

DOWN PAYMENT ASSISTANCE PROGRAM (DAP)



The foremost obstacle to homeownership is a potential homebuyer's inability to cover the down payment and closing cost requirements of purchasing a home. The CHFA Down Payment Assistance Program loan is offered in conjunction with a CHFA first mortgage program to eligible applicants.

ELIGIBILITY REQUIREMENTS

- To be eligible for a CHFA Down Payment Assistance Program loan, borrowers must apply and qualify for a CHFA first mortgage loan.
- Eligible borrowers must demonstrate an ability to repay both the CHFA first and down payment assistance mortgage loan in order to qualify for assistance under this program.
- Borrowers must be first-time homebuyers or have not owned a home in the past three (3) years unless purchasing in a Targeted Area of the state. Borrowers may not own any other property at the time of the CHFA mortgage closing. (see list of Targeted Areas at chfa.org)

IMPORTANT INFORMATION

- The DAP loan interest rate is equal to: (i.) the first mortgage rate in effect -or- (ii.) 5.00% (5.10% - 5.50%); whichever is less.
- Applicants must require a minimum of \$3,000 in assistance to be eligible for DAP funding.
- Applicants may be eligible for DAP assistance for loan amounts up to \$15,000 maximum.
- Loan amount will be equal to 4.00% of: (i.) the sales price or, (ii.) the appraised value, whichever is less.
- The sales price of the home must not exceed the CHFA Sales Price Limits as applicable to the first mortgage program and borrowers gross income must not exceed the CHFA established Income Limits based on household size. (see Sales Price & Income Limits at chfa.org)
- Applicants must meet all CHFA first mortgage and Down Payment Assistance Program eligibility and underwriting criteria. The CHFA- Participating Lender will work with you to determine complete program eligibility requirements. (see CHFA- Participating Lenders list at chfa.org)

HOW TO APPLY

To learn more about the program and to apply, contact one of the CHFA - Participating Lenders for guidance. (see CHFA- Participating Lenders list at chfa.org) or call us toll free at: 844-CT1-HOME (844-281-4663)

