

## theLender – CalHFA Matrix

FHA 203 (b)

### CalHFA:

Transaction	FICO	DTI	Number of Units	Maximum LTV/CLTV
<b>Primary Residence – Purchase</b>				
Approve / Eligible	640	45%	1	96.50% / 105%
	700	50%		
Manual Underwrite	660	43%		
Manufactured Home (A/E Only)	660	45%		

### CalPLUS: First Time Homebuyer Only

Transaction	FICO	DTI	Number of Units	Maximum LTV/CLTV
<b>Primary Residence – Purchase</b>				
Approve / Eligible	640	45%	1	96.50% / 105%
	700	50%		
Manual Underwrite	660	43%		
Manufactured Home (A/E Only)	660	45%		

### CalHFA Second

Transaction	FTHB	HB Education	1 year warranty	Notes
Zero Interest Program (ZIP)*	Yes	Yes	Yes	CalPLUS & CC only**
MyHome Assistance Program	Yes	Yes	Yes	Must be combined with a CalHFA first mortgage
Forgivable Equity Builder	Yes	Yes	N/A	< 80% AMI, No ZIP

\* ZIP Must be used for closing costs and prepaid items only. Any funds due to the borrower from ZIP financing must be applied to ZIP principal reduction.

\*\* If MyHome is used in Conjunction with a CalPLUS<sup>SM</sup> 1<sup>st</sup> then ZIP must be in 3<sup>rd</sup> position

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<b>Upfront Mortgage Insurance Premium (UFMIP)</b>			
All Mortgages: 175 Basis Points (bps) (1.75%) of the Base Loan Amount.			
<b>Mortgage Term of More Than 15 Years</b>			
<b>Base Loan Amount</b>	<b>LTV</b>	<b>MIP (bps)</b>	<b>Duration</b>
Less than or equal to \$625,500	≤ 90.00%	80	11 years
	> 90.00% but ≤ 95.00%	80	Mortgage term
	> 95.00%	85	Mortgage term
Greater than \$625,500	≤ 90.00%	100	11 years
	> 90.00% but ≤ 95.00%	100	Mortgage term
	> 95.00%	105	Mortgage term
<b>Mortgage Term of Less than or Equal to 15 Years</b>			
<b>Base Loan Amount</b>	<b>LTV</b>	<b>MIP (bps)</b>	<b>Duration</b>
Less than or equal to \$625,500	≤ 90.00%	45	11 years
	> 90.00%	70	Mortgage term
Greater than \$625,500	≤ 78.00%	45	11 years
	> 78.00% but ≤ 90.00%	70	11 years
	> 90.00%	95	Mortgage term

