

Guide to CHFA HomeAccesssm Second Mortgage Loan Disclosures

The focus of this Guide is to provide helpful information when completing the Loan Estimate and Closing Disclosure for the CHFA HomeAccesssm Second Mortgage Loan. The information in this Guide is only applicable to the delivery of CHFA HomeAccess Second Mortgage Loans to CHFA.

This Guide is **not** to be used with CHFA's Down Payment Assistance (DPA) Second Mortgage Loans and its corresponding disclosures (Form 375 CHFA DPA Second Mortgage Loan Estimate and Form 382 CHFA DPA Second Mortgage Closing Disclosure). Please refer to CHFA Form 375 Guide to CHFA's DPA Second Mortgage Loans for more information.

Pursuant to the CHFA Seller's Guide, CHFA relies on its Participating Lenders to comply with any and all applicable legal and regulatory disclosure requirements. This Guide is not a substitute for the Consumer Financial Protection Bureau's (CFPB) TILA-RESPA Integrated Disclosure Rule (TRID) and the advice of your Compliance Department or Legal Counsel.

CHFA will not advise Lenders on disclosure requirements, disclosure contents, nor how particular sections of the disclosures should be completed. As such, Participating Lenders should consult with their Legal Counsel and Compliance Department prior to disclosing the CHFA HomeAccess Second Mortgage Loan regarding specific disclosure requirements and assistance with questions related to the content of disclosures.

CHFA Form 381 Loan Estimate and CHFA Form 382 Closing Disclosure

CHFA has provided Form 381 Loan Estimate (Form 381) and Form 382 Closing Disclosure (Form 382) as a courtesy and option to our Participating Lenders to use at their own discretion. However, if a Participating Lender is able to generate the Loan Estimate and Closing Disclosure for the CHFA DPA Second Mortgage Loan through its Loan Origination Software it is preferred for Participating Lenders to utilize its own forms.

There may be various disclosure options and interpretations of TILA-RESPA Integrated Disclosure Rule (TRID) requirements when disclosing a simultaneous second mortgage loan in conjunction with a first mortgage loan. CHFA Form 381 and Form 382 represent one option in disclosing the CHFA HomeAccess Second Mortgage Loan.

Lenders are not required to use these disclosures and may use disclosures provided by your Lending Institution.

CHFA makes no representation regarding the accuracy or compliance of these forms with regulatory requirements. The loan is subject to repurchase if the loan is not eligible for pooling or is audited and found to not be in compliance. Please consult with your Compliance Department and/or Legal Counsel regarding whether these forms satisfy your Lending Institution's compliance requirements.

By using these forms, you are agreeing that CHFA and its employees assume no responsibility for, and that you will hold CHFA and its employees harmless from, any claims or expenses that may be related to or arise from any violation of law arising from your use of these forms.

For more information regarding CHFA's HomeAccess Second Mortgage Loans please refer to the CHFA Seller's Guide.

Note: Participating Lenders are required to use CHFA Form 305H, CHFA HomeAccess Second Mortgage Loan Promissory Note, and CHFA Form 311H, CHFA HomeAccess Second Mortgage Loan Deed of Trust, for all CHFA HomeAccess Second Mortgage Loans.

CHFA Form 305H HomeAccess Second Mortgage Note and Form 311H HomeAccess Second Mortgage Deed of Trust are modeled after the standardized subordinate mortgage loan forms that were prepared in collaboration with Freddie Mac and Fannie Mae and reviewed and approved by HUD.

CHFA does not prescribe or provide any forms and rely completely on the Lender to determine which Note and Deed of Trust form is appropriate for the first mortgage loan in any given transaction.

Navigating the forms:

Utilizing the tab key to navigate through each document will highlight each available fillable field.

When filled out through HomeConnection, some fields will automatically populate based on the information entered into HomeConnection.

If filling out the forms from the website, some fields will automatically populate regarding the summations of certain terms.

Participating Lenders are responsible for verifying that fillable field values and calculations are correct prior to disclosure.

