

**Bulletin # 69 - 2014**  
June 11, 2014

To: CHFA Lenders

From: CHFA Single Family Underwriting

Subject: **Connecticut Housing Finance Authority (CHFA) Announces Revisions to Eligible Dwelling and Downpayment Assistance Program (DAP) Guidelines**

CHFA is dedicated to making affordable homeownership a reality for first-time homebuyers throughout the State. In continuing with our commitment we are revising two existing policies that will expand CHFA accessibility for applicants in rural communities and further assist homebuyers in need of help with funds to close.

**EFFECTIVE as of MONDAY, JUNE 16, 2014**

**PRINCIPAL RESIDENCE REQUIREMENTS PERTAINING TO LAND LOT SIZE**

**CURRENT POLICY**

CHFA requires documentation from the Town Planning and Zoning Department confirming properties with a lot size of 2.1 acres or more cannot be subdivided and a written waiver from the Authority.

**REVISED POLICY**

The land on which the eligible dwelling is situated cannot exceed basic livability, other than incidentally, cannot be subdivided, and cannot be a source of income to the borrower.  
*(Verification from Town Planning and Zoning is no longer required)*

**DOWNPAYMENT ASSISTANCE PROGRAM ELIGIBILITY**

**CURRENT POLICY**

Borrowers may apply for CHFA Downpayment Assistance Program funds to help with Downpayment only or Downpayment with closing costs combined. *(Applications for Closing Costs only were not allowed)*

**REVISED POLICY**

Borrowers may now apply for funds to help with Downpayment only; Downpayment with closing costs or Closing Costs only. *(Borrowers may request a DAP second mortgage loan solely to finance closing costs.)*

All other underwriting guidelines published in the CHFA Operating Manual Section 8 – Downpayment Assistance Program will apply.

*All questions regarding this Bulletin should be directed to Valencia Taft-Jackson at (860)-571-4224 or [valencia.taft-jackson@chfa.org](mailto:valencia.taft-jackson@chfa.org) or Norbert J. Deslauriers at (860)571-4374 or [norbert.deslauriers@chfa.org](mailto:norbert.deslauriers@chfa.org).*