

Your Guide to VHFA Loans

Affordable Homes for a Sustainable Vermont



vhfa

Vermont Housing Finance Agency

Who is VHFA?

VHFA's mission is to finance and promote affordable, safe and decent housing opportunities for low and moderate income Vermonters

The Vermont Housing Finance Agency (VHFA) is a not-for-profit organization that helps low and moderate income Vermonters obtain affordable mortgages. VHFA offers multiple homeownership programs through Participating Lenders including local banks, credit unions and mortgage companies.

Since 1974, VHFA has helped approximately 29,000 Vermonters and their families purchase primary residences. In addition, VHFA has provided financing, development and management support for over 8,700 units of multi-family rental housing.

VHFA believes in opening doors to homeownership so Vermonters can find the home that's right for them.



How can VHFA help?

VHFA offers straightforward, 30-year fixed rate mortgage programs with short and long term savings for low to moderate income Vermont households.



First Mortgage Options

Low down payment options and in some cases up to 100% financing. Qualification is based on standard conventional or government mortgage guidelines.



Down Payment and Closing Cost Assistance

VHFA offers down payment and closing cost assistance available with a VHFA first mortgage.



Property Transfer Tax Exemption

The State of Vermont waives or reduces the Vermont Property Transfer Tax owed for VHFA borrowers, which saves money due at closing.



Mortgage Credit Certificates

VHFA exclusively offers Mortgage Credit Certificates in Vermont. A Mortgage Credit Certificate converts a portion of the mortgage interest paid annually into as much as a \$2,000 tax credit which can be used year over year to reduce federal tax liability even if deductions are not itemized.*

Go to www.vhfa.org for a list of Participating Lenders and contact a Participating Lender to discover more about VHFA programs today.

*VHFA is not licensed to provide tax advice, for specific questions pertaining to Mortgage Credit Certificates please consult a tax professional.

To learn more, visit us at www.vhfa.org



How to apply for a VHFA program?

VHFA programs are available through local banks, credit unions and mortgage companies. Contact a VHFA Participating Lender to explore VHFA program options today. Visit www.vhfa.org to access a list of Participating Lenders.

Contact a Participating Lender



VHFA Loan Process

1. Contact a VHFA Participating Lender. It is recommended that a lender is consulted about mortgage qualification prior to starting the home search.

2. Start the Application Process. A lender may take an application in person, online or over the phone. Talk to a Participating Lender early on about pre-purchase homebuyer education required.

3. Select VHFA Program. The Participating Lender will review program options to help determine the best fit.

4. Participating Lender works with VHFA to prepare loan for closing.



To learn more, visit us at www.vhfa.org



VHFA Eligibility

VHFA programs are limited to the purchase of a primary residence in Vermont. Each borrower and any non-borrowing spouse must meet VHFA's program eligibility requirements. Qualification is determined by a VHFA Participating Lender. Go to www.vhfa.org for a list of Participating Lenders.

First Time Home Buyer

Some VHFA first mortgage programs have a first time home buyer requirement in Addison, Bennington, Chittenden, Grand Isle and Windsor counties; in those counties a borrower and any non-borrowing spouse cannot have owned a home in the prior 3 years.

Certain VHFA down payment and closing cost assistance requires that a borrower and any non-borrowing spouse be a first time home buyer. Consult a Participating Lender for detail.

Income, Purchase Price and Asset Limits

All VHFA loans have income limits, income for both the borrower and any non-borrowing spouse must not exceed the program limit. The most current income limits can be found at www.vhfa.org.

Some VHFA loans have purchase price limits, for the most current purchase price limit detail please access www.vhfa.org.

Certain VHFA down payment and closing cost assistance programs have asset or income limits. Consult a Participating Lender for details.

Other Real Estate Owned

When purchasing a home using a VHFA program, a borrower and any non-borrowing spouse cannot have ownership interest in any other real estate; there are limited exceptions, please discuss any other real estate owned with a Participating Lender to determine eligibility.

Eligible Properties

There are restrictions to the type of property that can be financed with a VHFA program, consult with a Participating Lender for details.

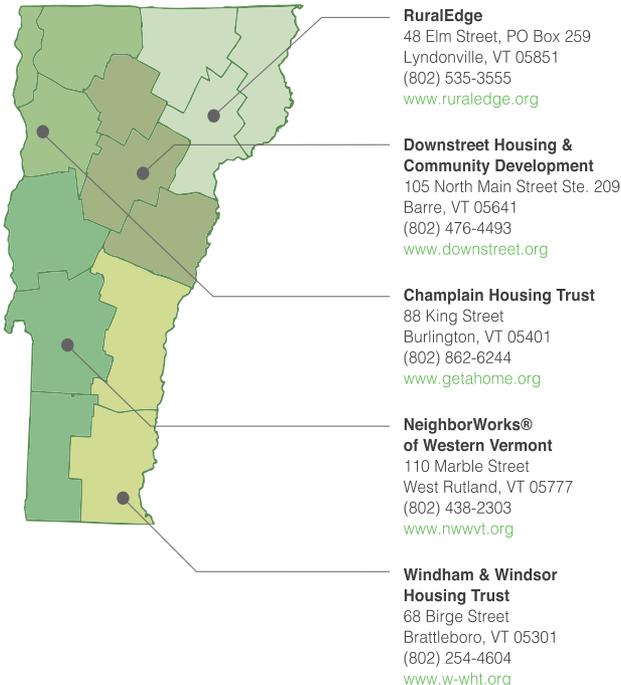
Learn more about the home buying process

VHFA requires pre-purchase homebuyer education prior to closing on all loans. Complete homebuyer education early in the home buying process and put what is learned to practical use from the very beginning:

- 🔑 Learn how to calculate home affordability
- 🔑 Understand home buying terminology, process and milestones
- 🔑 Introduces post-purchase homeowner budget planning resources

Learn the keys to homeownership today. Details on how to enroll in online pre-purchase homebuyer education can be found at www.vhfa.org.

Vermont has 5 not-for-profit Homeownership Centers who offer online and in person pre-purchase education as well as other education support topics like homeownership budgeting and home maintenance/preparedness. Please refer to the map below for location of each of these Homeownership Centers:



To learn more, visit us at www.vhfa.org

Other terms and conditions may apply. Restrictions are subject to change.





Vermont Housing Finance Agency

164 Saint Paul St.
P.O. Box 408
Burlington, VT 05402-0408

(800) 339-5866

homeownershipdept@vhfa.org
www.vhfa.org

Affordable Homes for a Sustainable Vermont



2019 01 01