & Ejectment

## Bucks County

### **Timing between filing Writ of Execution and date of Sheriff's Sale on a foreclosure case:**

Approximately three months (schedule available on website). Sales take place on the second Friday of each month, with the exception of the second Fridays that fall on a day the courthouse is closed and are held in the Bucks County Administration Building, Commissioners' Meeting Room, 1<sup>st</sup> floor, 55 East Court Street, Doylestown, PA 18901.

### **Procedure once judgement is entered in an ejectment case, and a Writ of Possession is filed:**

Notice is provided, typically within one week, depending on deputies' back-log

### **Timing and details of notice to former owner and/or occupants regarding final, forcible eviction in an ejectment case:**

30 days minimum by Sheriff's Office policy (unless there are extenuating circumstances that require less notice); a particular date for the eviction is provided to the former owner and/or occupants of the property; a \$125 deposit must be posted by the mortgage company's law firm toward the costs of a locksmith, moving and storage of any personal possessions still at the premises.

### **Other information provided:**

\$2,000 deposit must be posted by the mortgage company's law firm at the time of filing the Writ of Execution to have the property listed for Sheriff's Sale to cover the Sheriff's Fees and advertising costs; the unused portion will be returned either after the sale or if the case is resolved and the sale does not take place.

### **General Sheriff's office website for Sheriff's Sale listings:**

[www.buckscounty.org/government/rowOfficers/Sheriff](http://www.buckscounty.org/government/rowOfficers/Sheriff)

### **Contact information:**

Sheriff's Office  
Edward J. Donnelly, Sheriff  
Bucks County Justice Center  
100 North Main Street, floor B-2  
Doylestown, PA 18901  
Main Number: 215-348-6124  
Real Estate: 215-348-6132  
Civil Rates: 215-348-6134  
Civil Rates (out of County): 215-348-6122

## Chester County

### **Timing between filing Writ of Execution and date of Sheriff's Sale on a foreclosure case:**

Approximately three months (schedule available on website). Sales take place on the 3<sup>rd</sup> Thursday of each month at 11:00 a.m., except December and are held at the Chester County Justice Center, Sheriff's Department, 201 West Market Street, Room 3300.

### **Procedure once judgement is entered in an ejectment case, and a Writ of Possession is filed:**

Notice is provided within 30 days, depending on deputies' back-log

### **Timing and details of notice to former owner and/or occupants regarding final, forcible eviction in an ejectment case:**

Sheriff's deputy serves former owner/occupants with writ of execution and provides between 6 and 30 days' notice of the date of forcible ejectment (usually the actual length of notice is about three weeks); a particular date for the eviction is provided on the writ posted on the property to the former owner/ occupants of the property; the mortgage company's law firm or that of any other new owner of the property must confirm that they are ready to proceed 24 hours in

advance of the scheduled ejectment date and arrange for a locksmith; the former owner/occupants are given the opportunity to take any possessions with them that they can put in their vehicle or otherwise remove from the premises and can designate their own storage facility in lieu of the storage facility arranged by the mortgage company or other new owner of the property.

### **Other information provided:**

\$2,000 deposit must be posted by the mortgage company's law firm at the time of filing the Writ of Execution to have the property listed for Sheriff's Sale to cover the Sheriff's Fees and advertising costs; the unused portion will be returned either after the sale or if the case is resolved and the sale does not take place.

### **General Sheriff's office website:**

<https://pa-chestercounty2.civicplus.com/167/Sheriff>

### **Specific Website for sales information:**

<https://pa-chestercounty2.civicplus.com/3262/Sheriff-Sales>

### **Specific Website for sale listings:**

<http://sheriffsales.chesco.org/sheriffsales/>

**Contact information:**

Chester County Justice Center  
 Carolyn B. Welsh, Sheriff  
 201 West Market Street, Suite 1201  
 West Chester, PA 19380-0991  
 Phone: 610-278-3331  
 Civil Process: 610-344-5978  
 Real Estate: 610-344-6859

## Delaware County

**Timing between filing Writ of Execution and date of Sheriff's Sale on a foreclosure case:**

Approximately 3 months after foreclosure judgment is entered, depending on when the Plaintiff submits paperwork to schedule a Sheriff's Sale. (Deadlines are on the website.) Sales take place on the third Friday of each month at 11:00 a.m. (but if the third Friday is a holiday, the sale will be held a day earlier, on Thursday). Sales are held in the County Council Meeting Room on the first floor of the Government Center Building, Delaware County Court House, Front Street & Veterans Square, Media, PA 19063.

**Procedure once judgment is entered in an ejectment case and a Writ of Possession is filed:**

Notice is provided, typically within one week, depending on deputies' back-log.

**Timing and specificity of notice to former owner and/or occupants regarding final, forcible eviction in an ejectment case:**

**(1)** First the writ of possession is served. **(2)** The Sheriff's Office sets a date, typically one to two weeks later (unless special circumstances justify an immediate ejectment without further notice). The Sheriff's office serves notice with that date on the former owner and/or occupants by mail and by posting to the property. **(3)** On that date, the Sheriff's deputies will return to forcibly evict anyone who has not already moved out.

**Other information provided:**

\$2,000 deposit must be posted by the mortgage company's law firm at the time of filing the writ of execution to have the property listed for Sheriff's Sale to cover the Sheriff's commission and advertising costs; the unused portion will be returned either after the sale or if the case is resolved and the sale does not take place.

