

program directive



chfa statewide mortgage credit certificate program

This Program Directive sets forth the terms of the CHFA Statewide Mortgage Credit Certificate Program (CHFA MCC). Please refer to Colorado Housing and Finance Authority's Mortgage Credit Certificate Procedural Guide found on www.chfainfo.com for complete information and definitions of capitalized terms.

funds availability

Amount available for Reservation: \$25,000,000

Reservations accepted beginning: Reservations will be accepted beginning July 6, 2009, via HomeConnection™ Monday through Friday from 9:30am-10:00pm MST.

Prior to making a Reservation the lender must have:

1. Executed the CHFA Statewide Mortgage Credit Certificate Program Participation Agreement, including the MCC-18 Lender Information Form, and paid the Participation Fee.
2. Completed the lender training session conducted by CHFA staff. The Lender Education Schedule can be found on www.chfainfo.com.
3. Either taken an application from an Applicant who has a signed and fully executed purchase contract on a home located in Colorado, or taken an application from an Applicant to refinance a Qualified Subprime Loan.
4. Made a preliminary determination that the Applicant:
 - Will qualify for the requested mortgage; and
 - Is eligible for the CHFA MCC Program as described in the CHFA Seller's Guide, the CHFA MCC Procedural Guide, and this program directive.

term of the mcc reservation

The MCC Reservation will expire the earlier of:

- Sixty (60) days after the date the MCC Reservation is issued by CHFA; or
- The expiration of available funds; or
- The Final Delivery Date

final delivery date

All Loans must be closed by February 03, 2011.



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eligibility requirements

non-targeted areas

Income and purchase price limits for the programs listed above may not exceed these limits in the following non-targeted counties:

county name	income limit 1-2 person household	income limit 3+ person household	purchase price limits new & existing
Archuleta	\$71,000	\$81,600	\$285,700
Boulder	\$89,600	\$103,000	\$414,000
Chaffee	\$71,000	\$81,600	\$252,000
Denver Metro*	\$75,900	\$87,200	\$365,600
Eagle	\$85,000	\$97,700	\$417,000
El Paso	\$71,000	\$81,600	\$292,500
Garfield	\$72,200	\$83,000	\$382,500
Grand	\$71,000	\$81,600	\$320,600
Gunnison	\$71,000	\$81,600	\$390,300
Hinsdale, Lake, Ouray	\$71,000	\$81,600	\$417,000
La Plata	\$71,000	\$81,600	\$399,300
Larimer	\$74,900	\$86,100	\$281,200
Mesa	\$71,000	\$81,600	\$334,100
Mineral	\$71,000	\$81,600	\$270,000
Pitkin	\$95,400	\$109,700	\$417,000
Routt	\$79,900	\$91,800	\$417,000
San Juan	\$71,000	\$81,600	\$382,500
San Miguel	\$76,800	\$88,300	\$417,000
Summit	\$87,200	\$100,200	\$417,000
Teller	\$72,500	\$83,300	\$292,500
Weld	\$71,000	\$81,600	\$375,700
all other areas of the state	\$71,000	\$81,600	\$243,900

* Denver Metro includes: Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, & Park Counties.

Effective April 1, 2009

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.

targeted areas

Income and purchase price limits for the programs listed above may not exceed these limits in the following targeted counties:

county name	income limit 1-2 person household	income limit 3+ person household	purchase price limits new & existing
Adams†	\$91,000	\$106,200	\$417,000
Alamosa	\$85,200	\$99,400	\$298,100
Arapahoe†	\$91,000	\$106,200	\$417,000
Baca, Bent	\$85,200	\$99,400	\$298,100
Boulder†	\$107,500	\$125,400	\$417,000
Chaffee	\$85,200	\$99,400	\$308,000
Conejos, Costilla, Crowley, Delta	\$85,200	\$99,400	\$298,100
Denver†	\$91,000	\$106,200	\$417,000
El Paso†	\$84,700	\$98,800	\$357,500
Gunnison†	\$85,200	\$99,400	\$417,000
Huerfano, Kit Carson	\$85,200	\$99,400	\$298,100
Lake†	\$85,200	\$99,400	\$417,000
Larimer†	\$89,800	\$104,800	\$343,700
Las Animas	\$85,200	\$99,400	\$298,100
Mesa†	\$85,200	\$99,400	\$408,300
Mineral	\$85,200	\$99,400	\$330,000
Montezuma	\$85,200	\$99,400	\$298,100
Morgan, Otero, Prowers, Pueblo, Rio Grande, Saguache	\$85,200	\$99,400	\$298,100
San Juan, Weld	\$85,200	\$99,400	\$417,000
Yuma	\$85,200	\$99,400	\$298,100

