Homeownership Incentive Program Fact Sheet

What is the Homeownership Incentive Program (HIP)?
HIP offers financial incentives to employees of Trinity College to purchase a home in Hartford. In addition to providing College employees with the opportunity to own their own home, it underscores our commitment to the economic growth of our surrounding neighborhoods.

What is the financial incentive?
Qualified home purchasers are eligible for a $10,000 incentive to buy a home in one of the College’s surrounding neighborhoods: Barry Square, Parkville, Frog Hollow, South Green, Behind the Rocks, Southwest, South End, South Meadows and Sheldon Charter Oak (see map).

Who is eligible?
Basic eligibility requirements include:
- Full-time employment at Trinity College of at least one year at the time of application
- “Good standing” as an employee of the College, i.e., no documented performance issues
- Pre-approval by a mortgage lender
- Purchase of a home located in the designated neighborhoods
- Agreement to live in the home purchased for at least five years

What types of homes are available?
Single-family, two-family, three-family homes or condominiums located in the designated neighborhoods are eligible for the incentive.

What is the application process?
Applications are available from the Human Resources department. Completed applications must be accompanied by a pre-approval letter from a mortgage lender and sent to the Human Resources department to determine eligibility. Once eligibility is confirmed, the application and pre-approval letter are sent to the HIP Manager for processing. The HIP Manager is Dean Iaiennaro of SINA; he can be reached for questions at 860-493-1618 or by e-mail at Dlaiennaro@sinainc.org. The approval process is generally very quick.

How is the money distributed?
The amount is paid jointly to the employee and to the closing attorney, and is delivered to the closing attorney prior to the date of the closing. The incentive must be used for costs associated with the purchase of the home, no other use is permitted. At least 14 days prior to the closing date, the employee must provide the HIP Manager with his or her social security number as well as the name and address of the closing attorney.

How will home buyers be chosen?
Employees are eligible on a first-come, first-served basis. Once eligibility has been determined by Human Resources and the HIP Manager, the incentive is reserved while the employee secures a purchase agreement for an eligible home. Notification of eligibility is by phone, followed up by a confirmation letter from the HIP Manager.
How long is an incentive reserved?
The incentive is reserved for 60 days from the date of approval notification. By the end of that period, a signed purchase agreement for an eligible home must be obtained, otherwise the incentive will be lost. It is possible to reapply, but no preference will be given to the new application if there are other employees requesting the incentive.

Which mortgage lender should I use?
It is up to the employee to choose a mortgage lender, however not all mortgage lenders are eligible to participate in the program. The HIP Manager can provide the names of lenders the employee may contact.

Is the incentive money taxable?
Yes. The incentive money is considered taxable. The College will apply the total incentive over five years. Each pay period, a portion of the incentive will be added to “taxable income” so that taxes may be withheld, so each check will be a little smaller by the amount of taxes withheld. The total amount added each year will be reported on the W-2 that is issued for that year.

Is the incentive money a loan?
Yes. At the closing, the recipient will have to sign a mortgage and rider that specify the reasons that the incentive would have to be returned. Since the HIP requires that the recipient live in the home for five years, the incentive portion is recorded on the land records as a “junior mortgage.” This mortgage is released when the terms of the incentive have been met or another approved method, such as a waiver.

What happens if I leave Trinity College after I receive the incentive?
An employee who leaves the College voluntarily, or involuntarily due to performance issues, is required to repay the outstanding balance (what hasn’t been added to the employee’s paychecks) of the incentive. An employee who leaves the College due to position elimination will have the balance of the incentive forgiven and no repayment will be required. The remaining amount will be reported as income on the final W-2.

What if I don’t live in the house for the full five years?
An employee who receives the incentive is required, as a condition of the incentive, to reside in the house for five years. If the employee moves to another residence, whether or not he or she is still the owner of the original home, the outstanding balance of the incentive must be repaid.

Where can I get more information about living in Hartford?
Information is available at LiveHartford.org and through the MetroHartford Alliance at MetroHartford.com. The HIP Manager is also available to answer questions about Hartford or a neighborhood that an employee may be considering. Again, the HIP Manager is:

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