



chfa participating lender announcement 2022-01

April 4, 2022

summary of changes

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

- Appraisals and Single-unit Approvals
- Interest Rate Buydowns
- Down Payment Assistance
- CHFA HomeAccessSM and CHFA HomeAccess PlusSM
- Loan Delivery
- Late Fees
- Miscellaneous Updates

appraisals and single unit approvals

Any appraisal accompanying a Mortgage Loan must conform, as applicable, to FHA, VA, RD, Fannie Mae, Freddie Mac, and/or Ginnie Mae requirements and guidelines, as well as all other applicable legal and regulatory requirements. (See Sections 105.W and 202.C)

In addition, for FHA-insured loans used to finance a condominium unit, CHFA will accept a Single-unit Approval when applicable and permitted by FHA, including all required supporting documentation. (See Section 203.1)

Effective date: These changes are already effective.

interest rate buydowns

CHFA does not permit a temporary or permanent Interest Rate buydown of a First Mortgage Loan. In addition, discount points are not permitted. (See Section 302.A)

Effective date: These changes are already effective.

down payment assistance

Down payment amounts must be rounded down to the nearest dollar. Down payment assistance may not be used to fund CHFA's Minimum Borrower Financial Contribution, pay off debt, pay for any additional real estate broker or agent fees, fund escrow repairs, or to cover gaps between the appraised value and sales price.

In addition, the CHFA DPA Second Mortgage Loan may not be applied toward the cash down payment calculation to meet the 25 percent VA guaranty requirement. (Section 304)

Effective date: These changes are already in effect.



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chfa homeaccesssm and chfa homeaccess plussm

Numerous changes have been made to the CHFA HomeAccess Programs.

Borrower Eligibility

Borrowers must:

- have a permanent disability; or
- be the custodial parent of, having sole or joint custody, or legal guardian of an individual who has a permanent disability. Any such custodial parent or legal guardian must also, at the time of closing, have the legal right for and intend for the individual with a permanent disability to live in the home purchased using the HomeAccess Loan Program at least 50 percent of the year for the duration of the HomeAccess Loan term.

Income Limits

Income limits and purchase price limits have increased to match those allowed under the CHFA FirstStepsm Programs.

Loan Type

In addition to utilizing an FHA and USDA-RD loan, the programs now allow the use of a VA loan.

Housing Choice Voucher Program

Borrowers receiving tenant-based Housing Assistance Payments (HAP) through the Housing Choice Voucher Program (formerly Section 8) and with the approval from a participating Public Housing Authority (PHA) may use such HAP to qualify for the CHFA HomeAccess Program.

CHFA Minimum Borrower Financial Contribution

All borrowers have a reduced CHFA Minimum Borrower Financial Contribution amount, regardless of selecting an Automatic Payment Program payment option. Refer to the program matrix for amount.

(See Section 308 for change listed above.)

First Payment

CHFA no longer requires qualifying HomeAccess borrowers to submit their first mortgage payment directly to CHFA. However, CHFA will require the first payment if the HomeAccess borrower is utilizing HAP to qualify.

Eighty Percent of Area Median Income (AMI) Premium

Lenders may receive the Eighty Percent of AMI Premium for loans made to qualifying HomeAccess borrowers making less than eighty percent AMI. (Section 708.B.10)

Effective date: These changes are effective for Locks made on or after April 4, 2022.



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loan delivery

The loan delivery period is sixty calendar days from the date of Lock through the Lock Expiration date. Participating Lenders that lock a Mortgage Loan must close the Loan, deliver all required documents to CHFA for review, and have the loan purchased by CHFA prior to Lock Expiration.

All Mortgage Loans should be delivered to CHFA for purchase review within ten calendar days of the closing date at the locked Interest Rate. Additionally, if a Mortgage Loan is not purchased by CHFA prior to Lock Expiration, CHFA may decline to purchase the Mortgage Loan. (See Section 400)

If a loan is within the Lock Period and approaching Lock Expiration, the Participating Lender may request a thirty calendar day extension with the locked Interest Rate for a fee of thirty-five one-hundredths of one percent of the original principal balance (OPB). (Section 405.B)

For those loans that have checked in for CHFA Program Compliance Review, and the Mortgage Loan is not delivered to CHFA prior to the end of the Lock Expiration date, and an Extension has not been requested, CHFA will charge the Participating Lender one quarter of one percent of the OPB for the Loan Delivery Extension, and ten calendar days will be added to the Delivery Period. CHFA will allow a maximum of one 10-day Loan Delivery Extension. (Section 405.C)

Effective date: These changes are already in effect.

late fees

Failure to deliver and make any needed loan document error corrections within one hundred twenty calendar days after Purchase will result in a one hundred fifty dollar Late Fee being charged to the Participating Lender. Such fees are due within fifteen calendar days of assessment. (Section 800.A)

Effective date: These changes are already in effect.

miscellaneous updates

- **Section 402.E and F, Approved Lenders**
Lender approval to offer CHFA HomeAccess and CHFA SectionEight for Homeownership loans will be separate and distinct.
- **Section 407, Lock Changes**
If the Mortgage Loan is not in reserved status, Participating Lenders cannot make changes in HomeConnection. If changes need to be made after the file checks in for review, Participating Lenders can submit CHFA Form 704 by email to chfalockdesk@chfainfo.com.
- **Section 501.A, Document Delivery**



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Lenders must use CHFA's electronic loan Document Delivery System, which can be accessed via HomeConnection. Paper files are not accepted.

- **Section 707.B, Section 707.C, Section 710.B.3, and Section 713**
These sections have been deleted from the Guide, as the information is outdated and not in use.
- **Various additional technical corrections throughout the Guide.**

Effective date: These changes are already in effect.