

What Government loan programs does CalHFA offer?

CalHFA offers the following government loan programs:

CalPLUSSM FHA

Fully amortized 30-year fixed interest rate FHA-insured first mortgage. This loan is combined with the CalHFA FHA Zero Interest Program (ZIP) for closing cost and/or prepaid items only.

- The FHA ZIP second loan is only available with CalPLUS and is a silent second loan for either 2.00% or 3.00% of the first mortgage loan amount. The interest rate is zero percent (0.00%) and the payment(s) are deferred for the life of the first mortgage or until the property is transferred or the first mortgage loan is refinanced.
- This CalPLUS loan may be combined with the MyHome Assistance Program (MyHome).

CalHFA FHA

FHA-insured loan featuring a CalHFA fixed interest rate first mortgage. This loan is fully amortized for a thirty (30) year term and can be combined with the MyHome Assistance Program (MyHome).

CalHFA VA

VA-guaranteed loan featuring a CalHFA fixed interest rate first mortgage. This loan is fully amortized for a thirty (30) year term and can be combined with the MyHome Assistance Program (MyHome).

CalHFA USDA

USDA guaranteed first mortgage loan program featuring a CalHFA fixed interest rate. This loan is fully amortized for a thirty (30) year term and can be combined with the MyHome Assistance Program (MyHome).

Who can originate CalHFA Government loan programs?

Lender Eligibility Requirements

To be eligible for this program lenders must be approved by:

- CalHFA
- FHA, USDA and/or VA approved
- Lakeview Loan Servicing (LLS), CalHFA's master servicer.
 - › To seek LLS approval contact the Counterparty Risk Management team at CRM@lakeviewloanservicing.com

My borrower(s) owns a rental property; can they keep the property and still be eligible for CalHFA Government loan programs?

Yes, if they meet CalHFA's first-time homebuyer definition.

My borrower is not a first-time homebuyer, is the borrower still eligible for CalHFA Government loan programs?

CalPLUS FHA

No, all borrowers must be first-time homebuyers. Please see section 203(h) for exceptions

CalHFA FHA

This program is available for both first-time and non-first-time homebuyers; however, when CalHFA subordinate financing is included all borrowers must be first-time homebuyers

CalHFA VA

This program is available for both first-time and non-first-time homebuyers; however, when CalHFA subordinate financing is included all borrowers must be first-time homebuyers

CalHFA USDA

This program is available for both first-time and non-first-time homebuyers; however, when CalHFA subordinate financing is included all borrowers must be first-time homebuyers

Do I need to make a reservation in the Mortgage Access System (MAS) before submitting a loan file to CalHFA?

Yes. The CalHFA-approved lender must make a reservation in MAS prior to loan submission.

Does CalPLUS FHA allow additional subordinate financing?

Yes. The MyHome Assistance Program (MyHome) and FHA-approved subordinate loan programs may be layered if they go into subordinate lien position. In the case of conflicting guidelines, the more restrictive will apply.

What areas of California are eligible for CalHFA financing?

CalHFA Government loan programs are a state-wide program. Properties located anywhere within the State of California may be eligible for the program; however USDA Properties must be located in an [USDA eligible rural area](#).

Are there sales price limits on CalHFA Government loan programs?

Yes, the maximum sales price limit on CalHFA Government loans is \$1,068,000.

What is the maximum loan amount for CalHFA Government loan programs?

CalPLUS FHA

The maximum total loan amount (excluding Up Front Mortgage Insurance Premium) cannot exceed FHA loan limits for the county in which the property is located.

CalHFA FHA

The maximum total loan amount (excluding Up Front Mortgage Insurance Premium) cannot exceed FHA loan limits for the county in which the property is located.

CalHFA VA

The maximum loan amount (excluding Financed Guaranty Funding Fee) cannot exceed VA loan limits for the county in which the property is located.

CalHFA USDA

The maximum loan amount (excluding upfront Guarantee fee, if financed) cannot exceed USDA loan limits for the county in which the property is located.