† Denotes only certain tracts or areas within the county are designated as a Targeted Area. Please refer to Chapter 11 of the Seller's Guide for targeted areas census tract descriptions. Entire county is within a targeted area.

Please note

In the case of a refinance of a Qualified mortgage loan, the appraised market value cannot exceed the amount listed under Purchase Price.

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3. Homebuyers must meet the following eligibility requirements:

- a. The CHFA MCC recipient must occupy the residence as their principal residence within sixty (60) days after closing of the mortgage loan. The CHFA MCC will be treated as revoked on the date that the residence ceases to be the principal residence of the qualified homebuyer.
- b. The CHFA MCC recipient must not have had a present ownership interest in a principal residence within the three years preceding the date of acquisition of the residence for which the CHFA MCC is used. The prior three- (3) year ownership provision is waived for an Eligible Veteran in accordance with H.R. 6081, Heroes Earnings Assistance and Relief Tax Act of 2008, if the Applicant has not received the benefit of a Qualified Mortgage Revenue Bond or CHFA MCC in the past. An Eligible Veteran is defined as a person who served in the active military, naval, or air service of the United States, and who was discharged or released therefrom under conditions other than dishonorable, as defined in 38 USC Section 101. **The first time homebuyer requirement is also waived for borrowers purchasing property in a targeted area. Please see the CHFA Seller's Guide for targeted area definitions.**
- c. The mortgage loan relating to the CHFA MCC must be a new mortgage loan for purchase and not a refinance, with the exception of certain qualified subprime loans. "Qualified subprime loans" are adjustable rate single family residential mortgage loans made after December 31, 2001, and before January 1, 2008.
- d. No more that 15 percent of the residence being purchased can be used in a trade or business in accordance with the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code").
- e. Qualified homebuyers must not own other residential property at the time that the loan is closed unless this prohibition causes demonstrated hardship as determined by the Executive Director of CHFA.
- f. Minimum FICO score of 580 (borrowers and co-borrowers) and maximum debt-to-income ratio of 45 percent for all manually underwritten loans. Cosigners are not allowed in this program.
- g. Homebuyer Education is required for all CHFA MCC recipients. All First Time Homebuyers must take a CHFA-approved Homebuyer Education course, either online or in-person. Non-first time homebuyers may take the online CHFA Money Management course.
- h. CHFA MCC Program requires the First Mortgage loan to be of a type which has a long term, fully amortizing fixed interest rate such as a 20, 30, or 40 year term; or a five (5), seven (7), or ten (10) year adjustable rate mortgage (ARM). Balloons, negative amortization, or pay option ARMs are prohibited from use with a CHFA MCC.

general information

Allowable CHFA MCC Fees:

CHFA will charge a five hundred dollar (\$500) administrative fee for processing and reviewing the CHFA MCC application. This fee must be paid to Colorado Housing and Finance Authority in the form of a corporate check, cashier's check, or certified funds. The check should be included in the loan file when submitted for Compliance Review prior to closing. In addition, the lender may charge a two hundred dollar (\$200) fee for processing and reviewing the CHFA MCC application.

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contact

For additional Program Information, please refer to the current Seller's Guide and Mortgage Loan documents on our website in the For Lender Partners section at www.chfainfo.com, or you may contact the chfa home finance department.

CHFA Home Finance

1981 Blake Street
Denver, Colorado 80202

888.320.3688
303.297.7376

303.297.0947 fax

303.297.2432 chfa denver
800.877.2432 chfa toll free

303.297.7305 tdd
800.659.2656 tdd toll free

800.659.3656 for the speech or hearing
impaired (Relay Colorado)

348 Main Street
Grand Junction, Colorado 81501

800.877.8450
970.241.2341

www.chfainfo.com



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