

# program matrix



## chfa jumpstart2 tax credit program

effective February 1, 2010

key features	Term	30-year term for First Mortgage Loan, 10-year term for Second Mortgage Loan
	Interest Rate	Fixed market Interest Rate
	CHFA JumpStart2 Second Mortgage Loan, Closed in CHFA's Name	<ul style="list-style-type: none"> <li>Available for the lesser of \$6,000 or 3.5% of the First Mortgage Loan Amount at 0% interest with no interest accrual and deferred payments through December 31, 2010. The Interest Rate and term convert to an 8% Interest Rate with a 120-month term if the Second Mortgage Loan is not paid in full by December 31, 2010.</li> <li>Payments begin February 1, 2011, and are made monthly thereafter.</li> <li>Proceeds may go toward down payment, closing costs, and/or prepaids.</li> <li>Participating Lender must originate and fund at closing on behalf of CHFA.</li> <li>The CHFA JumpStart2 Program is only available with a CHFA JumpStart2 First Mortgage Loan with a CHFA JumpStart2 Second Mortgage Loan.</li> </ul>
	Subject to Recapture Tax Provision?	Mortgage Loans in the CHFA JumpStart2 Program are not subject to the Recapture Tax Provision.
	Reservation/Extensions	<p>CHFA HomeConnection™ is available at <a href="http://www.chfainfo.com">www.chfainfo.com</a> on Business Days from 9:30am-10:00pm MST, with the exception of scheduled or unscheduled system maintenance. Delivery period is 60 days.</p> <p>Extensions:</p> <ul style="list-style-type: none"> <li>Loan Delivery Extension - 10 days, 0.25% OPB (automatic)</li> <li>Upfront Loan Delivery Extension - 30 days, 0.50% OPB</li> <li>Funding Review Period - 10 days, added to the end of the Delivery Period, no fee</li> <li>Funding Extension - 10 days, 0.25% OPB</li> </ul>
	Refundable Administrative Fee	A \$350 Borrower-paid Administrative Fee is due at closing. However, the Borrower will receive a \$250 principal reduction of the Second Mortgage Loan if it is paid in full on or before December 31, 2010. There is no refund of the fee in any amount after that date.
	Repayment	To receive the most benefit from the CHFA JumpStart2 Program, CHFA strongly recommends the Borrower pay the Second Mortgage Loan in full with the tax refund. If the Second Mortgage Loan goes into repayment, the benefit of the Program is greatly diminished. In such event, the Borrower should consider choosing a different CHFA program.
eligibility	First Time Homebuyer	Borrower must be a First Time Homebuyer. A First Time Homebuyer is defined as one who has not had an ownership interest in a Main Home for the three (3) years prior to the Mortgage Loan closing. The IRS Form 5405 Instructions define "Main Home" as "Your main home is the one you live in most of the time. It can be a house, houseboat, mobile home, cooperative apartment, or condominium." This definition is different than CHFA's definition of First Time Homebuyer for other programs.
	Limits	Income and Purchase Price Limits are available on the website at <a href="http://www.chfainfo.com">www.chfainfo.com</a> . The maximum loan limit for all Mortgage Loans is the lower of \$417,000 or the amount determined by the applicable insurer/guarantor/loan product.
	Homebuyer Education	CHFA-approved First Time Homebuyer Education course is required for all Borrowers. See website for course schedule or online option. An additional CHFA JumpStart2 Program online course is required. See <a href="http://www.chfainfo.com">www.chfainfo.com</a> for details.
	Minimum Financial Investment	<ul style="list-style-type: none"> <li>\$1,000 for all loan products (Borrower's own funds)</li> <li>Consult the Seller's Guide for a complete list of items that can be counted toward the Minimum Financial Investment.</li> </ul>
	Loan Type	FHA, VA, and USDA Rural Development
	Property	Single family detached homes, townhomes, condominiums, Modular Homes, and Manufactured Housing on a permanent foundation. Singlewide Manufactured Housing is not acceptable.
underwriting	Assumptions	The First Mortgage Loan is assumable, subject to the Assumptor's eligibility as it relates to CHFA JumpStart2 Program Income Limits at the time of assumption, credit qualification, and CHFA approval. The CHFA JumpStart2 Second Mortgage Loan is not assumable.
	Cosigners	CHFA does not allow Cosigners.
	Buydowns	<p>CHFA will permit a temporary Interest Rate buydown of the First Mortgage Loan subject to the following conditions:</p> <ul style="list-style-type: none"> <li>A buydown must be acceptable to the mortgage insurer or guarantor.</li> <li>Borrowers must qualify at the Note rate rather than the buydown rate, unless otherwise allowed by the insurer or guarantor.</li> <li>Proceeds from the CHFA JumpStart2 Second Mortgage Loan may not be used to fund the buydown.</li> </ul>
	Automated Underwriting System	Acceptable automated underwriting system findings are Approve/Eligible, Accept/Eligible, and Accept Plus/Eligible. Unacceptable findings are any DU Expanded Approval (I,II,III) or LP A- Minus.
	Required Documents	Refer to the applicable submission vouchers and the Seller's Guide, available at <a href="http://www.chfainfo.com">www.chfainfo.com</a> .
	Credit Requirements	<ul style="list-style-type: none"> <li>Minimum median credit score for all Borrowers and Co-Borrowers: 580 (please see reverse for more details)</li> <li>Maximum debt-to-income ratio for all manually underwritten loans: 45%</li> <li>Nontraditional Emerging credit report is required for Borrowers with no credit/no credit score</li> </ul>

