



Vermont Housing Finance Agency

news release

Toll Free in Vermont 800/339-5866

From Chittenden County: 802/864-5743

Mailing Address:
PO Box 408
Burlington, VT 05402-0408

Street Address:
164 Saint Paul Street
Burlington, VT 05401-4364

Send e-mail to: home@vhfa.org

Visit our web site: www.vhfa.org

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CONTACT: Craig Bailey

Phone: 802-652-3463

BURLINGTON – To celebrate Homeownership Week, Vermont Housing Finance Agency is giving a boost to homeownership across Vermont. VHFA Executive Director Sarah Carpenter announced today that VHFA has increased income and purchase price limits for its homeownership programs in most areas of the state. In addition, VHFA is introducing a special rate option to help home buyers with cash for down payment and closing costs, often major obstacles faced when buying a home.

The interest rates are the result of a bond sale last month for its homeownership programs, resulting in rates as low as 6.2%, Carpenter said. Over \$30 million in low-interest rate funds are assisting approximately 400 Vermont families and individuals purchase homes.

The Cash Assistance rate option is available at a 30-year fixed rate of 7.0% throughout Vermont. This rate option provides cash at closing of up to 3% of the mortgage amount with no repayment required. Carpenter said, "The Cash Assistance funds will allow Vermonters who otherwise could not become home buyers to reach their dream of homeownership through this affordable option."

"VHFA's low interest rates in all its homeownership programs will give new homeowners significant purchasing power." For instance, a household earning \$45,500 can now afford a \$135,000 purchase price (at VHFA's rate of 6.5% with 0 points), an increase in purchasing power of \$8,500 when compared with other mortgage programs, Carpenter explained.

Again this year, VHFA has expanded income limits for every county in Vermont and increased purchase price eligibility limits for many counties in Vermont where home prices have risen substantially in the past year. The income limit increases will boost homeownership, in particular for economically distressed targeted Vermont counties. "VHFA is committed to making our programs meet the needs of Vermonters who want to buy a home, for both first time and move-up home buyers in areas of the state where the first-time buyer requirement does not apply." [See tables with complete list of income and purchase price limits for every county.]

"Our programs have difficulty keeping up with local conditions in some parts of the state, where personal incomes have grown substantially and home prices escalated quickly. These program enhancements address those local conditions and represent good news in every region of the state, especially in southern Vermont and the red-hot real estate markets in northwest Vermont and the upper Connecticut River valley," Carpenter added.

For further information, contact VHFA's Homeownership Department at 802-864-5743 or contact a local lender.