

CHFA

APPROVED LENDER TRAINING



CONNECTICUT
HOUSING FINANCE
AUTHORITY

Our Mission

Connecticut Housing Finance Authority is a self-funded, quasi-public organization.

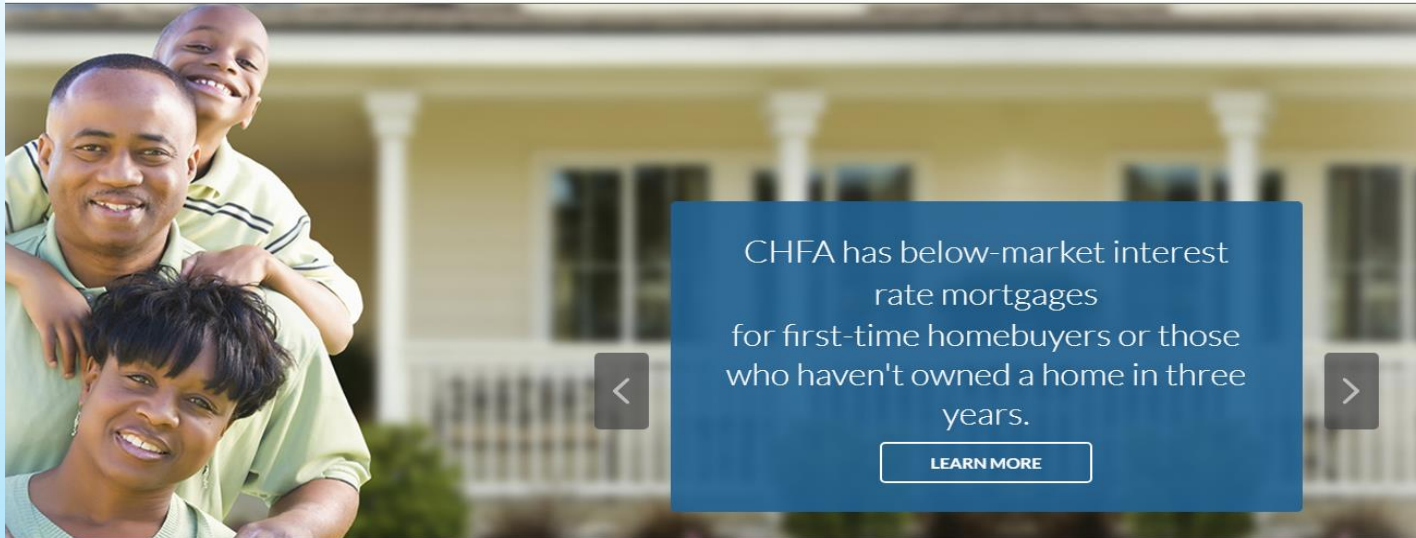
Our mission is to alleviate the shortage of housing for low-to-moderate income families and persons in this state and, when appropriate, to promote or maintain the economic development of this state through employer-assisted housing efforts.



CHFA HISTORY

- The Connecticut Housing Finance Authority (CHFA) was created in 1969 by the Connecticut Legislature as a self-supporting quasi-public housing agency charged with the purpose of expanding affordable housing opportunities for Connecticut's low-and moderate-income families and individuals.
- Last year, CHFA helped 3,206 Connecticut individuals and families become homeowners through its low-interest rate mortgage loan programs.





CHFA has below-market interest rate mortgages for first-time homebuyers or those who haven't owned a home in three years.

[LEARN MORE](#)

Homebuyers & Homeowners

- [CHFA First-time Homebuyer Guide](#)
- [All Homebuyer Mortgage Programs](#)
- [CHFA Homes For Sale](#)
- [Homebuyer Education](#)
- [CHFA- Approved Lenders](#)
- [Foreclosure Prevention Resources](#)

Lenders, Real Estate Agents, Counselors

- [Homebuyer Mortgage Programs](#)
- [Sales Price & Income Limits](#)
- [CHFA Resource Map](#)
- [Loan Status Information](#)
- [CHFA- Approved Housing Counselors](#)

Developers, Owners & Property Managers

- [Multifamily Affordable Housing Financing](#)
- [Asset Management/Compliance Guidelines](#)
- [Property Management Resources](#)
- [Design and Construction Criteria](#)
- [Consolidated Application Materials](#)



Interest Rates

Today's Homebuyer Rate
Residential

2.875 %*

[Click for APR](#)

Recent Multifamily Rate
Commercial

3.500 %*

*Rates are subject to change. Additional fees may apply.

Stay in touch with CHFA

Subscribe to one or more of our mailing lists to receive updates on news, events and funding opportunities with CHFA. If you are currently receiving updates from CHFA, you are all set. Thank you.

Your email address

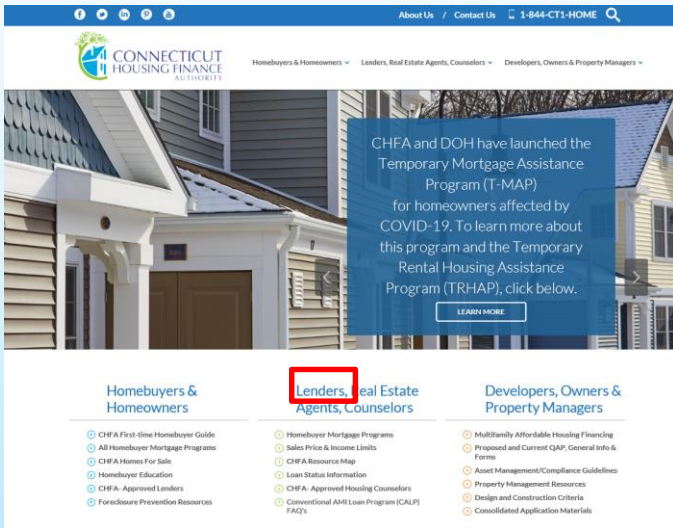
SUBMIT



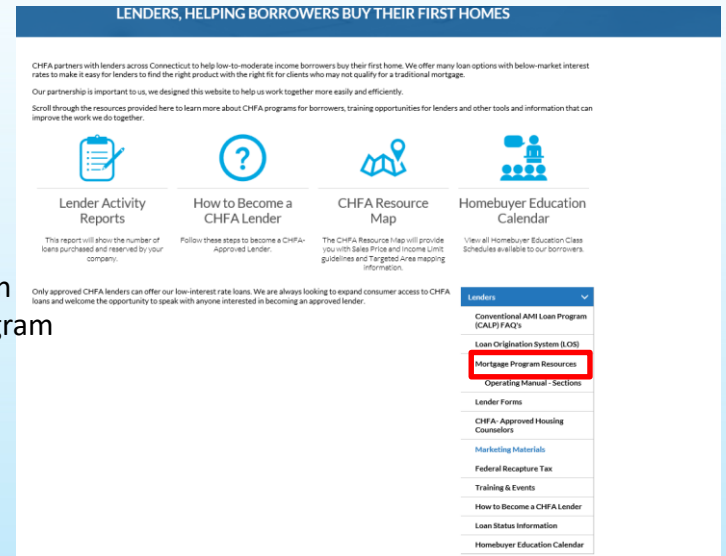
www.chfa.org

Resources

From Homepage, click on “Lenders”



Next, click on “Mortgage Program Resources”



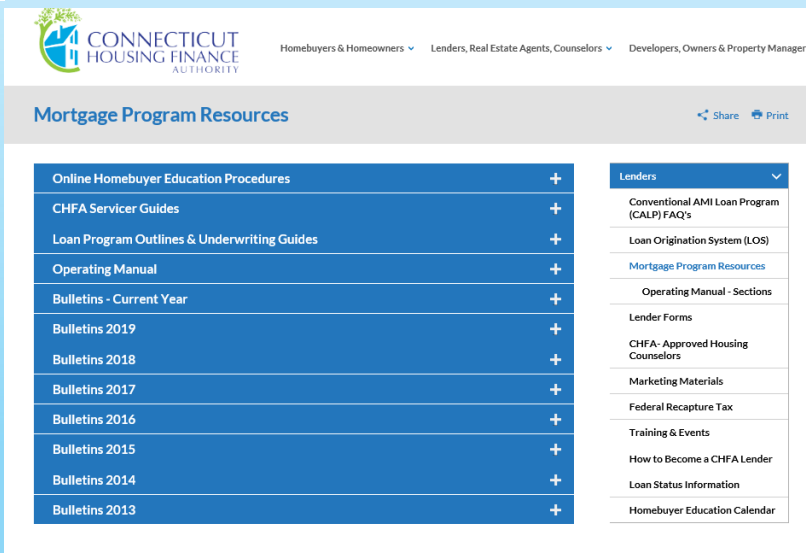
All CHFA Program Guidelines can be found here.

Bulletins- SFAM important information including Program changes will be sent in the form of a Bulletin. Be sure to sign up to receive on the Homepage.

Operating Manual- Written guidelines for CHFA products from qualification to post-closing

Loan Program Outlines & Underwriting Guides- Detailed Matrices for each CHFA Program

CHFA Servicer Guides- All information pertaining to Servicing, including Mortgagee Clauses



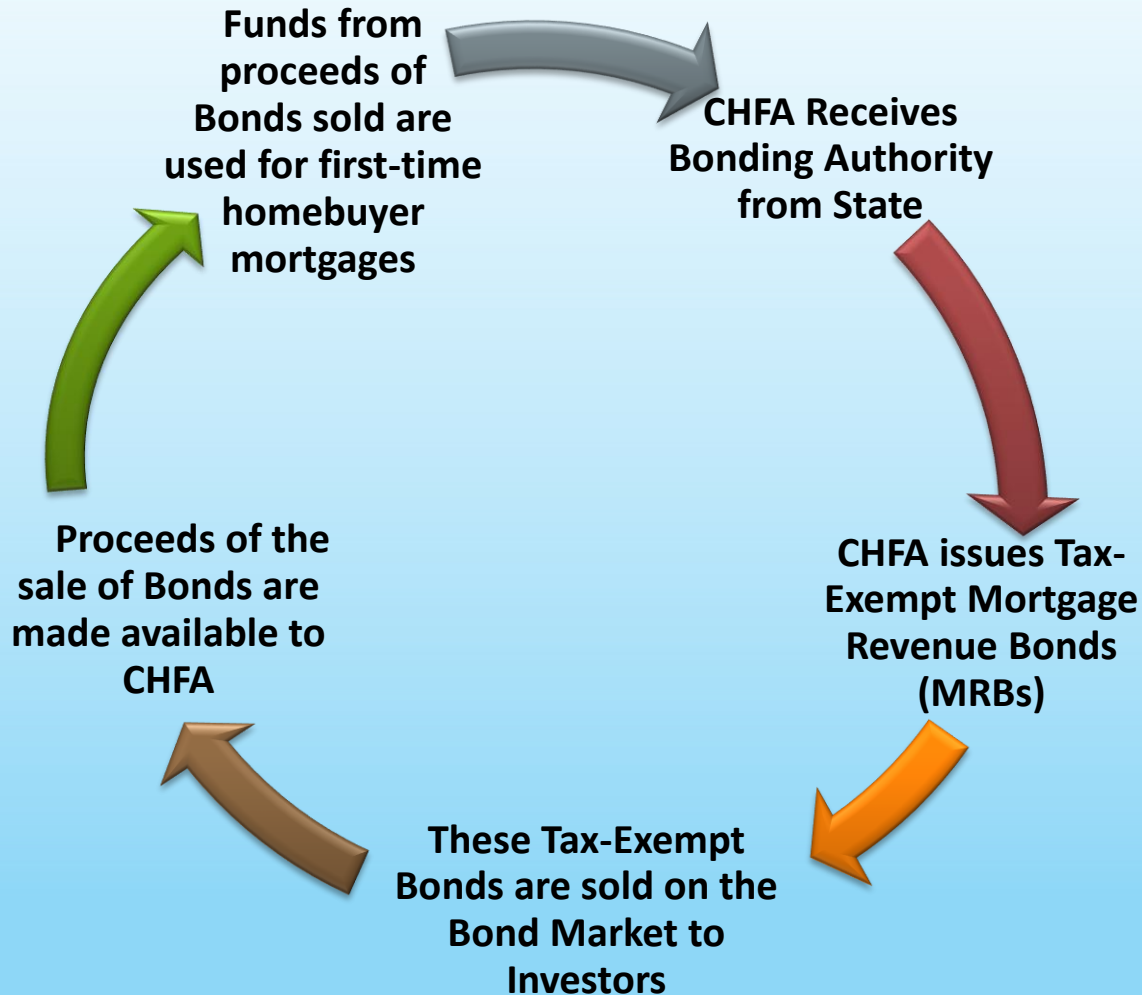
WHAT IS A BOND?

