



2013 Annual Awards Entry Form
(Complete one for each entry.)

Entry Name You're More Ready Than You Think

Connecticut Housing Finance Authority

HFA

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Entry form with description, check(s), and visual aids (optional) must be received by NCSHA by **Monday, July 1, 2013**.

Use this header on the upper right corner of each page.

HFA Connecticut Housing Finance Authority

Entry Name You're More Ready Than You Think

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input checked="" type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO



NCSHA 2013 Annual Program Awards

You're More Ready Than You Think...To Own Your First Home

In every challenge there is an opportunity

For most of the last decade, The Connecticut Housing Finance Authority purchases about 4,000 loans for first-time homebuyers. In 2009 CHFA saw their homebuyer loan program drop below 2,000 loans. This was a significant drop for a program, but even more disturbing was that CHFA's market share dropped 25% that year. So although overall home sales in Connecticut were slow due to the economic crisis, CHFA's share of the market was shrinking. There was clearly something more than a weak market affecting the volume of CHFA's first-time homebuyer loans.

CHFA's first time homebuyer program offered great benefits to renters who wanted to purchase their first home. The program offered a low interest rate, a stable fixed 30-year mortgage and downpayment assistance loans that could include closing costs. The borrower could be in their first home with almost no upfront investment. Income limits and sales price limits were generous and could apply to a large percentage of first time homebuyers in most parts of the state. So what was impacting market share?

We knew that interest rates were a factor working against us. With historically low interest rates, CHFA's traditional advantage of lower interest rates was minimized. But CHFA's interest rates were still lower than most lenders. So why weren't more people buying homes and utilizing our program?

In 2009 the economy was in turmoil with the unemployment rate jumping from 5% at the beginning of 2008 to 7% in the beginning of 2009. Connecticut's unemployment rate has hovered around 4% for decades, so we were sure that this rough patch would pass and the state economy would be back on track. It wouldn't go any higher. In fact, since 1982, Connecticut's unemployment rate had never been higher than 7.4%. Expectations were that unemployment would peak and home sales would bounce back once the crisis was over. We were wrong.

Unemployment continued to increase, jumping to 9% and stubbornly staying there. CHFA's first time home buyer program and home sales in Connecticut were not going to bounce back. We were in trouble and needed a plan.



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The plan

CHFA still had a great product with lots of great benefits. It was affordable. More importantly, for the first time in decades it was a great time to buy a home in Connecticut with normally high priced homes and interest rates at historic lows. We had to get the word out, not just for us, but for the economy of Connecticut which depended on a robust housing market to recover.

CHFA conducted research among both lenders and realtors to understand the market from their point of view and to determine how CHFA could influence a customer's decision. Did we need to get the word out to lenders and realtors or did we need to inform actual homebuyers of our great product? Informing homeowners was a larger and more expensive strategy and we reasoned that the lenders and realtors were really our sales force.

We began an aggressive campaign to let as many realtors and lenders know about our great product. We sent e-mail alerts, made personal visits, joined and spoke at realtor and lender events, provided new brochures and talked to and called our partners as much as possible.

It turned out that lenders and realtors have so many other products and priorities that CHFA's product was not always what they wanted to use for their homebuyers – except when the homebuyer did not have funds for a down payment which made a CHFA down payment assistance loan a necessity. Our partners were not going to do all of the selling for us – we had to participate in the marketing process and generate greater awareness for CHFA.

By the end of 2011, CHFA decided to take a leap into the deep end and began planning for its first ever advertising media campaign aimed at first time homebuyers.

The campaign

From all of the research that we had gathered over the past two years we knew a few things:

1. The largest barrier to first time homeownership is saving for the down payment.
2. Economic conditions and high unemployment have made people reluctant to commit to buying a home.
3. Many people thought they weren't ready to buy a home because they couldn't afford the monthly payments.
4. Renters were still very interested in owning their own home regardless of the financial concerns they had.



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These four points would become the platform for a media campaign aimed at renters who wanted to own their first home. CHFA contracted with an ad agency that brainstormed, tested and discussed a variety of ideas. From that information, they fully developed three themes for CHFA to consider. The theme that finally chosen was *“You’re More Ready Than You Think... To Buy Your First Home”*

Television and radio ads were developed around this theme as well as brochures and other material for lenders and realtors to have at their disposal. In the fall of 2012, CHFA began running television and radio ads which promoted the idea of owning your first home.

