

# AFFORDABLE HOUSING PROGRAMS

## >> CHFA HOMEBUYER MORTGAGE PROGRAM

If you're a first-time homebuyer with a low or moderate household income, start here. These mortgages are fixed rate loans, with an interest rate below comparable market rates.

**WHO'S ELIGIBLE:** First-time homebuyers, or persons who have not owned a home in the last three years. Prior homeowners may qualify for a mortgage if the home they purchase is within a targeted area.

**ELIGIBLE PROPERTIES:** Existing one- to four-family homes, newly constructed single family homes, or newly constructed two-family homes in a targeted area. Eligible condominiums may also be financed.

**MAXIMUM LOAN AMOUNT:** Borrowers are qualified for a loan based on their income, assets, and credit history. Your income must be sufficient to cover monthly mortgage payments, real estate taxes, insurance, and all existing long-term debt. Adequate funds must be available to pay the downpayment and closing costs unless a Downpayment Assistance Program loan will be used.

## >> CHFA DOWNPAYMENT ASSISTANCE PROGRAM (DAP)

If you would like to buy a home but are unable to put down a downpayment, the CHFA Downpayment Assistance Program offers second mortgage loans at a low interest rate.

**WHO'S ELIGIBLE:** First-time homebuyers, or persons who have not owned a home in the last three years. A prior homeowner who is purchasing in a federally targeted area may also be eligible. To be eligible for a DAP loan, the homebuyer must have applied for a CHFA first mortgage.

**ELIGIBLE PROPERTIES:** Existing one- to four-family homes, newly constructed single family homes, or newly constructed two-family homes in a targeted area. Eligible condominiums may also be financed.

**MINIMUM LOAN AMOUNT:** \$3,000.

**REQUIRED:** All borrowers who apply for DAP loans must attend a CHFA-sponsored or approved homebuyer education class to help prepare for the responsibilities of homeownership.

If you are currently a Middletown resident and are looking to buy a home in Middletown, there is a special Middletown Downpayment Assistance program just for you. For more information, contact a Community Development Officer.



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## AFFORDABLE HOUSING LENDING PROGRAMS

# WELCOME HOME.

At Liberty Bank, we believe everyone deserves a chance to have a home of their own. That's why we want to help people throughout our community achieve the dream of home ownership, through a variety of affordable loan programs, grants and financial assistance. Here is a list of some of the loan programs currently available.

For more information or to schedule an appointment, contact a Community Development Officer. For Greater Middlesex County, call 860-344-7328. For Greater New London/Windham Counties, call 860-892-2507. Or visit [liberty-bank.com](http://liberty-bank.com).



## >> GOOD NEIGHBOR® PROGRAM

If you consider buying or refinancing a home in an urban neighborhood, the Good Neighbor Program can offer you up to 100% financing (no downpayment) on 1-2 unit properties in low-to-moderate income areas. Additional benefits are .25% off rate and reduced Private Mortgage Insurance (PMI).

**WHO'S ELIGIBLE:** There are no income limits and first time homebuyers who have completed the required home-buyer education course can qualify for this program. No downpayment required, but purchaser must pay closing costs.

**ELIGIBLE PROPERTIES:** Existing 1-2 unit properties, including condominiums.

**MAXIMUM LOAN AMOUNT:** \$300,000.

## >> UNIQUE NEIGHBOR PROGRAM

If you're considering buying an investment property, you may not qualify for conventional affordable housing programs. However, the Unique Neighbor Program offers mortgages to investors purchasing or refinancing 1-4 unit properties.

**ELIGIBLE PROPERTIES:** 1-4 unit, non-owner-occupied properties that have a primarily residential use, such as boarding houses, halfway houses and shelters or other properties with minimal commercial influence. Properties must be located in a low or moderate income area.

**MAXIMUM LOAN AMOUNT:** 1-2 units, \$300,000; 3-4 units, \$325,000.

## >> REHABILITATION MORTGAGE LOAN PROGRAM

If you choose to buy a home in need of repair or improvements, you may qualify for a Rehabilitation Mortgage Loan, which can help pay for the home purchase price along with the expenses for renovation. This program can also be used to refinance a home.

**WHO'S ELIGIBLE:** There are no income limits.

**ELIGIBLE PROPERTIES:** Existing one- to four-family homes. Condominiums and mobile homes are not eligible.

**ELIGIBLE WORK INCLUDES:** Structural alterations and damage repair, changing or adding to the number of units, improving energy efficiency, installation or replacement of wells, septic tanks, windows, and hot water systems and alterations for handicapped accessibility. A CT state licensed general contractor is required to do the improvements.

## >> HOME POSSIBLE AND MY COMMUNITY LOAN PROGRAMS

With reduced mortgage insurance premiums, flexible terms and little to no money down, these programs can make home ownership affordable for low- to moderate-income families or for people purchasing in low- to moderate-income communities. Homebuyers are eligible if they meet the set income limits. For more information, contact a Community Development Officer.

# HOME PURCHASE ASSISTANCE PROGRAMS

## >> EQUITY BUILDER PROGRAM (EBP)

Once you decide to purchase a house, you can apply for a grant of up to \$5,000 toward your downpayment, closing costs, home-buyer education counseling, or rehabilitation assistance.

**WHO'S ELIGIBLE:** Buyers whose income is at or below 80% of the median income in the area where the home is located, and who have completed the required home-ownership education.

**ELIGIBLE PROPERTIES:** Single-family, owner-occupied units that are intended as the primary residence of the buyer. This includes single-family properties, townhouses, condominiums, cooperatives and modular homes.

## >> AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI)

If you purchase a home in New London County, the American Dream Downpayment Initiative can provide downpayment and closing cost assistance. This program is offered by *HouseNew* London, a non-profit designed to develop affordable ownership housing in New London County. If purchaser occupies home after five years, the loan becomes a grant and is not paid back.

**WHO'S ELIGIBLE:** First-time homebuyers, or persons who have not owned a home in the last three years. Purchasers must be Connecticut residents purchasing a home in New London County, with a household income not exceeding 80% of area median income. They must have a good credit history, and have completed the required homeownership education.

**ELIGIBLE PROPERTIES:** Existing one- to four-family homes, newly constructed single family homes, or newly constructed two-family homes in New London County, Connecticut.

**MAXIMUM LOAN AMOUNT:** \$25,000.



## >> INDIVIDUAL DEVELOPMENT ACCOUNT (IDA)

If you're dreaming of buying your own home, or furthering your education so that you may afford a home, you may qualify for an Individual Development Account. For every dollar you save in your IDA, Liberty Bank and the Federal Assets for Independence Program will each add \$1 to your account. By matching your money, an IDA can help you save up to three times more – and reach your goal sooner.

**WHO'S ELIGIBLE:** Working adults with a household income not exceeding 80% of area median income, who would like to own a home or further their education.

**ELIGIBILITY REQUIREMENTS:** For more information, contact a Community Development Officer.

## WHICH PROGRAM IS RIGHT FOR YOU?

The home of your dreams may be just a phone call away. For more information or to schedule an appointment, contact a Community Development Officer. For Greater Middlesex County, call 860-344-7328. For Greater New London/Windham Counties, call 860-892-2507. You may also visit [liberty-bank.com](http://liberty-bank.com) to learn more.

“With help from Liberty Bank and the Middletown Down Payment Assistance Program, my son and I went from homelessness to homeownership. For a struggling single mother, getting a mortgage seemed impossible. Well, my dreams came true on August 31, 2006 and that’s because I became a homeowner.”

MS. FELISHA TYE, MIDDLETOWN, CT