

Purpose	Credit Score	Max LTV	Max CLTV	Max DTI
Purchase	640	97% ¹	105%	45%

¹ The maximum LTV for loan amounts exceeding \$453,100 is 95%.

General	<ul style="list-style-type: none"> Terms Available - 30 Year Fixed Rate Occupancy - Primary Residence only Maximum Loan Amount cannot exceed FNMA Conventional loan limits by county Minimum Loan Amount \$75,000 Maximum Sales Price \$705,000 California Only
Borrower Eligibility	<ul style="list-style-type: none"> Must be a U.S. citizen, permanent resident alien or qualified alien Both first-time and non-first time homebuyers At the time of loan closing, no borrower may have an ownership interest in any residential dwelling per Fannie Mae Guidelines Non-occupant Co-Signers or Co-Borrowers are not permitted Must meet the credit, income (http://www.calhfa.ca.gov/homeownership/limits/#income) and loan requirements of the CalHFA, FNMA and RPF Must meet the income limits http://www.calhfa.ca.gov/homeownership/limits/#income and sales price limits http://www.calhfa.ca.gov/homeownership/limits/salesprice/salesprice.pdf of the program
CalHFA Subordinate Liens - Down Payment and Closing Cost Assistance Programs	<p>MyHome Assistance Program (2nd Lien)</p> <p>The MyHome Assistance Program is a deferred payment, simple interest rate subordinate loan that may only be used with CalHFA first mortgage. The payment is deferred for the life of the first mortgage or until the property is transferred or first mortgage loan is refinanced.</p> <ul style="list-style-type: none"> Must be a First Time Homebuyer to be eligible MyHome maximum loan amount: 3.5% of sales price or appraised value May be used for closing cost and/or down payment assistance MUST be recorded in Second Lien Position <p>CalHFA ZIP (2nd lien without MyHome or 3rd lien with MyHome combined)</p> <p>CalHFA ZIP is a 2nd lien only available with CalPlus and is a silent second loan or 3rd lien when combined with MyHome Assistance. The interest rate is zero percent (0.00%) and the payment(s) are deferred for the life of the first mortgage or until the property is transferred or the first mortgage loan is refinanced. ZIP is to be used for closing costs ONLY.</p> <ul style="list-style-type: none"> Borrowers qualifying under this program must utilize the down payment assistance associated with this program. This is a second lien that will subordinate to the Conventional first mortgage and must be considered "secured borrowed funds." On the loan application, Question H "Is any part of the down payment borrowed" should show as Yes. The maximum ZIP loan amount is up to 3% or 4% of the total CalPLUS FNMA first mortgage loan amount. ZIP may be used for closing costs and/or prepaid items only. Any funds due to the borrower from ZIP financing must be applied to the borrower's principal balance. The ZIP loan combined with a CalPLUS first mortgage is available for <i>first-time homebuyers only</i>. Term matches the term of the first mortgage. Payments on the FNMA ZIP are deferred for the life of the CalPLUS FNMA first mortgage. Repayment of the principal on ZIP shall be due and payable at the earliest of the following events: transfer of title, sale of property or payoff or refinance of the CalPLUS FNMA first mortgage. Optional MyHome Assistance Program (MyHome) subordinate loan for down payment assistance and/or closing cost The ZIP subordinate loan is to be used only for closing costs and cannot be used for down payment assistance. CalHFA will not purchase any ZIP loan or any other associated CalHFA subordinate loan when a lender applies ZIP funds to down payment. This may also result in a repurchase of the first loan from CalHFA's master servicer. In cases where a CalHFA first loan closes at a lower or higher loan amount than is reflected on the CalHFA Notice of Commitment, CalHFA will not purchase the associated subordinate loan(s). This may also result in a repurchase of the first loan from CalHFA's master servicer. In cases where there are excess ZIP funds prior to loan closing, lenders are to lower the ZIP loan amount and re-submit to CalHFA for re-approval. In cases where the loan has closed and there are excess ZIP funds, those funds must be applied as a principal reduction. Borrower may not receive cash back which exceeds the amount of their earnest money deposit.
Homebuyer Education	<ul style="list-style-type: none"> Homebuyer Education is required for one occupying first-time homebuyer Homebuyer Education is not required for non-first-time homebuyer(s) o Refer to http://www.calhfa.ca.gov/ for approved education
Income Limits	<ul style="list-style-type: none"> Refer to http://www.calhfa.ca.gov/ for income limits
Loan Scenario Calculator	<p>Loan Scenario Calculator is required to be submitted with the Underwriting package for ALL CalHFA programs. (http://www.calhfa.ca.gov/calc/scenario.html)</p>
Product Requirement	<ul style="list-style-type: none"> DU Approve/Eligible only. Manual underwrites are not allowed. <ul style="list-style-type: none"> o HFA Preferred must be selected in the Community Lender Product Field. o CalHFA MyHome Assistance Mortgage subordinate loan must be entered as a Community Second. Housing Authority approval required. Loan must be submitted to the agency and approved by them in the required timeframe as outlined in the product profile and on their website. Loan may not proceed to docs or funding without agency approval.
Sales Price Limits	<ul style="list-style-type: none"> The Sales Price of the home cannot exceed CalHFA Sales Price Limits for the county in which the property is located

