Bulletin # 107
May 27, 2016

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: CHFA Loan Program Outlines and Underwriting Guides Update

The CHFA Single Family Loan Program Outlines and Underwriting Guides Manual has been updated to improve interpretation of several CHFA eligibility and underwriting requirements described in the product overviews.

**HFA Preferred™ 1 Family and FNMA Eligible Condo with Minimum Credit Score of 620:**
DAP is restricted to condominium purchases only for loans with a credit score of 620 and LTV of 95%.

<table>
<thead>
<tr>
<th>HFA Preferred™: 1 Fam Res Property &amp; FNMA Eligible Condo: Minimum Credit Score 620</th>
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<tbody>
<tr>
<td><strong>Program Type</strong></td>
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<td><strong>Property Type</strong></td>
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<tr>
<td><strong>Maximum LTV</strong></td>
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<tr>
<td><strong>Minimum Credit Score</strong></td>
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<td><strong>DU Approval Required</strong></td>
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<td><strong>Manual Underwrite (if applicable)</strong></td>
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<td><strong>Eligible for DAP (Condominiums Only)</strong></td>
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<td><strong>Borrower Contribution Required</strong></td>
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<td><strong>Servicer</strong></td>
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All applicable FNMA, CHFA and Insurer Underwriting Guidelines apply. Manual underwrite must be in compliance with CHFA, Insurer and Investor guidelines.

**Loan Program Qualifying Ratios:**
This section of the product underwriting guidelines has been updated to clarify the maximum housing ratio allowed in compliance with insurer and investor guidelines that CHFA will allow.

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<td>Monthly Housing Expense-to-Income ratios must be in compliance with Private Mortgage Insurance (PMI) and investor (FNMA) guidelines up to a maximum of 45%</td>
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<td>Maximum Total Monthly Debt-to-Income = 45%</td>
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<td>All loans with CHFA DAP must meet CHFA DAP ratio guidelines of 35% / 43% (unless a lower maximum is required for product/property type per Insurer or HFA guidelines)</td>
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Mortgage Insurer guidelines will also apply.

All questions regarding this Bulletin should be directed to Valencia Taft-Jackson at (860) 571-4224 or valencia.taft-jackson@chfa.org or Norbert J. Deslauriers at (860)571-4374 at norbert.deslauriers@chfa.org.