Television commercials showed a cluttered apartment with a couple who have clearly run out of room. The husband is in the kitchen at the refrigerator drinking milk from the carton. The wife’s back is turned away from the kitchen while she works on her laptop. While she’s surfing the internet, she comes across CHFA’s website and begins telling her husband about the benefits of the product. As she reads about low interest rates and down payment assistance, she gets more and more excited. In the background there is a low sound of clinking dishes which she is not paying attention to. She finally gets so excited because she realizes that, although they thought they would have to wait, they are actually ready to buy a home. She turns around and her husband has packed up their kitchen because he realized that they were more ready than they thought to buy their first home.

(See Links for TV and Radio Ads in attachment)

This media campaign was reinforced through lenders and realtors who were provided with new brochures and other material. Outreach to these partners also continued at a high pace to further encourage lenders and realtors to utilize CHFA’s product. (see attached Brochures)



The results

As soon as the ads started running, CHFA’s website received an almost 20% increase in activity. Once the ads ended, website activity returned to normal levels. In addition, the number of homes sold in Connecticut increased by 12% in 2012. This was the first significant increase in home sales in Connecticut in five years.

Through this campaign, CHFA found out that by advertising we can increase website activity and perhaps encourage people to buy a home.

You're More Ready Than You Think
TO BUY YOUR FIRST HOME

Learn how, RIGHT NOW!



You're More Ready Than You Think
TO BUY YOUR FIRST HOME

Learn how, RIGHT NOW!



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Web Graphics

CHFA TV:

<https://vimeo.com/68776326>

CHFA Radio:

<https://vimeo.com/68781990>



YOU'RE ON THE DOORSTEP!

For many people, the dream of home ownership can seem out of reach. How will you afford the downpayment? The monthly cost? How will

you navigate the process? What you may not know is that there's an organization in Connecticut dedicated to helping people just like you.

The Connecticut Housing Finance Authority (CHFA) creates affordable housing opportunities for families and individuals living in the state. CHFA can help you find more affordable ways to make a downpayment and secure a mortgage at below-market rates. Plus, income limits are higher than you might think, meaning even more potential homebuyers are eligible.

Still worried you're not quite ready to buy your first home? Read on. With a little help, you may be more ready than you think!

If after reading these materials you have additional questions or would like further information, please speak with a participating lender or contact CHFA.

(860) 571-3502

www.chfa.org



Connecticut Housing Finance Authority
999 West Street • Rocky Hill, CT 06067
Customer Call Center: 860-571-3500

www.chfa.org



Rev. 3/15/2013

HOME BUYER MORTGAGE PROGRAMS



You're More Ready Than You Think TO BUY YOUR FIRST HOME



THE HOME BUYER MORTGAGE PROGRAM

The Homebuyer Mortgage Program provides below-market rate mortgage loans to people interested in purchasing their first home as well as previous homeowners who purchase a home in targeted areas of the state.

ELIGIBILITY

- You are a first-time homebuyer.
- The home will be your primary residence for the life of the loan.
- The sale price of the home does not exceed CHFA's sales price limits.
- You have a before-tax household income that does not exceed CHFA's established income limits.

Not a first-time homebuyer? You may still be eligible!

Generally, CHFA assists first-time homebuyers, but may provide loans to previous homeowners who have not had an ownership interest in a home for at least three years.

Targeted Areas

If you're not a first time homebuyer or you have an income that exceeds the CHFA established limit, you may still be eligible for a loan as long as you plan to purchase a home in a targeted area of the state.

Eligibility for Other Mortgage Programs

CHFA offers specific mortgage programs for the following individuals. Eligibility requirements may be different than above. For more information on these programs, ask a participating lender or visit www.chfa.org.

- Military Personnel and Veterans
- Police Officers
- Teachers
- Persons with Disabilities
- Tenants of Public Assistance Housing
- Those wishing to purchase a home in need of minor repairs.