- A fixed income investment in which an investor loans money to an entity (*typically corporate or government*) which borrows the funds for a defined period of time at a variable or fixed interest rate.
- Bond ratings are intended to inform the potential investors about the perceived risks of the bond.
 - **CHFA is rated “Aaa”**
Source: Moody’s Investor Services (8/2020)
 - **CHFA is rated “AAA”**
Source: Standard & Poor’s Global (3/2020)

***CHFA bonds are tax-exempt** (*not subject to federal and state income tax*).



HOW ARE CHFA SINGLE FAMILY PROGRAMS FUNDED?



CHFA & BOND COMPLIANCE REQUIREMENTS

- **First-Time Homebuyer**

- Borrower must be a first-time homebuyer or have not owned a home in the past three (3) years. Borrowers who have owned a home previously may also apply if they plan to purchase in a Federally Targeted Area of the State and do not own property at the time of loan closing.

- **Income Limits**

- Vary by town and city.
- Differs between households of less than three (3) residents and households of three (3) or more residents.

- **Sales Price Limits**

- Vary by town and city.
- May differ slightly between new and existing homes in the same city or town and for homes found in Federally Targeted Areas.

- **Homebuyer Education**

- Pre-Purchase Homebuyer Education
- Pre-Closing Homebuyer Education
- Landlord Education
- Financial Fitness



FEDERAL RECAPTURE TAX

Federal Recapture Tax is an IRS Tax Rule

Applies to the homeowner if:

- The homeowner sells the home within nine (9) years of purchase; **and**
- Earns significantly more income than when he/she bought the home; **and**
- Has a gain from the sale.

~ CHFA PROVISION ~

Homeowner may be eligible to receive reimbursement from CHFA if required to make the Federal Recapture Tax payment and completes the required forms.

CHFA borrowers will receive disclosure information at the time of application and at the loan closing. These disclosures indicate the federal income limits effective during the nine (9) years of ownership when the tax may come due, if all of the above conditions are present. You may also find additional information regarding recapture tax by obtaining IRS Form 8828 with instructions found on the IRS website at www.irs.gov.

Targeted Areas

- Certain areas of CT are designated as Federally “Targeted Areas” based on IRS guidelines.
- CT currently has 20 towns designated as Federally “Targeted Areas”.

*TARGETED AREA - CENSUS TRACTS			
<i>Targeted areas are denoted with an (*). If the property being purchased is located in a Targeted Area, please note that in these areas, only your income can be higher than what is listed, providing you do not request down payment assistance from CHFA.</i>			
Ansonia	1252, 1253, 1254	Middletown	5411, 5415, 5416, 5417
Bridgeport	ALL CENSUS TRACTS	New Britain	4153, 4155, 4156, 4157, 4158, 4159, 4160, 4161, 4162, 4163, 4166, 4171
Danbury	2101, 2102, 2107.01, 2107.02	New Haven	ALL CENSUS TRACTS EXCEPT FOR 3614.02
Derby	1202	New London	ALL CENSUS TRACTS
East Hartford	5104, 5106, 5113	Norwalk	0434, 0437, 0438, 0440, 0441, 0442, 0444, 0445
Groton	7025, 9800	Norwich	6964, 6967, 6968
Hartford	ALL CENSUS TRACTS EXCEPT FOR 5245.02	Stamford	0201, 0214, 0215, 0216, 0217, 0221, 0222, 0223
Manchester	5147	Torrington	3101, 3102, 3103, 3108.01, 3108.03, 3108.04
Mansfield	8812	Waterbury	ALL CENSUS TRACTS
Meriden	1701, 1702, 1703, 1709, 1710, 1714	Windham	8003, 8006

Targeted Areas

ffiec.gov

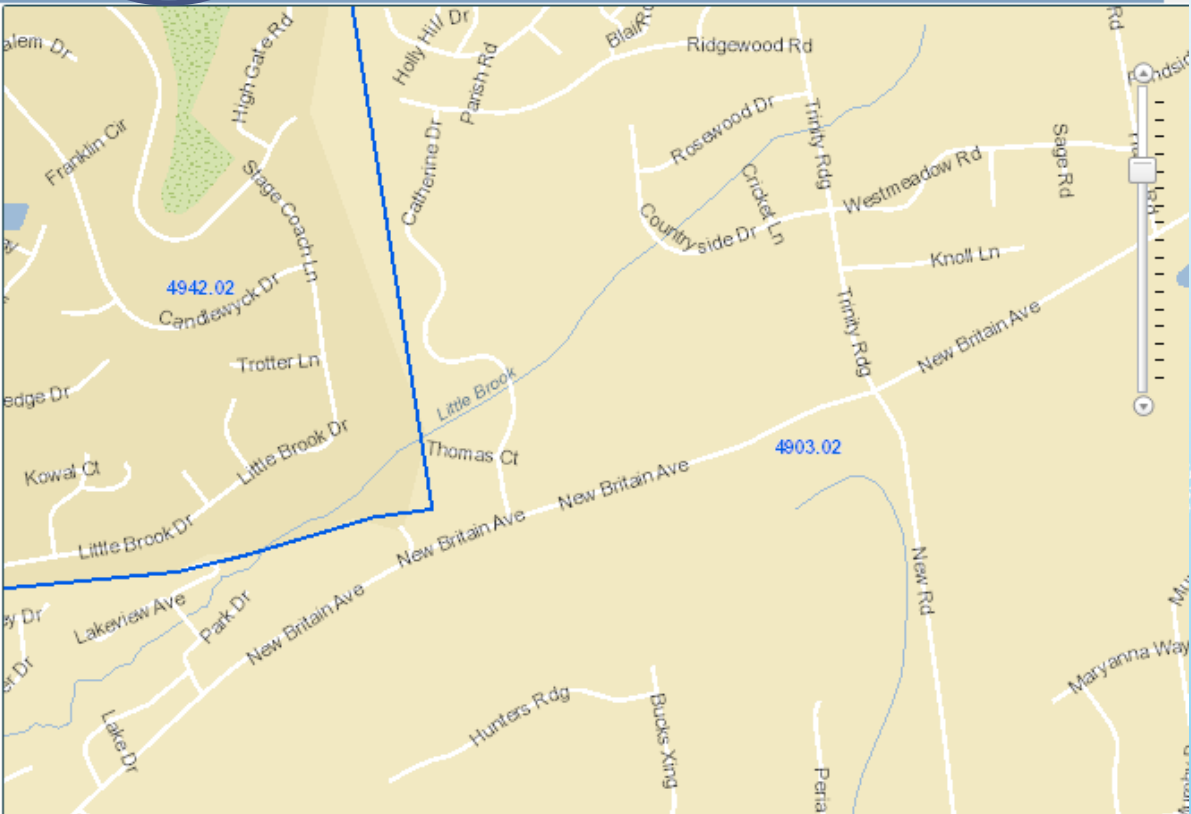
FFIEC Year: 2019 Address: 999 West Street, 06067 Search Reset

Matched Address	
Address	999 WEST ST, ROCKY HILL, CT, 06067
MSA/MD Code	25540
State Code	09
County Code	003
Tract Code	5242.00
MSA/MD Name	HARTFORD-EAST HARTFORD-MIDDLETOWN, CT
State Name	CONNECTICUT
County Name	HARTFORD COUNTY

Census demographic data for the year 2019 are currently unavailable.

Census Demographic Data

User Select Tract



Benefits of Targeted Areas

- If the prospective homebuyer(s) purchase a home in a Federally designated “Targeted Area”, they will receive an additional .25% discount on CHFA’s published interest rate.
- The first-time homebuyer requirement is waived.
(Homebuyer(s) may not own any other property at the time of closing).
- The income limit is waived *unless* the homebuyer(s) are also using CHFA Downpayment Assistance Program loan funding. *(not applicable for HFA Preferred™, HFA Advantage® or CHFA CALP)*



CHFA Resource Map

- **The CHFA Resource Map is an all-in-one tool to help you find eligibility information for a CHFA mortgage.**
- **By clicking on the tabs above the map you can view:**
 - **Income and Sales Price Limits**
 - **Federally “Targeted Areas”**
 - **CHFA-Approved Lenders**
 - **CHFA Homes for Sale**
 - **CHFA-Approved Housing Counselors**



CHFA Resource Map

CHFA Resource Map
[Income & Sales Price Limits List](#)

999 West Street Rocky Hill, CT 06067
(860) 721-9501 or 1-844-CT1-HOME (toll free)

Income & Sales Price Limits
Targeted Areas
CHFA- Approved Counselors
CHFA- Approved Lenders
CHFA- Homes For Sale

Income & Sales Price Limits	
Town	Mansfield
Targeted Area	(View Targeted Area Layer)
Income Limits Household Size 1 or 2	\$91,700
Income Limits Household Size 3 or more	\$105,455
Sales Price Limits Existing	\$325,055
Sales Price Limits New	\$325,055

Income Limits

(click on town to view attributes)

The Connecticut Housing Finance Authority (CHFA) establishes maximum household income limits on most borrowers eligible for CHFA mortgages. The income limits vary by town and city to correspond with differences in cost of living and median incomes throughout the state. The income limits also differ between households of less than three residents and households of three or more residents.

Rev. 6-01-17

Sales Price Limits

(click on town to view attributes)

The Connecticut Housing Finance Authority (CHFA) establishes maximum sales prices for homes that are eligible for CHFA mortgages. The sales price limits vary by town and city to correspond with the differences in cost of living and median incomes throughout the state.

Rev. 4-17-17

BORROWER ELIGIBILITY

Examples:

- ✓ A first time homebuyer that has never owned a home
- ✓ A Borrower who has not owned a home in the past three years. (*Borrower has sold or quitclaimed property outside of three years and is not obligated under any mortgage notes*).
- ✓ A borrower whose non-signing spouse has owned a home in the past three years. (*Borrower is neither on title, nor obligated under the note and has not been in past three years*). (*Additional names may not be added to title*).
- ✓ A borrower who has owned a home within the past 3 years (or currently) and is purchasing in a Targeted area. (*Borrower may not retain ownership of another home at the time of closing on the CHFA loan*).



TAX RETURNS

- The lender must obtain copies of ***signed*** Federal Income Tax Returns ***or*** IRS Transcripts filed for the previous three (3) years preceding the closing of the mortgage.
- If the homebuyer was not required by law to file a Federal tax return for any of the previous three (3) years, the homebuyer or lender must request a *Verification of Non-Filing Letter* from the IRS to confirm the “no filed” record with an explanation from the borrower.
- In Targeted Areas, only ***one*** (1) year of signed Tax Returns ***or*** IRS Transcripts is required *unless additional Tax Returns are required for income purposes.*



INCOME LIMITS

Only Borrower/s gross income is used for Repayment and Income Limits Calculation.

