

OwnPGH Homeownership Program

Learn about the funding process

ura

Urban
Redevelopment
Authority
of Pittsburgh

HACP

Housing Authority
City of Pittsburgh

Pictured: URA-supported homebuyers



Program Summary

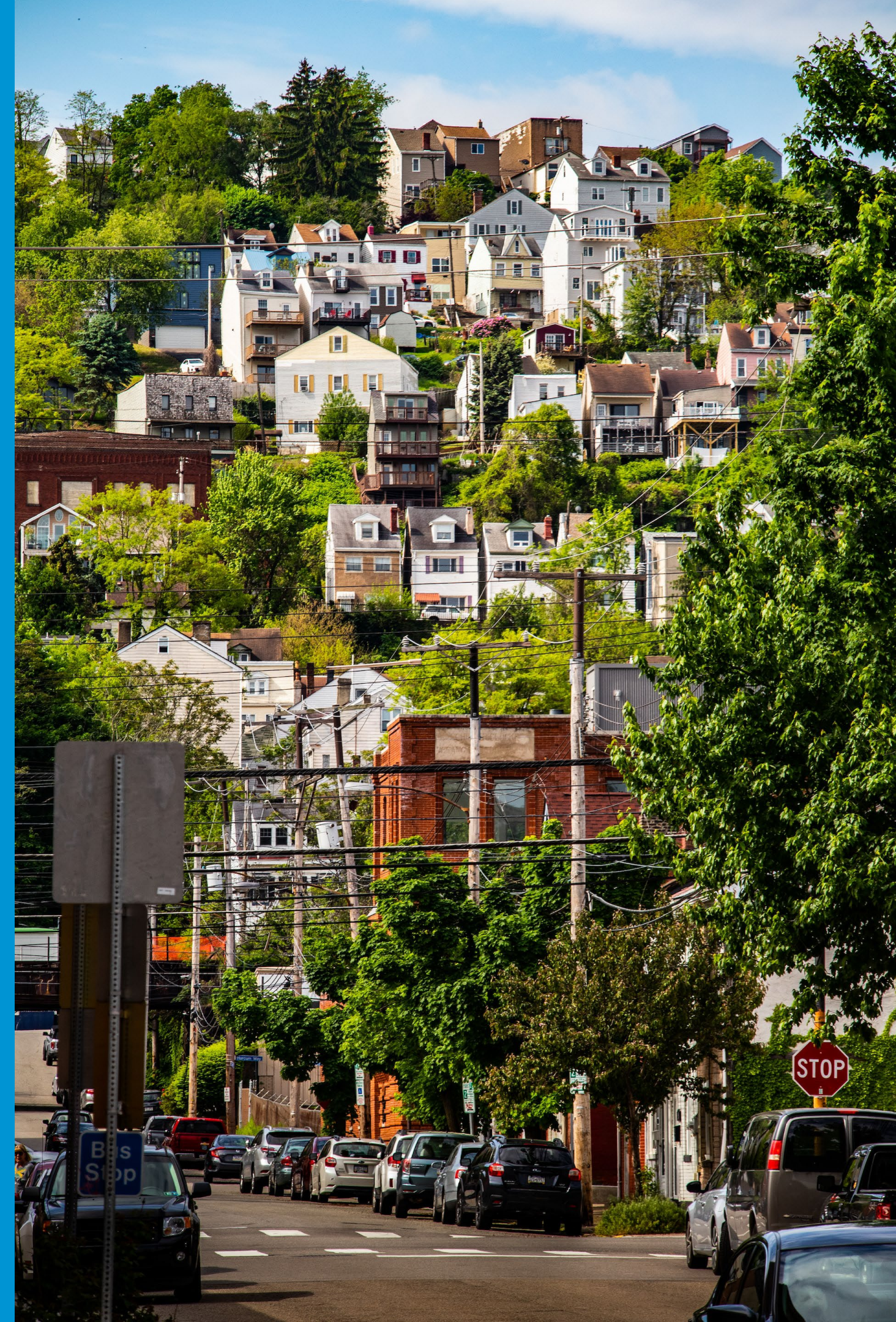
- Provides up to \$90,000 to first-time homebuyers seeking to purchase a home within the City of Pittsburgh
- A \$50,000 grant may be available for those with a household income of 80% of Area Median Income (AMI) or below.
- A \$40,000 loan may be available for those with a household income of 80% AMI or below. This is a 0% interest, forgivable loan, that can be forgiven after 10 years.
- The URA offers additional homebuying assistance with down payment and closing costs.