The following information is available at www.chfa.org:

- Home Price Limits and Buyer Income Limits
- Targeted Areas of the state
- List of Participating Lenders
- Homebuyer Education Classes
- Educational Class Schedules
- Current CHFA Mortgage and DAP Loan Rates

Choosing a Property

To qualify, the home must meet the following criteria:

- Existing and new single family homes, townhouses and Planned Unit Developments (PUDs).
- Condominiums on CHFA's approved list.
- Two- to four-family homes that have been occupied as residences for the past five years.
- Newly constructed single-family homes that meet CHFA energy efficiency standards.
- Newly constructed two-family homes in targeted areas.
- Newly constructed homes that meet CHFA energy efficiency standards.
- Mobile homes that meet CHFA guidelines.

Downpayment

A minimum downpayment is required when taking out a loan and must be at least 3.5% of the total purchase price, depending on the mortgage insurer. (Loans eligible for guarantees from the Veterans Administration and USDA Rural Development may not require any downpayment.)

DOWNPAYMENT ASSISTANCE PROGRAM

If you lack sufficient funds to make a downpayment, you may qualify for CHFA's Downpayment Assistance Program (DAP). The DAP loan is available statewide and secured by a second mortgage on your home. Applicants must meet annual income requirements and attend a mandatory homebuyer education class. A \$200 application fee applies.

CHFA EDUCATIONAL PROGRAMS

CHFA offers the following free homebuyer education classes focusing on the financial and practical steps of buying and maintaining a home.

- Open to CHFA homebuyers: 3 Hour Homebuyer Education Class (Overview) (required when obtaining a DAP loan)
- Open to any homebuyer: 8 Hour Homebuyer Education Class (In-depth)
- For landlords: Landlord Education and Housing Counseling Services (required if purchasing a 2-4 unit home)

Classes are held at several locations statewide every month. For more information, visit www.chfa.org.

APPLYING FOR A MORTGAGE

1. Select a Lender Carefully

View CHFA's list of participating lenders at www.chfa.org. The lender you work with must be on this list.

2. Be Aware of Processing Time

Loan application to loan closing takes approximately six weeks. Your lender will take up to four weeks to complete the necessary paperwork. Generally, CHFA will issue a commitment 24 to 48 hours after receiving it.

3. Sales Price and Income Limits

CHFA borrowers must meet income limits and the home must be within sale price limits.

Loan Term

CHFA provides mortgages for a term of 30 years at a fixed rate. For most programs, an origination fee equal to one percent (one point) of the loan amount is charged. Qualification for a mortgage loan is based on credit, income, employment history and other underwriting criteria.

Mortgage Insurance

A CHFA loan must have mortgage insurance through the Federal Housing Administration (FHA), the Veterans Administration, or the USDA Rural Development (RD).

Borrowers with 20% or more down payment may apply for an uninsured first mortgage, statewide. (For 1-4 family or existing condominium units. A condominium complex must have 5 or more units and must meet all of the Fannie Mac (FNMA) condominium requirements. Newly constructed condominiums are excluded.)

The Federal Recapture Tax

Since the purchase of your home is being financed with tax exempt bond proceeds, you may be subject to a recapture tax at the time you sell your home. However, you will not be required to pay this tax if any one of the following applies:

1. You sell your home more than nine (9) years after you bought it.
2. You do not earn a profit (capital gain) on the sale of your home.
3. Your household income is below the designated Federal Recapture Tax Income limit at the time of the sale.

If a homeowner is subject to paying Federal Recapture Tax, CHFA will reimburse the homeowner for the tax paid.

HOME BUYER MORTGAGE PROGRAMS



You're More Ready Than You Think

TO BUY YOUR FIRST HOME



DO YOU EVER WONDER IF YOU'RE READY TO BUY YOUR FIRST HOME? ARE YOU UNSURE OF THE STEPS TO GET THERE?

What you may not know is that there's an organization in Connecticut dedicated to helping people just like you become first time homeowners. CHFA can guide you through the process while connecting you with resources to help you make a downpayment and secure a low-interest mortgage. So, if you've been thinking about it, read on.

YOU MAY BE MORE READY THAN YOU THINK TO BUY YOUR FIRST HOME!



Do you dream of buying your first home?

If you're in that frame of mind, you're already on the doorstep. Because CHFA can help you with everything else it takes to buy your first home. You are more ready than you think!

