

Pennsylvania Housing Finance Agency

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FOR IMMEDIATE RELEASE

July 16, 2012

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**PHFA announces special incentive
to help homebuyers and homebuilders**

New financial incentive provides generous closing-cost assistance

HARRISBURG – The Pennsylvania Housing Finance Agency today announced a special incentive intended to help buyers of new homes with a more affordable mortgage option.

Since January, PHFA has unveiled several new mortgage programs intended to meet the needs of today's homebuyers and keep the agency's mortgage programs competitive in the marketplace. This new incentive is tailored specifically to the needs of buyers purchasing newly constructed homes.

Through this incentive, buyers of new homes can apply for a closing-cost assistance loan of up to \$6,000. That is significantly higher than the maximum closing-cost assistance loan of \$4,000, or 2 percent of the sales prices, available through PHFA for buyers of existing homes.

"Offering this special incentive for new-home buyers is something we felt we could do to not only help consumers but to also provide a spark for the state's housing industry," said PHFA Executive Director and CEO Brian A. Hudson Sr. "We all will benefit from more activity in the state's residential construction sector, since it will produce a positive ripple effect throughout our communities.

"Homebuyers today are looking at one of the best housing markets in decades, with low interest rates and high inventory from which to choose. This special offer from PHFA adds one more incentive that can bring homeownership into financial reach."

Homebuyers should be aware of other advantages that are available through PHFA mortgage programs, including:

- Fixed-rate financing with competitive rates and lower fees.
- A new conventional mortgage program that provides up to 97 percent financing with no mortgage insurance, resulting in lower monthly payments for the borrower. Plus, this mortgage product has no first-time homebuyer requirement.

- FHA, VA and RD loans also are available, with no PHFA income limit or first-time homebuyer requirement.
- Additionally, PHFA continues to offer no-cost homebuyer education, so that buyers make better-informed home purchase decisions.

People interested in more information about the agency's affordable mortgage programs should call PHFA's Homebuyer Hotline during weekday business hours at 800-822-1174. Information also is available on the agency's website at www.phfa.org; look under the blue "Homebuyer" header.

About PHFA

The Pennsylvania Housing Finance Agency works to provide affordable homeownership and rental apartment options for older adults, low- and moderate-income families, and people with special housing needs. Through its carefully managed mortgage programs and investments in multifamily housing developments, PHFA also promotes economic development across the state. Since its creation by the legislature in 1972, it has generated \$10.6 billion of funding for more than 148,233 single-family home mortgage loans and 83,000 rental units, while saving the homes of more than 46,000 families from foreclosure. PHFA programs and operations are funded primarily by the sale of securities, not by public tax dollars. PHFA is governed by a 14-member board.

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