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Topic	Guideline
Guidelines	HUD 4000.1 Guidelines: <a href="https://www.hud.gov/program_offices/housing/sfh/handbook_4000-1">https://www.hud.gov/program_offices/housing/sfh/handbook_4000-1</a>
Loan Limits	<b>FHA Mortgage Limits</b> <ul style="list-style-type: none"> <li><a href="https://entp.hud.gov/idapp/html/hicostlook.cfm">https://entp.hud.gov/idapp/html/hicostlook.cfm</a></li> </ul>
Homebuyer Education	Homebuyer education and counseling is required for at least one of the homebuyer. <ul style="list-style-type: none"> <li>Certificates are good for one-year. Homebuyer education and counseling is not required for non-first-time homebuyer(s).</li> <li>Online Homebuyer Education through <a href="#">eHome™</a></li> <li>In Person or Virtual Live Homebuyer Education through <a href="#">NeighborWorks America</a> or through one of the HUD approved Housing Counseling Agencies</li> </ul>
Maximum Loan Amount	<ul style="list-style-type: none"> <li>Per FHA County Limits</li> </ul>
4506 Transcripts	<ul style="list-style-type: none"> <li>Transcripts are required per income documentation type included in the loan file.</li> </ul>
AUS System	<ul style="list-style-type: none"> <li>DU or LPA</li> </ul>
Bankruptcy	<ul style="list-style-type: none"> <li>Per FHA Guidelines</li> </ul>
Borrower Eligibility	Each borrower must: <ul style="list-style-type: none"> <li>Be either a citizen or other National of the United States, or a “Qualified Alien” as defined at 8 U.S.C. § 1641.</li> <li>Meet the credit, income, property and loan requirements detailed in the CalHFA program handbook, as well as CalHFA’s Lender Manual, the first mortgage investor, the CalHFA-approved lender, the mortgage insurer or guarantor and CalHFA’s master servicer’s requirements.</li> <li>Be a first-time homebuyer.</li> </ul>
Building on Own Land	<ul style="list-style-type: none"> <li>Not Allowed</li> </ul>
Compliance	<ul style="list-style-type: none"> <li>The loan file must contain a clear compliance cert on both the 1<sup>st</sup> and 2<sup>nd</sup> mortgages</li> </ul>
Condominium	<ul style="list-style-type: none"> <li>Must be in an FHA HRAP approved project</li> <li>Manufactured homes located in Condominium projects – Not Allowed</li> </ul>
Credit Score	<ul style="list-style-type: none"> <li>Minimum credit score of 640</li> <li>Each borrower must have a minimum of one credit score.</li> </ul>
DACA Borrowers	<ul style="list-style-type: none"> <li>Allowed</li> </ul>
Deed Restrictions	<ul style="list-style-type: none"> <li>Age related restrictions only. All other deed restrictions are ineligible.</li> </ul>
MyHome DPA	DPA Amount: <ul style="list-style-type: none"> <li>Up to 3.5% of the Sales Price or Appraised Value (lesser of).</li> <li>Proceeds may be used for down payment and/or closing costs</li> <li>1% simple interest</li> <li>No cash back to borrower</li> <li>Payments deferred</li> <li>FTHB only</li> </ul>
DTI	<ul style="list-style-type: none"> <li>Per the AUS</li> </ul>
Escrow / Impounds	<ul style="list-style-type: none"> <li>Required: Waivers are not allowed.</li> </ul>
Escrow Holdbacks / Repair Escrows	<ul style="list-style-type: none"> <li>Not Allowed</li> </ul>
Fees	<ul style="list-style-type: none"> <li>3% maximum origination fees</li> </ul>
Gift Funds	<ul style="list-style-type: none"> <li>Cash on hand is not an acceptable source of donor gift funds.</li> </ul>
Geographic Restrictions	<ul style="list-style-type: none"> <li>California Only</li> </ul>
Home Warranty	<ul style="list-style-type: none"> <li>1 year required for FTHBs</li> </ul>
Identity-of-Interest Transactions	An Identity-of-Interest transaction is a sale between parties with an existing business relationship or between family members. <ul style="list-style-type: none"> <li>The maximum LTV percentage for Identity-of-Interest transactions on purchase transactions is limited to 85%.</li> <li>The maximum LTV percentage for a transaction where a tenant-landlord relationship exists at the time of sales contract execution is restricted to 85%.</li> </ul>

