



September 5, 2023

summary of changes

The CHFA Seller's Guide was updated to clarify the following topics:

- Lender Approval, Suspension, or Termination
- Colorado Open Records Act Disclosure
- Down Payment Assistance Amounts
- Colorado HFA1sm and Colorado HFA1 Plussm
- Document Preparation Systems
- Escrow Payments
- Miscellaneous Updates

lender approval, suspension, or termination

CHFA reserves the right to deny approval of a prospective Participating Lender, in its sole discretion, based on a Participating Lender's historical conduct, including its ability to comply with the requirements for maintaining Participating Lender status set forth in Section 103. (See Section 102)

CHFA also reserves the right to suspend, modify, terminate approval, or to deny reinstatement, renewal or an application post termination, if a Participating Lender fails to perform or provide information as required or requested in accordance with the Mortgage Purchase Agreement and/or this Guide, in CHFA's sole discretion. If a Participating Lender is terminated for failure to comply with the requirement set forth in Section 103.A.6, the Participating Lender is precluded from reapplying to CHFA for a period of 12 months from the effective date of termination, in CHFA's sole discretion. (See Section 104)

Effective date: These changes are already effective.

colorado open records act disclosure

As a political subdivision of the State of Colorado, CHFA is subject to the Colorado Open Records Act (CORA) C.R.S. §§ 24-72-200.1, et seq., which requires CHFA to permit inspection and copying of certain public records. Participating Lenders should be aware that documents submitted to CHFA pursuant to the Participating Lender Application provided in Section 102 are subject to disclosure under CORA. The Participating Lender acknowledges and agrees that it will indemnify CHFA from any claims arising from or related to CHFA's disclosure or nondisclosure of any materials submitted to CHFA as part of its Application. (See Section 115)

Effective date: These changes are already effective.



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down payment assistance amounts

CHFA's down payment assistance (DPA) is limited as follows:

- DPA Grant: equal to the lesser of \$25,000 or 3% of the total loan amount
- DPA Second Mortgage Loan: equal to the lesser of \$25,000 or 4% of the total loan amount

(See Sections 304.A and 305.B)

Effective date: These changes are already effective.

colorado hfa1sm and colorado hfa1 plussm

CHFA has aligned homeownership program requirements with those of other state housing finance agencies (HFAs) to make it easier to partner with lenders in providing affordable home mortgage loans and downpayment assistance to home buyers by offering the Colorado HFA1 programs.

Originating the Colorado HFA1 programs will be voluntary and will require lenders to "opt-in." Colorado HFA1 programs mirror the CHFA Preferred and SmartStep programs. That said, opting in provides benefits to those lenders already working with the aligned HFAs or those lenders with a regional and/or national footprint. HFA1 will afford lenders the opportunity to streamline processes and have fewer programs to manage.

For more information on these programs, [please reference the CHFA eNews dated August 22, 2023](#).

(See Section 310)

Effective date: These changes are effective September 5, 2023.

document preparation systems

The Participating Lender must use Mortgage Loan documents that are approved by the mortgage insurer or guarantor or Fannie Mae or Freddie Mac, as applicable, or provided by CHFA.

Current CHFA documents are available on CHFA's website at www.chfainfo.com, through HomeConnectionsm, and now through approved document preparation systems. (See Section 700)

Effective date: These changes are already effective.

escrow payments

The First Mortgage Loan must provide for the monthly collection of escrow payments, along with the monthly payment of principal and interest. Escrow payments include those funds collected for payment of taxes, assessments, hazard insurance, HO-6 insurance (condominium unit walls-in coverage), or other



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insurance premiums or payments to the Mortgage Loan insurer or guarantor. Please note, regardless of LTV, CHFA **will not** waive escrows. (See Section 701.H)

Effective date: These changes are already effective.

miscellaneous updates

- **Various additional technical corrections throughout the Guide.**

Effective date: These changes are already in effect.