

**Bulletin # 142**  
July 12, 2018

To: CHFA Lenders  
From: CHFA Single Family Underwriting  
Subject: **DAP Loan Requirements for Verification of Asset Accounts  
Deposits and Withdrawals**

Since 1999 CHFA has financed over 25,000 second mortgage loans to help make the dream of homeownership affordable for first-time homebuyers through the CHFA Downpayment Assistance Program (DAP).

Applicants applying for CHFA DAP must meet all eligibility requirements for the program which includes income verification and an asset test to confirm the funds are needed.

Lenders must verify and document all sources of borrower income and they must confirm that the applicant's liquid assets do not exceed the \$10,000 maximum amount they are allowed to retain.

CHFA is establishing a policy to assist Lenders in determining when additional documentation is required to verify funds for transactions reflected within the borrower's asset accounts.

### **ASSET VERIFICATIONS**

Lenders are required to document the source of funds for any deposit or withdrawal in an amount that is equal to or greater than 10% of the borrower's monthly income. Deposits or withdrawals that do not meet this threshold do not require verification.

*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).*