



The Homeownership Appraisal Gap Program

Frequently Asked Questions - "FAQ" for Homebuyers

1. What is the primary purpose of the Appraisal Financing Gap program?

The primary purpose is to provide financing for the new construction, and or rehabilitation of vacant, deteriorated homes in order to increase the rate of homeownership in Hartford.

2. How does the Homeownership Appraisal Gap Financing Program assist a homebuyer?

The "Gap" program commits financing to the developer which is then made available to the homebuyer. The "Gap" is the difference between the total project costs and either the appraised value of the property at closing or the actual purchase price.

3. What types of properties are eligible for assistance?

One-four (1-4) family homes and condominium units.

4. What is the maximum amount of homebuyer assistance that I could receive?

The maximums are \$20,000 per unit and \$40,000 on any one property.

5. Are Appraisal Gap funds provided as a grant?

No, funds are loaned to homebuyers and are secured by a 2nd mortgage lien on the property. The City's mortgage will be a 0%, non-amortizing loan, which will be reduced pro-rata based upon the time the homeowner has occupied the unit.

6. Can investor landlords apply for assistance through this program?

No, buyers must maintain the property as their primary residence for a 7 year period.

7. Will I have to repay the "Gap" Loan?

Yes, if you move, sell or transfer title within the first 5 years the total amount of the loan will be due and payable. Should you move, sell or transfer title within the remaining 2 years, the loan will be forgiven at the rate of 50% after 5 full years, 75% after 6 full years, and 100% after 7 full years.

8. Are there any "Gap" homes for sale?

For more information, contact any of the program's participating developers. A listing of developers is available on the City website. Please click on [New Housing Developments](#) which is located on the division main webpage.

9. Are there any other special eligibility requirements?

Yes, applicants must successfully complete an 8-Hour Homebuyer Education Class and obtain a "purchase mortgage" that conforms to established City standards.

8-Hour Homebuyer Education Class Provider

Provider	Address	Telephone Number
Urban League	140 Woodland Street	527-0147x172
Co-opportunity	20-28 Sargeant Street	236-3617x114
HART	423 Washington Street	525-3449
Mutual Housing	95 Niles Street	296-1797
Blue Hill Civic Association	120 Holcomb Street	769-3848
NHS- New Britain	223 Broad Street	224-2433
Christian Activities Council	47 Vine Street	527-9860

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For more information visit us at www.hartford.gov/development/housing or contact Owen J. Humphries, Jr. at (860) 757-9035, ohumphries@hartford.gov

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