



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 home buyer we have programs and services, such as the Downpayment Assistance Program, 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



999 West Street, Rocky Hill, CT 06067

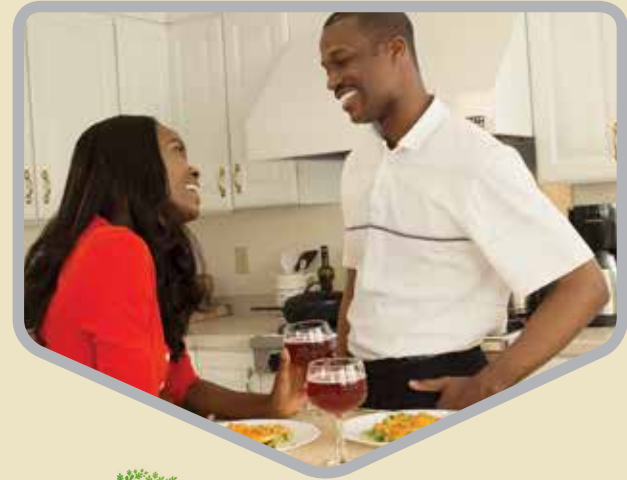
Rev. 1-21-20



HOMEBUYER MORTGAGE PROGRAM

Home Wanted

To Live a Better Life



844-CT1-HOME (844-281-4663) | chfa.org

HOMEBUYER MORTGAGE PROGRAMS

CHFA offers Homebuyer Mortgage Programs through approved 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

If you're not a first time homebuyer or you have an income that exceeds the CHFA established limit, you may still be eligible for a loan, as long as you plan to purchase a home in a targeted area of the state.

The interest rate is the CHFA published rate on the day your Approved Lender registers your loan. The interest rate is reduced by .25% if purchasing 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 Approved Lenders
- Homebuyer Education Classes
- Current CHFA Mortgage and DAP Loan Rates

Choosing a Property

To qualify, the home must meet the following criteria:

- Existing and new single family homes, town-houses and Planned Unit Developments (PUDs)
- Condominiums that are FHA/VA or FNMA/FHLMC approved
- 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
- Mobile homes that meet FHA guidelines

DOWNPAYMENT ASSISTANCE PROGRAM

CHFA offers down payment assistance second mortgage loans to qualified borrowers who are receiving a CHFA first mortgage.

The interest rate for this program will be the same as your first mortgage interest rate.

HOMEBUYER EDUCATION CLASSES

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

- **3 Hour Pre-Closing Homebuyer Education Class** (Overview) for borrowers who already have a CHFA loan number, available in person or online
- **8 Hour Pre-Purchase Homebuyer Education Class** (In-depth) open to anyone considering buying a home
- **Landlord Education and Housing Counseling Services** are required for those purchasing a 2-4 unit home

Classes are held at several locations statewide every month.

APPLYING FOR A MORTGAGE

1. Select a Lender Carefully

View the list of CHFA-Approved 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. For more information on these programs, ask a participating lender.

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