The applicable income limit is determined by the total household size.

Connecticut Housing Finance Authority - INCOME LIMITS - Eff. Dec. 28, 2020								
The Home of Your Own - Homeownership - Reverse Annuity Mortgage Programs use "Statewide" Income Limits: \$99,700 (1 or 2 persons) \$114,655 (3 or more persons)								
All other Programs use "Town" Income Limits as shown with the exception of loans with CHFA DAP and HFA Preferred™ loans in Targeted Areas								
Targeted Area Income limits are not waived for HFA Preferred™ (See FNMA "AMI Limits") or Conventional AMI Loan Program (CALP) or HFA Advantage® Program								
"Town" Income Limits	HOUSEHOLD SIZE		"Town" Income Limits	HOUSEHOLD SIZE		"Town" Income Limits	HOUSEHOLD SIZE	
Fairfield County	1 or 2	3 or more	Litchfield County, cont.	1 or 2	3 or more	New Haven County, cont.	1 or 2	3 or more
Bethel	126,650	145,645	Goshen	102,600	117,990	Prospect	102,600	117,990
Bridgeport *All Areas	123,120	143,640	Harwinton	102,600	117,990	Seymour	108,200	124,430
Brookfield	126,650	145,645	Kent	102,600	117,990	Southbury	102,600	117,990
Danbury	126,650	145,645	Litchfield	102,600	117,990	Wallingford	102,600	117,990
*Targeted Areas	146,400	170,800	Morris	102,600	117,990	Waterbury * All Areas	123,120	143,640
Darien	143,400	164,910	New Hartford, New Milford	102,600	117,990	West Haven	102,600	117,990
Easton	123,120	143,640	Norfolk, North Canaan	102,600	117,990	Wolcott, Woodbridge	102,600	117,990
Fairfield	123,120	143,640	Plymouth	102,600	117,990			
Greenwich	143,400	164,910	Roxbury	102,600	117,990	New London County	1 or 2	3 or more
Monroe	123,120	143,640	Salisbury, Sharon	102,600	117,990	Bozrah	102,600	117,990
New Canaan	143,400	164,910	Thomaston	102,600	117,990	Colchester	115,000	132,250
New Fairfield, Newtown	126,650	145,645	Torrington	102,600	117,990	East Lyme	102,600	117,990
Norwalk	143,400	164,910	*Targeted Areas	123,120	143,640	Franklin	102,600	117,990
*Targeted areas	172,080	200,760	Warren	102,600	117,990	Griswold	102,600	117,990
Redding, Ridgefield	126,650	145,645	Washington, Watertown	102,600	117,990	Groton	102,600	117,990
Shelton	123,120	143,640	Winchester, Woodbury	102,600	117,990	*Targeted Areas	123,120	143,640
Sherman	126,650	145,645				Lebanon	115,000	132,250
Stamford	143,400	164,910	Middlesex County	1 or 2	3 or more	Ledyard, Lisbon, Lyme	102,600	117,990
*Targeted Areas	172,080	200,760	Chester	102,600	117,990	Montville	102,600	117,990
Stratford	123,120	143,640	Clinton	112,000	128,800	New London *All Areas	123,120	143,640
Trumbull	123,120	143,640	Cromwell	102,600	117,990	North Stonington	102,600	117,990
Weston, Westport, Wilton	143,400	164,910	Deep River	112,000	128,800	Norwich	102,600	117,990
			Durham	102,600	117,990	*Targeted Areas	123,120	143,640



SALES PRICE LIMITS

Connecticut Housing Finance Authority - SALES PRICE LIMITS



EFFECTIVE: APRIL 23, 2020

Fairfield County			Litchfield County, cont.			New Haven County, cont.		
	Existing	New		Existing	New		Existing	New
Bethel	534,080	534,080	Goshen	317,590	317,590	Prospect	294,600	294,600
Bridgeport * All Areas	652,765	652,765	Harwinton	317,590	317,590	Seymour	294,600	294,600
Brookfield	534,080	534,080	Kent	317,590	317,590	Southbury	294,600	294,600
Danbury	534,080	534,080	Litchfield	317,590	317,590	Wallingford	294,600	294,600
*Targeted Areas	652,765	652,765	Morris	317,590	317,590	Waterbury * All Areas	360,065	360,065
Darien	534,080	534,080	New Hartford, New Milford	317,590	317,590	West Haven	294,600	294,600
Easton	534,080	534,080	Norfolk, North Canaan	317,590	317,590	Wolcott, Woodbridge	294,600	294,600
Fairfield	534,080	534,080	Plymouth	317,590	317,590			
Greenwich	534,080	534,080	Roxbury	317,590	317,590	New London County		
Monroe	534,080	534,080	Salisbury, Sharon	317,590	317,590	Bozrah	294,600	294,600
New Canaan	534,080	534,080	Thomaston	317,590	317,590	Colchester	294,600	294,600
New Fairfield, Newtown	534,080	534,080	Torrington	317,590	317,590	East Lyme	294,600	294,600
Norwalk	534,080	534,080	*Targeted Areas	388,165	388,165	Franklin	294,600	294,600
*Targeted areas	652,765	652,765	Warren	317,590	317,590	Griswold	294,600	294,600
Redding, Ridgefield	534,080	534,080	Washington, Watertown	317,590	317,590	Groton	294,600	294,600
Shelton	534,080	534,080	Winchester, Woodbury	317,590	317,590	*Targeted Areas	360,065	360,065
Sherman	534,080	534,080				Lebanon	294,600	294,600
Stamford	534,080	534,080	Middlesex County			Ledyard, Lisbon, Lyme	294,600	294,600
*Targeted Areas	652,765	652,765		Existing	New	Montville	294,600	294,600
Stratford	534,080	534,080	Chester	313,505	313,505	New London * All Areas	360,065	360,065
Trumbull	534,080	534,080	Clinton	313,505	313,505	North Stonington	294,600	294,600
Weston, Westport, Wilton	534,080	534,080	Cromwell	313,505	313,505	Norwich	294,600	294,600
			Deep River	313,505	313,505	*Targeted Areas	360,065	360,065
			Durham	313,505	313,505	Old Lyme	294,600	294,600
			East Haddam, East Hampton	313,505	313,505	Preston	294,600	294,600
			Essex	313,505	313,505	Salem, Sprague, Stonington	294,600	294,600
			Haddam	313,505	313,505	Voluntown	294,600	294,600
			Killingworth	313,505	313,505	Waterford	294,600	294,600
			Middlefield	313,505	313,505			
			Middletown	313,505	313,505			

HOMEBUYER EDUCATION

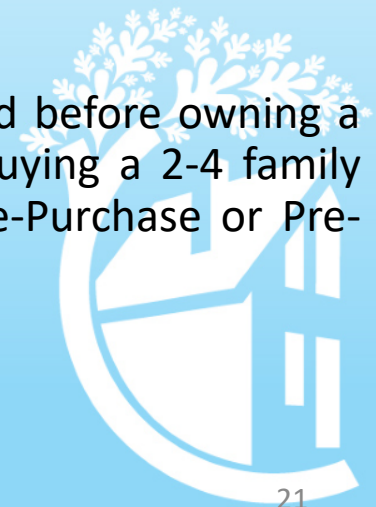
- **A minimum of a 3-hour Pre-Closing Homebuyer Education class is required for at least one borrower on all CHFA loans.**
- **For joint applications, only one borrower is required to attend the class however, CHFA strongly recommends both borrowers participate for the greatest benefit.**
- **Borrowers must take the class in person or online with a CHFA / HUD Approved Counseling Agency.**
- **Lenders must provide the homebuyer with the free CHFA coupon code obtained from LOS, for the online course.**
- **Borrower(s) are encouraged to take the class ASAP.**
- **Borrower(s) purchasing multi-unit properties (2-4 Family units) are *also* required to attend a Landlord Education Counseling class*.**

**Both the Pre-closing and Landlord Counseling Certificates are required for multi-unit property homebuyers.*



HOMEBUYER EDUCATION cont.

- **Pre-Purchase Education:** *(CHFA Reservation not required)*
8-hour Homebuyer Education Class:
Provides an overview on what it takes to become a successful homeowner. *(From seeking pre-approval for a mortgage to making an offer to the closing process).*
- **Pre-Closing Homebuyer Education:** *(CHFA Reservation required)*
3-hour Homebuyer Education Class (or Online E-Home America class):
Provides an overview of budget planning, home maintenance, and foreclosure prevention. At least one CHFA applicant is required to attend this course.
- **Landlord Education:**
Provides an overview of the issues a homebuyer should understand before owning a multifamily home. This class is required for CHFA homebuyer(s) buying a 2-4 family home. This class is not available on-line and is in *addition to* Pre-Purchase or Pre-Closing Homebuyer Education.
- **Financial Fitness Counseling is also available.** *(3-hours)*



HOMEBUYER EDUCATION cont.



About Us / Contact Us 1-844-CT1-HOME



Homebuyers & Homeowners ▾ Lenders, Real Estate Agents, Counselors ▾ Developers, Owners & Property Manag

Homebuyer Education

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Pre-Purchase Homebuyer Education

This comprehensive, eight-hour course will teach you what it takes to become a successful homeowner, from seeking pre-approval for a mortgage to making an offer to the closing process. Individual financial and credit counseling sessions are also available as part of this eight-hour class.

This course is encouraged for everyone who is considering the purchase of a first home.

[CLASS CALENDAR](#)

Pre-Closing Homebuyer Education

You will learn about budget planning, home maintenance and foreclosure prevention in this three-hour class. At least one CHFA loan applicant is required to attend this course unless they've completed the Pre-Purchase class within the past 12 months.

Classes are available at counseling agencies across the state.

[CLASS CALENDAR](#)

Take the Homebuyer Education Online

Contact your [CHFA-Approved Lender](#) to obtain an access code which will allow you to take this class free of charge. The online class is offered through eHome America in partnership with CHFA.

[HOMEBUYER
REGISTRATION](#)

[LENDER
REGISTRATION](#)

Landlord Education

From finding reliable tenants to maintaining the value of your property, being a landlord comes with a host of responsibilities. CHFA's landlord education course provides an overview of the issues a homebuyer should understand before owning a multifamily home.



PROPERTY ELIGIBILITY

CHFA requires owner-occupancy of the home purchased for the life of the loan.

- Single Family Homes, Townhouses, and PUDs *(existing and new)*.
- Condominiums *(must be FHLMC/FNMA/VA/USDA eligible)*.
 - *No CHFA separate condo list.*
 - *If the condo is deed restricted for affordability – and not acceptable to the applicable investor / insurer, request for approval must be sent to CHFA.*
- Multifamily homes (2 to 4 units) must have been residential properties for the last five (5) years. *(FHA and FNMA only)*
- *Newly constructed 2 family homes are allowed, if located in Targeted Area.*



Eligible Properties

Condominium

- FHA - Approved Condominiums
- VA- Approved Condominiums
- Fannie Mae/Freddie Mac eligible for Conventional loans

The following documentation is acceptable and must be included in file submitted to CHFA:

- CHFA Condo Eligibility Certificate; or
 - CPM (*Condo Project Manager*) - FNMA; or
 - Lenders own form verifying Condo eligibility.
- Condo Questionnaire and Full Budget is required for loans delivered to IHFA requiring full condo review. **Please only include these documents in file to IHFA. Please do not submit to these documents to CHFA for review.** If DU allows limited review, Lender must include a memo in the file stating that a limited review was completed.



