Bulletin # 295
August 4, 2026

To: CHFA Participating Lenders

From: CHFA Homeownership Department

Subject: **CHFA Make it Yours Program Updates**

Effective Immediately

The Connecticut Housing Finance Authority (CHFA) has made the following updates to the **Make it Yours** program. Please review these changes carefully, as they take effect immediately.

<u>Loan File Submission – Asset Documentation</u>

The asset documentation requirements for loan file submissions have been updated as follows:

<u>Compliance Review</u>

Bank statements are **no longer required** to be submitted to CHFA as part of the compliance review process. However, lender remains responsible for confirming that borrowers have sufficient funds to close, and bank statements **must remain in the loan file delivered to the Servicer**, as required by the AUS findings.

<u>Full Review</u>

For loans requiring a **Full Review** (credit score below 620 and Renovation Loans), asset documentation **must continue to be submitted to CHFA** in accordance with the AUS findings.

CHFA reserves the right to request bank statements, when necessary, to verify Connecticut residency requirements for the **Time to Own** program.

The **CHFA Loan File Submission Forms** have been updated to reflect these changes and are available in the **Forms** section of the CHFA website.

<u>Time to Own – Condominium HO-6 Insurance</u>

When the condominium project has a **Walls-in Master Insurance Policy** where an HO-6 policy may not be required, the borrower may elect to purchase an HO-6 policy to obtain coverage for the following purposes:

- Personal Belongings: Furniture, clothes, electronics, and unattached items.
- Gaps in Coverage: Upgrades you added if the master policy is only single-entity or bare walls.
- Loss assessment: Extra funds if the master policy deductible is charged back to unit owners for building damage.
- Temporary Housing: Rent for comparable apartment or hotel stays.

The **CHFA Loan Program Outline for Time to Own** has been updated to reflect this clarification.

Business Use of the Subject Property
CHFA's Operating Manual has been updated to clarify the requirements regarding business use of the subject property:

- The subject property **may not be used for business use purposes.**
- A home office type of scenario is permitted; however, the business use may **not exceed 15% of the gross living area** of the residence.
- No more than fifteen percent (15%) of the total living area may be used in a trade or business that would permit any portion of the costs of the eligible dwelling to be deducted as a business expense for federal income tax purposes.
    - **Exception:** For two- to four-family residences, eligible borrowers shall be permitted to deduct for federal income tax purposes the costs associated with the non-owner occupied units, however, those units must also follow the above guidance with the exception of residential rental income/losses.
- **Family Child Care Homes / In-Home childcare is not permitted.**

Please ensure these updates are implemented immediately and incorporated into your underwriting and loan submission processes.

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All questions regarding this Bulletin should be directed to Lisa Hensley at lisa.hensley@chfa.org or Kelly Ryder at kelly.ryder@chfa.org.