

# DOWNPAYMENT ASSISTANCE PROGRAM (DAP)



*The foremost obstacle to homeownership is a potential homebuyer's inability to cover the down payment and closing cost requirements of purchasing their home. The CHFA Downpayment Assistance Program loan is offered in conjunction with a CHFA first mortgage program to eligible applicants for down payment and closing cost assistance.*

## ELIGIBILITY REQUIREMENTS

- To be eligible for a Downpayment Assistance Program loan, borrowers must apply and qualify for a CHFA first mortgage loan.
- Eligible borrowers must demonstrate an ability to repay both the CHFA first and DAP second mortgage loans in order to qualify for assistance under this program.
- 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 as applicable to the first mortgage program and Borrowers gross income must not exceed the CHFA established Income Limits based on household size. (see [Sales Price & Income Limits at chfa.org](#)).

## IMPORTANT INFORMATION

- DAP loan interest rate is currently being offered at a reduced rate of only 1.00% (1.10% - 1.50% APR) for loan reservations dated from April 30, 2021 thru December 31, 2021.
- Applicants must require a minimum of \$3,000 to be eligible for DAP funding and may be eligible for up to 20K maximum.
- Applicants will be required to make a minimum investment of \$1,000 towards the acquisition costs.
- Applicants must meet all CHFA DAP eligibility and underwriting criteria for DAP approval. Your lender will work with you to determine complete program eligibility requirements. (see [CHFA-Approved Lenders list at chfa.org](#))

## HOMEBUYER EDUCATION CLASS

At least one borrower under CHFA Program loans 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](#)).

## 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)

