

# HFA ADVANTAGE®

## Mortgage Loan Programs



The Key To Affordable Housing



*The HFA Advantage and HFA Advantage Uninsured Loan Programs will provide first mortgage loan financing to eligible first-time homebuyers purchasing a single family residence in compliance with CHFA and FREDDIE MAC (FHLMC) eligibility requirements. 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](http://chfa.org))
- The sales price of the home does not exceed CHFA Sales Price Limits. (see Sales Price Limits at [chfa.org](http://chfa.org))
- Borrower(s) qualifying gross income for the HFA Advantage® product must not be greater than 80% of the FHLMC Area Median Income (AMI) limits for the county where the property is located but it cannot exceed the CHFA established eligibility Income Limits based on household size. (see Income Limits at [chfa.org](http://chfa.org))

Note: Income limits will not be waived if you are purchasing a home in a Targeted Area for this program.

- 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](http://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 towards 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. Your lender will review mortgage insurance requirements with you.

### HOME BUYER 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. (see Counseling Class schedules at [chfa.org](http://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](http://chfa.org)) or call CHFA toll free at: 844-CT1-HOME (844-281-4663).



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