



# chfa participating lender announcement 2025-01

April 7, 2025

## summary of changes

The following changes have been made to the CHFA Seller's Guide:

- Change to CHFA HomeAccess<sup>sm</sup> Second Mortgage Loan
- Disclosures No Longer Provided
- Deductible Clarification
- Escrows Managed by Participating Lender

## change to chfa homeaccess second mortgage loan

Borrowers living with a permanent disability or those who are a custodial parent/legal guardian of a child/individual living with a permanent disability may still receive up to \$25,000 in down payment and closing cost assistance (regardless of the first mortgage loan amount) when utilizing a CHFA HomeAccess First Mortgage Loan.

For locks made on or after April 7, 2025, two changes will be implemented:

1. The CHFA HomeAccess Second Mortgage Loan will be replaced with the CHFA Down Payment Assistance (DPA) Second Mortgage Loan. As such, repayment of any down payment and/or closing costs assistance will align with all other CHFA Second Mortgage DPA programs and will be deferred until payoff of the borrower's first mortgage, the sale or refinance of the home, or the home is no longer the borrower's primary residence. Please see [CHFA Form 375: Guide to CHFA Down Payment Assistance \(DPA\) Second Mortgage Loans](#) for more information.
2. The term "CHFA HomeAccess Second Mortgage Loan" will be replaced with "CHFA DPA Second Mortgage Loan" throughout the CHFA Seller's Guide and all materials.

**Effective date:** Changes effective April 7, 2025

## disclosures no longer provided

CHFA will no longer provide Second Mortgage Loan Estimate or Second Mortgage Closing Disclosure forms for use by our Participating Lenders. This includes the following CHFA forms:

- Form 376: Second Mortgage Loan Estimate
- Form 377: Second Mortgage Closing Disclosure
- Form 381: CHFA HomeAccess<sup>sm</sup> Second Mortgage Loan Estimate
- Form 382: CHFA HomeAccess Second Mortgage Closing Disclosure

CHFA will rely on Participating Lenders to determine the required disclosures and disclosure contents under TRID, TILA, and RESPA. Furthermore, all disclosures should be generated through the Participating Lender's system. [Refer to CHFA Form 375: Guide to CHFA Down Payment Assistance \(DPA\) Second Mortgage Loans for more information.](#)



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See Section 704.F for greater details.

**Effective date:** Changes effective April 7, 2025.

## deductible clarification

The maximum deductible allowed by CHFA for all perils coverage is \$5,000. If insurance policy sets separate deductibles (dollar amount or percentage) for wind and hail coverage, policy must meet insurer, guarantor, Fannie Mae or Freddie Mac guidelines.

Blanket or master policies must meet insurer and guarantor guidelines, or Fannie Mae or Freddie Mac guidelines for conventional loans.

See Section 706.C for more information.

**Effective date:** These changes are already in effect.

## escrows managed by participating lender

Closeout requirements for escrow repairs and FHA 203(k) loans must follow applicable insurer/guarantor and Fannie Mae or Freddie Mac guidelines, including providing all required documentation. The Participating Lender is responsible for managing set up, disbursements, and closeout of all 203(k) escrows. CHFA, as required by such guidelines, must receive proof that the repairs have been completed, and CHFA will verify disbursement of funds. The FHA Connection Escrow Closeout Certification will be required for all 203(k) Loans.

See Section 800.C for more information.

**Effective date:** These changes are already in effect.

## miscellaneous updates

- **Various additional technical corrections throughout the Guide.**

**Effective date:** These changes are already in effect.