Are High balance loan limit loan limits allowed with CalHFA Government loan programs?

All loans with a loan amount exceeding the current Federal Housing Finance Agency (FHFA) posted loan limits will be subject to an additional fee. See [CalHFA rate sheet](#) for applicable fees.

All High Balance loan fees will be net funded at the time of first mortgage purchase by the master servicer.

Are condominiums eligible for CalHFA Government loan programs?

CalPLUS FHA

Yes. CalHFA will allow approved condominiums that meet FHA Condominium Project requirements.

FHA Single-Unit condominium project approval process is not allowed

CalHFA FHA

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FHA Single-Unit condominium project approval process is not allowed

CalHFA VA

Yes. CalHFA will allow approved condominiums/PUDS that meet FHA/VA Condominium/PUD Project requirements.

CalHFA USDA

In order for a condominium/PUD to be eligible for USDA guaranteed financing the project must meet all requirements of the USDA handbook as well as standards established by HUD, Fannie Mae, Freddie Mac or VA. It is the responsibility of the lender and not the master servicer to meet these guidelines.

Is a manufactured home eligible for CalHFA Government loan programs?

CalPLUS FHA & CalHFA FHA

Manufactured homes are permitted with the following parameters:

- Singlewide manufactured homes are not eligible
- Manual Underwriting is not permitted on manufactured homes
- Minimum credit score: 660
- Maximum DTI: 45.00%
- All manufactured homes must meet FHA 4000.1, Master Servicer and CalHFA loan program requirements

CalHFA VA

Manufactured homes are not permitted

CalHFA USDA

Manufactured homes are permitted with the following parameters:

- Maximum DTI: 45.00%
- New Manufactured Homes (First Owner)
- Singlewide manufactured homes are not eligible
- Leaseholds and Community Land Trusts are not eligible
- Unit must not have ANY alterations or additions since construction in the factory (e.g. decks, porches not allowed)
- Manual Underwriting is not permitted on manufactured homes
- All manufactured homes must meet USDA 7 CFR 3550.73, Master Servicer and CalHFA loan program requirements

What automated underwriting engines do you allow for CalHFA Government loan programs?

CalPLUS FHA

All loans must be submitted through Fannie Mae's Desktop Underwriter® (DU®) and receive an "Approve/Eligible", or Freddie Mac's Loan Prospect Advisor (LPA) and receive an "Accept" recommendation. The FHA Scorecard option must be used.

CalHFA FHA

All loans must be submitted through Fannie Mae's Desktop Underwriter® (DU®) and receive an "Approve/Eligible", or Freddie Mac's Loan Prospect Advisor (LPA) and receive an "Accept" recommendation. The FHA Scorecard option must be used.

CalHFA VA

All loans must be submitted through Fannie Mae Desktop Underwriter (DU®) and receive an "Approve/Eligible", Freddie Mac Loan Product Advisor (LPA®) and receive an "Accept" recommendation.

CalHFA USDA

All loans must be submitted through Guaranteed Underwriting System (GUS). GUS Underwriting Recommendation of Accept / Eligible only

Is Manual Underwriting permitted on CalHFA Government loan programs?

CalPLUS FHA

Manual Underwriting is allowed with the following parameters:

- Maximum DTI ratio: 43.00%
- Borrowers without a credit score are not permitted

- Must meet FHA requirements
- Not permitted on Manufactured Homes
- Non-traditional credit is not allowed

CalHFA FHA

Manual Underwriting is allowed with the following parameters:

- Maximum DTI ratio: 43.00%
- Borrowers without a credit score are not permitted
- Must meet FHA requirements
- Not permitted on Manufactured Homes
- Non-traditional credit is not allowed

Manual Underwriting is required for Section 184 Indian Home Loan Program

- Maximum DTI ratio: Per HUD approval based on compensating factors
- Must meet Section 184 requirements
- All loans must be approved by HUD prior to submission to CalHFA

CalHFA VA

Manual Underwriting is not allowed

CalHFA USDA

Manual Underwriting is not allowed

What is the maximum DTI for CalHFA Government Loans?

