simple program

Small Multifamily Permanent Loan



The SIMPLE Loan provides up to $3 million in uninsured permanent financing for 9% LIHTC projects. With streamlined execution, you can get to loan commitment in as little as 60 days of submitting a complete application, and you can pair it with CHFA's gap programs to receive even more funds!

Mission-driven.
Community-focused.
Trusted partner.

Eligible Projects	9% LIHTC: Acquisition, new construction, and substantial rehabilitation
Program Benefits	Non-recourse uninsured debt for up to 40 years Rate lock: Standard 24 months during construction (extension available) 60-90 days from receipt of complete application to loan commitment
CHFA-specific Benefits	Solutions-oriented underwriting team In-house Construction Services team: Conducts due diligence reviews and inspections Gap financing available! Pair with one of CHFA's flexible programs.
Loan Limits	$3 million Lesser of 90% LTV or development costs Debt Service Coverage: 1.15 Amount supportable by the project's stabilized net operating income
Loan Terms	35 or 40 years Fully amortizing Prepayment lockout: 10 years
Interest Rates and Fees	Competitive fixed rates (see website for more information) Rate Lock: Standard 24 months during construction (extension available) Loan Origination Fee: 1% Lock Fee: 2% for 24 months LOI/Application Fee: $2,000 Additional Fees: Construction Services inspection fee and third-party costs
Conditions Include	Must conform with CHFA Credit Policy, including operating and replacement reserve requirements

CHFA Community Development

800.877.chfa (2432)
800.659.2656 tdd

MF-Lending@chfainfo.com
www.chfainfo.com

Contacts

Lynn Archuleta
303.297.5269

Melissa Castillo
303.297.7431

Michael Fallesen
303.297.7301

chfa®

simple program

Small Multifamily Permanent Loan FAQs

Are 4% or 4% and State LIHTC projects eligible for the SIMPLE loan product?

Ideally the SIMPLE loan product is used with 9% LIHTC projects. However, limited amounts of uninsured lending may be eligible for other projects.

Since SIMPLE is uninsured, will I have to provide a personal guarantee?

No. Typically, CHFA financing is non-recourse to the developer. In most cases collateral will consist of the project land and improvements being financed along with any other security CHFA deems necessary.

What's the difference between uninsured and insured?

Uninsured does not include a credit enhancement product, such as Federal Housing Administration (FHA) insurance, and does not require a Mortgage Insurance Premium. Insured products utilize FHA Insurance or other credit enhancements to back multifamily loans.

What is the timeframe to issue a CHFA loan commitment?

Typically, the underwriting review takes 60-90 days from receipt of complete application to loan commitment.

When will the loan fund?

The loan will fund after construction is complete and the project has achieved stabilization. Stabilization is defined as 90 consecutive days of 93% occupancy, 1.15 debt service coverage, and rents at the underwritten amounts.

When is the 2% rate lock fee due?

The 2% rate lock fee (non-refundable) is due when the loan commitment is returned to CHFA and accepted.

Does CHFA have reserve requirements?

CHFA requires an operating reserve sized to six months of underwritten operating expenses and debt service. Replacement reserve deposits and tax/insurance escrows are required once the project converts to the permanent period. For new construction projects, the minimum replacement reserve deposit is $300 per unit per year for senior properties, $350 per unit per year for family properties, and $400 per unit per year for permanent supportive housing properties. For acquisition/rehab properties, the corresponding reserves minimums would be increased by $50 per unit per year.

This document is intended only to highlight certain CHFA program requirements. Loans are subject to other requirements including the CHFA Credit Policy and applicable operating and replacement reserve requirements.

With respect to its programs, services, activities, and employment practices, Colorado Housing and Finance Authority prohibits unlawful discrimination against applicants or employees on the basis of age 40 years and over, race, sex, sexual orientation, gender identity, gender expression, color, creed, religion, national origin, ancestry, disability, military status, genetic information, marital status or any other status protected by applicable federal, state or local law. Nondiscrimination Coordinator contact information: chfainfo.com/nondiscrimination.

EQUAL HOUSING OPPORTUNITY

chfa®

financing the places where people live and work