

CHFA CONVENTIONAL AMI Loan Program (CALP)



The CHFA Conventional Area Median Income (AMI) Loan Program (CALP) will provide first mortgage loan financing to qualified first-time homebuyers that do not qualify for the FNMA – HFA Preferred™ or FHLMC – HFA Advantage® Loan Programs due to their qualifying income being greater than 80% of the Area Median Income. This program offers a 30-year, fixed rate mortgage with low cost mortgage insurance coverage requirements.

ELIGIBILITY REQUIREMENTS

- You must be a first-time homebuyer or have not owned a home in the past three years. Borrowers who have owned a home previously may also apply if they plan to purchase in a targeted area of the state. You may not own any other property at the time of closing your CHFA mortgage (see list of Targeted Areas at chfa.org).
- The sales price of the home does not exceed CHFA Sales Price Limits. (see Sales Price Limits at chfa.org)
- Borrower(s) qualifying gross income must be greater than 80% of the Area Median Income (AMI) limits for the county where the property is located but it cannot exceed the CHFA established Income Limits based on household size. (see Income Limits at chfa.org)
- The interest rate is the CHFA published rate on the day your CHFA-Approved Lender registers your loan. The interest rate is reduced by .25% if purchasing property in a Targeted Area. (see list of Targeted Areas at chfa.org)

DOWNPAYMENT ASSISTANCE PROGRAM (DAP)

CHFA offers a down payment assistance second mortgage loan to qualified borrowers who are receiving a CHFA first mortgage. Applicants must require a minimum of \$3,000 to be eligible for DAP funding. Applicants will be required to make a minimum investment of \$1,000 toward the acquisition costs.

MORTGAGE INSURANCE

Mortgage insurance is required when the amount financed exceeds 80% of the appraised value or purchase price, whichever is less. The amount of insurance is determined by the respective mortgage insurer's guidelines. Your lender will review mortgage insurance requirements with you.

HOMEBUYER EDUCATION CLASS

At least one borrower is required to attend a free homebuyer education class prior to closing. Classes are held at several locations or online. Your lender will provide you with information for online counseling when your loan is reserved.

A landlord certificate is also required if purchasing a two to four family home. (see Counseling Class schedules at chfa.org)

FEDERAL RECAPTURE TAX

In rare cases, you could be required to pay a Federal Recapture Tax in the future if you sell the house. Your lender will provide you with information at the time of application.

You may be eligible to receive reimbursement from CHFA if you are required to make the Federal Recapture Tax payment.

HOW TO APPLY

To learn more about the program and to apply, contact one of the CHFA - Approved Lenders for guidance. (see CHFA-Approved Lenders list at chfa.org) or call CHFA toll free at: 844-CT1-HOME (844-281-4663).

