



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

FOR IMMEDIATE RELEASE

July 18, 2016

CONTACT: DAVID ADAMS

(802) 652-3478
dadams@vhfa.org

VHFA AND UNION BANK TURN TAX CREDITS INTO DOWN PAYMENT HELP FOR VERMONTERS

108 homes purchased in first year of program for first-time home buyers

BURLINGTON, VT — By purchasing \$125,000 in Vermont Housing Tax Credits last Friday, Union Bank supplied the equity needed to help approximately 125 households buy their first homes in Vermont this coming year. These households will receive up to \$5,000 to help cover their down payment and closing costs through a statewide program when they qualify for a Vermont Housing Finance Agency mortgage.

Since its enactment by the Vermont Legislature in 2015, the popular program has helped 108 Vermont households with incomes averaging \$65,000 become home owners. Vermonters using the program tend to be young, with an average age of 29.

“This type of public-private partnership is win-win for Vermont,” remarked VHFA’s Executive Director, Sarah Carpenter. “We are proud to work with Union Bank to help hundreds of the state’s young renters who are ready to become homeowners but stymied by the substantial amount needed at the closing table for down payment, fees and other costs.”

When the program began, VHFA approached active participating lenders who had purchased housing tax credits in the past. Union Bank generously offered to purchase the credit allocations for the program’s first three years at a rate maximizing the number of home buyers helped.

“We are delighted to play a part in addressing the growing demand among Vermonters for down payment assistance,” commented Karyn Hale, Union Bank’s Senior Vice President, Treasurer and Chief Financial Officer.

The Vermont Down Payment Assistance program is funded through a temporary expansion of the Vermont Housing Tax Credit program, passed by the state legislature in 2015. Buyers who receive the 0% loan through the program repay their loans when they move or refinance, which generates funds to provide to subsequent home buyers.

The Vermont Legislature created VHFA in 1974 to finance and promote affordable housing opportunities for low- and moderate-income Vermonters. Since its inception, the Agency has helped approximately 28,000 Vermont households with affordable mortgages and financed the development of approximately 8,600 affordable, safe and decent rental units.