You can have that house.
Acquire that condo.
Buy the bungalow.

DARE TO DREAM HOUSE!



THE HOMEBUYER MORTGAGE PROGRAM



The Homebuyer Mortgage Program provides below-market rate mortgage loans to people interested in purchasing their first home as well as previous homeowners who purchase a home in targeted areas of the state.

ELIGIBILITY

You qualify for the program if you meet the following criteria:

- You are a first-time homebuyer.
- The home will be your primary residence for the life of the loan.
- The sale price of the home you intend to purchase does not exceed CHFA's sales price limits.
- You have a before-tax household income that does not exceed the CHFA's established income limits (unless purchasing in a targeted area).*

SALES PRICE AND INCOME LIMITS HAVE CHANGED

CHFA sets restrictions on the sales price and income limits in order to ensure our ability to help low-to-moderate income homebuyers. However, these limits have changed and they may be more inclusive than you think.

If you've always thought you wouldn't be eligible for a CHFA program – or you haven't been eligible in the past – things might be different now. It's worth it to check these limits and see if you qualify. Just go to www.chfa.org.

NOT A FIRST-TIME HOMEBUYER? YOU MAY STILL BE ELIGIBLE!

Generally, CHFA assists new homebuyers, but may provide loans to previous homeowners if you have not owned a home for at least three years.

*TARGETED AREAS

If you're not a first time homebuyer or you have an income that exceeds the CHFA established limit, you may still be eligible for a loan if you plan to purchase a home in a targeted area of the state. These are towns and neighborhoods recognized by the federal government as likely to benefit from revitalization.

To view home price and income limits or a list of targeted areas of the state, see the insert in the back of this booklet or visit www.chfa.org.

CHOOSING A PROPERTY

In order to qualify for a Homebuyer Mortgage, the property you decide to purchase must meet the following criteria:

- ❑ Existing and new single family homes, townhouses and Planned Unit Developments (PUDs).
- ❑ Condominiums on FHA's approved list. (see www.chfa.org for more information)
- ❑ Two- to four-family homes that have been used as residences for the past five years.
- ❑ Newly constructed two-family homes in targeted areas.
- ❑ Newly constructed homes that meet FHA energy efficiency standards.
- ❑ Mobile homes that meet FHA guidelines.



Did you know? You can view the most up-to-date interest rates for the Homebuyer Mortgage Program by visiting www.chfa.org/rates. Sign up to get weekly rates sent to you via email on Thursdays.

DETAILS ABOUT THE MORTGAGE LOAN

Loan Term

CHFA provides mortgages for a term of 30 years at a fixed rate. An origination fee equal to one percent (one point) of the loan amount is charged. Qualification for a mortgage loan is based on credit, income, employment history and other underwriting criteria. Our mortgages are safe, secure and stable.

Downpayment

A downpayment is required when taking out a loan and must be at least 3.5% of the total purchase price, depending on the mortgage insurer. (Loans eligible for guarantees from the VA and RD may not require any downpayment.)

Calculating a Downpayment Example

Your Home's Purchase Price:	\$100,000
Minimum Down Payment (3.5%):	\$3,500
Mortgage Loan Amount:	\$96,500

CHFA can help you with a downpayment.

Mortgage Insurance

A CHFA loan must have mortgage insurance through the Federal Housing Administration (FHA), the Veterans Administration, or the USDA Rural Development (RD).

Borrowers with 20% or more down payment may apply for an uninsured first mortgage, statewide. (For 1-4 family or existing condominium units. A condominium complex must have 5 or more units and must meet all of the Fannie Mae (FNMA) condominium requirements. Newly constructed condominiums are excluded.)

Choosing a Lender

View CHFA's list of participating lenders and choose one in your area. As with selecting any professional service provider, you may wish to ask friends or family for a referral or perform your own research into the firms.

ELIGIBILITY FOR OTHER MORTGAGE PROGRAMS

CHFA offers specific mortgage programs for the following individuals. Eligibility requirements may be different than above. See the inserts in the back of this booklet for more information.

- Military Personnel and Veterans
- Police Officers and Teachers
- Persons with Disabilities
- Tenants of Public Assistance Housing
- Those wishing to purchase a home in need of restoration.