**General Sheriff's office website for Sheriff's Sale listings:**

[www.co.delaware.pa.us/sheriff/realestate.html](http://www.co.delaware.pa.us/sheriff/realestate.html)

**Contact information:**

Mary McFall Hopper, Esquire, Sheriff  
 Delaware County Court House  
 201 W. Front Street, Room 101  
 Media, PA 19063  
 Main Number: 610-891-4296  
 Fax: 610-891-1765  
 Real Estate: 610-891-4305

## Montgomery County

**Timing between filing Writ of Execution and date of Sheriff's Sale on a foreclosure case:**

Deed is recorded within 30 days (for a third-party buyer), or within 45 days (for a bank/attorney buyer).

**Procedure once judgment is entered in an ejectment case, and a Writ of Possession is filed:**

Notice is provided within 30 days, depending on deputies' backlog.

**Timing and specificity of notice to former owner and/or occupants regarding final, forcible eviction in an ejectment case:**

Sheriff's deputy serves former owner/occupants with a Writ of Possession and provides a 30 day notice to vacate the property. After 30 days has expired Sheriff's Deputies will schedule a date for eviction; the mortgage company's law firm must provide a moving truck and storage facilities for any personal possessions still at the premises.

**Other information provided:**

\$3,020 must be paid by the mortgage company's law firm at the time of filing the writ of execution to have the property listed for Sheriff's Sale. The deposit is applied to all pre-sale costs, advertising and post-sale costs, be returned to the plaintiff's attorney after the sale or if the case is resolved.

**General Sheriff's office website:**

<http://www.montcopa.org/413/Real-Estate-Sheriff-Sales>

**Specific website for sale listings:**

<https://salesweb.civilview.com/Sales/SalesSearch?countyId=23>

**Contact information (see next page)**

**Contact Information:**

Montgomery County Sheriff's Department  
Sean Kilkenny, Sheriff  
Court House, 1st Floor  
P.O. Box 311  
Norrristown, PA 19404  
Phone: 610-278-3331  
Fax: 610-278-3832  
Real Estate Division: 610-278-3338

**Philadelphia County****Length of time between filing Writ of Execution and date of Sheriff's Sale:**

Approximately three months between filing and sale (see schedule available on the website). Sales generally take place on the first Tuesday of each month, check website for updates. The sales take place at 9:00 a.m. at The First District Plaza, 3801 Market Street, 3<sup>rd</sup> Floor, Philadelphia, PA .

**Procedure once judgment is entered and Writ of Possession is filed in post-foreclosure ejection action:**

Notice Provided.

**Length and specificity of notice to former owner and/or occupants regarding forcible eviction:**

The Philadelphia Court of Common Pleas serves the former owner/ occupants with a Writ of Possession and provides a 30 day notice to vacate the property. After 30 days have expired Philadelphia Sheriff's Real Estate Division will provide the former owner/occupants with a formal eviction notice; the mortgage company must provide a moving truck, locksmith and storage facilities for any personal possessions still at the premises.

**Other information provided:**

The mortgage company must pay a \$1,500 deposit at the time of filing the writ.

**General Sheriff's office website for Sheriff's Sale listings:**

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

**Contact Information**

Philadelphia City and County Sheriff's Department  
Jewell Williams, Sheriff  
100 South Broad Street, 5<sup>th</sup> Floor  
Philadelphia, PA 19110  
Main Phone Number: 215-686-3530  
Real Estate Phone Number: 215-686-3535,3534  
Real Estate Fax: 215-686-3971

# **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 that 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 the 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.

### **Reporting a Scam and Getting Help**

If you are the victim of a scam or believe you are being scammed, it is important to seek help and report the people taking your money. Scammers are committing a crime and it is vital to protect your rights and your community. To report a scam, you may take any of the following actions:

1. Visit [www.loanscamalert.org](http://www.loanscamalert.org) website to learn more about or report loan modification scams.
2. Call the Homeowner's Hope Hotline: 1-888-995-HOPE (4673)  
Assistance is available in 20 languages upon request.
3. File a complaint online through the Lawyers' Committee for Civil Rights Under the Law. Submit your online complaint form in English.
4. Call the Federal Trade Commission (FTC) at 877-FTC-HELP (1-877-382-4357) or visit the FTC Complaint Assistant website at [www.ftccomplaintassistant.gov](http://www.ftccomplaintassistant.gov).
5. Contact the Pennsylvania Attorney General by calling the toll-free Consumer Protection hotline at 1-800-441-2555.
6. File a complaint about loan modification scams with the Attorney General's office, online at [www.attorneygeneral.gov](http://www.attorneygeneral.gov).
7. File a complaint about a mortgage scam with the Consumer Financial Protection Bureau (CFPB) at [www.ConsumerFinance.gov](http://www.ConsumerFinance.gov) or by calling 855-411-2372.

If you are in foreclosure and need assistance negotiating with your mortgage company, seek help from a nonprofit housing counseling agency (see the Housing Counseling Agency Directory at the end of this guidebook).

For additional home foreclosure information or assistance, please call the SaveYourHomePhilly Hotline at 215-334-HOME

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

The products and programs listed in this section are resources that may be helpful for people not yet in foreclosure, but are experiencing a difficult time making the monthly mortgage payment. Descriptions of the products and services contain vital information in a simplified readable format.

## FHA Rate and Term Refinances

**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% (unless borrower will occupy a former investment property and the existing mortgage is under 12 months old - 85%) If there is subordinate debt, the combined loan-to-value ratio remains 97.75 percent unless subordinate financing carries more restrictive requirements.
- 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:** \$420,000 (not including the upfront MIP, if financed into the new loan). This amount is based on a 1 unit residence. The maximum loan amount remains in effect until September 30th, after which it is subject to revision.

