

# program matrix



## chfa sectioneight<sup>sm</sup> homeownership and chfa sectioneight<sup>sm</sup> homeownership plus

effective January 1, 2019

key features	Term	30-year term
	Interest Rate	Fixed interest rate
	Loan Purpose	Purchase
	Optional CHFA DPA Grant or Second Mortgage/ SectionEight Homeownership Plus	<p>Non-repayable grant available for up to 4% of the first mortgage loan amount, or second mortgage for up to 5% of first mortgage loan amount. 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.</p> <ul style="list-style-type: none"> <li>• Proceeds may go toward down payment, closing costs, and/or prepaids.</li> <li>• Participating lender must document and fund at closing on behalf of CHFA.</li> <li>• No subordinate financing allowed except those that meet underlying FHA or USDA-RD guidelines.</li> </ul>
	Reservation/ Extensions	CHFA HomeConnection <sup>sm</sup> 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	Eligible Lenders	Only CHFA HomeAccess- and SectionEight Homeownership-certified loan officers of authorized participating lenders may participate in CHFA SectionEight Homeownership Program.
	Limits	Statewide income limit of \$115,600 regardless of county, targeted or non-targeted area, or household size. The maximum loan limit for all mortgage loans is the lower of \$484,350 or the amount determined by the applicable FHA or USDA-RD guidelines. See reverse for additional income calculation information.
	First-time Homebuyer	Borrower 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.
	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 closing date.
	Minimum Financial Investment	<ul style="list-style-type: none"> <li>• \$500 if ACH payments are selected (may be a gift)</li> <li>• \$750 for all other mortgage loans if ACH not selected (may be a gift)</li> <li>• Consult the Seller's Guide for a complete list of items that can be counted toward the minimum financial investment.</li> </ul>
	Loan Type	FHA [no FHA 203(k)] and USDA-RD
	Property	Single family, one unit, attached, detached homes; PUDs, attached, detached; condominiums; and manufactured housing on a permanent foundation (including singlewide) • The property must be owner-occupied.
	Section 8 Rental Assistance	Only first-time homebuyers receiving Section 8 assistance from an approved Section 8 administering agency may use their rental assistance to help them qualify for a mortgage loan in the CHFA SectionEight Homeownership programs. Borrower should consult Public Housing Authority to determine if voucher is eligible for homeownership.
	Delivery	Mortgage loans must be delivered for purchase within 10 days of the mortgage loan closing date.
underwriting	LTV/Combined LTV	Follow FHA or USDA-RD guidelines.
	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 the applicable FHA or USDA-RD guidelines and lender's underwriter approval. Lender must complete CHFA Form 780.
	Cosigners & 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	Buydowns (temporary and permanent) are not allowed in the CHFA SectionEight Homeownership program.
	Automated Underwriting	Automated underwriting is not allowed. Loans must be manually underwritten.
	Required Documents	Refer to the applicable submission checklists available at <a href="http://chfainfo.com">chfainfo.com</a> .
Credit/DTI Requirements	Manually underwritten loans only • Minimum mid credit score of 620 for all scored borrowers • DTI determined by manual UW guidelines.	

## fees paid by lender

- Real estate tax service fee (\$68)
- Upfront loan delivery extension - 30 days (0.35% OPB of a first mortgage loan to extend the loan 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)

## 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 AMI, credit score, or low loan amount premiums.
  - 0.125% for loans with borrowers making less than 80% AMI (HomeAccess and SectionEight excluded)
  - 0.125% for loans with borrowers with mid credit score 700 or above
  - 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  
CHFA will defer to FHA or USDA-RD guidelines with respect to whether the borrower may receive cash back at closing, and, if permitted, the amount. The borrower must always meet the minimum contribution requirements for CHFA's programs. Proceeds of CHFA grant or second mortgage may never be given as cash back to borrower.

## 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 FHA or USDA-RD 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.

### CHFA Home Finance

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