

**Bulletin # 123**  
May 30, 2017

To: CHFA Lenders  
From: Single Family Underwriting  
Subject: CHFA Downpayment Assistance Program Delinquent Credit Policy Update

The CHFA Lender Operating Manual Section 8 – Downpayment Assistance Program has been updated to clarify CHFA guidelines regarding the determination of borrower(s) eligibility when a Discharged Bankruptcy, Foreclosure, Short-Sale or Deed-in-lieu is reporting in the credit history on the applicant(s) credit report. The additional text is highlighted in yellow.

### **8.15 - Delinquent Credit:** (*Section 8.15.4.*)

4. Applicants with a Discharged Bankruptcy, Foreclosure, Short-Sale or Deed-in-lieu reporting on their credit report will be eligible for DAP Financing.

The acceptable amount of time that must have lapsed from the date of the event is the greater of three (3) years or the amount of time required by the insurer, i.e. FHA, VA, USDA or PMI or the investors guidelines, i.e. FNMA or FHLMC.

The date of the event will be determined by the completion, discharge, or dismissal date (as applicable) of the derogatory credit event. (The applicable date of the event will be the same for all types of Bankruptcy).

**THE ABOVE MENTIONED POLICY CHANGES ARE EFFECTIVE IMMEDIATELY.**

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