



Single Family Lending Program Bulletin

February 3, 2020

Program Bulletin #2020-01

To: CalHFA Approved Lenders

Changes to the MyHome and School Teacher and Employee Assistance Programs

Effective for all loans reserved and rate locked on or after Monday, March 2, 2020, a loan amount cap will be added to the MyHome Assistance Program. Also, the School Teacher and Employee Assistance Program (School Program) will be discontinued. Please see details in charts below:

Summary of MyHome Loan Amount Changes

First Mortgage	Maximum MyHome Loan Amount
<ul style="list-style-type: none"> • CalHFA Conventional • CalPLUS Conventional • CalHFA USDA 	Loan amount not to exceed the LESSER of: <ul style="list-style-type: none"> • \$10,000 or • 3.00% of the sales price or appraised value, whichever is less.
<ul style="list-style-type: none"> • CalHFA FHA • CalPLUS FHA 	Loan amount not to exceed the LESSER of: <ul style="list-style-type: none"> • \$10,000 or • 3.50% of the sales price or appraised value, whichever is less.

The following categories will <u>NOT</u> be subject to the \$10,000 loan amount cap.	
Eligible Borrower(s) <ul style="list-style-type: none"> • School Employees¹ • Fire Department Employees² Eligible Loan Types <ul style="list-style-type: none"> • CalHFA VA First Mortgage 	Eligible Property Type(s) <ul style="list-style-type: none"> • New Construction Properties • Manufactured Housing Properties • Single Family homes with Accessory Dwelling Unit (ADU) Units

¹ School Employees are defined as teachers, administrators, school district employees and staff members working for any [California public school](#) (Pre/TK - 12) or public-school district, which includes Charter schools and county/continuation schools. Additional documentation required to determine eligibility.

² Fire Department Employees are defined as firefighters, administrators and all other state, federal, local or tribal fire department employees. Additional documentation required to determine eligibility.

Elimination of the School Teacher and Employee Assistance Program (School Program)

School Program Changes
<ul style="list-style-type: none">• CalHFA's School Program will no longer be a separate program• All previously eligible school employees will still be eligible for MyHome without the \$10,000 cap as defined in the chart above

Rate Lock Management

Loans reserved but <u>not</u> rate locked by Friday, February 28, 2020 at 3:00 p.m. PT
<ul style="list-style-type: none">• First mortgage loans reservations with MyHome exceeding the new maximum loan amount requirements will be cancelled and lenders will need to re-reserve the first mortgage and MyHome subordinate loans• All non-rate locked first mortgages with School Program loans will be cancelled and lenders will need to re-reserve the first mortgage and the subordinate under a MyHome loan and identify the borrower as a school employee• All new reservations will be subject to current guidelines and interest rates at time of locking

Reminder: CalHFA strongly encourages lenders to use the Closing Doc Wizard in [MAS](#) during the doc drawing process. The Closing Doc Wizard ensures the closing docs are being drawn correctly with the applicable fields auto-populated.

For questions about this bulletin, contact CalHFA Single Family Lending Division by phone 916.326.8033 or by email at SFLending@calhfa.ca.gov. Plus you can always visit CalHFA's website at: www.calhfa.ca.gov or Single Family Lending directly at: www.calhfa.ca.gov/homeownership.