**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.

**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](http://www.fha.gov) or call 1-800-CALL-FHA

**More Information:** [www.fha.gov](http://www.fha.gov)

## FHA Short Refinance

Purpose: Refinancing of non-FHA mortgages for homeowners who owe more on their mortgages than the value

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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%
- Interest rates decided by lender based on current market rates.
- Mandatory principal write-down by lender at a minimum of 10% of unpaid balance of original loan.
- Combined mortgage debt must be written down to a maximum of 115% of current value of home.
- Up front mortgage insurance premium (MIP): 1.75%
- Monthly MI: 0.8% to 1.05%

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Maximum Amount: \$379,500 (for a 1 unit residence)

Subordinate Financing: 

- No restrictions on new or existing subordinate financing. Combined LTV not to exceed 115%.

Eligibility Requirements:

- Homeowner must be in a negative equity position, i.e., owe more on their existing mortgage than their home is worth
- Homeowners must be current on their existing mortgage to be refinanced or have successfully completed a qualifying three-month trial payment plan.
- Must have consent of first-lien holders to write-off at least 10% of unpaid principal balance (mandatory principal write-down by original lender at a minimum of 10% of unpaid balance of original loan).
- Property must be owner-occupied.
- Homeowners' FICO credit score must be greater than or equal to 500.
- Existing loan to be refinanced must not be a FHA-insured loan.
- Homeowner's total monthly mortgage payment, first and any subordinate mortgage(s), cannot be greater than 31% of gross monthly income under the refinanced loan unless the total monthly debt payment does not exceed 48% of gross monthly income, in which case the monthly mortgage payment cannot be greater than 35% of the gross monthly income.
- Homeowners' total monthly debt payment, including all recurring debts, cannot be greater than 50% of gross monthly income after the refinancing.
- Existing loan to be refinanced may not have been brought current by the existing first lien holder, except through an acceptable permanent loan modification, nor may premium pricing be used to pay off existing debts to qualify the borrower.
- Standard FHA underwriting requirements apply.
- Borrower may not have a real estate related conviction in last 10 years.
- Borrowers who have a completed permanent modification may be eligible.

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Geographic Area Served: All 50 states

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

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Administering Agency: Federal Housing Administration

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Procedures: Contact an FHA-approved lender.

Contact Information: For a list of FHA-approved lenders, visit [www.fha.gov](http://www.fha.gov) or call 1-800 CALL FHA (1-800-225-5342).

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For More Information: [www.fha.gov](http://www.fha.gov)

# 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 (2017) 4.50% 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 35 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.

**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 purposes 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

**Costs or Fees:** No cost to homeowner for the application.

**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](http://www.phfa.org/consumers/homeowners/hemap.aspx)

## 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 Modification targets a 20% P&I payment reduction and a 40% Housing Expense-to-Income Ratio.

**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
- Loan must not be subject to
  - a recourse or indemnification arrangement;
  - an approved liquidation workout option;
  - an active and performing forbearance plan or repayment plan, unless otherwise directed by Fannie Mae
  - a current offer for another mortgage loan modification or other workout option; or
  - an active and performing modification Trial Period Plan.
- Loan must not have been modified three or more times previously
- Borrower must not have failed a Flex Modification Trial Period Plan within 12 months of being evaluated
- Loan must not have received a Flex Modification and become 60 days or more delinquent within the first 12 months of the effective date

**Geographic Area Served:** Nationwide

**Costs or Fees:** No cost to homeowner for the application.

**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:** <https://www.knowyouroptions.com/loanlookup>  
<https://www3.freddie.com/loanlookup/>

## The National Mortgage Settlement (NMS) [Attorney General Settlement]

Purpose:	Provides \$50 billion in relief to distressed mortgage borrowers, former homeowners and direct payments to states and the federal government (Pennsylvania is using its share to reinstitute the HEMAP Program.)
Program:	Loan modifications with principal reduction for owner-occupants of eight participating mortgage loan servicers; cash payments of \$1,500-\$2000 to homeowners who lost homes to foreclosure between January 1, 2008 and December 31, 2014; implementation of new servicing standards for all mortgages.
Program Features:	Vary by servicer: <ul style="list-style-type: none"><li>• \$20.2 billion (nationally) dedicated to loan modifications, many with principal reduction greater than typically available through HAMP.</li><li>• 3 billion (nationally) dedicated to refinancing program for borrowers who are current on their mortgages but owe more on their mortgages than their homes are worth. Reduced interest rates for eligible homeowners with higher current market rate loans or whose adjustable rate mortgage are due for adjustments to higher rates.</li><li>• Payment forbearance for unemployed homeowners who are in between jobs.</li><li>• Additional relief available for active military service members and veterans, including forgiveness of mortgage loans and compensations for lost homes.</li><li>• New servicing standards apply to all mortgages serviced by participating servicers, whether or not eligible for loan modifications or principal reduction including but not limited to: 1) borrowers must be evaluated for all available loss mitigation options before foreclosure referral; 2) banks/servicers must designate an employee as a continuing single point of contact to assist borrowers seeking lost mitigation assistance and 3) eligibility criteria and application procedures for "in house" loan modification programs must be made publicly available.</li></ul>
Maximum:	No limitation on maximum amount of the mortgage loan that may be modified.
Eligibility Requirements:	<ul style="list-style-type: none"><li>• Home must be owner-occupied (with minor exceptions);</li><li>• HUD, FHA and VA loans are eligible and</li><li>• Loans owned by FNMA (Fannie Mae), FHLMC (Freddie Mac) and private investors are not eligible.</li></ul>
Costs or Fees:	No cost to homeowner
Administrator:	Each participating mortgage servicer (see list below under Contact Information); oversight by PA Attorney General (1-717-787-9707 or <a href="http://www.attorneygeneral.gov">http://www.attorneygeneral.gov</a> ), Office of Mortgage Settlement Oversight (1-919-825-4748 or <a href="mailto:info@mortgageoversight.com">info@mortgageoversight.com</a> ) and HUD.
Procedures:	Vary by servicer: <ul style="list-style-type: none"><li>• Some homeowners will receive an invitation to submit an application for a loan modification.</li><li>• Homeowners who do not receive an invitation to submit an application for a loan modification may request consideration for eligibility by contacting their participating servicer within a fixed time period.</li><li>• Applications must be processed within a fixed time period.</li><li>• While applications are processed foreclosure actions cease for homeowners whose delinquency is less than 120 days.</li><li>• Homeowners have the right to appeal denials.</li></ul>
Contact Information:	Participating servicers: Ally/GMAC (1-800-766-4622); Bank of America (1-877-488-7814); Citi (1-866-272-4749); JPMorgan Chase (1-866-372-6901), Wells Fargo (1-800-288-3212), SunTrust, HSBC, American Home Mortgage Servicing, Homeward Residential, Litton, and Ocwen. Homeowners may also use the services of a local HUD approved agency. (See Housing Counseling Directory.)