(continued)

CREDIT			
Credit	<ul style="list-style-type: none"> • Tri-merge credit required. All borrowers with a credit score must meet the minimum representative credit score. • A borrower with no credit score may be eligible as long as an occupant borrower(s) has a credit score that meets the minimum representative credit score requirement subject to AUS and Mortgage Insurance approval • Non-traditional credit is not permitted 		
DTI	Max 45% regardless of the AUS decision or compensating factors		
INCOME			
Age of Documents	60 days for income		
Employment/Income Verification	<ul style="list-style-type: none"> • Follow DU requirements • 3 yr tax returns required to determine Income Eligibility for all first-time homebuyers • IRS transcripts (1040, 1099, W-2, as applicable) are required for each borrower whose income is used to qualify. • When amended tax returns have been filed, tax transcripts are required to support the amended income. • All sources of qualifying income must be legal in accordance with all applicable federal, state and local laws, rules and regulation, without conflict. <p>Day 1 Certainty:</p> <ul style="list-style-type: none"> • For all borrower income that is validated by Desktop Underwriter (DU), CalHFA will now accept the Day 1 Certainty™ vendor “income report” noted on the DU findings, thus eliminating the need for Verification of Employment, paystubs and W2 documentation. • Any borrower income that is not validated by DU must follow current income documentation guidelines • CalHFA continues to require that all sources of income be verified and used for compliance income. <ul style="list-style-type: none"> o Tax return transcripts are still required on all submissions. 		
Family Income <u>Includes</u>	<table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <ul style="list-style-type: none"> • Gross pay • Overtime • Bonuses • Commissions • Part-time employment • Dividends/ Interest • Annuities • Child support payments • Human assistance/services • Income received from Trust or • Business & Investments from all sources (both taxable and nontaxable) including but not limited to earnings </td> <td style="vertical-align: top; width: 50%;"> <ul style="list-style-type: none"> • Pensions • Veterans Administration (VA) compensation • Gross rental or leased income • Deferred income • Welfare payments • Social Security Benefits • Disability payments • Alimony/Spousal Support • Sick Pay • Unemployment Compensation • Any regularly occurring additional income </td> </tr> </table>	<ul style="list-style-type: none"> • Gross pay • Overtime • Bonuses • Commissions • Part-time employment • Dividends/ Interest • Annuities • Child support payments • Human assistance/services • Income received from Trust or • Business & Investments from all sources (both taxable and nontaxable) including but not limited to earnings 	<ul style="list-style-type: none"> • Pensions • Veterans Administration (VA) compensation • Gross rental or leased income • Deferred income • Welfare payments • Social Security Benefits • Disability payments • Alimony/Spousal Support • Sick Pay • Unemployment Compensation • Any regularly occurring additional income
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Family Income <u>Excludes</u>	<ul style="list-style-type: none"> • Gifts – casual, sporadic or irregular • Lump sum additions to household assets, such as inheritances, insurance, settlement, capital gains, student financial assistance, settlements for personal or property losses • Education scholarships paid directly to the student • Foster child care payments, adoption assistance payments if not used to credit qualify for the loan • Income from household members not on title or the loan • Food stamps • Verification of employment and other supporting documentation regarding income such as paycheck stubs should be no more than sixty (60) days old at the time of submission to RPF 		
Income Limits	Refer to http://www.calhfa.ca.gov/ for income limits		
Loan Scenario Calculator	Loan Scenario Calculator is required to be submitted with the Underwriting package for ALL CalHFA programs. (http://www.calhfa.ca.gov/calc/scenario.html)		
PROPERTY			
Appraisal Requirements	<ul style="list-style-type: none"> • Determined by AUS Findings • Appraisal Condition Rating of C5/C6 or a Quality Rating of Q6 is not permitted 		
Disaster Policy	<ul style="list-style-type: none"> • Please refer to the list of affected counties published by FEMA using the following link: http://www.fema.gov/disasters • If FEMA does not identify an area as a disaster, RPF reserves the right to declare an area not identified by FEMA as a disaster. In these cases Lakeview will communicate any declarations. • The Disaster Policy should be followed during an ongoing disaster and up to 90 days from the FEMA declaration date • If the subject property is located in one of the impacted counties and the appraisal was completed prior to the incident period (as defined by FEMA), RPF will require a post disaster inspection confirming the property was not adversely affected by the disaster. • Full appraisals obtained after the incident period need to indicate that the property has not been impacted by the disaster • If the inspection notes the property is uninhabitable, unsound, or the condition of the property has been affected by the disaster, a new full appraisal is required. • The following are acceptable inspection formats: <ul style="list-style-type: none"> o A property inspection report with photo from a licensed inspector o Appraisal Update and/or Completion Report o A substitute appraiser may be used when the original appraiser is not available 		
Eligible Property	<ul style="list-style-type: none"> • 1-Unit SFR (including condominium/PUDs that are Fannie Mae eligible) 		
Ineligible Property	<ul style="list-style-type: none"> • 2-4 Unit Properties • Manufactured Homes • Land Trusts • Properties that have PACE loans • Co-ops • Lot sizes that exceed 5 Acres • Group Homes • Co-Ops 		