Before you Begin...

Check if you are eligible for the program.
Those applying for the OwnPGH Homeownership Program must:

- Have an income that is either at or below 80% of the Area Median Income (AMI)
- Be searching for a home within City of Pittsburgh limits



What is Area Median Income?

Area Median Income is the income levels determined annually by the U.S. Department of Housing and Urban Development (HUD) based on region. The income levels for Pittsburgh are based on incomes across the geographic regions of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties. To be eligible for the URA's housing programs, applicants must meet income limit qualifications based on the AMI levels the year they are applying. The 2023 AMI levels are below.

Number of people in the home	30% AMI	50% AMI	80% AMI	100% AMI	115% AMI
1	\$21,100	\$35,150	\$56,250	\$70,300	\$80,845
2	\$24,100	\$40,200	\$64,250	\$80,400	\$92,460
3	\$27,100	\$45,200	\$72,300	\$90,400	\$103,960
4	\$30,100	\$50,200	\$80,300	\$100,400	\$115,460
5	\$35,140	\$54,250	\$86,750	\$108,500	\$124,775
6	\$40,280	\$58,250	\$93,150	\$116,500	\$133,975
7	\$45,420	\$62,250	\$99,600	\$124,500	\$143,175
8	\$50,560	\$66,300	\$106,000	\$132,600	\$152,490

What is the income limit for OwnPGH?

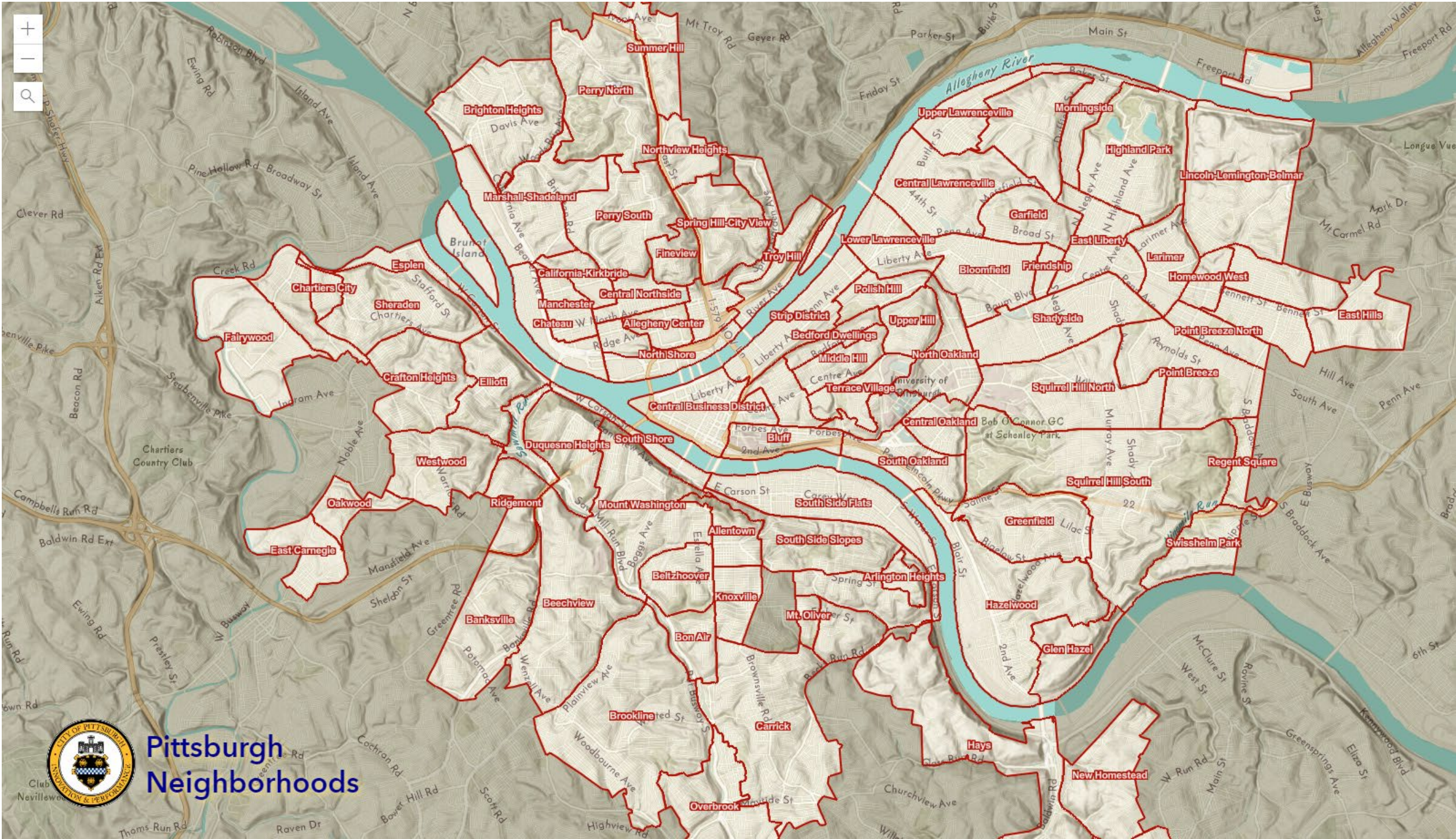
Household Size	Maximum Income
1	\$56,250
2	\$64,250
3	\$72,300
4	\$80,300
5	\$86,750
6	\$93,150

