



Vermont Housing Finance Agency

news release

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VHFA DROPS HOME MORTGAGE LOAN INTEREST RATES TO ALL TIME LOW

BURLINGTON— Vermont Housing Finance Agency (VHFA) has again announced a new low mortgage interest rate — 5.35% for a 30-year, fixed rate loan with no points for qualified borrowers — which is the lowest rate ever offered by the Agency.

The new rate becomes effective today.

“VHFA is always working to give Vermonters the most value for their dollar, and our new rate means the dream of homeownership is within the reach of more people,” said VHFA Executive Director Sarah Carpenter. “Market conditions change all the time, so we can’t say how long we’ll be at 5.35%. But VHFA remains committed to supporting affordable homeownership and to providing Vermonters with the best value we can offer.”

In addition, VHFA borrowers can save up to \$500 at closing, because VHFA mortgages are exempt from the Vermont Property Transfer Tax on the first \$100,000 of the home purchase price.

VHFA also offers a Cash Assistance Rate Option, at a slightly higher interest rate, which offers qualified borrowers up to 3% of their loan amount in cash back to help pay closing costs and/or downpayment.

“For many borrowers, coming up with the money for downpayment and closing costs can be a major obstacle standing between them and a new home,” Carpenter said. “The Cash Assistance rate option is one way VHFA can help.”

Carpenter added, “The new rate follows VHFA’s recent announcement that it was able to raise its income and purchase price limits, which made more people eligible for a VHFA loan.”

VHFA offers a variety of mortgage loan products, with different interest rates. (See rates table on our Web site: www.vhfa.org) Rates are subject to change. Prospective borrowers should contact their local lenders for more details. A list of lenders that offer VHFA’s products is also available on the Agency’s Web site.

VHFA was established by the Vermont Legislature in 1974 to finance and promote affordable housing opportunities for low- and moderate-income Vermonters. Since its inception, the agency has provided low-cost homeownership financing to more than 24,000 Vermont families, and financed the construction or rehabilitation of 6,500 affordable apartments.