



## **Impact Development Fund HOME Mortgage Program Summary**

<b>Eligible Borrowers:</b>	Applicants with U.S. citizenship or permanent resident alien status (TIN required) purchasing a primary residence in the State of Colorado.
<b>Eligible Property:</b>	Single family homes, townhomes, modular homes or manufactured homes on a permanent foundation taxed as real property.
<b>Income Limit:</b>	None
<b>Loan Amount:</b>	Loan amount up to 95% of appraised value or purchase price, whichever is less. Conventional loan limits apply. Mortgage insurance is not required.
<b>Loan to Value:</b>	IDF Mortgage up to 95% of appraised value or purchase price, whichever is less. Combined loan to value not to exceed 105% provided the subordinate financing meets all conditions of a Community Seconds mortgage.
<b>Borrower Investment:</b>	5% of purchase price or appraised value whichever is less.
<b>Assets:</b>	No asset limit applied.
<b>Use of Funds:</b>	Primary mortgage financing.
<b>Interest Rate:</b>	Contact for details.
<b>Total Debt Ratio:</b>	Maximum 45% including all proposed financing
<b>Term:</b>	Maximum loan term is 30 years.
<b>Loan Fees:</b>	Loan origination fee paid by third party. Borrower is responsible for other fees pertaining to the purchase transaction, including but not limited to: appraisal, title and recording costs, insurance premiums, impounds and third-party verifications.
<b>Collateral:</b>	Senior lien position on subject property.
<b>Home Buyer Training:</b>	Required on all loans, as evidenced by a completion certificate from Fannie Mae, Freddie Mac, HUD or CHFA-approved provider.
<b>Exceptions Policy:</b>	IDF must provide prior approval for all policy exception requests.
<b>Repayment:</b>	Monthly payments of principal and interest amortized over 30 years.

## Origination Procedures

Application:	Loan File Checklist to Impact Development Fund, complete with all documentation. Any remaining documentation requirements will be detailed. Impact Development Fund will distribute the initial Loan Estimate (LE) for the first mortgage financing to the borrower within 3 business days of receipt of loan application triggered borrower information.
Processing:	Impact Development Fund will order a title policy at the expense of the borrower and evidence of hazard insurance. Final loan documents from On Tap Credit Union will be delivered electronically to the Title Company for presentation to the borrower. All outstanding items must be cleared prior to funding.
Closing:	On Tap Credit Union will deliver closing instructions and loan proceeds direct to Title. Wires are sent 24 hours prior to the scheduled closing date.
Loan Fees Collected:	IDF 1.0% origination fee will be invoiced to On Tap Credit Union after closing. The borrower will be responsible to pay the public recording fee for the first mortgage warranty deed and deed of trust. All loan fees will be shown on the Closing Disclosure (CD) and disbursements balanced with Title. IDF must review and approve all loan documents, corresponding disclosures and settlement statements prior to funding.
Requirements:	Both the borrower and closing representative must execute the Borrower Certification form, acknowledging disclosure of all loan terms and contact information.
Settlement:	No changes to program loan documents or loan amount shown on the CD are permitted.
Post Closing:	The original deed will be recorded by title with all other original program loan documents returned to IDF via overnight courier. Any excess proceeds will be applied as principal reduction, with applicable notice delivered to the borrower upon receipt.
Loan Servicing:	On Tap Credit Union will provide loan servicing and will adhere to applicable mortgage servicing rules. On Tap Credit Union retains the right to transfer loan servicing at any time during the mortgage term in accordance with loan servicing transfer notices to the borrower.