



2026 1st Home Allegheny Program, Phase 2 Guidelines

OVERVIEW

1. The primary source of funds for the program is held by the Allegheny County Residential Finance Authority (ACRFA) in the amount of approximately \$2.6 Million.
2. Loans are set to \$45,000 or \$10,000 depending on the income (see below)
3. Loan amount will be set at \$45,000/\$10,000 for household. Loan can cover all closing costs, with remainder going to downpayment amount, up to a limit of \$45,000/\$10,000.
4. Mortgages will be held by the ACRFA which is staffed by Allegheny County Economic Development.
5. All of those funds are required to be used solely for the mortgages for the homebuyer.

PROGRAM INFORMATION – BUYER PROFILES AND RESTRICTIONS

1. Buyers must have incomes below 80%/115% of area median income (see chart below) *
2. Buyers must be first-time purchasers – you have not owned a home for the past 36 months, or, if divorced, you have not owned a home in only your name in the past 36 months.
3. Sales agreement needs to be dated after the date of the initial loan approval (from ACED)
4. Minimum cash requirement from buyer of 1% of purchase price or \$1000, whichever is less
5. Buyer's asset income limited to \$40,000 with some exclusions (IRA, 401(k), tax-deferred college savings, health savings or day care savings)
6. Buyers must have minimum 2 months of mortgage payments in cash remaining after purchase
7. Buyers must complete HUD-certified counseling program (HUD ID for counselor required)
8. Primary source of funds for purchase must be private mortgage (not family gifts)
9. Buyers may add other subordinate mortgage debt, provided it is accepted by private lenders; may be subordinate to ACRFA debt or senior, and will be decided on a case-by-case basis
10. The Redevelopment Authority of Allegheny County may hold a right of first refusal to purchase for appraised value for 15 years

11. All persons who will reside in the home need to be included in the application
12. All persons aged 18 or over need to sign the application
13. All persons aged 18 and over need to provide income information
14. Items 11-13 apply regardless of whether they will be on the first position (Bank) loan

PROGRAM INFORMATION – LOCATION AND TYPE OF UNIT

1. Property must be in Allegheny County, excluding City of Pittsburgh
2. One unit per deed only (ex. - single-family attached/detached/condominium)
3. No renovations funded by this program

MORTGAGE TERMS

1. Fifteen-year term
2. 0% interest
3. 2% Origination fee
4. ACRFA Mortgage balance due is reduced annually
5. Remaining balance is due upon sale through year 15 (see chart below)
6. Home must be used as primary residence
7. Home may not be rented, nor leased for short-term vacation rental (e.g., Air BnB, VRBO)
8. Mortgage satisfaction fees are the responsibility of homebuyers

HOUSEHOLD LIMITS

Income Limits, as Adjusted by Number of Persons in each Household (HH)		
HH size	Moderate Income Buyers*	Middle Income Buyers**
1	\$60,100	\$86,480
2	\$68,700	\$98,785
3	\$77,300	\$111,090
4	\$85,850	\$123,395
5	\$92,750	\$123,395
6	\$99,600	\$123,395
7	\$16,500	\$123,395
8	\$113,350	\$123,395
	\$45,000 Loan	\$10,000 Loan

* Area Median Income, adjusted by Household size, for Pittsburgh Metropolitan Statistical Area 2025.
Source: [US Dept of Housing and Urban Development](#)

**Median Family Income (MFI) for Pittsburgh Metropolitan Statistical Area. Funding source limits are 100% of MFI for 1-or 2-person household; 115% for 3 or more-person household.
Source: [US Dept of Housing and Urban Development](#)

LOAN FORGIVENESS

Loans are forgivable on a sliding scale, based upon full years of ownership by the original buyer, as follows:

Time Period	\$45,000 Homebuyer Loan	
	Buyer Retains at Sale	Paid to ACRFA at Sale
Year 1 (0-12 Months)	\$2,250	\$42,750
Year 2 (13-24 Months)	\$4,500	\$40,500
Year 3 (25-36 Months)	\$6,750	\$38,250
Year 4 (37-48 Months)	\$9,000	\$36,000
Year 5 (49-60 Months)	\$11,250	\$33,750
Year 6 (61-72 Months)	\$14,625	\$30,375
Year 7 (73-84 Months)	\$18,000	\$27,000
Year 8 (85-96 Months)	\$21,375	\$23,625
Year 9 (97-108 Months)	\$24,750	\$20,250
Year 10 (109-120 Months)	\$28,125	\$16,875
Year 11 (121-132 Months)	\$31,500	\$13,500
Year 12 (133-144 Months)	\$34,875	\$10,125
Year 13 (145-156 Months)	\$38,250	\$6,750
Year 14 (157-168 Months)	\$41,625	\$3,375
Year 15 (169-180 Months)	\$45,000	\$0
Origination Fee: \$900		

Time Period	\$10,000 Homebuyer Loan	
	Buyer Retains at Sale	Paid to ACRFA at Sale
Year 1 (0-12 Months)	\$500	\$9,500
Year 2 (13-24 Months)	\$1,000	\$9,000
Year 3 (25-36 Months)	\$1,500	\$8,500
Year 4 (37-48 Months)	\$2,000	\$8,000
Year 5 (49-60 Months)	\$2,500	\$7,500
Year 6 (61-72 Months)	\$3,250	\$6,750
Year 7 (73-84 Months)	\$4,000	\$6,000
Year 8 (85-96 Months)	\$4,750	\$5,250
Year 9 (97-108 Months)	\$5,500	\$4,500
Year 10 (109-120 Months)	\$6,250	\$3,750
Year 11 (121-132 Months)	\$7,000	\$3,000
Year 12 (133-144 Months)	\$7,750	\$2,250
Year 13 (145-156 Months)	\$8,500	\$1,500
Year 14 (157-168 Months)	\$9,250	\$750
Year 15 (169-180 Months)	\$10,000	\$0
Origination Fee: \$200		

APPLICATION PROCESSING GUIDANCE

1. Incomplete applications will be returned to lenders with no further review or comments and must be completed and resubmitted.
2. Lender must verify source of deposits whenever the monthly deposits exceed 20% of the monthly gross wage income
3. Once a complete application is reviewed by ACTION Housing, it will be submitted to Allegheny County Residential Finance Authority.
4. If approved ACRFA will issue an INITIAL approval memo
5. Sales agreements must be dated after the initial approval memo date
6. Closing date needs to be not less than 45 days from initial approval memo date
7. Lender must submit an appraisal, loan estimate/CD, homebuyer counseling certificate, and fully executed sales agreement
8. ACRFA will review, and once approved, issue a FINAL approval memo. Note that the ACRFA issues paper checks and cannot wire funds.
9. Lender needs to submit a legal description and a Fed Ex or UPS Shipping label from the selected title firm
10. RFA needs the shipping label BEFORE a check can be authorized, printed and signed. Assume this will take not less than 7-10 days.
11. Title firm needs to return documentation to the ACRFA.

QUESTIONS?

For more information, please visit the [1st Home Allegheny website](#).

If you have any questions, please contact 1sthomeallegheny@actionhousing.org.

