



Connecticut Children's Medical Center Home Ownership Incentive Program

Frequently Asked Questions

What is HIP?

The Homeownership Incentive Program (HIP) provides financial incentives to Connecticut Children's employees to purchase a home in Hartford. Two key advantages to this program are: 1) it provides our employees with the opportunity for home ownership, and 2) it represents Connecticut Children's commitment to the economic stability of Hartford.

What is the financial incentive?

Connecticut Children's offers an incentive of up to \$10,000 to a qualified homebuyer who purchases a property in or near the Frog Hollow, South Green or Barry Square neighborhoods.

Who is eligible?

To be considered for HIP, you must meet the eligibility requirements for participation. These requirements include:

- You must have been continuously employed by Connecticut Children's Medical Center, Connecticut Children's Specialty Group or CCMC Affiliates (Connecticut Children's) for at least one year as of the date of the application.
- During the past twelve months of employment at Connecticut Children's, you must have worked an average of 20 hours per week or more.
- As of the date of the application, you must not have an active Performance Improvement Plan (PIP/PIPE) in place.

Dean Iaiennaro at SINA is the HIP Manager. He will contact Connecticut Children's Human Resources Department to verify that you meet the eligibility requirements for HIP.

In addition, you must:

- Be pre-approved by a mortgage lender of your choice;
- Agree to purchase a home in Hartford; and
- Agree to live in the home for at least five years.

What types of homes are eligible?

Any single-family home, multi-family home, or condominium located in or near the Frog Hollow, South Green or Barry Square neighborhoods.

How does the incentive work?

The incentive is funded at your closing. Then, each year – as long as you are living in the home and remain eligible – 20 percent of the incentive is written off. At the end of five years, the incentive is considered forgiven.

How do I apply for the incentive?

Applications are available on the Connecticut Children's intranet ([address?](#)) or by emailing Dean Iaiennaro, HIP Program Manager, at DLaiennaro@sinainc.org. This application must be filled out completely and returned, along with the pre-approval letter from your bank, by scanning or faxing to:

Dean Iaiennaro, HIP Manager, Southside Institutions Neighborhood Alliance
Email: DLaiennaro@sinainc.org
Fax: (860) 520-1359

How do I receive the money?

The incentive amount (up to \$10,000) is paid jointly to you and to the closing attorney, and it is delivered to the attorney before the actual closing takes place. In order to get the check, you will have to provide the HIP manager with the attorney's name and address as well as your social security number. This must be done 14 days in advance of the closing date.

How are employees chosen?

Employees will be chosen on a first-come, first-served basis. The date and time of receipt of your application, as noted on the email or fax, will determine the order in which applications are received. The HIP manager then verifies the employee's eligibility by contacting Connecticut Children's Human Resources Department. If you are eligible, an incentive will be reserved for you while you secure a purchase and sale agreement on an eligible home.

How will I be notified if I am one of the employees approved to receive an incentive?

You will receive a phone call from the HIP manager followed by a confirmation letter.

How long do I have to wait before I hear?

The approval process is simple and quick. The HIP manager verifies your eligibility and then contacts you immediately.

Can my approval expire?

Yes. Your incentive is reserved in your name for 60 days from the date you are first notified of your approval. Within that time, you must provide a copy of a signed purchase and sale agreement on an eligible home. If you are unable to secure a signed purchase and sale agreement on an eligible home by the deadline, you will lose your reservation for the incentive. You can re-apply, but your application will be treated as a new application.

Does it matter which lender I use?

No, it is entirely your choice.

Is the money taxable?

One incentive that is forgiven each year is considered income by the IRS and is taxable to you, and will be reported on the IRS Form W-2 that is issued to you for each year in which a portion of the loan is forgiven. The incentive received will be pro-rated each month and reported on your pay voucher as additional income. All applicable income and employment taxes will be withheld; therefore, your regular check will be reduced slightly.

Is the incentive amount considered a second mortgage on my home?

Yes. At the closing you will be asked to sign a mortgage and a rider that specify the conditions under which the incentive would have to be returned. Since the HIP requires that you live in the home for the period of the incentive, Hartford Hospital's mortgage is recorded on the land records as a junior mortgage. The mortgage will be released when the terms of this incentive are satisfied according to the scheduled note or through any other approved methods (e.g. waiver). If you or your lender has questions, please contact Dean Iaiennaro, HIP Manager, at 860-493-1618 or Diainc@sinainc.org.

Is there a waiting list?

Yes. If all of the Connecticut Children's incentives have been reserved, your name will be placed on a waiting list. If someone previously approved cannot find a home within 60 days, their approval will expire and the next person on the list will receive approval for the incentive.

What happens if I leave Connecticut Children's after I receive the incentive?

If you leave voluntarily or because of poor performance, you are required to return the outstanding balance on the incentive. If you are involuntarily terminated due to position elimination or a reduction in force, then return of the balance of the incentive will be forgiven and the incentive will be considered fully yours. The full amount forgiven will be reported as income to you and subject to applicable taxes.

What happens if I move out of the house before the five years are up?

If you move out the house before the five years are up, you are required to return the outstanding

balance on the incentive. The full amount forgiven will be reported as income to you and subject to applicable taxes.

How do I get more information about living in Hartford?

Information on living in Hartford is available at <http://www.livehartford.org/>. The HIP manager and MetroHartford Alliance (<http://www.metrohartford.com/>) are good resources for additional information.

Thinking of a certain neighborhood in Hartford already?

The HIP manager can connect you with a resident of that neighborhood who will answer all of your questions about life and living in that neighborhood.

How do I get more information about the program?

Throughout the process, the HIP manager is available to answer any questions you have about HIP, and about Hartford, its neighborhoods, its schools, and everything Hartford has to offer to you. You can contact Dean Iaiennaro, HIP Manager, at 860-493-1618 or Diaiennaro@sinainc.org.