CHFA FIRST MORTGAGE FINANCING

- ✓ 30 years
- ✓ Fixed (CHFA) interest rate
- ✓ 1 % Origination fee
- ✓ Owner-Occupied
- ✓ No non-occupant co-signors
- ✓ No additional names added to deed



CHFA Mortgage Programs

CHFA – Approved Lenders can originate 30 year fixed rate Government and Conventional Mortgages which include:

FHA - VA- USDA- FNMA- FHLMC- CHFA CALP.

- **File MUST meet all Insurer (*PMI, FHA, etc.*) and Agency (*FNMA, FHLMC*) Program Guidelines.**

CHFA guidelines are *in addition to*, not in place of Insurer and Agency Guidelines.



CHFA First Mortgage Programs

- **All CHFA Mortgages carry a 30 year, fixed rate term.**
- **Lender is allowed to charge a maximum of 1.00% Origination Fee Charged on all CHFA first mortgages (*collected at closing, retained by Lender*).**
- **All CHFA Mortgages are Locked for 90 days at time of reservation.**



CHFA Mortgage Programs

- **File MUST meet all Insurer (*PMI, FHA, etc.*) and Agency (*FNMA, FHLMC*) Program Guidelines.**
- **CHFA guidelines are *in addition to*, not in place of, Insurer and Agency Guidelines.**



CHFA Mortgage Programs

- It is the responsibility of the Lender's Underwriter to ensure file meets Agency/Insurer and CHFA Guidelines.
- The file will be cleared to close by Lender's Underwriter, pending CHFA Approval **PRIOR** to file submission to CHFA for review.



Regular Homebuyer Government Insured Loans

- **FHA, USDA and VA Insured Loans**
- **Not allowed with LTV at or below 80%**
(Mortgage Insurance of any kind is not allowed at or below 80%)
- **Follow Agency/Insurer Guidelines**
- **Max 45%/45% DTI** *(First mortgages only without CHFA DAP)*

**Borrowers who qualify for the Teachers Mortgage Assistance Program may qualify for 50% total debt ratio with student loans in repayment.*

Please see Teachers Mortgage Assistance Program Guidelines.



FHA 203(k) Standard and 203(k)

Limited Rehabilitation Mortgage Programs

(Available only to CHFA- Approved 203(k) Lenders)

- The **FHA 203(k) Standard and Limited Rehabilitation Mortgage** Programs offer mortgage financing for homebuyer(s) interested in purchasing a home in need of repairs.
- **203(k) Standard Program:** allows for full structural alterations and repairs of damage to the home *(i.e. chimneys, walls, roof, and ceilings as well as termite and water damage)*.
- **203(k) Limited Program:** allows for improvements and repairs with costs between \$5,000 - \$35,000 including these repairs: Full conversion of a single family home to duplex, installation of energy-efficient features, and repair of flooring, roofing, and handrails.



CHFA Conventional Programs

HFA Preferred™

HFA Preferred™ *Uninsured* - Fannie Mae

HFA Advantage®

HFA Advantage® *Uninsured* - Freddie Mac

Conventional AMI Loan Program (CALP) - CHFA
(Insured and Uninsured)



HFA Preferred™ Program

- FNMA Program
- Desktop Underwriter (DU) Required
- Insured *(PMI at discounted coverage)* and Uninsured *(at or below 80% LTV)*
- Up to 97% LTV – Single Family 95% LTV – 2- 4 Units
- Maximum 45% /45% DTI *(First mortgages only without CHFA DAP)*
- 1 – 4 Units, Condos, Townhouses and PUDs

Borrower Qualifying Income cannot exceed 80% AMI.

**Borrowers who qualify for the Teachers Mortgage Assistance Program may qualify for 50% total debt ratio with student loans in repayment.*

Please see Teachers Mortgage Assistance Program Guidelines.



HFA Advantage[®] Program

- FHLMC Program
- Loan Product Advisor (LPA) Required – Accept Eligible
- Insured (*PMI at discounted coverage*) and Uninsured (*at or below 80% LTV*)
- Up to 97% LTV
- Maximum 45% /45% DTI (*First mortgages only without CHFA DAP*)
- Single Family, Condos, Townhouses and PUDs
- **2 – 4 Unit Properties are NOT ALLOWED**

Borrower Qualifying Income cannot exceed 80% AMI.

**Borrowers who qualify for the Teachers Mortgage Assistance Program may qualify for 50% total debt ratio with student loans in repayment.*

Please see Teachers Mortgage Assistance Program Guidelines.



HFA Preferred™ & HFA Advantage®

Reduced PMI Coverage

- 95.01% - 97.00% LTV 18% coverage
 - 90.01% - 95.00% LTV 16% coverage
 - 85.01% - 90.00% LTV 12% coverage
 - 80.01% - 85.00% LTV 6% coverage
- 80.00% and below LTV Uninsured

**Borrower Paid Single Premium PMI allowable
only if there is no DAP**

**Single Premium Financed and Lender Paid PMI
not allowable on any product**



HFA Preferred™ & HFA Advantage® Programs

Income limits

will not

be waived in Targeted Areas.



Conventional AMI

CONNECTICUT – 2020 AMI – FANNIE MAE & FREDDIE MAC

County Name**	2020 Area Median Income (AMI)	2020 Low-income - 80% (AMI)
Fairfield	\$119,500	\$95,600
Hartford	\$97,800	\$78,240
Litchfield	\$102,600	\$82,080
Middlesex	\$97,800	\$78,240
New Haven	\$91,800	\$73,440
New London	\$93,000	\$74,400
Tolland	\$97,800	\$78,240
Windham	\$95,300	\$76,240

* AMI for HFA Preferred™ and HomeReady® - or - HFA Advantage® and HomePossible® - or- CHFA CALP programs are identical.

** For 2020, all towns in each county have the same AMI.

This chart is a sample only. Please verify correct AMI Limits for FNMA or FHLMC before reserving a file with CHFA.



Conventional AMI Loan Program (CALP)

- No Loan Level Pricing Adjustment
- Use CHFA current Non-Government Rate at time of reservation
- Insured or Uninsured
- DU or LPA findings: Approve/Accept Eligible required. Lender to confirm that income exceeds 80% AMI
- **Income Limits NOT Waived in Targeted Areas**
- PMI Coverage:
 - 95.01% - 97.00% LTV - 25%
 - 90.01% - 95.00% LTV - 25%
 - 85.01% - 90.00% LTV - 25%
 - 80.01% - 85.00% LTV - 12%



This program is not eligible for delegated (LEAN) or limited documentation underwriting

Conventional AMI Loan Program (CALP) Servicers

First Mortgage:

AmeriNat - or - Service Retained Lender

CHFA DAP:

Capital for Change, Inc. (C4C)



CHFA Specialty Programs

Available in Combination with Government and Conventional Programs

- **Teachers Mortgage Assistance Program**
- **Police Homeownership Program**
- **Military Homeownership Program**
- **Home of Your Own Program**
- **Homeownership Program**



Teachers Mortgage Assistance Program

The Teachers Mortgage Assistance Program offers below market interest rates to Teachers certified in the State of Connecticut meeting the following guidelines:

- Teach in a Priority or Transitional School District **or** Teaching in a Technical High School located in a Priority or Transitional School District **AND** purchasing a home in that same Priority or Transitional School District; **or**
- Teach full or part-time in their respective endorsement area/s in one of the State-Identified Subject Matter Shortage Areas or eligible “Alliance District” subjects. Borrower/s who meet this requirement can purchase a home anywhere in the State of Connecticut.

Prospective Homebuyer/s meeting the above criteria will receive an additional .125% discount on CHFA’s published interest rate at time of Reservation.

Maximum DTI is 45%/45%.

If borrower has Student Loans in Repayment, Maximum DTI is 45%/50% with AUS Approval.

DTI Guidelines applicable with or without CHFA DAP

See next slide for Additional Teachers Mortgage Assistance Program Guidelines and Enhancements



Teachers Mortgage Assistance Program

To help recruit and retain (R&R) minority teachers in our communities, *additional* incentives are available for Teachers who:

- Graduated from a public high school in an educational reform district as defined in Section 10-262u of the Connecticut General Statutes; **or**
- Graduated from a historically Black college or university or a Hispanic-serving institution.

These incentives include:

- .25 discount on CHFA's published interest rate at time of Reservation. *(This cannot be combined with any other discount).*
- Borrower/s teaching in Priority or Transitional School District **are not** required to purchase in that same District.

Statement of Eligibility Letter (CHFA Form 031-030) is required from the School District Superintendent for all Borrower/s applying for the Teachers Mortgage Assistance Program.



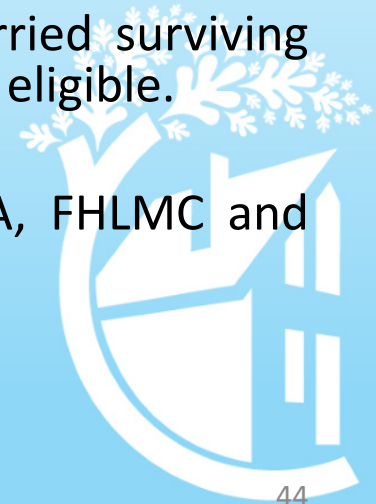
Police Homeownership Program

- The Police Homeownership Program encourages Police Officers to purchase homes and reside in communities where they work by offering home loans at below-market interest rates.
- The prospective homebuyer(s) will receive an additional .125% discount on CHFA's published interest rate.
- The homebuyer must be a municipal or state police officer, purchasing a home in a designated area of a participating town.
- **Municipal Police Officer:**
 - The homebuyer must work in the town where they purchase their home.
- **State Police Officer:**
 - The homebuyer may purchase a home in any participating city or town.



Military Homeownership Program

- The **Military Homeownership Program** is designed to help the men and women who serve our country realize the dream of homeownership at below market interest rates for members of the U.S. Military, Reserve, or National Guard.
- The prospective homebuyer(s) will receive an additional .125% discount on CHFA's published interest rate.
- The homebuyer must be a veteran, full-time active duty, Reserve or National Guard service member of the United States military. Unmarried surviving spouses or civil union partners of eligible veterans may also be eligible.
- This program can be combined with FHA, VA, USDA, FNMA, FHLMC and CHFA CALP products.



Home of Your Own Program

- The **Home of Your Own Program** offers home loans at below-market interest rates to homebuyer(s) who are disabled or who have a disabled member of the household.
- The prospective homebuyer(s) will receive an additional .125% discount on CHFA's published interest rate.
- The homebuyer(s) must provide evidence of the disability. The disability can be established with documentation.



Homeownership Mortgage Program

- The Homeownership Mortgage Program offers mortgages at below-market interest rates to tenants of publicly assisted housing who wish to transition from renting to homeownership.
- The prospective homebuyer(s) will receive an additional .125% discount on CHFA's published interest rate.
- The homebuyer must be a tenant of public housing or receive public housing assistance through the Section 8 Rental Assistance Program, the Department of Developmental Services, or the State Moderate Rental Program.



