



The reasons for wanting a better home are many, and the Connecticut Housing Finance Authority wants to help you with yours. If you are a first-time homebuyer we have programs and services, such as down payment and closing cost assistance, that will make this path a more enriching experience.

Your new home is waiting for you.

Call now 844-CT1-HOME
(844-281-4663) or look us up
on the web at [chfa.org](https://www.chfa.org)



999 West Street, Rocky Hill, CT 06067



Rev. 8-1-2023



HOMEBUYER MORTGAGE PROGRAMS

Home Wanted

**To Live a
Better Life**



844-CT1-HOME (844-281-4663) | [chfa.org](https://www.chfa.org)

HOMEBUYER MORTGAGE PROGRAMS

CHFA offers Homebuyer Mortgage Programs through CHFA - Participating Lenders that provide below-market interest rate mortgage loans to eligible applicants interested in purchasing their first home as well as previous homeowners who purchase a home in Targeted Areas of the state.

ELIGIBILITY

- You are a first-time homebuyer.
- The home will be your primary residence for the life of the loan.
- The sale price of the home does not exceed CHFA Sales Price Limits.
- Borrower(s) gross income must not exceed CHFA established Income Limits based on household size.

Not a first-time homebuyer? You may still be eligible! Generally, CHFA assists first-time homebuyers, but may provide loans to previous homeowners who have not had an ownership interest in a home for at least three years.

Targeted Areas

The interest rate is the CHFA published rate on the day your CHFA - Participating Lender registers your loan. **The interest rate is reduced by .25% if purchasing property in a Targeted Area.**

The following information is available at chfa.org:

- Homes Sales Price Limits and Buyer Income Limits
- Targeted Areas of the State
- List of CHFA- Participating Lenders
- Homebuyer Education Classes
- Current CHFA Mortgage Loan Interest Rates

Choosing a Property

To qualify, the home must meet the following criteria:

- Existing and new single family homes, Town-houses, Planned Unit Developments (PUDs), and Mobile Manufactured Homes.
- Condominiums - FHA, VA, USDA, or FNMA / FHLMC approved, as applicable.
- Two-to-four family homes that have been occupied as residences for the past five years.
- Newly constructed single-family homes that meet FHA energy efficiency standards.
- Newly constructed two-family homes in Targeted Areas.

DOWN PAYMENT ASSISTANCE PROGRAMS

CHFA offers down payment and closing cost assistance loans in conjunction with CHFA first mortgage loans. The minimum assistance amount is \$3,000.

HOMEBUYER EDUCATION CLASSES

CHFA offers the following free homebuyer education classes focusing on the financial and practical steps of buying and maintaining a home:

- **Pre-Closing Homebuyer Education Workshop:** (Overview) for borrowers who already have a CHFA loan number.
- **Pre-Purchase Homebuyer Education Workshop:** (In-depth) open to anyone considering buying a home.
- **Landlord Education Workshop:** required for those purchasing a 2 - 4 unit home.

Classes are held online or in person at several locations statewide every month.

See: *Homebuyer Education Class Schedules at chfa.org*

APPLYING FOR A MORTGAGE

1. Select a Lender Carefully

View the list of CHFA - Participating Lenders at chfa.org. The lender you work with must be on this list.

2. Sales Price and Income Limits

CHFA borrowers must be within Income Limits; the home within Sales Price Limits.

Loan Term

CHFA provides mortgages for a term of 30 years at a fixed rate. Qualification for a mortgage loan is based on credit, income, employment history and other underwriting criteria.

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 work with you to determine the type of mortgage insurance needed.

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.

Eligibility for Other Mortgage Programs

CHFA offers specific mortgage programs for the following individuals. Eligibility requirements may be different than above. For more information, contact us or a CHFA - Participating Lender.

- Police Officers, Teachers, Military Personnel and Veterans
- Disabled borrowers or households with a disabled member living in the home
- Tenants of Public Assistance Housing
- Those wishing to purchase a home in need of repairs