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## chfa credit requirements information (chfa risk information score card)

For all manually underwritten loans and for applicants with a credit score between 619 and 580, the loan officer must complete a CHFA Risk Information Score Card (CHFA RISC). If the Total Applicant Score is less than zero, the applicant will not meet CHFA program requirements, and CHFA will not purchase the loan. The loan officer should not make a CHFA reservation for this loan.

## premiums paid to lender

- Servicing Release Premium  
(1% UPB First Mortgage Loan)
- Non-Metro Premium  
(0.5% OPB First Mortgage Loan)
- Second Mortgage Loan Premium (\$150)

## fees paid by lender

- Real Estate Tax Service Fee (\$72)
- Upfront Loan Delivery Extension- 30 days  
(0.50% OPB of a First Mortgage Loan to extend the delivery period)
- Suspension Penalty  
(0.25% OPB of a First Mortgage Loan that is suspended for Purchase due to missing, incorrect, or incomplete information and is not corrected within 10 days of date of suspension)
- Loan Delivery Penalty  
(0.25% OPB of a First Mortgage Loan that is not delivered to CHFA within the Initial Delivery Period)
- Funding Extension Penalty  
(0.25% OPB of a First Mortgage Loan that is not approved for Purchase within the Funding Review Period)
- Late Document Fee  
(\$150 for every Mortgage Loan not completed through Post Closing within 120 days of Purchase)
- Rate Adjustment Penalty  
(to buydown the Interest Rate over the Mortgage Loan term if closed at the wrong Interest Rate)
- CHFA Administrative Fee  
(\$350; this fee will be deducted from the purchase advice. Participating Lenders should collect this fee from the Borrower at closing.)

## exclusions

- Conventional Loans  
(insured and uninsured)
- Seller-Paid Financing Tools
- Any Cash Back to Borrower
- Singlewide Manufactured Housing
- Construction-to-Permanent Loans
- FHA 203(k) loan product

## please note

The federal First-Time Homebuyer Tax Credit also has income limits and a means of calculating income that differ from CHFA. CHFA recommends that Borrowers consult a tax advisor on how to maximize the benefits of this unique opportunity.

## CHFA Home Finance

1981 Blake Street  
Denver, Colorado 80202

888.320.3688  
303.297.7305 tdd

[www.chfainfo.com](http://www.chfainfo.com)

348 Main Street  
Grand Junction, Colorado 81501

800.877.8450  
970.241.2341



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