



Homeownership Program Bulletin

May 31, 2011

Program Bulletin #2011-13

To: CalHFA Approved Servicers

VA Loan Modifications

This bulletin updates and adds information to Section 10 in CalHFA Program Bulletin #2009-14: Foreclosure Avoidance and Loss Mitigation Program. The additional information pertains to VA guaranteed loan modifications and CalHFA loan modification limitations.

Servicers must comply with Veteran's Administration loan modification regulations. Additionally, CalHFA bond indenture requires that CalHFA VA loan modifications may only be re-amortized for the remaining term of the loan at the existing interest rate.

CalHFA Homeownership Program Bulletin #2009-14 dated May 28, 2009 provides additional foreclosure and loss mitigation information and should be applied in conjunction with this bulletin.

For questions about this bulletin, contact CalHFA Portfolio Management by phone 916.376.2920; by fax 916.324.9581; by email at PortfolioManagement@calhfa.ca.gov, and you can always visit CalHFA's web site at: www.calhfa.ca.gov.

CalHFA thanks you for your business and we look forward to continuing to support your affordable housing loan needs.