



chfa participating lender announcement 2023-01

March 16, 2023

summary of changes

The CHFA Seller's Guide was updated to clarify the following topics:

- Homebuyer Education
- Interest Rates
- Loan Flood Certificate
- Disclosures
- Hazard Insurance Policies
- Property Taxes
- Miscellaneous Updates

homebuyer education

CHFA requires all Borrowers and Co-Borrowers to individually complete an online or classroom-based CHFA-approved Homebuyer Education course, provided by a CHFA-approved provider. Borrowers are strongly encouraged to complete this requirement early in the homebuying process. CHFA reserves the right not to purchase or require repurchase if the Homebuyer Education requirement is not in compliance with insurer, guarantor, Fannie Mae, and Freddie Mac requirements, as applicable (See Sections 201.J)

Effective date: These changes are already effective.

interest rates

Interest rates are intended for CHFA's Participating Lenders only. Dissemination and/or publicly posting of CHFA rates is prohibited. (See Section 401)

Effective date: These changes are already effective.

loan flood certificate

Participating Lenders must order a Life of Loan Flood Certificate (Certificate) and transfer the Certificate to CHFA after Purchase. Participating Lenders must ensure the flood determination provider and Certificate meet insurer, guarantor, Fannie Mae, or Freddie Mac requirements and any other legal or regulatory requirements as applicable. A copy of the transfer request must be provided to CHFA. (Section 701.M)

Effective date: These changes are already effective.



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disclosures

CHFA will no longer supply the following forms:

- CHFA Form 335A, Good Faith Estimate
- CHFA Form 335B, HUD-1 Settlement Statement

However, CHFA does provide a Loan Estimate (CHFA Form 376) and Closing Disclosure (CHFA Form 377) on its website as a courtesy for Participating Lenders unable to generate disclosures through their own systems. These forms are made available for our Participating Lenders to use at their own discretion. (Section 703.F)

Effective date: These changes are already effective.

hazard insurance policies

The CHFA First Mortgage Loan must be covered by hazard/homeowners insurance (and flood insurance, if applicable). CHFA Second Mortgage Loans need not be added to insurance policies.

Effective date: These changes are already effective.

property taxes

For any loan closed in the prior year and purchased by CHFA after January 28th, Participating Lenders are responsible at minimum for the payment of the first half of required prior year's property taxes and all prior years' taxes due. If January 28th falls on a weekend, the preceding Friday will serve as the purchased by date.

Effective date: These changes are already effective.

miscellaneous updates

- Various additional technical corrections throughout the Guide.

Effective date: These changes are already in effect.