program matrix



CHFA FirstStep[sm] and FirstStep Plus[sm]

This Matrix is intended only to highlight certain CHFA program requirements. Loans must also meet all applicable FHA requirements, as well as Mortgage Purchase Agreement and Seller's Guide requirements.

effective August 3, 2026

key features	Term	30-year term
	Loan Purpose/Type	Purchase FHA
	Interest Rate	Fixed Interest Rate; permanent Interest Rate buydown allowed. See Seller's Guide for details.
	Optional CHFA Second Mortgage	Second mortgage for up to the lesser of $25,000 or 4% of the first mortgage loan. Zero-percent silent second, no monthly payments required, no accrued interest. Second must be paid in full upon sale, refinance, or if property is no longer the borrower's primary residence. • Proceeds may go toward down payment, closing costs, prepaids, principal reductions, and/or a permanent Interest Rate buydown. • Participating lender must document and fund at closing on behalf of CHFA. • No subordinate financing allowed except those that meet underlying FHA guidelines.
	Recapture Tax	First and second mortgage may be subject to the Recapture Tax provision. CHFA will reimburse Recapture Tax if borrower is subject to tax after the sale of the property; borrower must submit CHFA Reimbursement Request Form 950.
	Reservation/Extensions	HomeConnection[sm] is available at chfainfo.com on business days from 9:30am to 10:00pm MST, with the exception of scheduled or unscheduled system maintenance. Delivery period is 60 days; up to six 10-day extensions allowed.
eligibility	Limits	Income and purchase price limits are available at chfainfo.com. Limits are subject to county, household size, targeted and non-targeted area designations as well as purchase price limits. The maximum loan limit for all mortgage loans is the lower of 1) $832,750 or 2) the amount determined by FHA plus financed MIP. Maximum loan limit may never exceed purchase price limits. See reverse for additional income calculation information. Do not use lender's credit qualifying income calculation to determine program eligibility.
	First-time Homebuyer	Borrowers must be a first-time homebuyer or qualified veteran. An Applicant who has had no present ownership interest in a principal residence at any time during the three-year period ending on the date the mortgage is executed (i.e. the Mortgage Loan Closing Date). A qualified veteran may be treated as a first-time homebuyer. Follow FHA guidelines regarding borrower legal status. • Non-targeted Areas: Borrower must be a first-time homebuyer or a qualified veteran. • Targeted Areas: Borrower does not need to be a first-time homebuyer. Targeted areas also offer higher income limits.
	Homebuyer Education	CHFA requires all borrowers and co-borrowers to individually complete an online or classroom-based CHFA-approved homebuyer education course provided by a CHFA-approved provider, prior to the closing date. Homebuyer education certificates are valid for 12 months. Borrowers must be under contract prior to the expiration of the homebuyer education certificate.
	Minimum Borrower Financial Contribution	• $1,000 minimum financial contribution (may be a gift) • Consult the Seller's Guide for a complete list of items that can be counted towards the minimum financial contribution.
	Property	Single family, one unit, attached, detached homes; PUDs, attached, detached; condominiums; modular; and manufactured housing on a permanent foundation (including singlewide). • Properties with Accessory Dwelling Unit (ADU) not allowed • The property must be owner-occupied. • Ownership interest in another residential property is restricted to those borrowers meeting the requirements outlined in Section 4 of CHFA Form 401, Initial Applicant Affidavit, and as permitted by FHA guidelines • Borrower may only have one CHFA-financed property at a time.
underwriting	LTV/Combined LTV	Follow FHA guidelines.
	Leasehold/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, CHFA will accept the property subject to FHA guidelines and lender's underwriter approval. Lender must also complete CHFA Form 780.
	Cosigners and Nonoccupying Co-borrowers	CHFA does not allow cosigners or nonoccupying co-borrowers. CHFA does not permit non-borrowing spouses or others not obligated to the underlying mortgage loan to take title to the subject property.
	Buydowns	Permanent Interest Rate buydown allowed.
	AUS/Manual Underwriting	CHFA accepts DU or LPA. • CHFA allows manually underwritten loans for borrowers with no credit score or scored borrowers receiving a "Refer." • AUS/manually underwritten loans must meet CHFA and FHA underwriting requirements.
	Tax Returns	Regardless of AUS findings or underwriter requirements, CHFA requires the most recent year's tax return or transcript, not both.
	Document Checklists	This program is not eligible for CHFA Lock to Purchase process. Lenders will submit a CHFA program compliance review file to CHFA before closing. Refer to Form 750, FirstStep Compliance Review Submission Checklist; Form 746-2nd, FirstStep Compliance Review Submission Checklist. Second mortgage requires Form 307, CHFA Note; Form 314, CHFA Deed of Trust.
	Affidavits	Form 401, Initial Applicant Affidavit; Form 402, Final Applicant Affidavit; Form 407, Notice of Potential Recapture Tax; Form 220, Tax-exempt Financing Rider (to be attached to the first mortgage Deed of Trust)
	Credit/DTI Requirements	Loans for borrowers with credit scores, the minimum mid credit score is the **greater** of: i) 620; or ii) minimum credit score required by FHA. • Loans for borrowers with no credit score may be manually underwritten provided all CHFA and FHA underwriting requirements have been met. • Maximum DTI of 50.00% for borrowers with mid FICO of 620 to 659. Maximum DTI of 55.00% for borrowers with a mid FICO of 660 or above. DTI may never exceed the **lower** of CHFA's DTI limit; the DTI permitted by FHA; or the DTI limit determined by the AUS or manual underwriting guidelines.

