



what's inside: homeowner success: maintenance costs |
why mortgage payments increase | escrow analysis

chfa
homeowner
newsletter

Second Quarter 2024 | Issue 2 | Volume IX



homeownership resource:

Colorado Homeownership Coalition

The Colorado Homeownership Coalition (CHC) aids homeowners experiencing a temporary disruption in income to avoid delinquent housing obligations and ultimately resume self-sufficiency. Each qualifying homeowner may receive up to \$10,000 to cover delinquent mortgage payments, homeowners' association dues, or property taxes. To learn more, please visit chchelps.org.

scam alert:

Phone and Text Scam Alert

It has come to CHFA's attention that some of its homeownership customers are being targeted in a phone and text scam. Customers are receiving calls and texts from an individual claiming to be with CHFA's Loss Mitigation Department. The caller tells the customer that in order to process their loss mitigation paperwork, they need to send a payment via money order.

These calls are not being made by CHFA and CHFA does not require fees to process loss mitigation packages. Additionally, CHFA does not text customers. If you receive such a call, even if the phone number appears to be legitimate, do not provide any information to the caller and end the call. Please report any such scam attempts to CHFA at 855.587.8655 and the Colorado Attorney General's office. If you believe you are a victim of this scam, please also report it to your local authorities.

Borrowers may always contact CHFA's Loan Servicing team at 855.587.8655 for help with any questions about their account.

homeownership success: prepare for maintenance costs

All the hard work you've put into buying a home shouldn't go to waste. Ongoing maintenance is key to ensuring your home is safe and secure for years to come. Regular upkeep can prevent problems, help appliances last longer, and may increase the overall value of your home.

Below are five ways you can plan for possible maintenance costs:

1. **Be proactive by setting aside time and money.** Consider the resources you need, such as lawn care, gutter cleaning, tree service, or appliance repairs.
2. **Plan for major purchases and home improvements.** By regularly checking the condition of major components of your home, such as your roof, foundation, windows, and walls, you'll be able to identify the timing of needed repairs and adjust your budget to start saving now.
3. **Know the lifespan of major items in your home.** Keep a list of when warranties end, the age, and when manufacturers recommend replacement.
4. **Make sure you have adequate homeowner's insurance.** The original coverage amount you purchased on your home may no longer be enough, especially if you have made improvements to your home. You should have enough coverage to pay for the cost to rebuild your home if damaged or destroyed.
5. **Consider purchasing a home warranty.** A home warranty is a service plan you may be able to renew annually that offers discounted repair/replacement for applicable household appliances and systems. If you have a new home or new appliances, there may already be warranties in place, so check with the builder or manufacturer first before purchasing a separate home warranty.

why monthly mortgage payments increase

As a Colorado homeowner, you may have recently had your monthly mortgage payment increase. This generally happens because of two increasing costs: property taxes and homeowner's insurance. Both costs are paid through your escrow account. Your escrow account is a fund held and administered by CHFA Loan Servicing on your behalf. A portion of your monthly mortgage payment is deposited into this account to pay these costs. Property taxes and homeowner's insurance premiums can change from year to year. Therefore, increases in these costs result in a higher monthly mortgage payment.

Property Tax Increase

These increases are generally due to rising home values. According to the Colorado Legislative Council, assessed

values of homes have risen nearly 150 percent since 2010. Compounding that is the fact that Colorado county governments reassess property values every two years, so in effect, we all received two years' worth of increases at once.

Homeowner's Insurance Premium Increase

According to Carole Walker, Executive Director of the Rocky Mountain Insurance Information Association (RMIIA), some reasons for Colorado's high home insurance rates are climate-related disasters and the high costs on goods and services. We are all too familiar with climate disasters—frequent hailstorms and wildfires—that are common across the state. The high costs of goods and services include increasing construction material costs, impacting the amount needed to repair damage to your home. This increased cost to do business in Colorado results in higher premiums for homeowners.

To learn more about CHFA escrow account adjustments, read the "heads up" article in this edition.

heads up: Escrow Analysis

CHFA Loan Servicing conducted its annual escrow analysis in April. This may have affected your June payment.

Your escrow account is a fund held and administered by CHFA Loan Servicing on your behalf. A portion of your monthly mortgage payment is deposited into this account. The funds in your escrow account are used to pay property taxes, homeowner's insurance, etc.