## 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"). If they do not pay, the mortgage company may seek to foreclose on the property. This program allows homeowners who have fallen behind on their property charges to enter into a repayment agreement to pay back the charges over a period of up to 5 years.
Program Features:	<ul style="list-style-type: none"><li>• When homeowners fail to pay their property tax or hazard insurance premiums, the reverse mortgage company may, after notice to the homeowner, pay the charges and the foreclose on the house if the homeowner does not pay the charges back.</li><li>• 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.</li><li>• Reverse Mortgage companies are required to calculate an affordable payment based on the taxes homeowner's budget, spreading the payments out for up to 5 years. Homeowners must pay current year and property insurance premiums as they become due.</li><li>• 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.</li><li>• Must apply before foreclosure lawsuit is filed.</li></ul>
Maximum:	Up to 5 years to repay property charges to avoid foreclosure.
Costs or Fees:	No cost to homeowner
Administrator:	The program is administered but individual mortgage servicers and overseen by the Department of Housing and Urban Development, which insures reverse mortgages.
Procedures:	<ul style="list-style-type: none"><li>• Contact the mortgage company for the application for a repayment plan.</li><li>• Work with a HUD-Certified Housing Counselor to complete the Application.</li><li>• Contact the National HUD Servicing Center at (800) 594-9057 if you encounter problems applying for this program.</li></ul>

## City of Philadelphia's Residential Mortgage Foreclosure Diversion Program

**Purpose:** To help homeowners save their homes through early court intervention.

**Program:** Homeowners attend their scheduled Conciliation Conference to attempt to agree upon an affordable mortgage work-out plan in order to avert foreclosure.

**Program Features:** When a foreclosure complaint is filed and the home is owner occupied then the court will schedule a Conciliation Conference and send the appointment date and time to the homeowner.

- If the homeowner is being foreclosed on and has not been scheduled for a Conciliation Conference, they can file a request with the Office of Judicial Records for a conference hearing as long as the property is owner-occupied.
- The Certificate of participation-request to the Office of Judicial Records is only for those properties where the complaint was filed before 9/8/08 or when the property was deemed not-owner occupied at commencement, not scheduled for conciliation, and the homeowner challenges that assertion.
- Homeowners have the opportunity to save their homes by attending their Conciliation Conference and making an agreement with the mortgage company.
- 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 to determine if a loan work-out is possible with the mortgage company.
- 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

**Costs or Fees:** No fees.

**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 who did not receive a Conciliation Conference Notice can request one by filing a "Defendant's Certification of Premises As Residential Owner-occupied and Request for Conciliation Conference" form with the Office of Judicial Records no later than 10 days before the date of the Sheriff Sale. Proposals and financial documentation must be submitted to the mortgage company at least 14 days before the Conciliation Conference.
- Homeowners attend the Conciliation Conference with their housing counselor (and lawyer if desired), and negotiate with the lawyer representing 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.

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

**For More Information:** More information and forms are available at: [www.courts.phila.gov](http://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.

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**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.

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**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.

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**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.

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**Geographic Area Served:** Bucks County

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**Costs or Fees:** No cost.

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**Administering Agency:** Bucks County Court of Common Pleas

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**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.

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

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

## Delaware County Mortgage Foreclosure Diversion Program

Purpose: To help homeowners avoid sheriff's sale and save their homes.

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Program: Homeowners work with a housing counselor in order to avert foreclosure through negotiating with the lender.

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Program Features: Free foreclosure prevention counseling and assistance from Clarifi.

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Eligibility Requirements:

- Property must be located in Delaware 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 property must have been filed for this program. However, clients may contact Clarifi before complaint is served to receive free foreclosure prevention counseling assistance.

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Geographic Area Served: Delaware County

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Costs or Fees: No fees.

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Administering Agency: Delaware County Sheriff's Office and Clarifi.

