

chfa home finance program comparison

Intended for: CHFA Participating Lenders only. Information pertains only to listed programs. Complete guidelines are available at chfainfo.com/sellers-guide .	30-year fixed conventional loans		30-year fixed government loans			
	Reserve conventional loans as Fannie Mae or Freddie Mac ®.		All CHFA loans have income limits; cross-reference income limits and program names .			
	CHFA Preferred sm	CHFA Preferred Plus sm	CHFA SmartStep sm	CHFA SmartStep Plus sm	CHFA FirstStep sm	CHFA FirstStep Plus sm
CHFA DPA	None	Second only	None	Grant or Second	None	Second only
LTV/CLTV	97/105	97/105	FHA, VA, USDA-RD guidelines	FHA, VA, USDA-RD guidelines	FHA guidelines	FHA guidelines
Loan Type	Conventional	Conventional	FHA, VA, USDA-RD	FHA, VA, USDA-RD	FHA only	FHA only
Mortgage Insurance	PMI required if LTV > 80 charter-level coverage	PMI required if LTV > 80 charter-level coverage	FHA, VA, USDA-RD guidelines	FHA, VA, USDA-RD guidelines	FHA guidelines	FHA guidelines
Credit Score	620+	620+	620+	620+	620+	620+
AUS	DU Approve/Eligible LPA Accept	DU Approve/Eligible LPA Accept	DU Approve/Eligible LPA Accept, Manual UW	DU Approve/Eligible LPA Accept, Manual UW	DU Approve/Eligible LPA Accept, Manual UW	DU Approve/Eligible LPA Accept, Manual UW
Tax Returns	Most recent 2 years transcripts required; follow AUS for returns	Most recent 2 years transcripts required; follow AUS for returns	Follow AUS and UW requirements	Follow AUS and UW requirements	Most recent tax return or transcript	Most recent tax return or transcript
Income Limits	\$148,120	\$148,120	\$148,120	\$148,120	See website for income limits	See website for income limits
Income Calculation	Borrower credit qualifying	Borrower credit qualifying	Borrower credit qualifying	Borrower credit qualifying	Gross annual income (See #501 Sellers Guide)	Gross annual income (See #501 Sellers Guide)
First-time Homebuyer	Not required	Not required	Not required	Not required	Required*	Required*
Purchase Price Limits	No	No	No	No	Yes	Yes
Review Path	Lock to purchase	Lock to purchase	Lock to purchase	Lock to purchase	Pre-closing compliance review required	Pre-closing compliance review required

*First-time homebuyers, non first-time homebuyers purchasing in a targeted area, and qualified veterans.

lock to purchase

- As of September 1, 2020: No CHFA program compliance review for CHFA Preferred and CHFA SmartStep (all other programs require a CHFA program compliance review)
- Directly deliver these loans for purchase upon closing

Common reasons why CHFA will not purchase a loan:

1. Over CHFA income limit
2. Exceeds CHFA DTI maximums
3. Borrower holds title on more than one residential property (in addition to CHFA property)
4. Decision credit score <620
5. Property: more than 50 acres
6. Property: 2 (or more) units
7. Non-occupying coborrower/co-signor on CHFA loan
8. Total loan amount >\$726,200, including insurance or funding fees
9. Manually underwritten conventional loan
10. Conventional loan with no appraisal (PIW not allowed)
11. Borrower has more than one CHFA loan at time of CHFA Purchase Review

chfa dpa grant vs. dpa second

CHFA DPA Grant

- Up to 3% of total first mortgage loan amount
- Use for down payment, closing costs, and/or prepaids
- Does not impact DTI

CHFA DPA Second Mortgage Loan

- Up to 4% of total first mortgage loan amount
- Use for down payment, closing costs, and/or prepaids
- Does not impact DTI
- No monthly payments, but due at maturity

income calculation

(Refer to Chapter 6, CHFA Seller's Guide)

- CHFA uses borrower's qualifying income, as calculated by the participating lender's underwriter (CHFA FirstStep/FirstStep Plus excluded).
- CHFA uses gross annual income for CHFA FirstStep/FirstStep Plus, which includes income from all borrowers and any spouse or civil union partner who will reside in the residence.

dti, underwriting, and no credit scores

- Maximum debt-to-income (DTI) limits for borrowers on all CHFA Mortgage Loan Programs are:
 - 50% DTI limit with a mid FICO of 620 to 659, and
 - 55% DTI limit with a mid FICO of 660 or above.
- In no event may a loan exceed the lower of CHFA's DTI limit; the DTI limit permitted by FHA, USDA-RD, VA, Fannie Mae, or Freddie Mac; or the DTI limit determined by the Automated Underwriting System (AUS) findings, as applicable.
- Fannie Mae and Freddie Mac loans must receive an Approve/Eligible (DU) or Accept (LPA); no manual underwrites allowed.
- FHA, VA, USDA-RD may be manually underwritten in accordance with respective guidelines as applicable.
- CHFA allows borrowers with no credit scores.

Information intended only to highlight certain CHFA program requirements. Loans must also meet all applicable FHA, VA, USDA-RD, Fannie Mae, or Freddie Mac requirements, as well as Mortgage Purchase Agreement and Seller's Guide requirements.

homebuyer education requirements

- Required for all borrowers; each borrower must take class independently
- CHFA-approved providers only (chfainfo.com/hbe)
- Online, interactive webinar, and in-person options available
- Online: borrower must complete follow-up session via phone
- Certificates good for 12 months prior to purchase contract date
- Certificates issued by provider (not CHFA) upon completion

chfa overlays/requirements: all programs

- Max total loan amount (including insurance or funding fees): Lesser of \$726,200 or limit required by loan type.
- Borrowers may have only one CHFA-financed property at a time.
- A \$1,000 minimum borrower contribution is required (own funds or gift).
- Non-occupying coborrowers and/or co-signers not allowed.
- Only borrowers on CHFA loan may take title.
- The property must be one living unit.
- The property must be owner-occupied as the primary residence.



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