Borrowers Without Credit Scores

- ✓ **Allowable with Approve / Eligible Findings.**

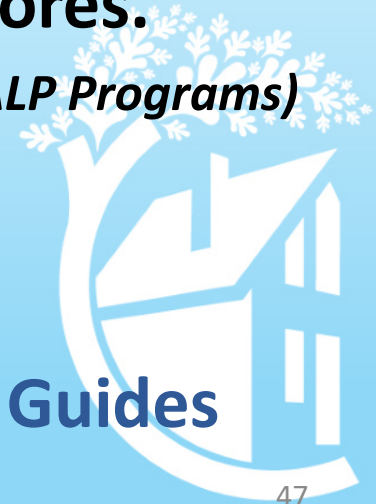
(Co-Borrower has no credit score)

- ✓ **Allowable following Insurer/Agency Manual Underwrite Guidelines for borrower(s) without credit scores.**

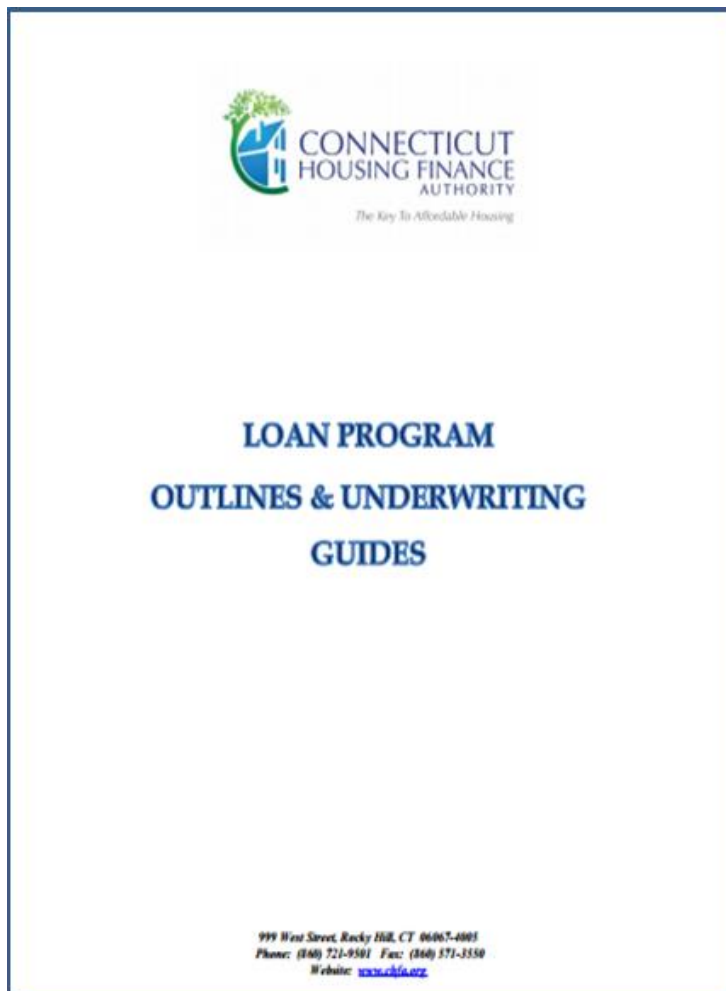
(Manual Underwrite is not allowed on HFA Advantage® or CALP Programs)

Please see the CHFA

Loan Program Outlines & Underwriting Guides



LOAN PROGRAM OUTLINES & UNDERWRITING GUIDES



CHFA has prepared a reference guide for our Lenders which pertains to the many loan programs offered, and includes information regarding underwriting overlays, credit scores, applicable servicers, and more.

[Go to chfa.org](http://www.chfa.org)

Lenders/Mortgage Program Resources
[see PDF titled:](#)

**LOAN PROGRAM OUTLINES AND
UNDERWRITING GUIDES**

CHFA First Mortgage Programs

Interest Rates

There are two interest rates:

✓ **Government**

FHA, VA, USDA

✓ **Non-Government**

HFA Preferred™, HFA Advantage®, CHFA CALP



CHFA First Mortgage Programs

Interest Rates

There are only two things that will affect rate:

- 1. SUBJECT PROPERTY LOCATED IN TARGETED AREA**
.25% discount on published rate at time of reservation
- 2. BORROWER QUALIFIES FOR SPECIALTY PROGRAM**
.125% discount on published rate at time of reservation

***Rate discounts cannot be combined.
Targeted Area Discount will prevail.***



CHFA First Mortgage Programs

Interest Rates

➤ Interest rates are **NOT** affected by:

- Credit Score
- Property Type
- Number of Units in Subject Property
- Rate Lock Time Period
- Discount Points



Rate Lock & Reservation of Funds

- Reservation of Funds - 90 Days (Rate Lock)
Fully executed Purchase and Sales Contract required for CHFA Reservation.
- Commitment Rate in effect for 90 Days



Rates & Reservations

- Rates are set when new reservations are submitted in LOS and a CHFA loan number is assigned.
- Interest rate is locked for ninety (90) days.
- Reservations are linked to the applicant(s) social security number(s).
- Interest rate is not released until the reservation expiration date, even if applicant(s) change lenders.



Editing Reservations

Reservations may be edited by the Lender's designated CHFA LOS Admin or Senior Loan Processor.

Edits can include:

- **Changing subject property address**
- **Adding or deleting co-borrowers**
- **Adding or deleting DAP or other Subordinate Financing**



Canceled Reservations Submitted by Another Lender

See slides to follow for guidelines on the following:

- 1. Reservation Period with 61 or more days remaining**
- 2. Reservation Period with 31-60 days remaining**
- 3. Reservation Period with 30 days or less remaining**



Reservation Period With 61 or More Days Remaining

RESERVATION DETAILS

Lender Code: 001

Lender Name: CHF

Email: sfamtraining@chfa.org

Prepared By: Heat

Message from webpage



A duplicate canceled reservation with 61 or more days until the reservation rate expires exists for this applicant. Click OK to proceed with the data entry for a new reservation. The new reservation will automatically receive the initial interest rate from the canceled reservation dated 4/1/2019 and will expire on the same date as the canceled reservation 6/30/2019.

OK

*First Name

Middle Name:

Co-Borrower



Reservation Period With 31 - 60 Days Remaining

RESERVATION DETAILS

Lender Code: 001 Lender Name:

Email: sfamtraining@chfa.org Prepared By:

Message from webpage

 A duplicate canceled reservation with 31 – 60 days until the reservation rate expires exists for this applicant. Click OK to proceed with the data entry for a new reservation. The new reservation will automatically receive the initial interest rate from the canceled reservation dated 3/1/2019. The new reservation expiration date will be extended for 30 days beyond the canceled reservation expiration date and expire on 6/30/2019.

OK

*First
Middle name:



Reservation Period With 30 Days or Less Remaining

SUBMIT RESERVATION

Borrower: BRICK HOUSE

A duplicate canceled reservation with 30 days or less until the reservation rate expires exists for this applicant. Due to fluctuating interest rates, a new reservation may not be submitted for this applicant until after the current reservation expires on 04/30/2019. The new reservation, when submitted, will receive the prevailing CHFA interest rate in effect at the time of submission.

Loan #: (To be assigned after successful submission of Reservation)

Reservation Date:

Status: **Not Submitted**

Reservation Expiration Date:

Prior Reservation Date: 1/31/2019 12:50
PM



Lender Canceling an Existing Reservation To Enter a New Reservation to Edit Data

SUBMIT RESERVATION

Borrower: WICKED GOOD

This borrower has an existing CHFA loan reservation with CHFA LENDER that has not expired. A new reservation may not be submitted by the same Lender prior to the expiration of the existing reservation. Contact CHFA to un-cancel the existing reservation under CHFA Loan# 190030 to keep the loan in process. Once the loan is un-canceled the Lender can unlock the reservation and edit the loan data for changes to the property address, loan amount, program type, etc. as needed.

Loan #: (To be assigned after successful submission of Reservation)

Reservation Date:



Calculating Income

The CHFA Way

Every file submitted to CHFA must contain a complete and accurate Income Calculation Worksheet.

The worksheet can be the lender's version or the CHFA Income Calculation Worksheet, as long as all of the information required is calculated.

CHFA will issue a Missing Exhibits Letter (MEL) if ALL of the required income calculations are not provided. (3 calculations for Conventional and CHFA CALP loans, 2 calculations for Government Loans.)



Required Income Calculations For All Files Submitted to CHFA

The following Income Calculations are required in every file:

Repayment Income

This is the income calculation used to determine the borrower/s ability to repay. Also known as Qualifying Income.

Income Limits

This is the income calculation used to determine that the borrower/s GROSS annual income is within CHFA Income Limits for Bond Compliance.

All Calculations Must Be Separate, Clear and Complete.



Additional Required Income Calculations for **Conventional** and **CALP Loans**

All conventional loans must **ALSO** include an AMI calculation.
This includes HFA Preferred™, HFA Advantage® and the CHFA
Conventional AMI Program (CALP).

Area Median Income (AMI)

This calculation will normally be the same as Qualifying / Repayment Income.
(Calculation per FNMA and FHLMC Guidelines)

HFA Preferred™ and HFA Advantage®

Income **cannot** exceed 80% of AMI limits for subject property's county.

CHFA CALP

Income **must** exceed 80% of AMI limits for subject property's county.

No income lower than the base can be utilized for AMI calculation



Repayment Income (Qualifying)

Income Used to Qualify for DTI Ratios

Follow insurer/investor guidelines. Consider DAP overlays when applicable (for example, max 60 hours per week allowed to qualify). Lender's Underwriter to support income used.

Example:

Borrower is purchasing 123 Main Street, Hartford, CT 06106 - Subject property is in a Targeted Area.

Borrower earns **\$3,115 biweekly** in Base Salary.

Borrower also earned **\$5,000 Annual Bonus** in 2019 – *(not being used to qualify)*.

- Qualifying Income Calculation: $\$3,115 \times 26 / 12 = \$6,749.16$ per month.
- $\$6,749.16$ per month x 12 months = $\$80,990$ annually.

****Using Bonus Income to qualify is optional, if borrower qualifies without it****

CHFA Income Limits

The CHFA Income Limits Calculation is the income calculation used to determine CHFA Income Limits eligibility for Bond Compliance. Government insured loans without CHFA DAP are exempt from the CHFA Income Limits Calculation, if subject property is located in a Targeted Area. See CHFA Income Limits Chart.

This calculation takes into consideration GROSS annual income from all sources.

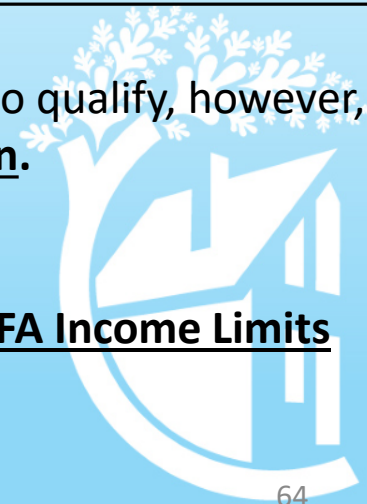
Example:

Borrower is purchasing 123 Main Street, Hartford, CT 06106 - Subject property is in a Targeted Area.

\$6,749.16 per month x 12 months = \$80,990 annual - Qualifying Income and AMI Income.

Borrower also earned a \$5,000 Annual Bonus in 2019 – not being used to qualify, however, needs to be included in CHFA Income Limits Calculation.

\$80,990 annual income + \$5,000 annual bonus = \$85,990 annual - CHFA Income Limits Calculation.



Income Considerations For Limits

Aggregate mortgagor(s) income (gross income) shall include ALL sources from where borrower(s) receive income, whether used for repayment or not.

Examples include, but are not limited to:

Alimony
Annuities
Bonus
Capital Gains
Child Support
Commission
Dividends
Disability
Foster Care
Gambling Winnings

Interest Income
Lyft, Uber, Etsy, etc.
Military Allowance
Overtime
Part-Time Employment
Pension
Rental Income
Retirement
Secondary Employment
Self-Employment Income
Social Security / VA Benefits

Include any other recurring source of income received by borrower(s)
See Section 5 of the Operating Manual for Self-Employment Guidelines




Income Limits

Only Borrower/s gross income is used for Repayment and Income Limits Calculation.

