



Colorado Housing Enterprises, LLC.

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Foreclosure Prevention Hardship Loan Program

Recognizing the tremendous need for Foreclosure Prevention in the State of Colorado, Colorado Rural Housing Development Corporation, through its affiliate organization Colorado Housing Enterprises, LLC, launched a hardship loan program in January 2007 to help borrowers in default on their mortgage payments. The Hardship Loan is a secured loan that serves to take the borrower out of default and bring them current on their mortgage so that they can resume making regular payments.

Basic Guidelines

- Borrower must have experienced a hardship situation such as an illness, and accident, the loss of employment, the death of a wage earner, or urgent home repairs that affect living conditions.
- The hardship must be resolved or must not impede the ability of the home owner to make ongoing mortgage payments, plus the hardship loan repayments.

Loan Summary

- CHE will loan up to \$5,000
- Interest rate of 5% with a 7-year term
- \$600 Processing fee that is financed into the loan (processing, release of lien, & recording of deed)
- No cash out. Payment is made directly to mortgage servicer to resolve default.

Screening Criteria

- Household income limit up to 115% AMI
- At least three years ownership of the property (Owner Occupied)
- No second mortgage or HELOC on the property. CHE will only assume 2nd position.
- Not credit score driven, but borrower must show good payment history prior to hardship and ability to repay.

Additional Requirements

- Must complete housing/credit counseling with CHE counselor.
- Must attend and complete a Financial Fitness education series.
- Must complete the application and approval process with adequate time prior to foreclosure sale.

Call 303-428-1448 for more information or to receive an application. Loan subject to buyer's ability to meet underwriting qualifications.

