

MILITARY

Homeownership Program



The Military Homeownership Program is designed to help the men and women who serve our country realize the dream of owning their first home at below-market interest rates to members of the U.S. Military, Reserve or National Guard.

ELIGIBILITY REQUIREMENTS

- You must be a veteran, full-time active duty, Reserve or National Guard service member of the United States military. Unmarried surviving spouses or civil union partners of eligible veterans who died as a result of military service or service-connected disabilities may also be eligible.
- 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.
- The sales price of the home must not exceed the CHFA Sales Price Limits and borrower(s) gross income must not exceed the CHFA established Income Limits based on household size. (see *Sales & Income Limits* at chfa.org)

Note: Income limits do not apply if you are purchasing a home in a Targeted Area unless you are using Downpayment Assistance Program or one of the following CHFA loan products: HFA Preferred™, HFA Advantage®, or CHFA CALP.

- The interest rate is the CHFA published rate on the day your CHFA-Approved Lender registers your loan. **This program offers borrower(s) an additional interest rate reduction of .125%. (If purchasing in a Targeted Area, the interest rate can be reduced by .25%).** (See list of Targeted Areas at chfa.org)



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

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).