The applicable income limit is determined by the total household size.

CHFA Income Limits Chart

Connecticut Housing Finance Authority - INCOME LIMITS - Eff. Dec. 28, 2020														
<i>The Home of Your Own - Homeownership - Reverse Annuity Mortgage Programs use "Statewide" Income Limits: \$99,700 (1 or 2 persons) \$114,655 (3 or more persons)</i>														
<i>All other Programs use "Town" Income Limits as shown with the exception of loans with CHFA DAP and HFA Preferred™ loans in Targeted Areas</i>														
<i>Targeted Area Income limits are not waived for HFA Preferred™ (See FNMA "AMI Limits") or Conventional AMI Loan Program (CALP) or HFA Advantage® Program</i>														
"Town" Income Limits			HOUSEHOLD SIZE			"Town" Income Limits			HOUSEHOLD SIZE					
Fairfield County			1 or 2	3 or more	Litchfield County, cont.			1 or 2	3 or more	New Haven County, cont.			1 or 2	3 or more
Bethel	126,650	145,645	Goshen	102,600	117,990	Prospect	102,600	117,990						
Bridgeport *All Areas	123,120	143,640	Harwinton	102,600	117,990	Seymour	108,200	124,430						
Brookfield	126,650	145,645	Kent	102,600	117,990	Southbury	102,600	117,990						
Danbury	126,650	145,645	Litchfield	102,600	117,990	Wallingford	102,600	117,990						
*Targeted Areas	146,400	170,800	Morris	102,600	117,990	Waterbury * All Areas	123,120	143,640						
Darien	143,400	164,910	New Hartford, New Milford	102,600	117,990	West Haven	102,600	117,990						
Easton	123,120	143,640	Norfolk, North Canaan	102,600	117,990	Wolcott, Woodbridge	102,600	117,990						
Fairfield	123,120	143,640	Plymouth	102,600	117,990									
Greenwich	143,400	164,910	Roxbury	102,600	117,990	New London County								
Monroe	123,120	143,640	Salisbury, Sharon	102,600	117,990	1 or 2	3 or more							
New Canaan	143,400	164,910	Thomaston	102,600	117,990	Bozrah	102,600	117,990						
New Fairfield, Newtown	126,650	145,645	Torrington	102,600	117,990	Colchester	115,000	132,250						
Norwalk	143,400	164,910	*Targeted Areas	123,120	143,640	East Lyme	102,600	117,990						
*Targeted areas	172,080	200,760	Warren	102,600	117,990	Franklin	102,600	117,990						
Redding, Ridgefield	126,650	145,645	Washington, Watertown	102,600	117,990	Grissold	102,600	117,990						
Shelton	123,120	143,640	Winchester, Woodbury	102,600	117,990	Groton	102,600	117,990						
Sherman	126,650	145,645				*Targeted Areas	123,120	143,640						
Stamford	143,400	164,910	Middlesex County			1 or 2	3 or more							
*Targeted Areas	172,080	200,760	Chester	102,600	117,990	Lebanon	115,000	132,250						
Stratford	123,120	143,640	Clinton	112,000	128,800	Ledyard, Lisbon, Lyme	102,600	117,990						
Trumbull	123,120	143,640	Cromwell	102,600	117,990	Montville	102,600	117,990						
Weston, Westport, Wilton	143,400	164,910	Deep River	112,000	128,800	New London *All Areas	123,120	143,640						
			Durham	102,600	117,990	North Stonington	102,600	117,990						
						Norwich	102,600	117,990						
						*Targeted Areas	123,120	143,640						



Area Median Income (AMI)

All Conventional products and CHFA CALP require a documented AMI Income Eligibility Calculation.

HFA Preferred™ and HFA Advantage® Programs require an income calculation **at or below 80% of the AMI** for subject property's county.

CHFA CALP Program requires an income calculation **over 80% of the AMI** for subject property's county.
(Calculation per FNMA and FHLMC Guidelines).

Example:

Borrower is purchasing 123 Main Street, Hartford, CT 06106 - Subject property is in a Targeted Area

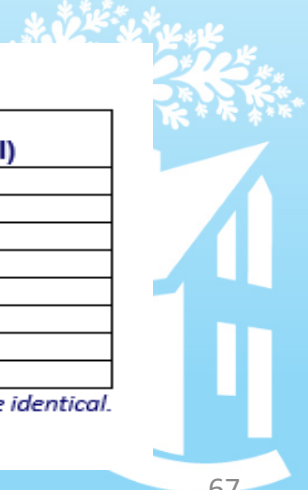
\$6,749.16 per month x 12 months = **\$80,990 annual - Qualifying Income and AMI Income**
Borrower Exceeds 80% AMI – Borrower only qualifies for CHFA CALP or Government Financing

CONNECTICUT – 2020 AMI – FANNIE MAE & FREDDIE MAC

County Name**	2020 Area Median Income (AMI)	2020 Low-income - 80% (AMI)
Fairfield	\$119,500	\$95,600
Hartford	\$97,800	\$78,240
Litchfield	\$102,600	\$82,080
Middlesex	\$97,800	\$78,240
New Haven	\$91,800	\$73,440
New London	\$93,000	\$74,400
Tolland	\$97,800	\$78,240
Windham	\$95,300	\$76,240

* AMI for HFA Preferred™ and HomeReady® - or - HFA Advantage® and HomePossible® - or- CHFA CALP programs are identical.

** For 2020, all towns in each county have the same AMI.



Monthly Debt-to-Income Ratio

All Mortgage Programs without DAP

*The maximum **monthly** expense ratio allowed must be in compliance with the insurer or guarantor guidelines.*

- **All Programs without CHFA DAP:** Lenders may follow AUS / Total Scorecard for loans with Approve/Accept Eligible findings up to a **maximum total DTI of 45%. ***

When applicable, CHFA DAP guidelines will also apply.

**Up to 50% DTI may be allowable under the Teachers Mortgage Assistance program with Student loans in repayment. See Program Specific Guidelines.*

Monthly Debt-to-Income Ratio

CHFA DAP

Monthly Housing Expense Ratio:

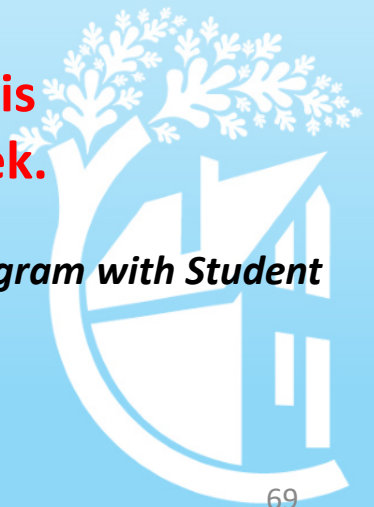
- Lenders may follow AUS / Total Scorecard for loans with Approve/Accept Eligible findings up to a **maximum housing DTI of 35%**.

Monthly Total Expense Ratio:

- Lenders may follow AUS / Total Scorecard for loans with Approve/Accept Eligible findings up to a **maximum total DTI of 45%.***

Borrower qualifying income on CHFA DAP loans is limited to the use of 60 hours maximum per week.

**Up to 50% DTI may be allowable under the Teachers Mortgage Assistance program with Student loans in repayment. See Program Specific Guidelines.*



Resources- Income Limits

Connecticut Housing Finance Authority - INCOME LIMITS - Eff. Dec. 28, 2020

The Home of Your Own - Homeownership - Reverse Annuity Mortgage Programs use "Statewide" Income Limits: \$99,700 (1 or 2 persons) \$114,655 (3 or more persons)
All other Programs use "Town" Income Limits as shown with the exception of loans with CHFA DAP and HFA Preferred™ loans in Targeted Areas

Targeted Area Income limits are not waived for HFA Preferred™ (See FNMA "AMI Limits") or Conventional AMI Loan Program (CALP) or HFA Advantage® Program

"Town" Income Limits	HOUSEHOLD SIZE	"Town" Income Limits	HOUSEHOLD SIZE	"Town" Income Limits	HOUSEHOLD SIZE
Fairfield County					
	1 or 2	3 or more	Litchfield County, cont.		
Bethel	126,650	145,645	Goshen	102,600	117,990
Bridgeport *All Areas	123,120	143,640	Hartwinton	102,600	117,990
Brookfield	126,650	145,645	Kent	102,600	117,990
Danbury	126,650	145,645	Litchfield	102,600	117,990
*Targeted Areas	146,400	170,800	Morris	102,600	117,990
Darien	143,400	164,910	New Hartford, New Milford	102,600	117,990
Easton	123,120	143,640	Norfolk, North Canaan	102,600	117,990
Fairfield	123,120	143,640	Plymouth	102,600	117,990
Greenwich	143,400	164,910	Roxbury	102,600	117,990
Monroe	123,120	143,640	Salisbury, Sharon	102,600	117,990
New Canaan	143,400	164,910	Thomaston	102,600	117,990
New Fairfield, Newtown	126,650	145,645	Torrington	102,600	117,990
Norwalk	143,400	164,910	*Targeted Areas	123,120	143,640
*Targeted areas	172,080	200,760	Warren	102,600	117,990
Redding, Ridgefield	126,650	145,645	Washington, Watertown	102,600	117,990
Shelton	123,120	143,640	Winchester, Woodbury	102,600	117,990
Sherman	126,650	145,645	Middlesex County		
Stamford	143,400	164,910		1 or 2	3 or more
*Targeted Areas	172,080	200,760	Chester	102,600	117,990
Stratford	123,120	143,640	Clinton	112,000	128,800
Trumbull	123,120	143,640	Cromwell	102,600	117,990
Weston, Westport, Wilton	143,400	164,910	Deep River	112,000	128,800
			Durham	107,600	117,990

www.chfa.org

CHFA and DOH have launched the Temporary Mortgage Assistance Program (T-MAP) for homeowners affected by COVID-19. To learn more about this program and the Temporary Rental Housing Assistance Program (TRHAP), click below.

Lenders, Real Estate Agents, Counselors

- Homebuyers & Homeowners
- Developers, Owners & Property Managers

LENDERS, HELPING BORROWERS BUY THEIR FIRST HOMES

CHFA partners with lenders across Connecticut to help low-to-moderate income borrowers buy their first home. We offer many loan options with below-market interest rates to make it easy for lenders to find the right product with the right fit for clients who may not qualify for a traditional mortgage.

Lender Activity Reports | **How to Become a CHFA Lender** | **CHFA Resource Map** | **Homebuyer Education Calendar**


Lender Forms

Origination documents are highlighted below. Include DAP forms only if applicable.

