



**Employee Home Ownership Program - EHOP®
Crested Butte Fire Protection District Employer Assisted Housing Benefit
Equity Share Product Guideline**

Eligible Borrowers:	Full time or regularly scheduled part-time employees of the Crested Butte Fire Protection District (CBFPD) in good standing with at least 1 year of service with the District or an active volunteer or “as-needed” part-time member with 5 or more years of active service, purchasing a primary residence. Employees must not own other improved residential property within 150 driving miles of the Town of Crested Butte on roadways maintained year-round. However, requests to use EHOP funds to purchase property closer to the fire district or accommodate expanding family needs will be considered on a case-by-case basis contingent on the timely sale of existing property as approved by the District.
Eligible Properties:	Single family homes, condominiums, townhomes, duplexes, modular homes, or manufactured homes on a permanent foundation taxed as real property within the Fire Protection District* or within 150 driving miles of the Town of Crested Butte on roadways maintained year-round.* <i>*Assistance amounts vary depending on location of property and deed restricted properties.</i>
Max. Purchase Price:	None
Income Threshold:	No income limitations
Loan Amounts:	EHOP assistance for properties <i>within</i> the Fire Protection District are eligible for up to \$100,000 in loan funds. Properties <i>outside</i> the District but within 150 miles of the Town are eligible for up to \$50,000 in loan funds. EHOP loan amounts that exceed 20% of the purchase price require CBFPD approval prior to Impact Development Fund issuing loan commitment.
Application of Funds:	EHOP funds may only be used for down payment requirements related to the primary mortgage loan.
Compatible Mortgages:	EHOP funds may be used in conjunction with conforming conventional and certain portfolio programs that offer fixed or intermediate variable rate terms designed for entry-level buyers. (i.e., FLEX, My Community, 5/1, 7/1, etc.). <i>FHA, VA, Subprime and other non-conforming products are <u>not permitted</u>.</i>
Loan to Value:	Maximum Combined Loan to Value is 100% of purchase price.
Debt Ratio:	Monthly payments on all debt, including mortgage, credit cards, automobile loans, school loans, etc., may not exceed 43% of gross (before tax) income.
Minimum Investment:	Borrower must have a minimum investment of 5% of the purchase price from a source acceptable to the primary lender. In no case may the Seller or the premium pricing of the mortgage interest rate satisfy the minimum requirement.
Assets:	Borrower may not have verified net assets in excess of one and one half times the household income, excluding government approved retirement funds.
Homebuyer Training:	Required on all loans, as evidenced by a Fannie Mae, Freddie Mac, HUD, or CHFA-approved provider.

Term: Maximum term is 30 years.

Fees: IDF origination fee charged at closing. Fees are subject to change per Impact Development Fund (IDF) fee schedule.

Collateral: Subordinate lien secured by a Deed of Trust on subject real property.

Exceptions Policy: All aspects of the CBFPD EHOP eligibility and underwriting criteria are subject to CBFPD exception authority.

Repayment: CBFPD EHOP funds are disbursed as an Equity Share Mortgage, which may be repaid at any time. Repayments will include principal plus a pro rata share of the recognized appreciation (if any) based upon the percentage of the EHOP equity share to the original purchase price.

Equity Share Example:	Original Purchase Price	\$	800,000
	EHOP Loan		80,000
	EHOP to Original Purchase Price Ratio		10.00%

Payoff Calculation:

Future Sales Price	\$	900,000
Gross Appreciation		100,000
Shared Appreciation (\$100,000 x 10.0%)		10,000

EHOP Loan Principal	\$	80,000
Equity Share		10,000
Total EHOP Loan Repayment	\$	90,000

Origination Procedures

Application: Primary mortgage loan officer shall submit to Impact Development Fund the Loan File Checklist complete with all documentation shown on the form.

Processing: Impact Development Fund will order title commitment and evidence of hazard insurance. Final equity share loan documents are delivered electronically to loan officer for presentation to borrower. All outstanding items must be cleared prior to funding.

Closing: Impact Development Fund will deliver closing instructions and loan proceeds directly to the title company. Funds transferred by wire should be sent 24 hours prior to scheduled closing date. The loan officer shall advise of any schedule changes as soon as possible.

Fees Collected: The origination fee is collected at closing, in addition to the public recording fee for the deed of trust (4 pages) and will appear on the Closing Disclosure (CD). All settlement figures should appear on a separate CD. IDF will review and approve the final first mortgage CD prior to funding.

Requirements: The Eligible Borrower's loan officer shall present all required documents at, or prior to, closing. The borrower and loan officer shall execute the Lender Certification form, acknowledging disclosure of all loan terms and contact information.

Settlement: No changes to loan documents or loan amount shown on the Closing Disclosure are permitted.

Post Closing: The original deed will be recorded by title with all other original EHOP loan documents returned to Impact Development Fund via overnight courier.