### CHFA SectionEight™ Homeownership and CHFA SectionEight™ Homeownership Plus

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

**Program Matrix**

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Term</strong></td>
<td>30-year term</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>Fixed interest rate</td>
</tr>
<tr>
<td><strong>Loan Purpose/Type</strong></td>
<td>Purchase FHA [no FHA 203(k)] and USDA-RD</td>
</tr>
</tbody>
</table>
| **Optional CHFA DPA Grant or SectionEight Homeownership Plus** | Non-repayable grant available for up to 3% of the first mortgage loan amount, or second mortgage for up to 4% 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.  
  • Proceeds may go toward down payment, closing costs, and/or prepaids.  
  • Participating lender must document and fund at closing on behalf of CHFA.  
  • No subordinate financing allowed except those that meet underlying FHA or USDA-RD guidelines.                                                                                                                                                                                                 |
| **Reservation/Extensions**                   | CHFA HomeConnection™ is available at www.chfainfo.com on business days from 9:30am-10:00pm MST, with the exception of scheduled or unscheduled system maintenance. Delivery period is 60 days.                                                                                                                                                                                                 |
| **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 $120,100 regardless of county, targeted or non-targeted area, or household size. The maximum loan limit for all mortgage loans is the lower of $510,400 or the amount determined by the applicable FHA or USDA-RD guidelines. The total loan limit includes financed MIP or Upfront RD Loan Guarantee fee as applicable. 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. Follow FHA, USDA-RD guidelines regarding borrower legal status. |
| **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**             | • $500 if ACH payments are selected (may be a gift)  
  • $750 for all other mortgage loans if ACH not selected (may be a gift)  
  • Consult the Seller’s Guide for a complete list of items that can be counted toward the minimum financial investment.                                                                                                                                                                           |
| **Property**                                 | Single family, one unit, attached, detached homes; PUDs, attached, detached; condominiums; and manufactured housing on a permanent foundation (including singlewide)  
  • Properties with existing Accessory Dwelling Unit (ADU) allowed, subject to FHA or USDA-RD requirements, as applicable.  
  • The property must be owner-occupied.  
  • Borrower may only have one CHFA-financed property at a time.                                                                                                                                                                                                                                       |
| **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.                                                                                                                                                                                                           |
| **LTV/Combined LTV**                         | Follow FHA or USDA-RD guidelines.                                                                                                                                                                                                                                                                         |
| **Leasehold/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 chfainfo.com.                                                                                                                                                                                                                                 |
| **Credit/DTI Requirements**                 | Manually underwritten loans only  
  • 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 or USDA-RD.  
  • Maximum DTI of 50.00% for borrowers with mid FICO of 620 to 659. Maximum DTI of 55.00% for borrowers with mid FICO of 660 or above.  
  • DTI may never exceed the lower of CHFA’s DTI limit; the DTI permitted by FHA, USDA-RD; or the DTI limit determined by the manual underwriting guidelines.                                                                                                           |

*effective March 2, 2020*
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. This fee may be charged to the Borrower if permitted by the applicable insurer, guarantor, Fannie Mae, or Freddie Mac.
  - Loan delivery extension fee
    0.35% for 30-day 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.

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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348 Main Street
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