



Single Family Lending Program Bulletin

January 31, 2013

Program Bulletin #2013-03

To: CalHFA Approved Lenders

California Homebuyer's Downpayment Assistance Program (CHDAP) Revisions Effective Immediately

CalHFA has made changes to its Reservation/Loan Delivery requirements and has updated the CHDAP Program handbook to better clarify some existing policies. These changes will be effective immediately for all loan reservations.

Reservation/Loan Delivery Changes

All loans must be closed, delivered and purchased by CalHFA on or before the reservation expiration date. Lenders reserve loan funds at no fee for 90 days on existing/resale properties, or 180 days on new construction properties. Loans which cannot be delivered for approval and purchased by the reservation expiration date are subject to the following additional conditions:

Prior to loan closing, lender may cancel the existing reservation and re-reserve at no fee for an additional 90/180 day reservation timeframe.

- a. New reservations are subject to the policies and procedures in effect as of the date of the new reservation.
- b. New reservations may require a full update of aged credit, income and/or property documentation.
- c. Only *one* re-reservation will be permitted on the same transaction.

After loan closing, any loan which has funded, but has not been delivered to CalHFA in a purchasable condition prior to the reservation expiration date, may be extended for 30 days from the original reservation expiration date under these conditions:

- a. A \$250 late delivery fee has been received by CalHFA via certified funds.
- b. Lender, not the borrower, shall pay for all costs associated with the late delivery.
- c. The first mortgage's payment history shows the loan as current with no past delinquencies.
- d. A new preliminary Title Report shows no additional recorded loans since loan closing.
- e. Under no circumstances will CalHFA extend a reservation period longer than 120 days for existing properties or 210 days for new construction properties.

The CHDAP Loan Program Handbook has been updated as follows:

Maximum Loan Amount

- When the applicable government insurer/guarantor requires multiple appraisals, CalHFA will base the CHDAP loan amount on the lesser of: 1) the sales price or 2) the least appraised value..

Property Requirements

- Any property containing additional units, including guest houses, “granny” units, “in-law” quarters, and/or separate units containing kitchen facilities, is not eligible.

Maximum Tax Compliance Income Limits

- The income of all borrowers cannot exceed the published CalHFA CHDAP moderate income limits established for the county in which the property is located.
- CalHFA will calculate family income for CalHFA CHDAP program eligibility. “Family income” is defined as the annualized gross income of a mortgagor, and any other person who is expected to:
 1. be liable on the mortgage
 2. be vested on title; and
 3. live in the residence being financed

For all details and requirements of a CHDAP subordinate loan, please refer to the [CHDAP Program Handbook](#) located on our web site.

For questions about this bulletin, contact CalHFA Single Family Lending division by phone 916.326.8000, fax 916.327.8452, or email sfprograms@calhfa.ca.gov . In addition, you can always visit CalHFA’s web site at: www.calhfa.ca.gov or Single Family Lending directly at www.calhfa.ca.gov/homeownership.