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Procedures:

- When the sheriff's deputy serves the first complaint, the "action of mortgage foreclosure," the homeowner also receives a written notice advising him or her to call Clarifi to request free assistance.
- Call the hotline to request assistance within 30 days of receiving the notice. If the homeowner fails to call Clarifi, the foreclosure will proceed.
- Once the eligible homeowner calls the hotline and schedules an appointment, Clarifi will notify the lender that the client is seeking remedy and foreclosure will be delayed for 30 days.

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Contact Information: Clarifi Save Your Home Hotline: 1-800-989-2227

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For More Information: [www.clarifi.org](http://www.clarifi.org)

## Montgomery County Mortgage Foreclosure Diversion Program

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

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**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.

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**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.

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**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.

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**Geographic Area Served:** Montgomery County

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**Costs or Fees:** No cost.

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**Administering Agency:** Montgomery County Court of Common Pleas

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**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.

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**For More Information:** <http://www.montcopa.org/DocumentCenter/View/9173>

# **Section III:**

## **How do I prevent tax or water lien foreclosure?**

If property taxes 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.

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

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**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.
- Appeal process to the Tax Review Board for denials of applications, compliance disputes, and other grievances with program.

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**Maximum Amount:** No Maximum

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**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.

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**Geographic Area Served:** Philadelphia County

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

## 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.*

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Contact Information:

Save Your Home Philly Hotline: 215-334-4663  
Linebarger Goggan Blair & Sampson, LLP: 215-790-1117  
Goehring Rutter & Boehm Law: 516-735-1910  
Philadelphia Department of Revenue: 215-686-6442  
City of Philadelphia Law Department: 215-683-5207

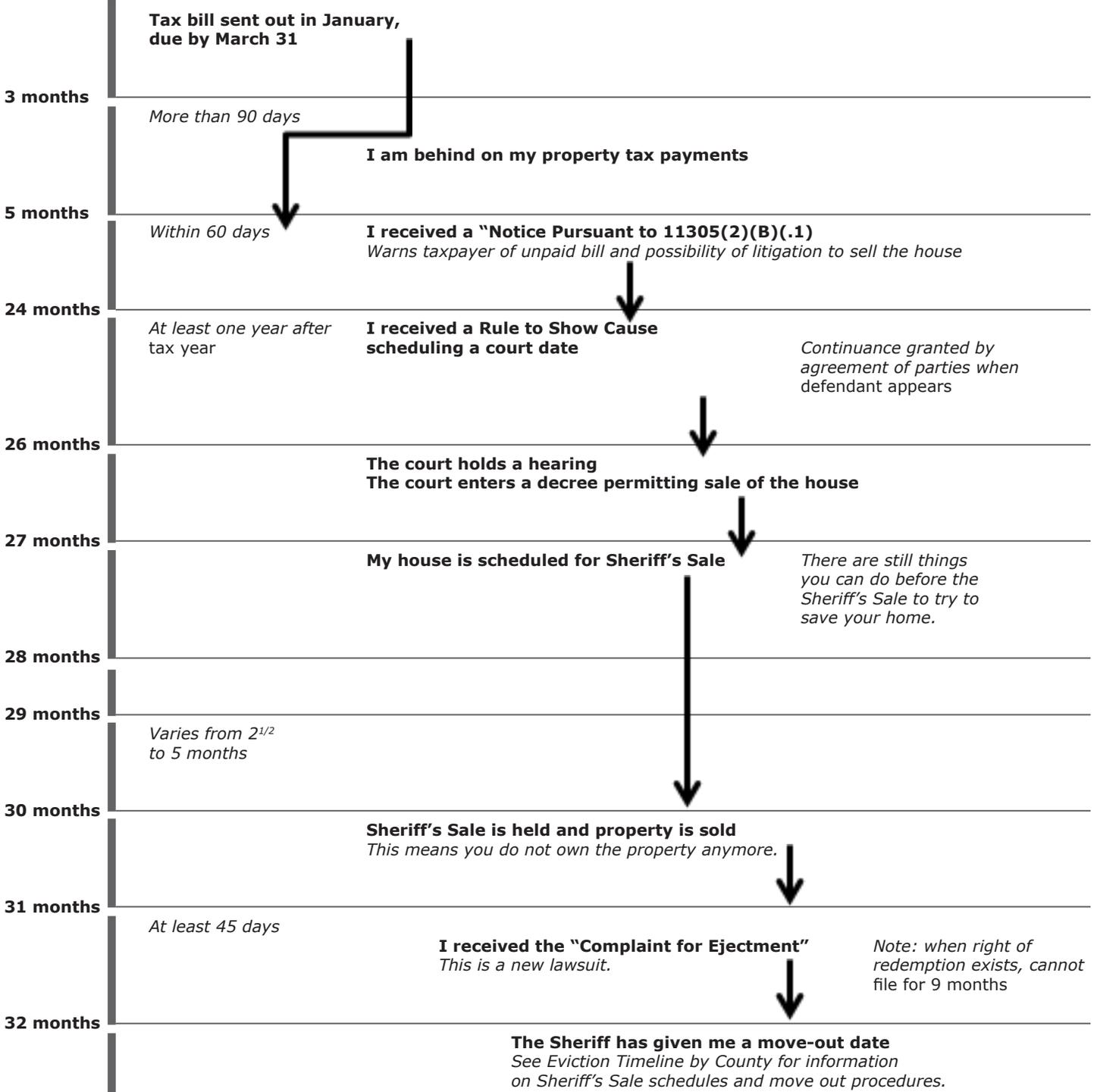
## City of Philadelphia's Installment Plan Agreements for Current Property Taxes