All automatically populated fields may be manually changed if necessary.

CHFA HomeAccess Second Mortgage Loan Features

The CHFA HomeAccess Second Mortgage Loan is structured as follows:

Loan Type:	Community Second Mortgage
Loan Term:	Maximum loan term is 485-months
Interest Rate:	Zero percent (0%) interest rate. The interest rate cannot increase after closing.
Payment:	<p>Payment of \$200 per month will be deferred up to 360 months. Monthly payments of \$200 per month beginning in month 361 up to a maximum term of 485 months. For the Payment Calculations Table, "Years 31- _____," is the year number in which the \$200 payment will cease.</p> <p>Note: Payment in full is due upon the occurrence of certain triggering events (e.g., payoff of the related HomeAccess First Mortgage Loan, either by voluntary prepayment, acceleration, or foreclosure). Please refer to the CHFA Sellers Guide for more information.</p>
Prepayment penalty:	The CHFA HomeAccess Second Mortgage Loan does not have a prepayment penalty.

Negative Amortization: The CHFA HomeAccess Second Mortgage Loan does not have a negative amortization feature.

Balloon Payment: The CHFA HomeAccess Second Mortgage Loan does not have a balloon payment feature.

Cash Back

The intent of the HomeAccess Second Mortgage Loan is to provide the borrower with the funds necessary to close the transaction. CHFA will defer to FHA, VA, or USDA-RD guidelines with respect to whether the borrower may receive cash back at closing, and, if permitted, the amount. The borrower must always meet the minimum contribution requirements for CHFA's programs. Proceeds of CHFA second mortgage may not result in cash back to borrower.

Closing Costs

Fees Not Permitted

CHFA does not permit Participating Lenders to charge the following fees on the HomeAccess Second Mortgage Loans:

- Origination Fees
- Discount Points
- Processing or Administration fees

Permissible Fees

CHFA permits Participating Lenders to charge the following fees on the HomeAccess Second Mortgage Loans:

- **Settlement Fees:**
Although CHFA does not require a settlement fee, lenders are permitted to pass through third-party settlement fee charges in connection with the second mortgage loan. Provide a description of the individual service being charged and the dollar amount for the individual service provided.

Note: Services listed under either Section B or Section C will automatically populate in the Total Dollar Amount Field with the sum of the lines below if you are filling out electronically. If you are filling out manually, please enter the sum of the lines below into this field.

- **Taxes and Other Government Fees:**
This section includes the charges assessed by a government authority to record and index the second mortgage loan as required under state or local law. CHFA will allow the total charges to record and index the CHFA HomeAccess Second Mortgage Loan Deed of Trust.
Note: The total dollar amount for all recording fees will automatically populate when you enter the itemized fees for recording the Deed and Mortgage Deed of Trust on the line below. If entering manually, please enter the sum of the itemized fees of the Deed and Mortgage from the line below.

Lender Credits

Dollar amount of Lender Credits as applicable to the transaction.

- A fillable field has been provided next to Lender Credits to allow for a statement if part of the credit was paid by the creditor to offset an excess charge above legal limits with funds other than closing funds.

Additional Information About This Loan**Contact Information**

Provide the Name and NMLS/___License ID number for the creditor and mortgage broker, if any, and the individual loan officer of both. The NMLS/___License ID number should be the same as that identified on the note and other documents. Also, provide the email and/or phone number of the individual loan officer. The person identified as the individual loan officer must be the primary contact for the consumer.

CHFA's name, business address, phone number, or email address should not be listed in the contact section of the disclosures.

Other Considerations

Assumption:	The CHFA HomeAccess Second Mortgage Loan is not assumable.
Servicing:	Mark the appropriate box based on your organization's servicing policy.
Demand Feature:	Mark whether the legal obligation contains a demand feature that can require early payment of the loan.
Partial Payments:	Mark the appropriate box in relation to the acceptance of Partial Payment made by the consumer.
Late Payment:	The grace period is 15 calendar days, and the late fee is 5 percent (5%).