

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: Electronic Signatures and Third Party Verifications

ELECTRONIC SIGNATURES

“Wet” or ink signatures are required on loan documents executed by borrower(s) applying for first and second mortgage loan financing from CHFA, however, when applicable, CHFA will allow electronic signatures on some documents pursuant to HUD’s guidance as outlined in Mortgage Letter 2014-03.

All documents submitted with electronic signatures must be executed in compliance with the standards set by the Electronic Signatures in Global and National Commerce Act (ESIGN) and the Uniform Electronic Transactions Act (UETA).

“Wet” or ink signatures are required on the following documents:

- First Mortgage Note and Deed (*and any applicable Riders*)
- CHFA Second Mortgage Note and Deed (DAP)
- CHFA Recapture Tax (Federal) Notice To Mortgagor – Method to Compute (*Closing Disclosure*)
- CHFA Downpayment Assistance Commitment Letter (*required to be executed at the loan closing*)
- TRID - Closing Disclosure
- Final Uniform Mortgage Loan Application (1003)

Loans submitted for purchase with electronic signatures on any of the above referenced documents will be suspended for correction. If the document deficiency is not cleared the loan may not be eligible for purchase and funding.

Electronic signatures will be accepted on the following CHFA documents:

- Borrower Eligibility Certificate
- Downpayment Assistance Program (DAP) Application
- Downpayment Assistance Program (DAP) Borrower’s Certificate
- Recapture Tax (Federal) – Notice to Mortgagor – Potential Tax (*Application Disclosure*)

THIRD PARTY VERIFICATION OF ASSETS

CHFA does not accept third party sources to document borrower assets. Bank statements are required to determine if there may be additional sources of income that must be considered when determining borrower income eligibility for bond compliance.

Third party verifications obtained under the Fannie Mae Day 1 Certainty program are not acceptable.

All questions regarding this Bulletin should be directed to Valencia Taft-Jackson at (860) 571-4224 or valencia.taft-jackson@chfa.org or Hazim Taib at (860)571-4250 or hazim.taib@chfa.org