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:	<ul style="list-style-type: none"><li>• Household must qualify as either a senior citizen, or 50% of Area Median Income (about \$40,150 for a family of four)</li><li>• Applicant must be record or equitable owner of property</li><li>• Homeowner must reside in property</li></ul>
Geographic Area Served:	Philadelphia County
Administering Agency:	Philadelphia Law Department or Department of Revenue
Procedures:	<ul style="list-style-type: none"><li>• Contact Department of Revenue for appointment to complete application.</li><li>• If legal action has already been commenced, applicants may also wish to contact the City Law Department.</li><li>• 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.</li><li>• Written application with supporting documentation will be submitted.</li></ul>
Contact Information:	Save Your Home Philly Hotline: 215-334-4663 Philadelphia Law Department: 215-683-5207 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 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.

### 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 Hearing. If the taxpayer does not attend this hearing, 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, but 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”), 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.” 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.

Effective in Fall/Winter 2017, 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.

Customers and their advocates should review the most current version of PWD regulations, available at [www.phila.gov/water](http://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 2016):

- Available to customers with household income above 250% of Federal Poverty Level
- Initial payment equal to 25% of the balance or 15% of combined monthly household income, whichever is less.
- Subsequent equal monthly payments for a term 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:
  - o 0-50% FPL: monthly bill equals 2% of income
  - o 50-100% FPL: monthly bill equals 2.5% of income
  - o 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 provides 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"><li>• 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"><li>o 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</li><li>o 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.</li></ul></li><li>• 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 more recent.</li><li>• 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.</li><li>• 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.</li><li>• 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).</li></ul>
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/chesco/site/default](http://www.chesco.org/chesco/site/default)

## 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.co.delaware.pa.us/treasurer/taxclaim.html](http://www.co.delaware.pa.us/treasurer/taxclaim.html)  
<http://www.co.delaware.pa.us/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 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.

### 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 19404-0268  
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	www.phila.gov/OPA
Property Tax/Rent Rebate	✓	✓	✓			June 10	www.revenue.pa.gov or call 1-800-236-2194
Current Year Property Tax Installment Plan	✓	✓			215-686-6442	Mar. 31	www.phila.gov/revenue
Owner-Occupied Real Estate Payment Agreement ("OOPA")		✓			215-686-6442	Sept. 13	www.phila.gov/revenue
Senior Citizen Low-Income Property Tax Freeze	✓	✓			215-686-6442	*June 30	www.phila.gov/revenue
Longtime Owner Occupants Program ("LOOP")		✓			215-686-9200	*Feb. 18	www.phila.gov/OPA
Real Estate Tax Deferral		✓			215-686-6442		www.phila.gov/revenue
Real Estate Tax Credit for Active Duty Reserve and National Guard				✓	215-686-6442	Approx. 6 months from loss	www.phila.gov/revenue
Catastrophic Loss Adjustment					215-686-9282		www.phila.gov/OPA
PA Disabled Veterans Real Estate Exemption		✓		✓	215-686-3256		Call 215-686-3256 to request application forms

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 \$30,000 of a homeowner's property value (its assessed market value) from taxation. This is equivalent to \$419.94 reduction in taxes due (based on 2016 tax rate).

**Property Tax/Rent Rebate:** Homeowners and renters may receive a rebate of their property tax or rent payments once they are paid in full, totaling from \$250 to \$975.

**Current Year Property Tax Installment Plan:** Record owners residing in the property may pay their current year property taxes in monthly payments through December 31st and have interest and penalties waived.

**Owner-Occupied Payment Plan ("OOPA"):** Homeowners are allowed to pay delinquent property taxes in monthly installments, which are based on household income, and some or all of interest and penalties may be forgiven. During the duration of the agreement, interest and penalties continue to accrue but they will not be added to the delinquency if the agreement is completed. **Future taxes must continue to be paid on time, as they are not included in the agreement.**

**Senior Citizen Low-Income Property Tax Freeze:** Seniors who own their residences may "freeze" their current tax assessment, meaning it will not increase if the residences assessed value increases (taxes will decrease if the assessed value decreases).

**Longtime Owner Occupants Program ("LOOP"):** An applicant who has owned and occupied their residence for 10 years may apply to cap the assessed property value at three times (300%) the assessed value for the previous tax 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. The tax liability is not forgiven and the taxpayer remains obligated to pay the taxes, which are collected when the property is sold or transferred to a new owner.

**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:** 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 \$88,607 annually (in 2017) and must be proven if income exceeds this amount.

## **Section IV:**

### **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 Deed-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.

## Deed-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.

# Housing Counseling Agency Directory

Approved by  
(as of 9/1/2017)

