

closers, funders, and shippers training for chfa smartstepsm loan programs

chfa home finance



*financing the places where
people live and work*

Disclaimer

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chfa smartstepsm programs

CHFA SmartStepsm/SmartStep Plussm

- FHA/VA/USDA-RD loans
- Available to first time and repeat homebuyers
- Affidavits not required
- Gift funds acceptable
- 203(k) available with program
- Temporary buy down acceptable
- Manufactured housing – single, double wide or larger acceptable



allowable cash back requirements

- Cash Back – follow FHA, VA, or USDA-RD guidelines
 - Borrowers cannot receive any CHFA down payment assistance as cash back
- Borrowers must have a \$1,000.00 minimum contribution, which may include
 - gift funds;
 - Earnest money deposit;
 - Application, appraisal, or credit report fee paid to the participating lender;
 - Home inspection fee, including fees paid for additional inspection services, such as sewer scopes, structural engineers report, etc.;
 - Hazard insurance premium paid outside of closing;
 - 30 day Loan Delivery Extension of .35% of the total loan amount
 - Any homebuyer education fee, if applicable;
 - HOA Fees paid out of pocket by borrower
- Items must show on Closing Disclosure as paid prior to closing (PTC)



purchase guidelines

- All MERS members must close on the MERS/MOM Deed of Trust
 - Non MERS members must use the Standard Deed of Trust and the CHFA Form 230M Assignment
- Lender receives payments on first mortgage loan until loan is purchased by CHFA
 - Lender can take a maximum of 4 payments
 - If utilizing a interest credit, lender MUST take the first payment and any additional payments until CHFA purchases the loan
- Outstanding compliance approval conditions must be in purchase file
- Original Collateral send to CHFA's main office
 - Overnight: 1981 Blake St, Denver CO 80202
 - Postal Mail: PO Box 60 Denver, CO 80201
- Endorsement on note or allonge should be to: Colorado Housing and Finance Authority
- Proof that all MIP payments have been made, including late fees prior to purchase
- Principal reductions received on Closing Disclosure require a pay history showing the unpaid principal balance after principal reduction

purchase documentation requirements

- Follow the list of conditions/documents in the document delivery system or utilize document checklist for the program
 - CHFA Form 747, Purchase Submission Review Checklist
- Do not include checklist with document upload
- All information used to underwrite file from AUS findings or Underwriter requirements – including assets
- CHFA Form 110, Buydown Agreement, if applicable

chfa form 110, buydown agreement

Print Form

CHFA Form 110
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Colorado Housing and Finance Authority
www.chfainfo.com
Buydown Agreement

Agreement entered into this [] day of [], 20[]

Parties

Provider: []
Lender: []
Borrower: []

Recitals

A. Borrower has executed a contract to purchase a single family residence having the following address:

[]

B. Lender has agreed to loan Borrower \$ [] (the "Mortgage Loan") at an interest rate of [] percent ([]%) in connection with Borrowers purchase of the residence.

C. Provider has agreed with Lender and Borrower to buy down the interest rate on the Mortgage Loan as described below.

Agreement

1. Provider has paid Lender the amount of \$ [] (the "Buydown Fund") to buy down the interest rate and payments on the Mortgage Loan for: [] years (the "Buydown Period") in accordance with the following schedule:

Monthly Payment Numbers	Simple Interest Rate	Borrower's Monthly Principal and Interest Payment	Monthly Buydown Contribution	Annual Buydown Contribution
1 through 12	[]	[]	[]	[]
13 through 24	[]	[]	[]	[]
25 through 36	[]	[]	[]	[]



chfa form 110, buydown agreement

Following the Buydown Period, the monthly payment will be as specified in the Note evidencing the Mortgage Loan (the "Note").

2. Upon the Lender's disbursement of the Mortgage Loan, Provider shall have no further right to the Buydown Fund, or any portion thereof, even if the Mortgage Loan is paid in full, either voluntarily or involuntarily (such as through foreclosure), during the Buydown Period. In the event of prepayment any undistributed Buydown Funds will be applied to the outstanding balance due on the Mortgage Loan.

3. Borrower's only right to the Buydown Fund is to have it credited to the Mortgage Loan to reduce the Borrower's monthly principal and interest payments in accordance with the schedule set forth in Paragraph 1 above and as such monthly installments become due unless the Mortgage Loan is paid in full, either voluntarily or involuntarily (such as through foreclosure), during the Buydown Period.

4. In the event of a foreclosure of the Deed of Trust securing the Mortgage Loan (the "Deed of Trust"), the Lender, or any investor to whom the Mortgage Loan may be sold, shall apply any remaining portion of the Buy-down Fund to reduce the Mortgage Loan indebtedness.

5. If the ownership of the residence is transferred during the Buydown Period, and the Mortgage Loan is assumed by a purchaser acceptable to the Lender in accordance with the Deed of Trust and upon approval by Lender, then any remaining portion of the Buydown Fund will continue to be used to reduce the Mortgage Loan payments and interest rate in accordance with the schedule set forth in paragraph 1. If the Mortgage Loan is not assumed, any remaining portion of the Buydown Fund will be applied to reduce the Mortgage Loan indebtedness.

