

Bulletin # 173
March 4, 2020

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: CHFA DAP Commitment First Payment Letter/s

The CHFA Downpayment Assistance Program (DAP) offers eligible first-time homebuyers that apply for a CHFA first mortgage loan, an opportunity to also apply for a low interest rate second mortgage loan to cover the cost of the down payment on their first home. The CHFA DAP is a separate mortgage loan with a separate monthly payment.

When approved, CHFA issues separate Commitment Letters for both the first mortgage loan and the second mortgage loan. Lenders are required to close both loans simultaneously and to deliver each loan to the correct loan servicer identified on the applicable Commitment Letter.

To assist Lenders in notifying applicants of the second mortgage loan payment obligation and to help ensure file delivery to the correct loan servicer, CHFA has made an enhancement to the CHFA Downpayment Assistance Program (DAP) Loan Commitment Letters.

The DAP Commitment Letters will now include a third page containing information regarding the DAP servicer of the loan, IHFA – HomeLoanServ, or Capital For Change, Inc. (*as applicable*) and is titled as a **“First Payment Letter”** to the CHFA borrower. (*Note: Borrower(s) First Payment Due Date and Signatures are required*)

The new DAP Commitment Letters will be issued following the release of this Bulletin announcement.

Lenders are reminded DAP loans are not eligible for interim loan servicing. All DAP mortgage payments received must be submitted directly to Idaho Housing and Finance Association C/O HomeLoanServ and/or Capital For Change, Inc. (*as applicable*). Payments should not be held pending the first mortgage purchase.

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