Mortgage servicers are required to conduct an annual escrow analysis to determine the amount needed to pay taxes, insurance, and other required payments due on your behalf, and the corresponding amounts that will need to be collected via your monthly payments for the next escrow account year.

This means that for the 2024 to 2025 escrow year, CHFA Loan Servicing will calculate your "target balance," or how much money you are estimated to have to pay for property taxes, insurance, etc., in the upcoming year. Following the analysis, an adjustment (increase or decrease) in your payment may be made. You should have received advance written notice of any adjustment to your payment in May. Contact CHFA Loan Servicing at 855.587.8655 with questions or for more information.

Please note: if you have an escrow shortage that results in an increase adjustment, you can apply to the Homeowner Assistance Fund (cdola.colorado.gov/emergency-mortgage-assistance) or the Colorado Homeownership Coalition (chchelps.org) and may receive assistance to cover the shortage.

your mortgage online app:

Access your loan and make payments. Download it from:



dates to remember:

1st of the Month: CHFA mortgage payments are due by the first of each month and late fees may be assessed if a payment is received after the sixteenth of the month. Save a stamp and sign up for ACH payments. Visit chfainfo.com/payment-options.



experiencing hardship? help is available!

As a result of the pandemic, or another unexpected circumstance, some homeowners may experience financial challenges that could affect their ability to make their mortgage payment. If you are facing hardship, CHFA is here to help.

Contact CHFA Loan Servicing at 855.587.8655 as early as possible if you think you might have difficulty making your mortgage payment.

Finding the Right Option for You

CHFA Loan Servicing will help you determine what options might best fit your needs, depending on your unique circumstances. If you apply for hardship assistance, your mortgage loan may be placed in temporary forbearance for an initial 90-day period, and we will discuss your repayment options. There are various repayment options available to CHFA homeowners. CHFA Loan Servicing will provide information to help you choose which option may work best for you.

If you are ready to apply for hardship assistance, you may do so online at loansolutioncenter.com. If you wish to speak to someone directly about your options, contact CHFA Loan Servicing's Loss Mitigation Team at 866.397.5370.

Additional Resources

Further assistance may be available from the Colorado Homeownership Coalition's mortgage assistance program (chhelps.org). Additionally, to speak to a housing counselor, contact Colorado Housing Connects at 877.601.HOPE or HUD (hud.gov) or 800.569.4287.

contact us

Contact CHFA Loan Servicing at 855.587.8655 as early as possible if you think you might have difficulty making your mortgage payment.

apply

If you are ready to apply for hardship assistance, you may do so online at loansolutioncenter.com. If you wish to speak to someone directly about your options, contact CHFA Loan Servicing's Loss Mitigation team at 866.397.5370.

denver

303.297.chfa (2432)
800.877.chfa (2432)

western slope

970.241.2341
800.877.8450

www.chfainfo.com

This newsletter may contain links to other websites or third party materials. Links to external or third party websites or materials are provided solely for your convenience. The presence of a link does not imply any endorsement of the third party material, the website, its content or any association with the third party or website's operators by CHFA. Third-party websites or materials may be governed by their own privacy policy and terms of use, and the third party is solely responsible for the content and offerings presented on its website or in its materials. CHFA makes no representation and accepts no responsibility or liability regarding the accuracy, quality, safety, suitability or reliability of any third party material(s), external website or the content or materials of such websites. Use of linked sites is strictly at your own risk.

With respect to its programs, services, activities, and employment practices, Colorado Housing and Finance Authority prohibits unlawful discrimination against applicants or employees on the basis of age 40 years and over, race, sex, sexual orientation, gender identity, gender expression, color, religion, national origin, disability, military status, genetic information, marital status or any other status protected by applicable federal, state or local law. Requests for reasonable accommodation, the provision of auxiliary aids, or any complaints alleging violation of this nondiscrimination policy should be directed to the Nondiscrimination Coordinator, 1.800.877.2432, TDD/TTY 800.659.2656, CHFA, 1981 Blake Street, Denver, Colorado 80202-1272, available weekdays 8:00am to 5:00pm.



chfa®

financing the places where
people live and work