This chart shows the maximum annual income limits for OwnPGH. Those interested in applying for OwnPGH must be eligible based on their household's total income.

Annual Gross Income = the total income received by the entire household (any income-earning adults 18 years of age or older), before taxes and withholdings

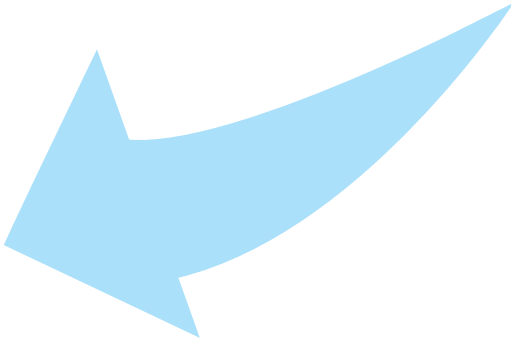
Income can come from Employment, Social Security, or Social Security Disability Insurance.

What are the City of Pittsburgh limits?



To view a map of the City of Pittsburgh boundaries, visit: <https://gis.pittsburghpa.gov/pghneighborhoods/>

You will need to buy a home within these boundaries to be eligible to receive financial assistance through OwnPGH.



Let's Get Started!

**Urban Redevelopment Authority
of Pittsburgh**

 **HACCP** Housing Authority
City of Pittsburgh

OwnPGH Process At-A-Glance



- 1) Contact an OwnPGH banking partner
- 2) Begin an application
- 3) Underwriting
- 4) Home inspection by the Housing Authority of Pittsburgh
- 5) OwnPGH funding approval
- 6) Final commitment
- 7) Closing and disbursement
- ★ Become a first-time homebuyer!

Step #1: Contact a banking partner

Those applying for the OwnPGH Homeownership Program should start by contacting one of our participating bank partners: Dollar Bank, SSB, or First Commonwealth Bank. You will then go through a process to find out if you are pre-qualified for a first mortgage through the bank.

What is a first mortgage?

A first mortgage is the initial (or first) loan you receive to buy a home. When you receive a first mortgage, the lender places a primary lien on the property. This means that if you violate the terms of the loan agreement, the lender will have the first right or claim to your home/property.

Participating banks

DollarBank[®]

 **FIRST**
Commonwealth Bank[®]

 **SSB**
More. Human. Interest.



Step #2: Begin an application

Once the bank confirms that you are pre-qualified for a first mortgage, you may sign a sales agreement with the home seller. You must then provide a copy of the sales agreement to the bank, and the bank will reach out to the URA to facilitate your application for OwnPGH.



