

Bulletin # 204
August 18, 2021

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: Home Mortgage Programs Commuting Distance Restrictions

The Connecticut Housing Finance Authority published Bulletin #157 on June 5, 2019 which provided formulas for calculating commuting borrowers travel expenses in determining qualifying total debt ratios. This bulletin #204 provides further clarification regarding the necessary calculations. The Operating Manual - Section 5 Underwriting, has been updated to include the commuting distance restrictions.

Monthly commuting expenses for applicants traveling daily by train or bus 150 miles or more round - trip must be documented. The commuting expense must include daily parking and transportation to and from the train or bus station, as applicable. The full commuting expense must be included in the total debt ratio for qualifying purposes.

Alternative arrangements, such as staying with relatives and/or carpooling will not be considered. The full monthly commuting expense will be included in the total debt ratio for qualifying purposes. Debt ratios must meet CHFA program guidelines to be eligible for approval.

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