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For Immediate Release



## CHFA FIRST-TIME HOMEBUYER MORTGAGE INTEREST RATE AT RECORD LOW 2.50%

**ROCKY HILL, Conn., February 9, 2021**—The Connecticut Housing Finance Authority’s (CHFA) interest rate on first-time homebuyer mortgages dropped to 2.50%. “Interest rates have been decreasing over the last several years, and right now, CHFA is offering 2.50%, the lowest rate in CHFA’s over 50-year history. The rate has not been this low since 2012,” said Nandini Natarajan, CHFA’s Chief Executive Officer – Executive Director. “CHFA’s mission is to help low- and moderate-income borrowers buy their first homes, and lower rates also contribute to overall affordability, in some cases allowing people to purchase a slightly larger home,” she added. According to a recent Freddie Mac survey, the nationwide 30-year fixed rate mortgage average was 2.73%.

CHFA’s Downpayment Assistance Program (DAP), is another tool to help first-time buyers achieve their dreams of homeownership. A DAP loan, when combined with a CHFA mortgage, can cover the down payment and closing costs, items which are a common obstacle to homeownership. CHFA also offers mortgage programs with additional rate discounts for members of the U.S. Military Services and veterans, as well as incentives for teachers who meet eligibility requirements.

CHFA, a self-funded, quasi-public agency, is able to offer below-market interest rates by issuing bonds in the financial markets, and using the proceeds to fund the single-family mortgage program. To qualify for a CHFA mortgage, applicants must meet [specific income and sales price criteria](#) based on the town where they plan to purchase the home and it must be the buyer’s first home purchase (buyers who have not owned a home in three years also qualify).

For example the income limit for a 1-2 person household is \$102,600, and \$117,900 for a household of 3 or more people in most of Hartford, Litchfield, Middlesex, New London, Tolland and Windham counties.

In most of Fairfield County, the income limit for a 1-2 person household is \$126,650, and \$143,600.

CHFA works with about [70 lenders](#) in Connecticut, so in most areas, potential homeowners can work with a local bank to apply for a CHFA mortgage.

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The Connecticut Housing Finance Authority (CHFA) was created in 1969 by the Connecticut Legislature as a self-supporting quasi-public housing agency charged with expanding affordable housing opportunities for the state's low- and moderate-income families and individuals. CHFA has helped more than 145,000 Connecticut individuals and families become homeowners through its low-interest single-family mortgage programs. In addition, CHFA has financed the creation of more than 55,000 affordable, rental units throughout the state. To date, the combined mortgage financing for CHFA's single-and multifamily housing programs exceeds \$17 billion. For more information: <https://www.chfa.org>