6. Borrower acknowledges and agrees the Borrower's legal obligation is as contained in the Note and is not modified by this Buydown Agreement, in that, it is the Borrower's responsibility to make the full monthly payment set forth in the Note if for any reason the monthly Buydown contribution payments provided for herein are not made to the Lender or any investor to whom the Mortgage Loan may be sold.

7. The Lender agrees to transfer the Buydown Fund to any subsequent Servicer of the Mortgage Loan. The undersigned acknowledge having received a copy of this Agreement and state their understanding and acceptance of the Buydown arrangement described herein.

Provider: _____ _____ _____	Borrower(s): _____ _____ _____
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Lender acknowledges receipt of the Buydown Fund and agrees to deposit the same in an escrow account insured by the Federal Deposit Insurance Corporation. If the Mortgage Loan is insured by the Federal Housing Administration or guaranteed by the Veterans Administration or the Rural Housing Service then such escrow account shall be with a financial institution other than the Lender which is supervised by a Federal or state agency.

Lender: _____	By: _____
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servicing information – www.chfainfo.com

servicing information for participating lenders

CHFA has formed a loan servicing alliance with Dovenmuehle Mortgage, Inc. (DMI) as a sub-servicer. CHFA will continue to be the Holder and Master Servicer of its purchased loans. Below are some important details about CHFA customer loan servicing.

sub-servicer information

Sub-Servicer	Payment Mailing Address	Notices of Error and Requests for Information Address
Colorado Housing and Finance Authority c/o Dovenmuehle Mortgage, Inc. 1 Corporate Drive, Suite 360 Lake Zurich, IL 60047-8945 Customer Service Department - 1.855.587.8655	Colorado Housing and Finance Authority (CHFA) P.O. Box 660592 Dallas, TX 75266-0592	Notices of Error and Requests for Information must be sent only to the address indicated below, including the specific Attention line noted. Colorado Housing and Finance Authority Attention: Mail Stop NOE 1290 1 Corporate Drive, Suite 360 Lake Zurich, IL 60047-8945

helpful forms

- » [CHFA Payment History Request Form \(for CHFA FHA Streamline Refinance Program\)](#)
- » [CHFA Payoff Request Form](#)
- » [Third-party Authorization Form](#)



mortgagee clauses

mortgagee transfers

Include Hazard Insurance Policies and Flood Certificates in the Purchase documents delivered to CHFA. The Mortgagee Clauses on transfer letters from the Participating Lender should be listed as follows:

Private Mortgage Insurance

Colorado Housing and Finance Authority
Its Successors and/or Assigns
1 Corporate Drive, Suite 360
Lake Zurich, IL 60047-8945

Hazard Insurance, Flood Insurance, H06 Insurance (required on all condominiums)

Colorado Housing and Finance Authority
Its Successors and/or Assigns
P.O. Box 961292
Fort Worth, TX 76161-0292

Flood Determination Certificate

Colorado Housing and Finance Authority
Attention: Escrow Department
1 Corporate Drive, Suite #360
Lake Zurich, IL 60047-8945

flood certificate providers

- » American Flood Research
- » CBSInnovis
- » CoreLogic
- » FDSI (Flood Data Services)
- » Factual Data Flood
- » Federal Flood
- » First American Flood Data Services
- » LPS National Flood
- » LSI Flood Services
- » LandAmerica (Lereta Corp)
- » LandSafe Flood
- » ServiceLink National Flood
- » Stewart Mortgage Information
- » Wells Fargo Insurance Company, Inc.



fha/mip and mers

fha/mip notification

CHFA is the Holder of all purchased loans. However, as soon as CHFA purchases the loan, Dovenmuehle Mortgage, Inc. shall be identified in FHA Connection as the Current Servicer.

Upon CHFA's purchase of the loan, FHA Connection should be completed as follows:

Holder Name: Colorado Housing and Finance Authority, #05366

Current Servicer: Dovenmuehle Mortgage, Inc. #11303

mers

The CHFA First Mortgage Loan should be closed using a MERS-as-Original-Mortgage (MOM) Deed of Trust. Participating lenders must follow MERS Membership Processing Guidelines.



servicing information

notice of servicing transfer

CHFA will prepare and mail the Notice of Servicing Transfer for both the Participating Lender and CHFA, reflecting the transfer of servicing to DMI. It is important that the Participating Lender allow CHFA to send the combination notice to our customers so that we may ensure that customers are provided with the correct contact and payment information for DMI. CHFA will send our Participating Lenders copies of the Notice of Servicing Transfer.

notification of assignment, sale, or transfer of your mortgage loan

CHFA will send the Notification of Assignment, Sale or Transfer of Your Mortgage Loan, indicating that the ownership of the mortgage loan has been transferred from the Participating Lender to CHFA.

first payment letters

First payment letters given to the Borrower directing the Borrower at closing should not direct the Borrower to send payments to CHFA. As soon as CHFA purchases a loan, the Borrower will receive the appropriate Payment Letters.



contact us for information

- (888) 320-3688
- customerservicedesk@chfainfo.com



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twitter.com/CHFA



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www.youtube.com/user/ColoHFA

