

Bulletin # 171
January 16, 2020

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: Hazard Insurance Deductibles Update

Lenders are reminded that CHFA allowable fees for insurance premiums are set to help ensure the cost of insurance is affordable and not prohibitive for low-to-moderate income first-time homebuyers. The allowable fees are published in the CHFA Home Mortgage Programs Operating Manual, and the Loan Program Outline and Underwriting Guides (*collectively the "Manual"*).

To the extent there are discrepancies between the Manual and the limits set forth by investors or mortgage insurers i.e. FNMA, FHLMC, FHA, VA, USDA-RD or PMI, CHFA requirements will govern.

CHFA LIMITS			
Type of Coverage		Maximum Deductible	
Homeowners		Up to \$1,500	
Wind / Hail / Hurricane		Within 2,600 feet from the coast - hurricane deductible \leq 5% Over 2,600 feet from the coast - hurricane deductible \leq 2%	
Flood		NFIP Min & Max Limits	
FLOOD INSURANCE			
NFIP - MINIMUM DEDUCTIBLES			
Program Type	Rating	Minimum Deductible for coverage of \$100,000 or less	Minimum Deductible for coverage over \$100,000
Emergency	All	\$1,500	\$2,000
Regular	All Pre-FIRM* Subsidized zones: A, AE, A1-A30, AH, AO, V, VE, V1-V30, AR/AR Dual zone without Elevation	\$1,500	\$2,000
	All Full-Risk zones: A, AE, A1-A30, AH, AO,V, VE, V1-V30, AR/AR Dual zone with Elevation B, C, X, A99, D	\$1,000	\$1,250
	Tentative and Provisional	\$1,000	\$1,250

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