

# Highlights from Other States: HFA Programs

## The CHFA Multifamily Lending Perspective

NIFA Housing Innovation  
Marketplace Conference

March 13, 2018



*financing the places where  
people live and work*

# chfa

- Created by the Colorado State Legislature in 1973 to finance affordable housing around the State
- Quasi-governmental, not part of State
- Single-family loans, multifamily loans, small business loans
- Multifamily – over 60,000 units impacted by CHFA over 43 years, close to 20,000 financed



# chfa

- CHFA/HUD 542(c) Risk Share Program
  - HUD and CHFA share the default risk under this program on a 50/50 basis
  - Allows for faster processing time
  - CHFA underwriting, HUD review
  - Construction to permanent, perm only, refinances, acquisition/rehab



# CHFA Multifamily Loan Programs

- 9 Percent Tax Credit Loan Program
  - Perm only, refinances, forward rate lock available
- 4% LIHTC Tax-Exempt Loan Program
  - Construction to perm
- FFB Risk Share Program
  - Perm only, refinances or projects with minimal rehab
- Housing Opportunity Fund (HOF)
  - Annual set-aside from general fund

# CHFA Multifamily Loan Programs

- 4% LIHTC Tax-Exempt Loan Program
  - Risk Share insurance during construction and permanent phases, covers the amount of debt supported by NOI; requires bridge financing; subject to Davis Bacon wages
  - Bank private placement on short-term bonds, bank LOC on long-term bonds during construction, Risk Share permanent loan, no Davis Bacon requirement during construction
  - Flexible—costs of issuance, negative arbitrage, and letter of credit fees can be built into the long-term rate



# CHFA Multifamily Loan Costs

- \$2,000 application fee
- 1% origination/commitment fee
- 2% bond cost of issuance (generally)
- 0.25% for FHA MIP
- Third party costs – market study, appraisal, environmental, etc.
- Legal – when involving bonds or other special circumstances

# Questions?

Terry Barnard

Multifamily Production and Outreach Manager

CHFA

(303) 297-4866

[tbarnard@chfainfo.com](mailto:tbarnard@chfainfo.com)

[www.chfainfo.com](http://www.chfainfo.com)

