

Bulletin # 107
May 27, 2016

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: CHFA Loan Program Outlines and Underwriting Guides Update

The CHFA Single Family Loan Program Outlines and Underwriting Guides Manual has been updated to improve interpretation of several CHFA eligibility and underwriting requirements described in the product overviews.

HFA PREFERRED™ 1 FAMILY AND FNMA ELIGIBLE CONDO WITH MINIMUM CREDIT SCORE OF 620:
DAP is restricted to condominium purchases only for loans with a credit score of 620 and LTV of 95%.

HFA PREFERRED™ : 1 Fam Res Property & FNMA Eligible Condo: Minimum Credit Score 620	
Program Type	HFA Preferred
Property Type	1 Unit and Condominiums only
Maximum LTV	95%
Minimum Credit Score	620
DU Approval Required	YES
Manual Underwrite <i>(if applicable)</i>	YES
Eligible for DAP (Condominiums Only)	Maximum 3% plus closing costs
Borrower Contribution Required	2% from Borrower funds <i>(Funds may come from any FNMA acceptable source of funds including 100% Gift)</i>
Servicer	Idaho Housing and Finance Association (IHFA)
<i>All applicable FNMA, CHFA and Insurer Underwriting Guidelines apply. Manual underwrite must be in compliance with CHFA, Insurer and Investor guidelines.</i>	

LOAN PROGRAM QUALIFYING RATIOS :

This section of the product underwriting guidelines has been updated to clarify the maximum housing ratio allowed in compliance with insurer and investor guidelines that CHFA will allow.

QUALIFYING RATIOS	<ul style="list-style-type: none"> ▪ Monthly Housing Expense-to-Income ratios must be in compliance with Private Mortgage Insurance (PMI) and investor (FNMA) guidelines up to a maximum of 45% ▪ Maximum Total Monthly Debt-to-Income = 45% ▪ All loans with CHFA DAP must meet CHFA DAP ratio guidelines of 35% / 43% <i>(unless a lower maximum is required for product/property type per Insurer or HFA guidelines)</i> <p><i>Mortgage Insurer guidelines will also apply</i></p>
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