



Impact Development Fund City of Boulder Ponderosa Community Mortgage Program Guidelines

Eligible Borrowers:	Households living in Ponderosa on August 1, 2017. Applicants must apply through Flatirons Habitat for Humanity.
Income Threshold:	120% of the most recently published HUD Area Median Income, adjusted for actual household size for Boulder County. Income is established by the currently demonstrated income, excluding overtime, shift bonus, commission and bonus income that have not been earned consistently for the most previous 2-year period with a strong likelihood of continuance.
Loan Amount:	Full face value of the amortized first mortgage based on borrower affordability as defined by Habitat for Humanity International and subsequent local Habitat for Humanity Affiliate housing and debt ratios.
Compatible Mortgages:	City of Boulder Ponderosa funds must be used in conjunction with City of Boulder's Ponderosa 2 nd Mortgage Program. Other subordinate funding sources include but are not limited to: Habitat for Humanity Equity Deed, CDBG, HOME, and local municipal or down payment assistance funds. Subordinate funds may not contain property restrictions that survive foreclosure proceedings in the event of borrower default.
Loan to Value:	Maximum Loan to Value is 80% LTV. <i>Value will be determined via Residential Real Estate Appraisal Report conducted by a State Certified Appraiser within 90 days of construction completion.</i>
Minimum Investment:	Borrower must have a <i>minimum</i> direct transaction investment of \$1,000 from a source acceptable to the lender. In no case may the Seller or premium pricing of the mortgage interest rate satisfy this minimum requirement.
Assets:	\$140,000 for one-person households. For each additional household member, the asset limit increases by \$15,000. Retirement assets with IRS early withdrawal penalty are not counted against the asset limits up to the following amounts: Under age 40 \$30,000; Ages 40-55 \$55,000; Over ages 55 \$110,000. <i>The amount of the borrower's down payment, up to 20% of the purchase price, is not counted against the asset limit.</i>
Use of Funds:	Primary mortgage financing for Ponderosa Community properties.
Interest Rate:	Fixed at 3%.
Debt Ratio(s):	Front End Housing Ratio max: 40%. Total Debt Ratio max: 45%. All debt, <i>including all proposed financing</i> shall not exceed 45% of verified gross monthly income.
Terms:	Monthly payment of principal and interest based upon a fully amortized 30-year term. ACH payment draft required through a participating depository institution.
Loan Fees:	IDF 1.0% origination fee charged at closing. Fees are subject to change per Impact Development Fund (IDF) fee schedule.
Collateral:	Senior lien priority on subject real property.
Homebuyer Training:	Required on all loans, as evidenced by a completion certificate from Fannie Mae, Freddie Mac, HUD or CHFA-approved provider.
Exceptions Policy:	IDF must provide prior approval for all policy exception requests.

Origination Procedures

- Application:** Flatirons Habitat for Humanity QLO submits the Loan File Application 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 seller and evidence of hazard insurance. Final loan documents are delivered electronically to the Title Company for presentation to the borrower. All outstanding items must be cleared prior to funding.
- Closing:** IDF 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 is collected at closing, in addition to 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:** The borrower must execute the Borrower Certification form, acknowledging disclosure of all loan terms and contact information.
- Settlement:** Borrower may NOT receive any proceeds at the time of settlement regardless of total contribution. Title will be instructed to show any excess proceeds as a principal reduction to IDF on the first mortgage CD and return such funds for proper credit. No changes to program loan documents or loan amount shown on the CD are permitted as a result of excess proceeds.
- 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:** IDF will provide loan servicing and will adhere to applicable mortgage servicing rules. IDF retains the right to transfer loan servicing at any time during the mortgage term in accordance with loan servicing transfer notices to the borrower.

2023 Income and Asset Limits

	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Income Limit	\$ 111,600	\$ 127,560	\$ 143,520	\$ 159,360	\$ 172,200	\$ 184,920	\$ 197,640	\$ 210,360