Form ID	LOAN PROGRAM - FORMS	Form #	Last Revision Date
007	Assignment of Mortgage - Sample	036-1104 - S	8/11/17
010	Assumption Agreement - Sample	036-1104 - S	7/16/16
011	Assumption Approval	035-1105	7/1/14
015	Borrower Eligibility Certificate	014-1107	6/1/14
018	Borrower Signature Affidavit	014-0718	8/4/17
022	Closed End Doc Checklist - (Affirmated or Service Retained)	039-0810	3/16/16
026	Condominium Eligibility Certification	013-430	10/15/19
032	Downpayment Assistance Program (DAP) App for Downpayment ONLY	DAPappONLY	5/31/18
034	Downpayment Assistance Program (DAP) Borrower's Certificate	DAPIS-05	8/1/14
036	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-ID	9/20/19
038B	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-AM-LNDR	6/2/20
037	Downpayment Assistance Program (DAP) Second Mortgage Debt	DAP3MD	6/1/17
038	Downpayment Assistance Program (DAP) Second Mortgage Note	DAP3MND	5/1/16
044	Employment Verification (Telephone) - Sample	057-1105 - S	7/16/16
049	Gift Letter - Sample	022-1105 - S	7/16/16
059	Income and Sales Price Limits - Effective 4-23-2020 (AP-AM-19)	064-0108	4/23/20
060	Income Analysis Worksheet	064-0309	5/31/18
062	Income Analysis Worksheet - Sample	064-0309 - S	5/31/18
065	Income Analysis Worksheet - Self-Employed - Sample	064-0400 - S	5/1/16
068	Income Weekly Calculation Lender Calendar - 2020	064-0450	1/1/20

Then Click on "Lender Forms" Form 059- Income and Sales Price Limits

Resources- Income Analysis Worksheet


The Key to Affordable Housing

INCOME ANALYSIS WORKSHEET

Acct #: _____

Rate: _____ Completed By: _____ Date: _____

Borrower: _____

PAYSTUB: _____

Gross Pay: _____ x _____ + 12 mths = _____

*Pay Period Ending Date Year-to-Date: _____ + _____ x 52 + 12 mths = _____ (limit)

_____/_____/_____ (Year) W2 + 12 mths = _____

_____/_____/_____ (Year) W2 + 12 mths = _____

AMOUNT USED _____

Co-Borrower: _____

PAYSTUB: _____

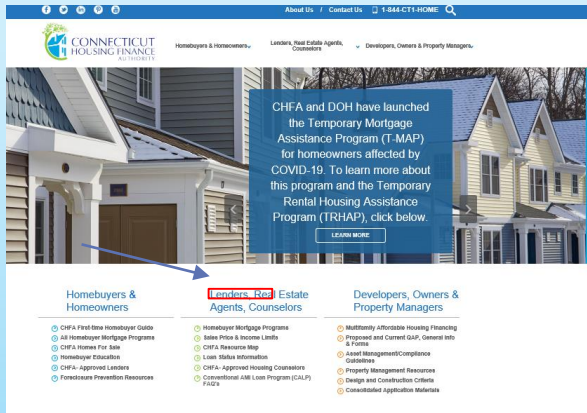
Gross Pay: _____ x _____ + 12 mths = _____

*Pay Period Ending Date Year-to-Date: _____ + _____ x 52 + 12 mths = _____ (limit)

_____/_____/_____ (Year) W2 + 12 mths = _____

_____/_____/_____ (Year) W2 + 12 mths = _____

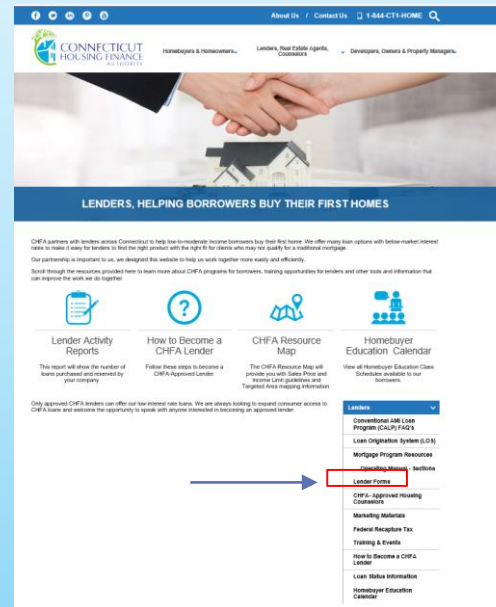
www.chfa.org



CHFA and DOH have launched the Temporary Mortgage Assistance Program (T-MAP) for homeowners affected by COVID-19. To learn more about this program and the Temporary Rental Housing Assistance Program (TRHAP), click below.

Lenders, Real Estate Agents, Counselors


- Homebuyers & Homeowners
- Lenders, Real Estate Agents, Counselors**
- Estate Agents, Counselors
- Developers, Owners & Property Managers



LENDERS, HELPING BORROWERS BUY THEIR FIRST HOMES


CHFA partners with lenders across Connecticut to help low-to-moderate income borrowers buy their first home. We offer many loan options with below-market interest rates to make it easy for lenders to find the right product with the right fit for clients who may not qualify for a traditional mortgage.

Our partnership is important to us, so we designed this website to help us work together more easily and efficiently. Scroll through the resources provided here to learn more about CHFA programs for lenders, training opportunities for lenders and other tools and information that can improve the work we do together!




Lender Activity Reports

This report will show the number of loans purchased and reported by your company.




How to Become a CHFA Lender

Follow these steps to become a CHFA Approved Lender.



CHFA Resource Map

The CHFA Resource Map will provide you with links to CHFA programs and general LMI guidelines and targeted first-time homebuyer information.



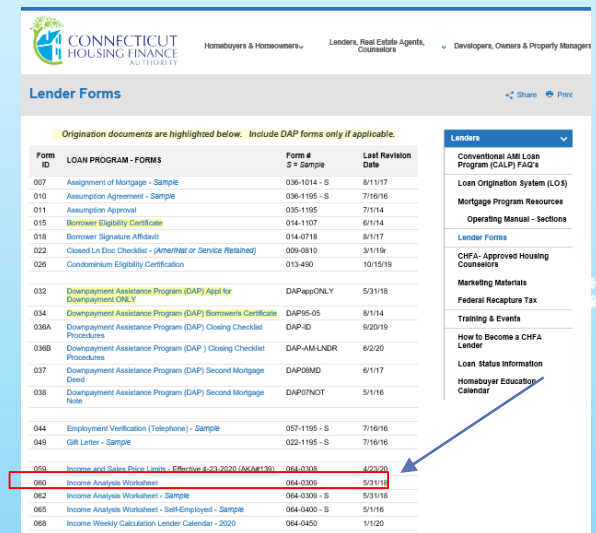
Homebuyer Education Calendar

View all Homebuyer Education Class Schedules available to our borrowers.

Only approved CHFA lenders can offer our low-interest rate loans. We are always looking to expand consumer access to CHFA loans and welcome the opportunity to speak with anyone interested in becoming an approved lender.

Lenders

- Conventional ARM Loan Program (CALP) FAC2
- Loan Origination System (LOS)
- Mortgage Program Resources
- Operating Manual - Sections
- Lender Forms**
- CHFA-Approved Housing Counselors
- Marketing Materials
- Federal Recapture Tax
- Training & Events
- How to Become a CHFA Lender
- Loan Status Information
- Homebuyer Education Calendar



Origination documents are highlighted below. Include DAP forms only if applicable.

Form ID	LOAN PROGRAM - FORMS	Form #	Last Revision Date
007	Assignment of Mortgage - Sample	036-1014 - S	8/11/17
010	Assumption Agreement - Sample	036-1195 - S	7/16/16
011	Assumption Approval	035-1195	7/11/14
015	Borrower Eligibility Certificate	014-1107	6/11/14
018	Borrower Signature Affidavit	014-0718	8/11/17
022	Closed Loan Checklist - (Arm/Interest or Service Retainer)	030-0810	3/15/19
026	Condominium Eligibility Certification	013-430	10/15/19
032	Downpayment Assistance Program (DAP) Appl for Downpayment ONLY	DAPAppONLY	5/31/18
034	Downpayment Assistance Program (DAP) Borrowers Certificate	DAPIS-05	8/11/14
036A	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-ID	9/20/19
036B	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-AM-LNER	6/2/20
037	Downpayment Assistance Program (DAP) Second Mortgage Deal	DAPISM	6/11/17
038	Downpayment Assistance Program (DAP) Second Mortgage Note	DAPISNOT	5/11/16
044	Employment Verification (Telephone) - Sample	057-1195 - S	7/16/16
049	GR Letter - Sample	020-1195 - S	7/16/16
059	Income and Status Flow Limits - Effective 4-23-2020 (AM/ARM)	064-0308	4/23/20
060	Income Analysis Worksheet	064-0309	5/31/18
062	Income Analysis Worksheet - Sample	064-0309 - S	5/31/18
065	Income Analysis Worksheet - Self-Employed - Sample	064-0400 - S	5/11/16
068	Income Weekly Calculation Lender Calendar - 2020	064-0450	11/1/20

Then click on "Lender Forms"

Form 060- Income Analysis Worksheet

Resources- Income Calculation Calendar

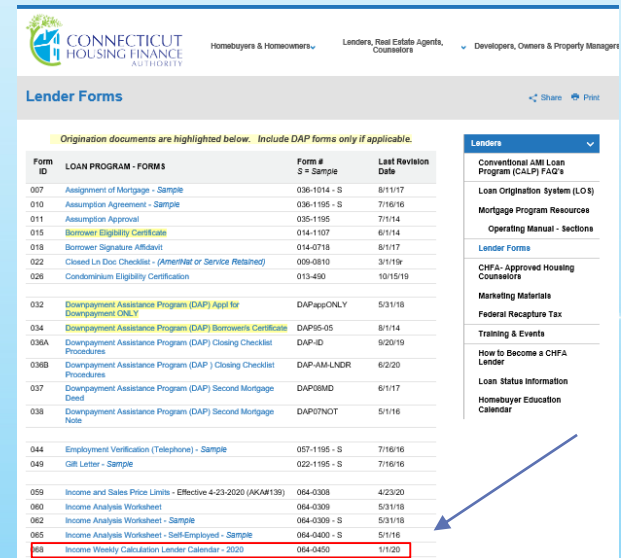
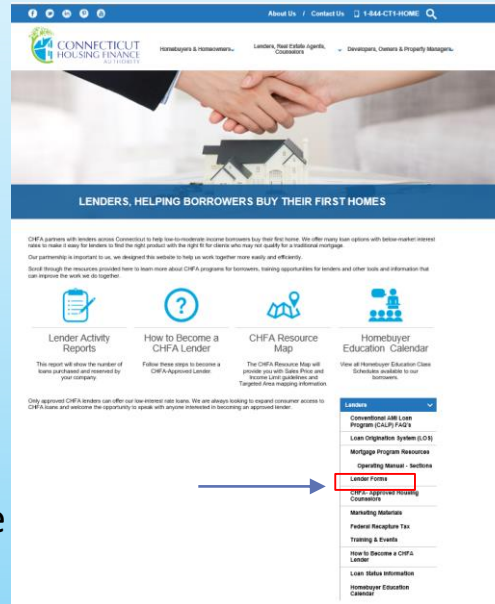
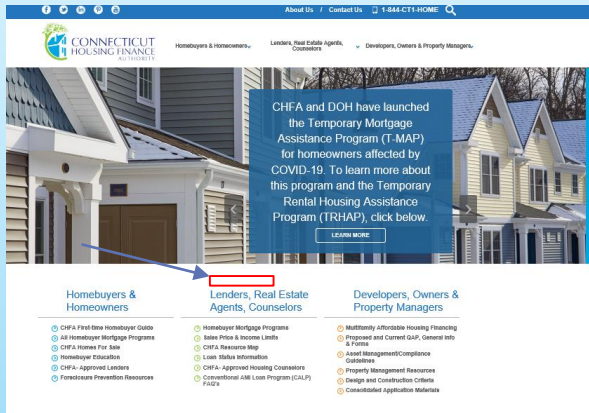
2021

Income - Weekly Calculation Calendar



	S	M	T	W	T	F	S	Week #		S	M	T	W	T	F	S	Week #
JAN						1	2		JUL					1	2	3	26
	3	4	5	6	7	8	9	1		4	5	6	7	8	9	10	27
	10	11	12	13	14	15	16	2		11	12	13	14	15	16	17	28
	17	18	19	20	21	22	23	3		18	19	20	21	22	23	24	29
	24	25	26	27	28	29	30	4		25	26	27	28	29	30	31	30
	31							5									
FEB		1	2	3	4	5	6	5	AUG	1	2	3	4	5	6	7	31
	7	8	9	10	11	12	13	6		8	9	10	11	12	13	14	32
	14	15	16	17	18	19	20	7		15	16	17	18	19	20	21	33

www.chfa.org



Click on "Lenders" on CHFA Homepage

Then click on "Lender Forms"

Form 068
Income Weekly Calculation
Lender Calendar

DAP OVERVIEW

- **CHFA DAP second mortgages are only available with CHFA first mortgage loan financing and can only be used for down payment and closing costs.**
- **Rate and term for CHFA DAP is the same as the first mortgage.**
- **First Mortgage loan must be at maximum LTV. DAP is used for down payment, then closing costs.**



DAP ENHANCEMENTS

effective with reservations 11/15/20

- Total DTI increased to 45.00%. Ratios are 35.00%/45.00%*.
- DAP loan will include both down payment and closing costs.
- CLTV increased to 105%.
- Maximum DAP loan amount is \$20,000.
- Borrowers are required to contribute \$1,000 towards acquisition costs (*funds can be gifted, as per Agency/Insurer guidelines*).
- Maximum fees collected by lender are increased to \$550.

