

# program matrix



## chfa preferred<sup>sm</sup> refinance

effective January 1, 2019

key features	Term	30-year term
	Loan Purpose	Any CHFA or non-CHFA loan may be refinanced with this program. Follow Fannie Mae or Freddie Mac limited cash out refinance guidelines.
	Interest Rate	Fixed interest rate
	Optional CHFA DPA Grant or Second Mortgage/Preferred Plus	CHFA grant or second mortgage not available. No non-CHFA or non-Community Seconds subordinate financing allowed.
	Borrower Premium	Not available.
	Reservation/Extensions	HomeConnection is available at <a href="http://www.chfainfo.com">www.chfainfo.com</a> on business days from 9:30am-10:00pm MST, with the exception of scheduled or unscheduled system maintenance. Delivery period is 60 days.
eligibility	Limits	Statewide income limit of \$115,600 regardless of county, targeted or non-targeted area, or household size. The maximum loan limit for any mortgage loan is the lower of \$484,350 or the amount as required by Fannie Mae or Freddie Mac as applicable. See reverse for additional income calculation information.
	First-time Homebuyer	This product is not restricted to first-time homebuyers.
	Homebuyer Education	Homebuyer education is not required for the CHFA Preferred Refinance program.
	Minimum Financial Investment	No minimum borrower financial investment
	Loan Type	Conventional insured and uninsured (Fannie Mae or Freddie Mac)
	Subordination	Existing CHFA second mortgage loans may be subordinated to a new CHFA Preferred Refinance first mortgage loan up to 105% CLTV, provided the loan being refinanced was closed after March 2009 (some restrictions could apply). Also, other Community Seconds that meet Fannie Mae's Community Seconds guidelines or Freddie Mac's Affordable Seconds guidelines may be subordinated.
underwriting	Property	Single family, one unit, attached, detached homes; PUDs, attached, detached; condominiums; and manufactured housing (Fannie Mae only: double wide or larger; not eligible with Freddie Mac) on a permanent foundation. • The property must be owner-occupied; borrower may have ownership interest in one other residential dwelling at the time of loan closing as permitted by Fannie Mae or Freddie Mac. • Borrower may only have one CHFA-financed property at a time.
	LTV/Combined LTV	Maximum LTV 97%/CLTV 105% • Manufactured housing: Maximum LTV 95%/CLTV 105% (Fannie Mae only; not eligible with Freddie Mac) • Purchase money seconds and closing costs, prepaids, escrows may be rolled into new first up to 97% LTV (but no non-CHFA or non-Community Seconds subordinate financing allowed)
	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 Fannie Mae guidelines and lender's underwriter approval. Lender must also complete CHFA Form 780. Not allowable for Freddie Mac.
	Cosigners & Nonoccupying Co-borrowers	CHFA does not allow cosigners or non-occupying 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	Buydowns (temporary and permanent) are not allowed in the CHFA Preferred Refinance program.
	AUS/Manual Underwriting	CHFA accepts Desktop Underwriter "Approve/Eligible" findings ("HFA Preferred" in DU). Loan Product Advisor is allowed with a Risk Class of "Accept" ("Home Possible Advantage for HFAs" in LPA). AUS type utilized must correspond to the specific conventional program selected when loan reserved (i.e. lender must use DU for Fannie Mae loans and LPA for Freddie Mac loans). Manual underwriting acceptable if required/allowed by Fannie Mae or Freddie Mac.
	Mortgage Insurance Requirements	Private mortgage insurance (PMI) required on all loans over 80% LTV. • PMI must be provided by CHFA-approved MI companies. Please see reverse for complete list and reduced coverage amounts. • PMI delegated underwriting is allowed. • Participating Lender must comply with PMI company overlays. • Borrower-paid monthly PMI, single premium PMI, or split premium PMI; single premiums may be financed.
	Document Checklists	Refer to CHFA Form 727, Compliance Review Submission Checklist; CHFA Form 728, Purchase Review Submission Checklist.
	Credit/DTI Requirements	Minimum mid credit score of 620 for all scored borrowers • No credit score or manually underwritten loan acceptable if required/allowed by the applicable Freddie Mac or Fannie Mae guidelines. • DTI ratio determined by AUS findings or, if applicable, manual UW guidelines.

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## fees paid by lender

- Real estate tax service fee (\$68)
- Up-front loan delivery extension fee - 30 days  
0.35% OPB of a first mortgage loan to extend the delivery period
- Suspension penalty  
0.25% OPB of a first mortgage loan that is suspended for purchase due to missing, incorrect, or incomplete information and is not corrected within 10 days of date of suspension
- Loan delivery penalty  
0.25% OPB of a first mortgage loan that is not delivered to CHFA within the initial delivery period
- Funding extension penalty  
0.25% OPB of a first mortgage loan that is not approved for purchase within the funding review period
- Late document fee  
\$150 for every mortgage loan not completed through post closing within 120 days of purchase
- Rate adjustment penalty  
To buy down the interest rate over the mortgage loan term if closed at the wrong interest rate

## income calculations

### whose income

Qualifying Income: CHFA will accept the Qualifying Income utilized by the Participating Lender for determining borrower eligibility for the Mortgage Loan type, and which complies with applicable Fannie Mae or Freddie Mac guidelines. Only the income utilized by the Participating Lender for purposes of credit qualifying the borrower(s) will be required for purposes of determining eligibility under CHFA's Income Limits.

## premiums paid to lender

- Servicing release premium  
(1.5% UPB first mortgage loan)
- Non-metro premium  
(0.5% OPB first mortgage loan)
- 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
- 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

## exclusions

- Cash back to the borrower(s) at closing  
CHFA will defer to Fannie Mae and Freddie Mac 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.

## approved mortgage insurance providers and coverage amounts

PMI may be provided by Arch MI, Essent Guaranty, Genworth Mortgage Insurance, MGIC, National Mortgage Insurance, Radian, or United Guaranty.

LTV	coverage
95.01 to 97.00	18%
90.01 to 95.00	16%
85.01 to 90.00	12%
80.01 to 85.00	6%
80.00 and below	No PMI required

### CHFA Home Finance

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