



Single Family Lending Program Bulletin

September 29, 2014

Program Bulletin #2014-17

To: CalHFA Approved Lenders

Changes to CalHFA Loan Program Requirements

CalHFA is pleased to announce several loan program changes to increase ease of use for CalHFA first mortgages. These changes will be in effect for all new reservations taken on or after October 06, 2014 and supersede any other related bulletins. These program changes and enhancements will affect all CalHFA programs currently offered.

CalHFA First Mortgage Programs

(CalPLUS Conventional, CalPLUS FHA, CalHFA Conventional, CalHFA FHA and CalHFA EEM + Grant)

- Maximum CLTV increased to 105%
- Borrower contribution no longer required
- Home Warranty
 - Requirement reduced to one year for first-time homebuyers
 - No longer required for non-first-time homebuyers
- Homebuyer education no longer required for non-first-time homebuyers

CHDAP with Non-CalHFA First Mortgages

(CHDAP Standalone)

- Maximum CLTV will remain at 103%
- Maximum DTI reduced to 43.00%
- Borrower contribution no longer required by CalHFA
- New "CalHFA Borrower & Lender Affidavit of Loan Analysis Comparison" form must be signed by borrower(s) and Lender and will be required with file submission (see attached)
- One-year Home Warranty required
- CHDAP cannot be combined with a non-CalHFA Energy Efficient Mortgage.

Other Important Changes

- Beginning on January 1, 2015, each CalHFA approved lender will be required to close a minimum of four (4) CalHFA first mortgage loans every six months, ending June 30 and December 31 to avoid suspension as a CalHFA approved lender
- Reduced number of forms: The new "CalHFA Borrower Affidavit" (see attached) is required for all CalHFA loan programs and replaces the following six affidavits:
 - Statement of Citizenship, Alienage, and Immigration status for State Public Benefits
 - Lender Verification of Citizenship/Qualified Alien Status
 - Borrower Affidavit of Household Size
 - Borrower's Certification & Authorization
 - Military Service Questionnaire

- Borrower Acknowledgment for Purchase of Home Warranty Protection Plan

For questions about this bulletin, contact the CalHFA Single Family Lending division by phone 916.326.8000, fax 916.327.8452, or email sflending@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.



**CalHFA Borrower & Lender Affidavit
Of Loan Analysis Comparison
(for use with CHDAP stand-alone¹ only)**

I, _____ and I, _____
 "Applicant(s)", have applied for a home mortgage originated by _____.
 Pursuant to the Mortgage Program of the California Housing Finance Agency ("CalHFA"), do hereby represent and
 warrant as follows:

CHDAP #		CH-
Property Address		
Street:		County:
City:	State: CA	Zip:
Lender Declaration		
I certify that I have provided the Applicant(s) with a monthly housing payment (PITI ²) and required down payment and closing cost comparison between their proposed non-CalHFA first mortgage and a comparable CalHFA first mortgage, and this applicant has chosen a non-CalHFA first mortgage.		
I declare under penalty of perjury that the foregoing is true and correct.		Date:
Signature of Lender Representative:		Printed Name of Lender Representative/Title:
Borrower Declaration		
I certify that I, the Applicant(s), have received from my lender a monthly housing payment (PITI ²) and required down payment and closing cost comparison between my proposed non-CalHFA first mortgage and a comparable CalHFA first mortgage and that I am choosing a non-CalHFA first mortgage.		
I declare under penalty of perjury that the foregoing is true and correct.		Date:
Signature of Applicant(s):		Printed Name of Applicant:

¹ A CHDAP stand-alone is defined as a CHDAP loan subordinate to a non-CalHFA first mortgage

² PITI = Principal, Interest, Taxes and Insurance (+ HOA payment, if applicable)

CalHFA Borrower Affidavit
(for non-MRB loans)

I, _____ and I, _____

“Applicant(s)”, have applied for a home mortgage originated by _____,

Pursuant to the Mortgage Program of the California Housing Finance Agency (“CalHFA”), do hereby represent and warrant as follows:

Property Address		
Street:	County:	
City:	State: CA	Zip:
Household Size		
Household size is defined as all persons who will reside in the residence on a permanent primary basis.		
I certify that the total number of persons, including myself, residing in this residence on a permanent primary basis is: <input style="width: 40px; height: 20px;" type="text"/>		
The following person(s) will live in the residence on a permanent primary basis:		
Name	Relationship	Age
Note: The applicant(s), and only the applicant(s), are acquiring a present ownership interest in the residence.		
Home Warranty Protection Plan		
(Applicable only to First Time Homebuyers)		
<input type="checkbox"/> I certify I am not a First Time homebuyer and am exempt from purchasing a home warranty protection plan		
<input type="checkbox"/> I will purchase, during escrow, a minimum of a 1-year home warranty protection plan that covers the minimum list of items stated below for the residence being financed by CalHFA: <ul style="list-style-type: none"> • Water Heater(s) • Air Conditioning • Refrigerator • Heating • Oven/Stove/Range If any of the above items are covered by an outstanding manufactured warranty, they do not need to be included in the warranty coverage		
<input type="checkbox"/> I will be purchasing a new construction property from a builder. The builder is providing a home warranty and will be accepting the builder’s warranty and not purchasing an additional home warranty. Additionally, I therefore certify that the above listed appliances are covered under either the builder or manufacturer’s warranty.		
Military Service Questionnaire		
(For Informational Purposes Only)		
Are any of the applicant(s) now serving, or has ever served on active duty in the U.S. Armed Forces, Military Reserves, or National Guard? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decline to Report		
Applicant(s) names:		
Borrower Declaration		
I declare under penalty of perjury that the foregoing is true and correct.		Date:
Signature of Applicant(s):		

Authorization to Release Information

Property Address _____
 Street City State Zip

To Whom It May Concern,

I, _____ and I, _____ "Applicant(s)" authorize you to provide California Housing Finance Agency (CalHFA), and to any investor to whom CalHFA may have sold our loan, any and all information and documentation that they request. Such information includes, but is not limited to: employment and income history; present income; bank, money market, and similar account balances, credit history, and copies of income tax returns.

CalHFA may verify information of the same nature as that contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of CalHFA's quality control program.

A copy of this authorization may be accepted as an original. This Authorization terminates upon payoff of the loan(s).

Your prompt reply to California Housing Finance Agency or the investor that purchased the loan is appreciated.

NOTICE TO BORROWERS: This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Date: _____

 Name (Typed or Printed) Borrower's Signature Social Security Number

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