

Bulletin # 121
May 5, 2017

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: **Revision to CHFA Interest Rate Point Options for Applicant(s)**

Effective with loan reservations dated on and after June 1, 2017, the CHFA 0.50% interest rate option will be eliminated. The revised CHFA interest rate options will include the 0.00% point and 1.00% point options only.

REVISED CHFA INTEREST RATE PROGRAM TABLE EXAMPLE

CHFA Loan Program	Point Options	Interest Rate'	Targeted Area Rate'
Regular Homebuyer Program	1.00%	3.250%	3.000%
Regular Homebuyer Program	0.00%	3.625%	3.375%

'subject to change

Lenders will continue to receive 2.02% compensation on average for each loan originated – see calculation example in the matrix below:

Loan Valuation – Based on \$170,000 Mortgage		
Service Released Lenders		
Mortgage Rate'	3.250%	3.625%
Origination Fee' Due from CHFA	0.56%	1.56%
Origination Fee' Due from Borrower	1.00%	0.00%
Ancillary Expenses''	0.46%	0.46%
Total Upfront Fee	2.02%	2.02%

'subject to change
'' \$790 flat fee

Loan Valuation – Based on \$170,000 Mortgage		
Service Retained Lenders		
Mortgage Rate'	3.250%	3.625%
Origination Fee' Due from CHFA	0.00%	1.00%
Origination Fee' Due from Borrower	1.00%	0.00%
Ancillary Expenses''	0.46%	0.46%
Total Upfront Fee	1.46%	1.46%

'Service Retained Lenders Receive Additional Compensation from Fees for Servicing
'' \$790 flat fee

Compensation fee schedule for Lenders Originating CHFA FHA 203(k) loan programs will remain the same:

203(k) Standard Rehabilitation Program – Point fee = 2.50%
203(k) Limited Rehabilitation Program – Point Fee = 1.50%.

All questions regarding this Bulletin should be directed to Valencia Taft-Jackson at (860) 571-4224 or valencia.taft-jackson@chfa.org or Norbert J. Deslauriers at (860)571-4374 or norbert.deslauriers@chfa.org.