



# Single Family Lending Program Bulletin

February 7, 2014

Program Bulletin #2014-03

To: CalHFA Approved Lenders

## CalHFA to Allow Manual Underwriting for FHA loans

CalHFA is pleased to announce it will now accept manual underwriting on all FHA loans effective February 10, 2014 for all new reservations. This applies to all CalHFA first mortgage programs and all California Homebuyer's Downpayment Assistance Program (CHDAP) loans with a CalHFA or non-CalHFA FHA first mortgage.

### Updated Documentation

- CalHFA will now accept Fannie Mae Desktop Underwriter® (DU®) or Freddie Mac Loan Prospector® (LP®) with the following decisions:
  - DU - Approve/Eligible; Approve/Ineligible; Refer/Eligible; Refer/Ineligible
  - LP – Accept or Caution
- All loans are required to have a HUD 92900-A page 3 signed by the underwriter
- The HUD 92900-LT only requires an underwriter's signature on downgraded or manually underwritten loans

Attached is an updated CalHFA Loan Submission Checklist. For complete details and underwriting guidelines, please refer to CalHFA Program Handbooks published on CalHFA's website at [www.calhfa.ca.gov](http://www.calhfa.ca.gov).

For questions about this bulletin, contact CalHFA Single Family Lending by phone 916.326.8033; by fax 916.324.6424; by email at [sflending@calhfa.ca.gov](mailto:sflending@calhfa.ca.gov). In addition, you can always visit CalHFA's web site at: [www.calhfa.ca.gov](http://www.calhfa.ca.gov) or Single Family Lending Section directly at [www.calhfa.ca.gov/homeownership](http://www.calhfa.ca.gov/homeownership).

Attachment



California Housing Finance Agency

## CALHFA Loan Submission Checklist

Submit Copies Only

Please make sure your package is in this stack order, hole-punched and acco fastened

\* Not required for CHDAP stand-alone submissions

\*\* A submission package including these items must be submitted before loan can be placed in line for review

### LEFT SIDE

- \*  **Borrower's Affidavit (7/2/13)**
- \*  **Seller's Affidavit (7/2/13)** – Not required for REOs or Institutional Sellers
- \*  **Statement of Citizenship, Alienage, and Immigration Status for State Public Benefits (7/26/13)** – Each borrower must complete and sign a separate form
- \*  **Lender Verification of Citizenship/Qualified Alien Status (12/15/02)**
- Military Service Questionnaire (8/15/06)**
- Homebuyer Education Certificate** – See program handbook for requirements
- Borrower Affidavit of Household Size (11/15/12)**
- Borrower's Certification & Authorization (10/30/12)**
- \*  **Borrower Acknowledgment for Purchase of a 2-year Home Warranty Protection Plan (11/1/13)**
- \*  **ECTP Eligibility Certificate (7/18/13)** (if applicable)
- \*  **ECTP Service Commitment (7/18/13)** (if applicable)

### RIGHT SIDE

- Private Mortgage Insurance (MI) Certificate/Commitment** – from FNMA approved insurer (Conventional Only)
- \*\*  **Final 92900-LT w/signed 92900-A page 3 / 1008 / VA Loan Analysis** – approved at highest insurable rate and signed by underwriter
- \*\*  **Final Automated Underwriting Findings** – DU and LP are acceptable.
- \*\*  **Lender's In-House Underwriting Approval** – list conditions for appraisal repairs, no cash back from borrower's MRI, and release of holdbacks prior to purchase (Credit only approval is acceptable with a 92800.5B)

### RIGHT SIDE (Continued)

- \*\*  **Signed Final or Initial First Mortgage Loan Application (1003)** - electronic signatures require date
- Credit Report** – Must match final AUS. Copy of non-purchasing spouse credit report (FHA/USDA only)
- All signed explanation letters**
- Verification of Employment (VOE)** – Written or verbal with start date and < 60 days old
- Paystub(s) covering a 30-day period** – < 60 days old
- W-2(s)** – most current year for all sources
- Signed YTD Profit & Loss** – for all schedule C or E Income on tax returns
- Evidence of Child Support/Alimony**
- Federal Income Tax Returns (1040)** – need for last three years (full transcripts are acceptable)
- CalHFA Tax Return Affidavit (7/10/13) and Verification of Rents** – Only required for borrower(s) not required to file 1040s
- IRS Form 4506-T** – Item #5 blank
- Assets** – bank statements, gift funds, etc.
- Executed Purchase Agreement or Escrow Instructions**
- \*\*  **Appraisal (URAR)** – supply all appraisals required under property flip guidelines (FHA Only)
- "Life of Loan" Standard Flood Hazard Cert**
- \*\*  **Preliminary Title Report** – with plat map and address supplement

**Note:** This checklist represents the minimum documents required for CalHFA approval. Other documents may be required by underwriter/reviewer.