

**Bulletin # 258**  
**July 17, 2024**

To: CHFA Lenders  
From: CHFA Single Family Underwriting  
Subject: **NEW – Smart Rate Program**

Effective with new reservations only on or after **July 29, 2024**, the Connecticut Housing Finance Authority is excited to offer a new Smart Rate program for borrowers with student loan debt.

**This new CHFA Smart Rate Program offers a 1.125% interest rate reduction off CHFA's first mortgage rate on the date of loan reservation for eligible borrowers with a minimum student loan debt balance of \$15,000 at the time of CHFA Loan Commitment. Student Loan(s) may be in repayment status or deferred but must be in good standing (current).**

- Program Area Median Income (AMI) Limit Overlay Applies
  - Not to exceed 100% of Fannie Mae/Freddie Mac AMI
  - Based on all eligible qualifying income

Applicants must meet eligibility requirements to apply for a loan. Due to the limited amount of funding for this program, reservation depends on the availability of funding.

This discount may not be combined with any other rate discounts offered by CHFA on any of its loan programs.

Please see the Loan Program and Underwriting Guide which provides full program details for this new Smart Rate Program which will be available for new reservations starting **July 29, 2024**. [Loan Programs and Underwriting Guides](#)

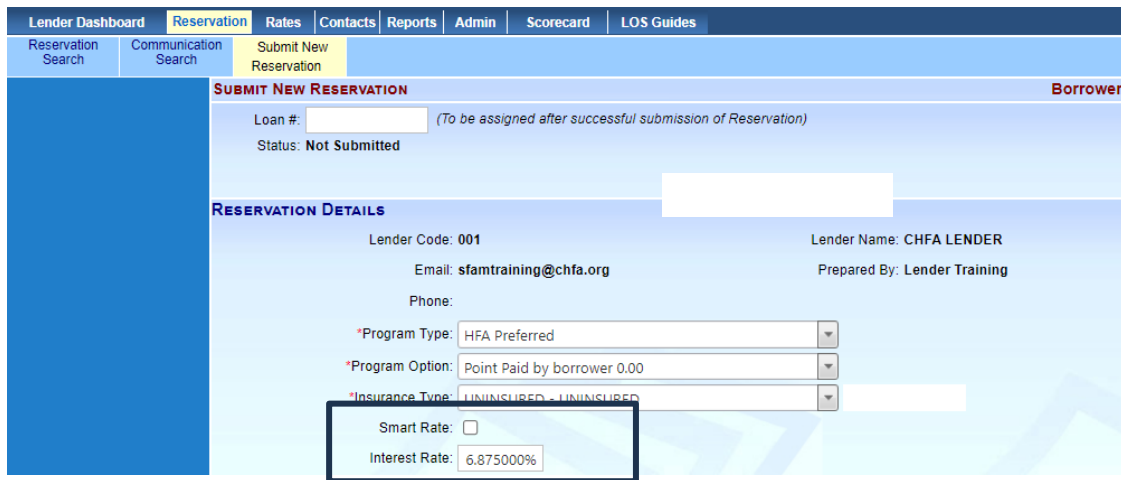
**Also** effective with reservations on or after **July 29, 2024**, CHFA will track **First Generation Homebuyers**. This question has been added to the Borrower Eligibility Certificate and must be answered by the borrower(s) and input into LOS at the time of reservation. The updated Borrower Eligibility Certificate will be required for all files reserved on or after July 29, 2024.

[Borrower Eligibility Certificate](#)

*All questions regarding this Bulletin should be directed to Lisa Hensley at [lisa.hensley@chfa.org](mailto:lisa.hensley@chfa.org) or Carolyn Christensen at [carolyn.christensen@chfa.org](mailto:carolyn.christensen@chfa.org)*

## Smart Rate Student Loan Discount Program

If the borrower qualifies with > \$15,000 in open, paid as agreed, student loan debt, pick the program of the first mortgage. The rate will populate with the prevailing rate for that program.



**Submit New Reservation** Borrower:

Loan #:  (To be assigned after successful submission of Reservation)  
 Status: **Not Submitted**