**Borrowers who qualify for the Teachers Mortgage Assistance Program may qualify for 50% total debt ratio with student loans in repayment.*

Please see Teachers Mortgage Assistance Program Guidelines.

DAP ALLOWABLE CLOSING COSTS

Loan Estimate and Closing Disclosure cannot reflect fees in excess of \$550.00

- Maximum Application Fee - \$250.00 (*retained by lender*)
- Actual costs for Recording Fees
- Actual Pre-Paid Interest
- Maximum Settlement Agent Fees - \$200.00
- Title Insurance is not required on a DAP loan however; lenders may collect up to a maximum of \$200.00 for settlement agent expenses associated with closing the second mortgage.

*If lender charges the \$250.00 application fee and, actual recording fees and prepaid interest exceed \$100.00 the **maximum settlement fee must be decreased** to ensure the total allowable fees do not exceed \$550.00*



DAP LOAN AMOUNT

- **Minimum DAP Mortgage Loan Amount = \$3,000**
- **If the final DAP mortgage loan amount is less than \$3,000 *due to the asset test calculation*, borrower will not be eligible for DAP.**
- **When calculating the DAP mortgage loan amount, if 3.00% of the property sales price (*for conventional loans*) or 3.50% of the property sales price (*for loans with FHA insurance*) is less than the minimum \$3,000 DAP loan amount allowed, the first mortgage loan amount and LTV may be reduced to increase the required down payment to equal \$3,000.**

STRUCTURING LOANS WITH DAP

Conventional Financing

- ✓ If purchasing a single-family, condominium or PUD with maximum financing of 97% LTV, borrower can apply for DAP to cover 3% down payment and actual closing costs up to 105% CLTV.
- ✓ If purchasing a multi-family (2-4 unit) property with maximum financing of 95% LTV, borrowers must contribute 3% of their funds. Borrower can apply for DAP to cover 2% down payment and actual closing costs up to 105% CLTV.

HFA Advantage[®] Program = Single-Family Residences Only

Borrower must contribute \$1,000 toward acquisition costs

Max DAP loan amount is \$20,000



STRUCTURING LOANS WITH DAP

Government Loans

- ✓ **FHA** - If purchasing a 1-4 unit residence, condominium or PUD with maximum financing of 96.5% LTV, borrower may apply for DAP to cover 3.5% down payment and actual closing costs up to 105% CLTV.
- ✓ **USDA-RD / VA** - If purchasing a single family residence, condominium or PUD with maximum financing of 100% LTV, borrower may apply for DAP to cover actual closing costs up to 105% CLTV.

Borrower must contribute \$1,000 toward acquisition costs.



DAP ASSET TEST

- **Borrower may retain up to \$10,000 in liquid assets after purchase transaction.**
- **\$1,000 minimum borrower contribution is included in the \$10,000 asset test, as is Ernest Money Deposit.**
- **Be sure to account for ALL liquid assets and review paystubs and bank statements carefully for additional asset accounts.**
- **DAP loan amount will be reduced by any amount of liquid assets in excess of \$10,000.**
- **DAP asset test may be waived under Teachers Mortgage Assistance and Police Homeownership Programs.**



DAP Highlights

BORROWER CAN KEEP A MAXIMUM OF \$10,000 IN LIQUID ASSETS AFTER CLOSING

- ✓ All liquid asset accounts must be disclosed and verified (*most recent 3 months statements required*). Any deposit or withdrawal greater than or equal to 10% of borrower's gross monthly income to be sourced.
- ✓ **Review paystubs and bank statements for additional deposit accounts** not disclosed, as well as direct deposits, garnishments and transfers. Document all undisclosed activity shown on these documents.

ALL DEROGATORY CREDIT MUST BE PAID IN FULL AND CURRENT

All Collection accounts must be paid prior to closing, regardless of AUS Findings with the exception of Medical Collections. This includes payoff of all delinquent IRS tax obligations currently in repayment.

DAP Highlights

- The maximum hours allowed for calculating repayment income is sixty (60) hours per week. *(this includes combined income from base salary, overtime or second job).*
- ***DAP worksheet must be completed accurately in CHFA LOS prior to submission.***
(all changes to worksheet calculations must be updated).
- Apply “common-sense” underwriting! If borrower has borderline credit history, no rental history, substantial overdrafts and little savings – additional alternative credit may be requested. Document the file; tell CHFA why the file should be approved.
- Double check the terms of DAP/Subordinate financing are correct in AUS.

Refer to CHFA Operating Manual Section 8 – Downpayment Assistance Program and DAP Matrix in the Loan Program Outlines and Underwriting Guide for questions on DAP eligibility, underwriting guidelines and overlays.



Origination Disclosures and Closing / Post-Closing Forms

All CHFA Origination Disclosures, Program Forms, Checklists and Closing / Post-Closing Forms can be found on our Website at www.chfa.org



Origination Disclosures and Closing / Post-Closing Forms

Here you will find a full list of CHFA Forms and Disclosures. All required CHFA Origination Forms are Highlighted in yellow.

Lender Forms

Origination documents are highlighted below. Include DAP forms only if applicable.

Form ID	LOAN PROGRAM - FORMS	Form # S = Sample	Last Revision Date
007	Assignment of Mortgage - Sample	036-1014 - S	8/11/17
010	Assumption Agreement - Sample	036-1195 - S	7/16/16
011	Assumption Approval	035-1195	7/1/14
015	Borrower Eligibility Certificate	014-1107	6/1/14
018	Borrower Signature Affidavit	014-0718	8/1/17
022	Closed Ln Doc Checklist - (AmeriNat or Service Retained)	009-0810	3/1/19r
026	Condominium Eligibility Certification	013-490	10/15/19
032	Downpayment Assistance Program (DAP) Appl for Downpayment ONLY	DAPAppONLY	5/31/18
034	Downpayment Assistance Program (DAP) Borrower/s Certificate	DAP95-05	8/1/14
036A	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-ID	9/20/19
036B	Downpayment Assistance Program (DAP) Closing Checklist Procedures	DAP-AM-LNDR	6/2/20
037	Downpayment Assistance Program (DAP) Second Mortgage Deed	DAP08MD	6/1/17
038	Downpayment Assistance Program (DAP) Second Mortgage Note	DAP07NOT	5/1/16
044	Employment Verification (Telephone) - Sample	057-1195 - S	7/16/16
049	Gift Letter - Sample	022-1195 - S	7/16/16



Reserving a Loan in LOS

Use HELP tab in LOS to access Guide



CONNECTICUT HOUSING FINANCE AUTHORITY
The Key To Affordable Housing



Welcome to SF-LOS
CHFA's Single Family Loan Origination System

THIS IS THE TEST VERSION OF LOS - 11/16/2018

LOGIN

User Id:

Password: **Login**

[Forgot your Password?](#)
[Reset Password](#)

SINGLE FAMILY HOME NEWS **CHFA-LOS**

[To see the latest CHFA bulletins please click here](#)

CHFA LOS system is a real time web based system with many enhancements designed to improve communications and efficiency in processing CHFA loan applications. Participating Lenders can access this system to reserve rates, monitor pipeline activity including

Lender Dashboard | Reservation | Rates | Contacts | Reports | Admin | Help

DASHBOARD

LENDER'S PIPELINE

Stages	# Loans
Reservation Not Submitted:	0
Reservation Submitted:	4
LEAN Reservation Submitted:	0
Paper Package Received:	0
Application On-Hold:	1
Processing In-Progress:	3
Total:	8

Communication

Loan#	Type	Date Sent	Subject	Send to CHFA
190008	Missing Exhibits Letter (MEL) – Underwriting	1/30/2019 2:46 PM	ANITA MORTGAGE--Missing Exhibit(s) For Loan No. 190008	Reply
190008	Missing Exhibits Letter (MEL) – Compliance	1/30/2019 8:58 AM	ANITA MORTGAGE--Missing Exhibit(s) For Loan No. 190008	Reply
190007	ATC First Mortgage Commitment Letter	1/29/2019 2:21 PM	JAMES JIMSON--ATC Loan No: (#190007)_ 1st Mortgage Clean Commitment Letter	Reply
190005	CHFA DAP Commitment Letter	1/14/2019 12:13	DAP TEST2--Loan No: (#190005)_ DAP Mortgage Second Mortgage Commitment Letter	Reply

Entire Pipeline No. of records found - 8

Loan#	Reservation Date	Add. Data Submission	1003 Submission	Paper Package Rec. By CHFA	Borrower	Community	Insurer Type	Status
190011	2/5/2019 1:23 PM	2/5/2019 1:40 PM			IWONA NEWHOUSE	HARTFORD	PMI	Submitted
190010	1/30/2019 2:31 PM	1/30/2019 2:33 PM	1/30/2019 2:38 PM	1/30/2019 2:39 PM	PATTY CAKE	AMITY	PMI	In-Progress



Other Training Opportunities

Please sign up for Bulletins, News and Announcements to receive Training Announcements and check out the Training and Events section of our Website to register for the following CHFA Training Classes:

- ✓ Loan Programs and Reservations
- ✓ Bond Compliance and Homebuyer Education
- ✓ CHFA CALP (Conventional AMI Loan Program)
- ✓ Loan File Submission
- ✓ Calculating Income the CHFA Way
- ✓ www.chfa.org
- ✓ CHFA DAP
- ✓ Closing / Post-Closing
- ✓ CHFA Disclosures and Forms



QUESTIONS?

If you have exhausted all resources including, but not limited to:

Lender's Underwriter, AllRegs /Agency Guidelines
~ and ~

CHFA Online Resources

(CALP FAQ's, Operating Manual, Loan Program Outlines & Underwriting Guides)

Please email:

SFAMinquiry@chfa.org

Counseling Related Questions should be directed to:

counseling@chfa.org

**Questions regarding acceptable AMI calculations should be directed to
Fannie Mae or Freddie Mac**



THANK YOU FOR JOINING US!

Connecticut Housing Finance Authority makes every effort to ensure the quality, content, accuracy and completeness of this information.

Content may be subject to change as result of updates and corrections to the programs and presentations.

CHFA reserves the right to revise and/or alter these training materials at any time.