Name	Address	City	Zip	Phone	PHFA/CHCI	DHCD	HUD
Affordable Housing Centers of Pennsylvania	846 North Broad Street	Philadelphia	19130	215-765-1221	●	*	‡
American Credit Alliance	2 S. Delmorr Avenue	Morrisville	19067	215-295-7195			‡
Asociación Puertorriqueños en Marcha - APM	600 West Diamond Street	Philadelphia	19122	215-235-6070	●	*	‡
Bucks County Housing Group	1069 Jacksonville Road	Ivyland	18974	215-394-8259	●		‡
CLARIFI	226 Mill St. 1st Floor	Bristol	19007	215-563-5665	●	*	‡
	595 Rancocas Road	Westampton	08060	215-563-5665	●	*	‡
	1 Mall Drive Suite 615	Cherry Hill	08062	215-563-5665	●	*	‡
	101 Greenwood Ave, Suite 208	Jenkintown	19046	215-563-5665	●	*	‡
	280 N. Providence Rd. Suite 7	Media	19063	215-563-5665	●	*	‡
	4400 N. Reese Street	Norristown	19140	215-563-5665	●	*	‡
	1608 Walnut Street	Philadelphia	19103	215-563-5665	●	*	‡
	7340 Jackson Street	Philadelphia	19136	215-563-5665	●	*	‡
	1410 West Erie Ave	Philadelphia	19140	215-563-5665	●	*	‡
790 E. Market Street, Suite 170	Philadelphia	19107	215-563-5665	●	*	‡	
Center in the Park	5818 Germantown Avenue	Philadelphia	19144	215-848-7722	●	*	
Chester Community Improvement Project	412 Avenue of the States	Chester	19103	610-876-8663			‡
Concilio - Council of Spanish Speaking Organization	705-709 N. Franklin St.	Philadelphia	19123	215-627-3100	●		‡
Congreso de Latinos Unidos	216 West Somerset Street	Philadelphia	19133	215-763-8870	●	*	‡
Credit Counseling Center	8150 Route 13	Levittown	19057	215-348-8003	●		‡
	60 North Main Street, Lower Level	Doylestown	18601	215-348-8003	●		‡
	832 Second Street Pike	Richboro	18954	215-348-8003	●		‡
Diversified Community Services (Dixon House)	1920 South 20th Street	Philadelphia	19145	215-336-3511	●	*	‡
Genesis Housing Corporation	208 DeKalb Street Suite #212	Norristown	19401	610-275-4357	●		‡
Greater Philadelphia Asian Social Services Center	4943 N. 5th Street	Philadelphia	19120	215-456-1662		*	
Hispanic Assoc. of Contractors & Enterprises (HACE)	167 W. Allegheny Ave, Suite 200	Philadelphia	19140	215-426-8025	●	*	‡
	4915 Frankford Ave.	Philadelphia	19124	215-437-7867	●	*	‡
Housing Partnership of Chester County	41 West Lancaster Ave	Downingtown	19335	610-518-1522	●		‡
Intercommunity Action	403 Rector Street	Philadelphia	19128	215-487-1750	●	*	‡
Intercultural Family Services, Inc.	4225 Chestnut Street	Philadelphia	19104	215-386-1298	●	*	‡

● 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 mortgages.

# Housing Counseling Agency Directory Continued

Approved by  
(as of 9/1/2017)

Name	Address	City	Zip	Phone	PHFA/CHCI	DHCD	HUD
Korean Community Development Services Center	6055 North 5th Street	Philadelphia	19120	215-276-8830	●	*	‡
Liberty Resources, Inc.	714 Market Street, Suite 100	Philadelphia	19106	215-634-2000	●	*	
Media Fellowship House	302 South Jackson Street	Media	19063	610-565-0434	●		‡
Mt. Airy USA	6703 Germantown Ave, Suite 20	Philadelphia	19119	215-844-6021	●	*	‡
New Kensington CDC	2515 Frankford Avenue	Philadelphia	19125	215-427-0350	●	*	‡
Northwest Counseling Service	5001 North Broad Street	Philadelphia	19141	215-324-7500	●	*	‡
Norris Square Community Alliance	174 W. Diamond Street	Philadelphia	19122	215-426-8734	●	*	
Nueva Esperanza	4261 North 5th Street	Philadelphia	19140	215-324-0746	●	*	‡
Pathstone	1625 N. 2nd Street	Harrisburg	17102	717-234-6616	●		
The Partnership CDC	4020 Market Street	Philadelphia	19104	215-662-1612	●		‡
Philadelphia Council for Community Advancement	1617 JFK Boulevard, Suite 1550	Philadelphia	19103	215-567-7803	●	*	‡
Philadelphia Senior Center	509 South Broad Street	Philadelphia	19147	215-546-5879		*	
South Philadelphia H.O.M.E.S.	1444 Point Breeze Avenue	Philadelphia	19146	215-334-4430	●		
Southwest CDC	6328 Paschall Avenue	Philadelphia	19142	215-729-0800	●	*	
Tabor Community Services, Inc.	308 E King Street	Lancaster	17602	717-397-5182	●		‡
Unemployment Information Center	112 N Broad St, 11th floor	Philadelphia	19102	215-557-0822	●	*	‡
United Communities Southeast Philadelphia	2029 South 8th Street	Philadelphia	19148	215-467-8700	●	*	‡
Universal Community Homes/Companies	800 South 15th Street	Philadelphia	19146	215-732-6518	●		
Urban League of Philadelphia	121 S Broad St., 9th floor	Philadelphia	19107	215-985-3220	●	*	‡
West Oak Lane CDC	2502 W. Cheltenham Avenue	Philadelphia	19150	215-549-9462	●	*	‡

● 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

\* DHCD – 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 mortgages.

# 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 shows an example of the first page of each notice.

## Act 91 Notice

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

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

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

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

### **Save Your Home From Foreclosure** (20 point font, bold)

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 [www.phfa.org/hemap](http://www.phfa.org/hemap). 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 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 MORTGAGE

The MORTGAGE held by (hereinafter we, us or ours) on your property located at , IS IN SERIOUS DEFAULT [because you have not made the monthly payments of for the months of , , and , and/or because ]. Late charges and other charges have also accrued to this date in the amount of . 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

*You may cure this default within THIRTY (30) DAYS of the date of this letter, by paying to us the above amount of , plus any additional monthly payments and late charge which may fall due during this period. Such payment must be made either by cash, cashier's check, certified check or money order, and made at .*

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 . 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: . 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

Mortgage company's Attorney  
Attorney's mailing address  
Attorney's phone number

ABC Bank, as Trustee for  
Asset-backed mortgage trust xxx-xxxx,  
Plaintiff,

V.

