

program matrix

effective September 22, 2008

CHFA FHA 203(k) Refinance Program

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|--------------|---|---|
| key features | Term | 30-year term for First Mortgage Loan and any CHFA Second Mortgage Loan |
| | Interest Rate | Market Interest Rate |
| | Optional CHFA Second Mortgage Loan, Closed in CHFA's Name | <ul style="list-style-type: none"> • Available for 3% of the First Mortgage Loan amount at 0% Interest Rate and 360-month term • Payments deferred until First Mortgage Loan is paid • Proceeds may go toward down payment, closing costs, and/or prepaids • Participating Lender must originate and fund at closing on behalf of CHFA |
| | Subject to Recapture Tax Provision? | No, this Program is not subject to the Recapture Tax Provision. |
| | Reservation/Lock/Extensions | <p>HomeConnection is available at www.chfainfo.com 24 hours a day, seven days a week. Reservation period is 75 days.</p> <p>Extensions:</p> <p>30-day Extension - free with automatic rate adjustment, if applicable</p> <p>60-day Extension - 1% of First Mortgage Loan amount</p> <p>Grace Period - 30 days after Reservation Expiration:</p> <ul style="list-style-type: none"> • 0.25% of the First Mortgage Loan amount if Mortgage Loan is not delivered in Reservation period • Free if Mortgage Loan is delivered in Reservation period |
| | Requirements | <ul style="list-style-type: none"> • The new loan amount may include the existing first lien, subordinate liens, 203(k) repair expenses, closing costs, and prepaid expenses • No cash back to Borrower |
| eligibility | Limits | Income Limits are available on the website. Maximum loan limits must meet FHA guidelines. |
| | Homeowner Education | CHFA Money Management online course, or any CHFA-approved Homebuyer Education course |
| | Minimum Financial Investment | \$1,000 - Consult the Seller's Guide for a complete list of items that can be counted towards the Minimum Financial Investment. |
| | Loan Type | FHA 203(k) refinance only |
| | Property* | Owner occupied - no investment property. Single family detached homes, townhomes, condominiums, Modular Homes, and Manufactured Housing on a permanent foundation for which title has been purged. Singlewide Manufactured Housing is not acceptable.* |
| underwriting | Assumptions | The Mortgage Loan is assumable, subject to the Assumptor's eligibility as it relates to the CHFA FHA 203(k) Refinance Program Income Limits at the time of assumption, credit qualification, owner occupancy, and CHFA approval. |
| | Land Trust/Deed Restriction/Covenants | If the Property is in a Land Trust, or the Property is subject to a Deed Restriction or Affordable Housing Covenant, then a review by CHFA's Legal Division is necessary. |
| | LTV/CLTV** | 97%/100% with a CHFA Second Mortgage Loan.** |
| | Cosigners | CHFA accepts Cosigners, subject to FHA approval and CHFA's Seller's Guide requirements. |
| | Buydowns | Buydowns are not allowed in this Program. |
| | AUS | Total Scorecard Accept/Approve or manual underwrite (maximum ratios for manual underwrite: 31/43) |
| | Required Documents | Refer to the applicable submission voucher and the Seller's Guide. |

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fees paid by lender

- Real Estate Tax Service Fee (\$72)
- Late Delivery Fee (0.25% of a First Mortgage Loan amount if not delivered before Reservation Expiration), if applicable
- Reservation Expiration Fee (1% of the First Mortgage Loan amount), if applicable
- Rate Adjustment Penalty (the cost to buydown the Interest Rate over the Mortgage Loan term), if applicable
- Late Document Fee (\$25/month for every Mortgage Loan not completed within 90 days of Purchase), if applicable

exclusions

- Investment property
- Temporary Interest Rate buydowns
- Singlewide Manufactured Housing

premiums paid to lender

- Servicing Release Premium (1% UPB first mortgage)
- Program Premium (1% UPB first mortgage)
- Second Mortgage Loan Premium (\$150), if applicable
- Non-Metro Premium (0.5% OPB first mortgage), if applicable

* The Property type must also be acceptable to FHA.

** CHFA may allow additional subordinate liens on a case-by-case basis.

CHFA Home Finance

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