

CRHMFA HOMEBUYERS FUND

CHF ACCESS

PROGRAM TERM SHEET

PROGRAM SPONSOR	CRHMFA Homebuyers Fund (CHF).
DESCRIPTION	CHF ACCESS offers up to 99.5% financing designed to increase homeownership opportunities for low-to-moderate income individuals and families in California.
AVAILABLE FUNDING	\$5,000,000 from CHF to provide second loan funding to Eligible Borrowers for home purchases in California.
PARTICIPANT AND SERVICER	First Mortgage Corporation (FMC).
PROGRAM START DATE	8/1/2009.
MORTGAGE LOAN TYPES AND TERMS	30-year fixed term FHA Loans with full amortization.
SECOND MORTGAGE LOAN TERMS	<p>Second Mortgage Loan available from CHF:</p> <ul style="list-style-type: none"> • 15-year fixed term with full amortization; • Note Rate of Second Loan is 8.25%; • May not exceed 3% of the sales price; • Combination of Mortgage Loan and Second Mortgage Loan may not exceed 99.5% CLTV; • Proceeds may be used for downpayment and/or closing costs, subject to CLTV limit; • There must be no cash back to the borrower from the Second Mortgage Loan proceeds; • Any Second Mortgage Loan proceeds remaining must be re-applied to the Second Mortgage Loan to reduce the principal balance. If there is more than \$500 remaining from the Second Mortgage Loan proceeds as of the close of escrow, then documents must be redrawn; • FMC must conform to federal RESPA and Truth-in-lending laws in disclosing the terms of the Second Mortgage Loan both at application and again at close.
SECOND MORTGAGE LOAN DOCUMENTATION	<ul style="list-style-type: none"> • Required Second Mortgage Loan Documents include: Note, Security Instrument, Second Loan Rider, Second Loan Truth in Lending Statement, Mortgagor's Agreement and the Acknowledgement of Disclosure Information form; • CRHMFA Homebuyers Fund must serve as the lender and beneficiary for the Second Note and Security Instrument • FMC is required to report to HUD the Employer Identification Number (EIN) of all government, state, county, city municipalities and non-profit organizations providing secondary financing assistance, grants or gifts to the borrower when the borrower is receiving an FHA First Mortgage. Lenders are required to reflect this information on HUD's new FHA Loan Underwriting and Transmittal Summary. CRHMFA Homebuyers Fund EIN is 68-0322272; • FMC is responsible for recording the Second Mortgage Loan Security Instrument.
OCCUPANCY/ PROPERTY USAGE	Primary Residence.

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TOTAL DEBT RATIO	Credit Score	Maximum DTI
	= / > 660	47%
	620-659	45%
	No Fico / < 620	43%
COMPENSATING FACTORS	At least two (2) Compensating Factors, as outlined in HUD 4155.1, are required.	
CREDIT SCORE PRICING ADJUSTERS	Credit Score	Price Adjustment %
	= / > 680	n/a
	660-679	(0.25)
	640-659	(0.50)
	620-639	(1.00)
	600-619	(1.50)
No Fico / < 600	(2.00)	
MAXIMUM LOAN AMOUNT	Maximum loan amounts as permitted by HUD.	
BORROWER ELIGIBILITY	Non-occupying co-borrowers and Non-occupying co-signers are not permitted.	
INCOME	120% Area Median Income (AMI). Refer to http://www.nhfloan.org	
PARTICIPANT FEES	FMC may charge customary and reasonable closing costs and fees with full disclosure in accordance with FHA and federal, state and local laws and regulations.	
SECOND MORTGAGE LOAN FUNDING PRICE	FMC will fund Second Mortgage Loan at a price equal to 100% of the Second Mortgage Loan balance at the time of funding.	
SECOND LOAN PURCHASE	CHF will purchase Second Mortgage Loan from FMC at 100% of the unpaid principal balance.	
LOAN SERVICING	FMC to provide a single statement/coupon for both the First and Second Loan.	

This Program Term Sheet is not a substitute for first mortgage guidelines. It is the responsibility of First Mortgage Corporation, as Participant and Servicer, to adhere to federal RESPA laws and FHA guidelines.