Homeowner A and Homeowner B,  
Defendant

COURT OF COMMON PLEAS  
CIVIL DIVISION

County

NO. XX-XXXX

## COMPLAINT IN MORTGAGE FORECLOSURE

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 defenses 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.

LAWYERS REFERRAL SERVICE

# Important Notice

Mortgage Company's Attorney  
Attorney's mailing address  
Attorney's phone number

Attorney for Plaintiff

ABC Bank, as Trustee for  
Asset-backed mortgage trust xxx-xxx,  
Plaintiff,

v.

Homeowner A and Homeowner B,  
Defendants.

Court of Common Pleas  
\_\_\_\_\_ County  
NO. xx-xxxx

To: Homeowner  
Homeowner's address  
Date of Notice: Month x, 200x

## 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.

Lawyer Referral Service  
County Bar Association  
Bar. Assc. Address  
(xxx) xxx-xxxx

## NOTIFICACION IMPORTANTE

USTED SE ENCUENTRA EN ESTADO DE REBELDIA POR NO HABER TOMADO LA ACCION REQUIRIDA DE SU PARTE EN ESTE CASO. AL NO TOMAR LA ACCION DEBIDA DENTRO DE UN TERMINO DE DIEZ (10) DIAS DE ESTA NOTIFICACION, EL TRIBUNAL PODRA, SIN NECESIDAD DE COMPARARECER USTED EN CORTE O ESCUCHAR PREUBA ALGUNA, DICTAR SENTENCIA EN SU CONTRA, USTED PUEDE PERDER BIENES Y OTROS DERECHOS, IMPORTANTES. DEBE LLEVAR ESTA NOTIFICACION A UN ABOGADO INMEDIATAMENTE SI USTED NO TIENE ABOGADO, O SI NO TIENE DINERO SUFICIENTE PARA TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA, CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

Lawyer Referral Service  
County Bar Association  
Bar. Assc. Address  
(xxx) xxx-xxxx

# Judgment

Mortgage Company's Attorney  
Attorney's mailing address  
Attorney's phone number

ATTORNEY FOR PLAINTIFF

ABC Bank, as Trustee for  
Asset-backed mortgage trust xxx-xxxx,  
Plaintiff

v.

Homeowner A and Homeowner B,  
Defendants

COURT OF COMMON PLEAS  
CIVIL DIVISION  
County

MORTGAGE FORECLOSURE

NO. XXX-XXXX

PRECIPE FOR JUDGMENT FOR FAILURE TO  
ANSWER AND ASSESSMENT OF DAMAGES

TO THE PROTHONOTARY:

Kindly enter judgment in favor of the Plaintiff and against the Defendant(s) for failure to file an Answer to Plaintiff's Complaint within 20 days from service thereof and for foreclosure and sale of the mortgaged premises, and assess Plaintiff's damages as follows:

As set forth in Complaint	\$9,058.13
Interest Per Complaint	216.69
From to	
<b>TOTAL</b>	<b><u>\$9,274.82</u></b>

I hereby certify that (1) the addresses of the Plaintiff and Defendant are as shown above, and (2) that notice has been given in accordance with Rule 237.1, a copy of which is attached hereto.

Mortgage Company's Attorney

DAMAGES ARE HEREBY ASSESSED AS INDICATED

DATE: Month X, 200X

PRO PROTHY

# Sheriff's Sale Scheduled

Mortgage Company's Attorney  
Attorney's mailing address  
Attorney's phone number

ABC Bank as Trustee for  
Asset-backed mortgage trust xxx-xxxx.  
Plaintiff,  
v.  
Homeowner A and Homeowner B  
Defendants

ATTORNEY FOR PLAINTIFF

COURT OF COMMON PLEAS  
CIVIL DIVISION  
XXXXX County  
MORTGAGE FORECLOSURE  
NO. xx-xxxx

## NOTICE OF SHERIFF'S SALE OF REAL PROPERTY

**TO:** Homeowner A and Homeowner B

Your house (real estate) at Homeowners address  
County, State is scheduled to be sold at the Sheriff's  
Sale on Month, day, at 10:00am in the District Plaza,  
XXXXXX Street, County, PA, to enforce the court  
judgment of \$9,274.82, obtained by Plaintiff above (the  
mortgagee) against you. If the sale is postponed, the property  
will be relisted for the Next Available Sale.

### NOTICE OF OWNER'S RIGHTS

#### YOU MAY BE ABLE TO PREVENT THIS SHERIFF'S SALE

To prevent this Sheriff's Sale, you must take immediate action:

1. The sale will be cancelled if you pay to the mortgagee the back payment, late charges, costs and reasonable attorney's fees. To find out how much you must pay, you may call: \_\_\_\_\_.
2. You may be able to stop the sale by filing a petition asking the Court to strike or open the judgment, if the judgment was improperly entered. You may also ask the Court to postpone the sale for good cause.
3. You may also be able to stop the sale through other legal proceedings. You may need an attorney to assert your rights. The sooner you contact one, the more chance you will have of stopping the sale. (See notice on page two on how to obtain an attorney.)