program matrix

CHFA FirstStep[sm] and FirstStep Plus[sm]

lender allowable fees and charges

- First Mortgage
  - Up to 1% origination fee (paid to lender)
  - Reasonable and customary fees provided fees do not exceed the amounts charged for non-CHFA loans. Fees must be directly related to actual services rendered for providing the loan, whether or not those fees are paid to a third party or collected by the Participating Lender for providing those services.
  - Tax Service Fee
    CHFA charges the Participating Lender a one-time real estate tax service fee of $70. This fee may be charged to the Borrower if permitted by the applicable insurer, guarantor, Fannie Mae, or Freddie Mac.
  - 10-day lock extension fee
    Up to six 10-day extensions allowed, 0.125% per extension. May be paid by Borrower, Lender, builder, seller, Realtors, as appropriate. See Chapter 4 of CHFA Seller's Guide for details.
- Second Mortgage
  - Title company closing fee
  - Recording fee for second mortgage deed of trust
  - No title insurance required

No fees shall be charged solely because the Mortgage Loan (First Mortgage or Second Mortgage) is originated under a CHFA program and/or is intended for sale to CHFA. No fee shall be designated as a "CHFA fee."

See Chapter 1 of CHFA Seller's Guide for complete details about Participating Lender Allowable Fees and Charges.

income calculations

whose income

Gross annual income: Equal to the current total gross annual income for all loan applicants [i.e., borrower(s) and co-borrower(s)], any spouse or civil union partner of any borrower or co-borrower who will reside in the residence, and any other individual who is expected to both live in the residence and to be secondarily liable on the Mortgage Loan. **All sources of income for all such individuals**, from whatever source derived and before taxes or withholdings must be included. Note: CHFA does not currently allow guarantors or co-signors under any of its single family mortgage loan programs.

lock to purchase

This program is not eligible for CHFA Lock to Purchase process. Lenders will submit a CHFA program compliance review file to CHFA before closing.

premiums paid to lender

- Servicing release premium
  1.5% UPB first mortgage loan
- Non-metro premium
  0.5% OPB first mortgage loan
- Par premium (FirstStep loans with no down payment assistance)
  0.250% OPB first mortgage
- 0.250% for loan sold to CHFA within 30 days of reservation date
- 0.125% for loan sold to CHFA within 45 days of reservation date
- Participating lender may receive a maximum of two out of the three of AMI, credit score, or low loan amount premiums.
  - AMI premium: 0.125% for loans with borrowers making less than 80% AMI (HomeAccess and SectionEight excluded)
  - Credit score premium: 0.125% for loans with borrowers with mid credit score 700 or above
  - Loan amount premium: 0.125% for loan amounts under $75,000.00

exclusions

Cash back to the borrower(s) at closing
CHFA will defer to FHA guidelines with respect to whether the borrower may receive cash back at closing, and, if permitted, the amount. In any event, the borrower must always meet the minimum borrower contribution requirements for CHFA's programs. Proceeds of CHFA Second Mortgage Loan may never be given as cash back to borrower.

No MCCs allowed with CHFA FirstStep.

CHFA Home Finance

1981 Blake Street
Denver, Colorado 80202

888.320.3688
800.659.2656 tdd

www.chfainfo.com

348 Main Street
Grand Junction, Colorado 81501

800.877.8450
970.241.2341

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