What's a Participating Lender?

Many, but not all mortgage lenders in the state participate in the CHFA Homebuyer Mortgage Program. To see a list of participating lenders in your area, see the insert in the back of this booklet or visit www.chfa.org.



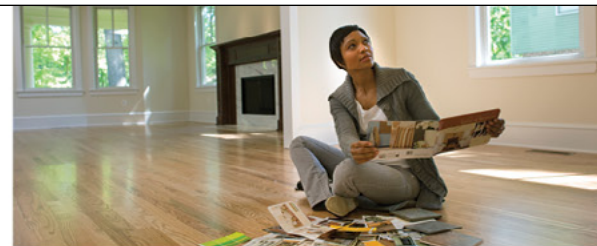
DOWNPAYMENT ASSISTANCE PROGRAM

While the Homebuyer Mortgage Program can help you get a mortgage you feel comfortable paying every month, you may still be concerned about making the downpayment. The Downpayment Assistance Program (DAP) is designed to help you with the upfront costs of buying a home. If you feel that you lack sufficient funds to make a downpayment you may qualify for a DAP loan. The DAP loan is available statewide and secured by a second mortgage on your home.

REQUIREMENTS

- Annual income must be able to adequately support the payments of both the CHFA and DAP loans.
- The home you intend on purchasing must meet the property requirements listed in CHFA's Homebuyer Mortgage Program.
- The minimum DAP loan amount is \$3,000
- You must pay a \$200 application fee.
- You must attend a free 3-hour homebuyer education class prior to closing your loan. (Once DAP loan has been approved and you have a loan reservation number from your lender.) See the following page for more information on homebuyer education classes.

YOU'RE ON THE DOORSTEP!



Getting financial assistance can help bring your dream within reach. But buying a home can still be confusing and intimidating. CHFA strives to do more than just help with your mortgage and downpayment. We also want to help future homeowners make the process smoother and more enjoyable.

CHFA EDUCATIONAL PROGRAMS

CHFA offers free-of-charge homebuyer education classes for all interested homebuyers. The courses focus on the financial and practical steps of buying and maintaining a home and are supported by over 10 HUD-approved counseling agencies.

Homebuyer Education Class (Overview) – 3 hours

This class is open to CHFA loan applicants under the Downpayment Assistance Program, the Homeownership Program, and the Home of Your Own Loan Program. The above loan applicants are required to attend. Homebuyers receive an overview of the financial and practical steps involved in buying and maintaining a home.

Homebuyer Education Class (In-depth) – 8 hours

This class welcomes anyone interested in purchasing their first home. Attendance is required for CHFA loan applicants for the Section 8 Housing Choice Voucher Homeownership Program. Individual financial and credit counseling sessions are also available.

Landlord Education Class and Housing Counseling Services

Attendance is required for applicants purchasing a 2-4 family home under the CHFA Homebuyer Mortgage Program. The class provides an overview on the range of financial and practical topics that a homebuyer should understand before completing the 2-4 family homeownership process.

CHFA Homebuyer Education classes are held by HUD-approved Homebuyer Counseling Agencies at several locations in the State each month.

CHFA recommends that all homebuyers learn as much as they can before purchasing their first home.

For more information, or a schedule of classes, visit www.chfa.org.

HOMEBUYING 101

1. Get pre-qualified for a mortgage.

First, meet with a CHFA approved lender to find out how much home you can afford. Usually, you'll get a letter that lets sellers know you can afford the home you're looking at.

2. Get the help of a real estate agent.

Don't do it alone. A licensed agent will help you find the neighborhood and ideal home within your price range.

3. Go house shopping.

Looking at potential new homes can be fun and exciting. Just keep an open mind and make sure you don't let your eyes get too big for your budget.

4. Make an offer.

When you find the right home, your real estate agent will help you make an offer and negotiate with the seller.

5. Apply for a mortgage.

If your offer is accepted, meet with a CHFA participating lender to begin the process of securing your mortgage.

6. Get a home inspection.

Having the home looked over carefully by a professional home inspector helps you uncover any potential problems before you officially close the deal.

7. Close on your home and open the front door!

The closing is the final step before you move in. Your agent, lender and attorney all play a role and will help you through it.