CALHFA CalPLUS - Conventional 1st



Amended 9/5/2018

Property Requirements	<ul style="list-style-type: none"> • Accessory units are eligible with certain restrictions. Refer to http://www.calhfa.ca.gov/ for additional requirements. • Must be zoned for Single Family Occupancy • Cannot be zoned for 2-4 units • Must meet investor guidelines and city/county zoning ordinances • If rental income from the ADU is used for credit qualifying, CalHFA will also use the gross rental income for the compliance income calculation • Properties encumbered by Property Assessed Clean Energy (PACE) liens at time of closing are not eligible. 										
MISCELLANEOUS											
Escrow Waivers	<ul style="list-style-type: none"> • Hazard Insurance must be escrowed per CalHFA guidelines • Flood insurance premiums paid by the borrower must be escrowed and cannot be waived regardless of LTV. If flood insurance premiums are paid by a condominium association, homeowner's association or other group, no escrow is required. • Escrow waivers for property taxes are permitted on loans with LTVs less than 90% in accordance with the Fannie Mae Selling Guide, all CalHFA guidelines, and all state guidelines. • Tax and insurance escrows are required on all HPML loans. 										
Mandatory Home Warranty Insurance Coverage	<ul style="list-style-type: none"> • All first-time homebuyer(s) must obtain a one-year home warranty protection policy. • The insurance must cover the following items at a minimum: water heater(s), air conditioning, heating, oven/stove/range. • Home Warranty to be paid through the close of escrow. • Home Warranty must be disclosed on Final Settlement Statement or copy of insurance declaration page required. 										
Mortgage Insurance	<ul style="list-style-type: none"> • Mortgage insurance is only acceptable from Genworth <p>The following MI types are permitted:</p> <ul style="list-style-type: none"> o Borrower paid monthly o Borrower Paid single premium mortgage insurance <ul style="list-style-type: none"> • Financed mortgage insurance premium must be included in the LTV and CLTV <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>LTV</th> <th>Coverage</th> </tr> </thead> <tbody> <tr> <td>95.01-97%</td> <td>18%</td> </tr> <tr> <td>90.01-95%</td> <td>16%</td> </tr> <tr> <td>85.01-90%</td> <td>12%</td> </tr> <tr> <td>80.01-85%</td> <td>6%</td> </tr> </tbody> </table>	LTV	Coverage	95.01-97%	18%	90.01-95%	16%	85.01-90%	12%	80.01-85%	6%
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Sales Concessions/Contributions	<p>Follow Fannie Mae guidelines except for the following:</p> <ul style="list-style-type: none"> o Payment of condominium fees o Personal property o Down payment assistance 										

*Additional standard FNMA and CalHFA guidelines apply.