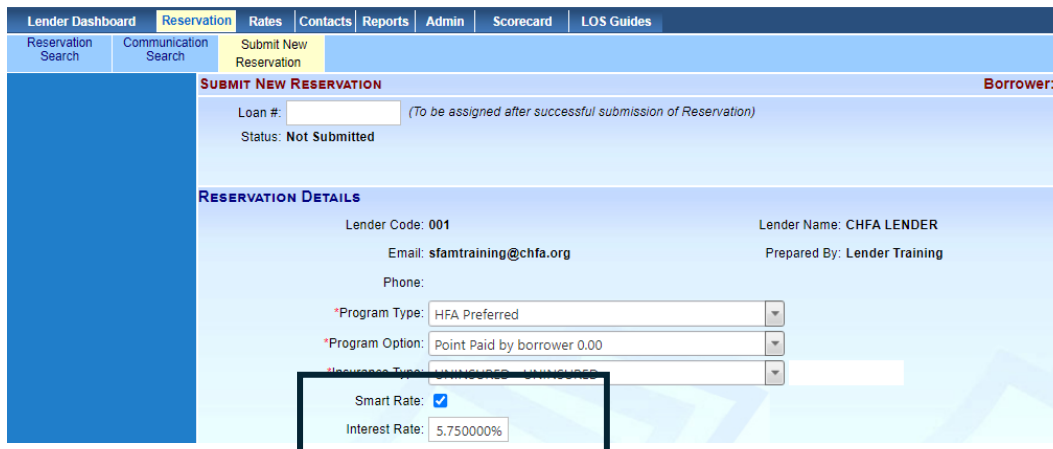
**RESERVATION DETAILS**

Lender Code: 001 Lender Name: CHFA LENDER  
 Email: sfamtraining@chfa.org Prepared By: Lender Training  
 Phone:

\*Program Type: HFA Preferred  
 \*Program Option: Point Paid by borrower 0.00  
 \*Insurance Type: UNINSURED - UNINSURED

Smart Rate:   
 Interest Rate: 6.875000%

Check the Smart Rate and the rate will populate with the discounted program rate. Please remember, LOS will take the greater rate discount depending on the program or targeted area. Program rate discounts cannot be combined.



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Loan #:  (To be assigned after successful submission of Reservation)  
 Status: **Not Submitted**

**RESERVATION DETAILS**

Lender Code: 001 Lender Name: CHFA LENDER  
 Email: sfamtraining@chfa.org Prepared By: Lender Training  
 Phone:

\*Program Type: HFA Preferred  
 \*Program Option: Point Paid by borrower 0.00  
 \*Insurance Type: UNINSURED - UNINSURED

Smart Rate:   
 Interest Rate: 5.750000%

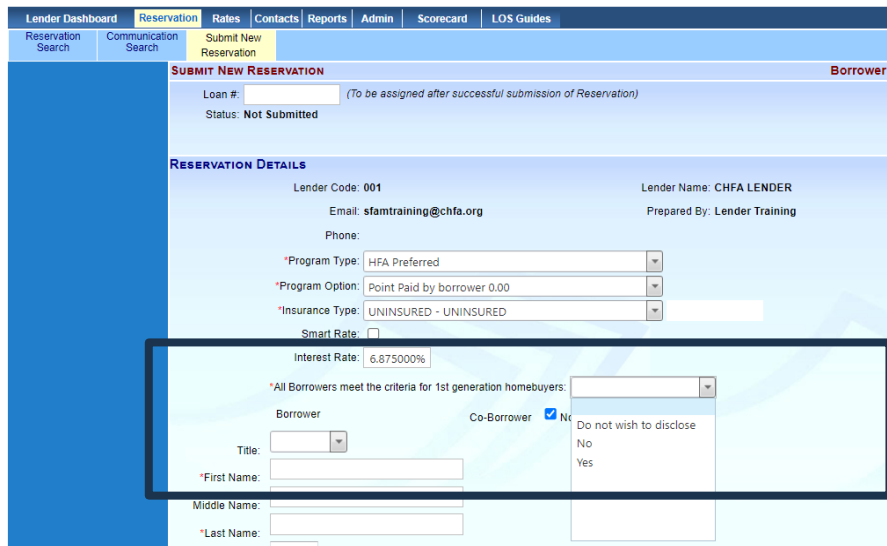
Required in the file: \_\_\_\_\_

**CHFA SMART RATE PILOT LOAN PROGRAM  
APPLICANT NOTICE**

You are receiving this notice because you are applying for a Connecticut Housing Finance Authority ("CHFA") Smart Rate 1<sup>st</sup> mortgage loan from a CHFA Participating Lender.

You must meet all eligibility requirements for a CHFA 1<sup>st</sup> mortgage in addition to meeting the Smart Rate eligibility requirements, which include, but are not limited to:

## First Generation Homebuyers



Included with Borrower Eligibility Certificate effective 7/29/24



**FIRST-GENERATION HOMEBUYER**

The following information is being requested to assist CHFA in ensuring it is meeting the needs of communities and neighborhoods, especially traditionally underserved communities. Your answer will not affect your eligibility for the loan for which you are applying, and you are under no obligation to provide the information.

A First-Generation Homebuyer is a homebuyer whose parents have not had an ownership interest in a home in the past 3 years, a homebuyer that has aged out of foster care, or a homebuyer that became emancipated.

Please indicate below if you are considered a first-generation homebuyer as defined above:

Borrower:

- Yes, I am a first-generation homebuyer
- No, I am a first-generation homebuyer
- I do not wish to disclose this information

Co-Borrower:

- Yes, I am a first-generation homebuyer
- No, I am a first-generation homebuyer
- I do not wish to disclose this information