The maximum total Debt-to-Income (DTI) ratio cannot exceed:

- 50.00%
 - › Credit Score \geq 700
 - › No Manual Underwriting or Manual downgrades allowed
- 45.00%
 - › Credit Score 640-699
 - › No Manual Underwriting or Manual downgrades allowed
 - › Loans on Manufactured Homes
- 43.00%
 - › Manual underwrite or Manual downgrade allowed

MCC may not be used for credit qualifying purposes.

What is the minimum credit score requirement for CalHFA Government loan programs?

CalHFA's minimum credit score is 660 for all Government loan programs

Does CalHFA use the lowest credit score to determine the minimum representative credit score?

No. The middle score of the lowest scoring borrower is used to determine eligibility.

- If a tri-merged credit report is used, use the middle score
- If a merged credit report only returns two scores, use the lower score
- If a merged credit report only returns one score, that score must be used

My borrower only has one credit score. Is that okay for CalHFA Government loan programs?

Yes, one credit score is acceptable with DU Approve/Eligible findings.

Do all borrowers need to meet the minimum credit score requirement for CalHFA Government loan programs?

Yes, a minimum representative credit score is required for all borrowers. Borrowers with no credit score are not allowed.

Can I use Non-Traditional credit?

No, non-traditional credit is not eligible.

What is the maximum age of credit documents on CalHFA Government loan programs?

CalHFA will follow FHA, VA or USDA guidelines for the age of the credit documents.

What is the maximum LTV/CLTV on CalHFA Government loan programs?

The maximum LTV is per FHA, VA or USDA guidelines. The maximum CLTV is 105%.

Can I use the ZIP for down payment?

No. The FHA ZIP second loan is only available with CalPLUS FHA and may be used for closing cost and/or prepaid items only. ZIP may not be used for down payment or debt payoff. If there are remaining funds due the borrower from the ZIP loan, the funds must be applied as a principal reduction.

The ZIP is for either 2.0% or 3.0% of the total first loan amount. Does the total loan amount include UFMIP?

Yes. The ZIP second loan is only available with the CalPLUS FHA and loan amount is calculated on the loan amount of the first mortgage + UFMIP

What fees and related charges are allowed for CalHFA Government loan programs?

CalHFA allows:

- Customary lender origination fees not to exceed the greater of 3% of the loan amount or \$3,000
- Other customary third-party fees such as the credit report fee, appraisal fee, insurance fee or similar settlement or financing cost.
- \$250 funding fee (payable to CalHFA's master servicer)

- \$75 tax Service Fee (payable to CalHFA's master servicer)
- \$10 Life of Loan Flood Certification Fee (payable to CalHFA's master servicer)
- In all cases the lender must meet federal and California lending laws regarding fees and charges.

Does the Federal Recapture Tax apply on CalHFA Government loan programs?

No. Federal Recapture Tax does not apply.

Is homebuyer education required on CalHFA Government loan programs?

Yes. Homebuyer Education and Counseling is required for one occupying first-time homebuyer. Homebuyer Education and Counseling is not required for non-first-time homebuyer(s).

- Online Homebuyer Education through [eHome™](#)
- In Person or Virtual Live Homebuyer Education through [NeighborWorks America](#) or through one of the [HUD approved Housing Counseling Agencies](#)

Is a temporary buydown available on CalHFA Government loan programs?

Yes. 2-1 or 1-1 temporary buydowns are allowed on CalPLUS.

- Follow the master servicer guidelines
- The borrower must be qualified based on the note rate,

Will non-occupant co-signers or non-occupant co-borrowers be allowed on CalHFA Government loan programs?

No, non-occupant co-signers and non-occupant co-borrowers are not permitted.