



June 3, 2024

## summary of changes

The following topics have been made to the CHFA Seller's Guide:

- CHFA FirstGeneration<sup>sm</sup> and CHFA FirstGeneration Plus<sup>sm</sup> Programs
- CHFA HomeAccess<sup>sm</sup> and CHFA HomeAccess Plus<sup>sm</sup> Programs
- Lock Extensions
- Definitions
- Miscellaneous Updates

## chfa firstgeneration<sup>sm</sup> and firstgeneration plus<sup>sm</sup> programs

With CHFA's focus on creating more homeownership opportunities for communities of color and other underserved populations, we've learned that many of these individuals are less familiar with the journey as their parents do not have a history of homeownership. To increase access to homeownership for such communities, CHFA is pleased to introduce the CHFA FirstGeneration<sup>sm</sup> and CHFA FirstGeneration Plus<sup>sm</sup> Programs. (See Section 311)

The CHFA FirstGeneration Programs are home loan programs exclusively for First-generation Homebuyers. Eligible borrowers have access to a CHFA Second Mortgage of up to \$25,000, regardless of first mortgage loan amount.

A First-generation Homebuyer is any borrower who has never owned a home and whose parents or guardians never owned a home during the homebuyer's lifetime. Borrowers who have lived in the foster care system do not need to be First-generation Homebuyers but must have never owned a home. Execution of an Affidavit attesting to meeting the definition is required.

Most other requirements including loan type, income limits and calculations, and review procedures will follow the CHFA FirstStep<sup>sm</sup> requirements. Full details can be found in the CHFA FirstGeneration Matrix.

**Effective date:** These Programs are available June 3, 2024.

## chfa homeaccess<sup>sm</sup> and chfa homeaccess plus<sup>sm</sup> programs

CHFA has made significant programmatic changes to the CHFA HomeAccess<sup>sm</sup> Programs. CHFA HomeAccess Programs are home loans exclusively for borrowers living with a permanent disability or who are a custodial parent or legal guardian of a child or individual living with a permanent disability. Proof of disability is required. (Section 308)

This program has benefits that differ from CHFA's other home loan programs, including, but not limited to:

- CHFA HomeAccess Second Mortgage of up to a maximum of \$25,000 (regardless of loan amount)
  - Zero-percent interest rate with deferred monthly payments
  - A \$200 monthly payment is required beginning month 361 or at the time the first mortgage loan is paid in full



# chfa participating lender announcement 2024-01

- \$500 minimum borrower financial contribution
- New: Statewide income limit regardless of county or household size
  - Only the income utilized for purposes of credit-qualifying the borrower(s) will be required for purposes of determining program eligibility
- New: Borrowers do not need to be First-time Homebuyers and will not be subject to Recapture Tax
- New: Co-signers allowed (See Section 201.L)

See the CHFA HomeAccess Program Matrix for further details.

Lenders will need to opt-in to participate and an eNews will be released with instructions on how to do so.

**Effective date:** These changes are effective June 17, 2024.

## reference to section 8 program replaced with housing choice voucher program

References to “HUD’s Section 8 Housing Assistance Program” have been replaced with “Housing Choice Voucher Program” throughout the Guide. (Section 309)

**Effective date:** These changes are already effective.

## lock extensions

Lenders may now utilize HomeConnection<sup>sm</sup> to extend a Lock in HomeConnection for 10 days, provided such request is submitted by or on the Lock Expiration date and has not moved into a Funding status. Previously, lenders could not extend a Lock unless it was in Reserved status. This provides lenders with more flexibility in making extensions without manually submitting a CHFA Form 704, Change or Cancellation of Lock.

Remember, a 10-Day Lock Extension Fee for 0.125 percent of the Original Principal Balance (OPB) of the First Mortgage Loan will be assessed. Lenders are allowed up to six extensions. (Section 404)

**Effective date:** These changes are already effective.

## definitions

### **First-Generation Homebuyer**

A First-Generation Homebuyer is any Borrower who has never owned a home and whose parents or guardians never owned a home during the homebuyer's lifetime.

Borrowers having lived in the foster care system are eligible regardless of their adoptive family’s homeownership status; however, they must have never owned a home.

### **Housing Choice Voucher**

Payments provided by a Public Housing Authority (PHA) to be used for the purchase of a home.

(See Definitions)



# chfa participating lender announcement 2024-01

**Effective date:** These changes are already effective.

## miscellaneous updates

- **Various additional technical corrections throughout the Guide.**

**Effective date:** These changes are already in effect.