

VERMONT HOUSING FINANCE AGENCY
Closing Agent Instructions for VHFA Loans

LENDERS: Provide closing agents with these closing instructions for VHFA loans.

CLOSING AGENTS: These instructions are specific to VHFA loans.

PROPERTY TRANSFER TAX BENEFIT (applies to all VHFA first mortgage loans)

All borrowers obtaining a VHFA first mortgage benefit from a reduced Property Transfer Tax as outlined below:

1. Calculate and collect the tax due based on the applicable VHFA rates
2. Complete the VHFA Property Transfer Tax Benefit form, provided by the lender, and submit to the state

Taxable Increments of Purchase Price	Rate for VHFA borrowers
\$0.00 - \$110,000.00	0.00
\$110,000.01 - \$200,000.00	1.25%
\$200,000.01 and up	1.45%

VHFA CERTIFICATION AND CLOSING AFFIDAVIT (required with all VHFA first mortgage loans)

1. Each borrower and non-borrowing spouse must review the VHFA Certification and Closing Affidavit form and provide any changes to the facts they declared in the affidavit signed at application.
 2. Each borrower and non-borrowing spouse must wet sign the document (electronic signatures are not acceptable)
 3. The notary section must be completed and signatures notarized
 4. The **original signed and notarized document** must be received by VHFA. A copy will not be accepted.
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ASSIST MORTGAGE LOAN, if applicable (VHFA mortgage loan subordinate to the first):

No Fees for ASSIST Loans:

No origination or closing fees can be charged to the borrower(s) for the ASSIST loan, including recording fees.

Use of ASSIST Funds:

ASSIST funds can only be used for usual customary eligible buyer paid closing costs and/or down payment. ASSIST Funds **cannot** be used for: principal reduction, per diem interest, or financed upfront mortgage insurance or fees included in the loan amount.

ASSIST Document Recording:

Do not send the ASSIST Mortgage Deed for recording. VHFA takes responsibility for recording the ASSIST Mortgage Deed and Exhibit A property description and covering the cost of the recording fee to the applicable Town/City.

ASSIST Closing Documents and Delivery:

1. The lender will provide two unique security instruments and a disclosure to be executed at closing, see below. If all three documents are not received, contact the lender.
2. **Immediately** after loan closing the ASSIST documents must be delivered to VHFA:
 - **Original** VHFA Zero Interest ASSIST Note (loan amount must be in whole dollars, rounded down)
 - **Original unrecorded** VHFA ASSIST Mortgage Deed
 - A copy of **SCHEDULE A Property Description**
 - **ORIGINAL** VHFA ASSIST Disclosure and Acknowledgement of Terms

IMMEDIATELY AFTER CLOSING:

Send ASSIST Mortgage Documents using delivery a method with tracking to:

Vermont Housing Finance Agency
ATTN: Homeownership Department
164 Saint Paul Street
Burlington, VT 05401