Step #3: Underwriting

The bank and the URA will complete an underwriting process, verify your income, and analyze your front-end ratio and back-end ratio.

What is underwriting?

Underwriting is the process in which your lender and the URA and HACP will verify your income, assets, debts, and general eligibility for the OwnPGH program. The URA will review your OwnPGH application and ensure that you qualify based on the program guidelines.

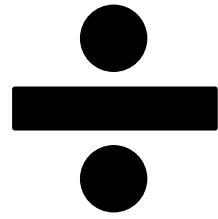
What is front-end-ratio and back-end-ratio?

Front-end ratio is the percentage of your gross monthly income spent on housing costs (mortgage, taxes, insurance etc.). It should not be higher than 31%.

Back-end ratio is the percentage of your gross monthly income that is going towards your housing expenses + your other debt payments (student loans, car, credit cards, etc.). It should not be higher than 43%.



Monthly housing expenses



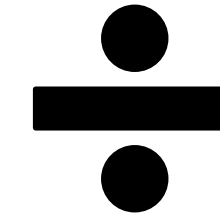
Monthly pre-tax income



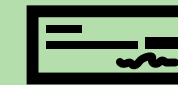
Front-end debt to income ratio
(should be no higher than 31%)

Monthly housing expenses

+ other debt



Monthly pre-tax income



Back-end debt to income ratio
(should be no higher than 43%)

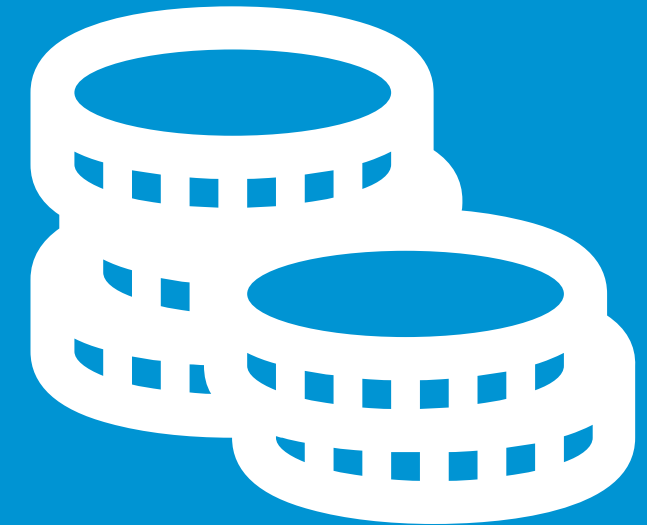
Step #4: Home Inspection

The HACP will perform a home inspection to ensure it is safe and in move-in condition. HACP will then alert the URA and the URA will inform the bank.



Step #5: OwnPGH Funding Approval

After the bank sends a final analysis to the URA, the URA will determine your final OwnPGH funding amount and relay that, along with related conditions, to the bank.



Step #6: Final Commitment

The bank will share with you the amount of your first mortgage, plus the amount of OwnPGH funding you'll receive from the URA. You will receive an official commitment letter from the URA stating your OwnPGH funding amount (total from URA & HACP) and outlining conditions of the funding. You must sign the letter and send it back.

Your mortgage + OwnPGH commitment + down payment and closing costs = the total cost of your first home



Step #7: Closing & Disbursement

After the OwnPGH loan is approved, the closing – in which the sale of the house is finalized – is scheduled. The loan documents and funds to close the house are sent to the closing company. Once received by the closing company, you will be able to sign closing documents, including restrictive covenants, and will become a homeowner!

Please note: There is about a 10-business-day time period between when you receive the OwnPGH funding commitment letter and when you'll have your closing. The closing will be scheduled between you, the bank, and the URA once the commitment letter is signed.

What are restrictive covenants?

Restrictive covenants are requirements that limit the use of the property.



What is the timeline?

The average time for the OwnPGH application process is **two and a half to three months**. This process depends on how prepared the client is, how responsive the client is, and the number of other applications under review at the same time of submission.



Contact Us



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 **HACP** Housing Authority
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