



Homeownership Program Bulletin

February 26, 2007

Program Bulletin #2007-04

To: CalHFA Approved Lenders

REVISED PROGRAM REQUIREMENTS

California Housing Finance Agency has recently modified many of the underwriting standards and closing requirements in an effort to improve the quality of loans delivered to the Agency. By adopting the following standards and requirements, lenders should find it easier to process and deliver loans to CalHFA.

- Any change to a promissory note must be clear and legible and must be initialed by all signers to the note. Liquid white-out is not allowed on any promissory note.
- Promissory notes must contain the correct property address, including the unit number, if applicable, and city name used by the United States Postal Service (USPS).
- Any file containing documents with borrowers using various first or last names must contain a "Name Affidavit" document listing all names used.
- "Name Affidavit" documents must be fully executed and a copy submitted to CalHFA prior to purchase.
- "Power of Attorney" documents must be fully executed, notarized and a recorded copy submitted to CalHFA either prior to Conditional Approval or prior to purchase, as applicable. (Please Note: For CalHFA purposes, a "Power of Attorney" a) cannot be used on CalHFA Affidavits; and, b) cannot be used to sign for a co-signor on any promissory note.)
- A "Standard Flood Hazard Determination, FEMA Form 81-03 must be submitted prior to Conditional Loan Approval.
- CalHFA conventional loan underwriting guidelines can be found on the CalHFA web site shown below under "Business Partners, Mortgage Insurance".

For questions about this bulletin, contact CalHFA Homeownership Programs by phone 916.324.8088; by fax 916.324.6589; by email at homeownership@calhfa.ca.gov and you can always visit CalHFA's web site at: www.calhfa.ca.gov

Please send all loan files and documents to:
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