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	<p>The 85% LTV restriction may be exceeded if the borrower purchases as their principal residence:</p> <ul style="list-style-type: none"> <li>• The principal residence of another family member; or</li> <li>• A property owned by a family member where the borrower has been a tenant for at least six months immediately predating the sales contract.</li> <li>• An employee of a builder who is not a family member purchases one of the builder’s new houses or models as a principal residence; or</li> <li>• The current tenant purchases the property where the tenant has rented the property for at least six months immediately predating the sales contract.</li> </ul>
<b>Income Limits</b>	<ul style="list-style-type: none"> <li>• <a href="https://www.calhfa.ca.gov/homeownership/limits/income/income.pdf">https://www.calhfa.ca.gov/homeownership/limits/income/income.pdf</a></li> </ul>
<b>Ineligible Programs</b>	<p>The following programs are not eligible:</p> <ul style="list-style-type: none"> <li>• 203(h) Disaster Victims</li> <li>• 203(k) Rehabilitation Program</li> <li>• 235 Refinance of Borrowers in Negative Equity Positions</li> <li>• 247 Hawaiian Homelands</li> <li>• 248 Indian Lands</li> <li>• Energy Efficient Mortgage Program (EEM)</li> <li>• FHA Assumption Program</li> <li>• Good Neighbor/Officer Next Door</li> <li>• Graduated Payment Program</li> <li>• Growing Equity Mortgages</li> <li>• Housing Authority Subsidies</li> <li>• Loans to Non-Profit Organizations</li> <li>• Short Refinances</li> </ul>
<b>Ineligible Properties</b>	<p>The following property types are not eligible:</p> <ul style="list-style-type: none"> <li>• Assisted Living Properties</li> <li>• Bed and Breakfast Establishments</li> <li>• Boarding Houses</li> <li>• Commercial Properties</li> <li>• Condotels, Motels or Hotels</li> <li>• Co-ops</li> <li>• Fraternity or Sorority Houses</li> <li>• Hawaii Properties in Lava Zones 1 and 2</li> <li>• Houseboats</li> <li>• Log or Dome Homes</li> <li>• Mobile Homes</li> <li>• Native American Indian Trust Lands</li> <li>• Newly Constructed Properties Located in Military Airfield Accident Prone Zone 1</li> <li>• Private Clubs</li> <li>• Properties with Condition/Quality Ratings of C5, C6, or Q6</li> <li>• Properties Contaminated by Methamphetamine Production or Use</li> <li>• Properties with More than One Accessory Dwelling</li> <li>• Properties Located within 75 Feet of an Operating/Proposed Gas or Oil Well</li> <li>• Properties Located within 10 Feet of a Pipeline Easement or High-Pressure Gas Line</li> <li>• Properties Located within 300 Feet of Above/Below Ground Stationary Storage Tanks Containing more than 1000 Gallons of Explosive/Flammable Fuel (Includes Gas Stations)</li> <li>• Properties Located in Coastal Barrier Resources Systems (CBRS)</li> <li>• Properties that do not meet FHA MPR/MPS.</li> <li>• Timeshares</li> <li>• Vacation Homes</li> <li>• Working Farms and Ranches</li> </ul>
<b>Land Trusts</b>	<ul style="list-style-type: none"> <li>• Not Eligible</li> </ul>
<b>Manufactured Homes</b>	<ul style="list-style-type: none"> <li>• Eligible</li> </ul>
<b>Manual Underwriting</b>	<ul style="list-style-type: none"> <li>• Allowed</li> </ul>
<b>Mixed Use Properties</b>	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>

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<b>Non-Occupant Co-Borrower</b>	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
<b>Non-Traditional Credit</b>	<ul style="list-style-type: none"> <li>• Not Eligible</li> </ul>
<b>Number of Borrowers</b>	<ul style="list-style-type: none"> <li>• There can be no more than 4 borrowers per loan</li> </ul>
<b>PACE (HERO) Programs</b>	<ul style="list-style-type: none"> <li>• Not Eligible</li> </ul>
<b>Projected Income</b>	<ul style="list-style-type: none"> <li>• Not allowed</li> </ul>
<b>Sales Contracts</b>	<ul style="list-style-type: none"> <li>• Assigned Sales Contracts - Not Allowed</li> </ul>
<b>Section 8 Voucher</b>	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>
<b>Tax Returns</b>	<ul style="list-style-type: none"> <li>• Amended tax returns that increase the borrower’s income – Not Allowed</li> <li>• When the tax return reflects monies are owed to the IRS for the most recent tax year, evidence of payment to the IRS is required.</li> </ul>
<b>Temporary Buy Downs</b>	<ul style="list-style-type: none"> <li>• 2/1 temporary buydown allowed</li> </ul>
<b>Texas 50(a)(6)</b>	<ul style="list-style-type: none"> <li>• Not Allowed</li> </ul>
<b>Unpermitted Additions</b>	<p>Acceptable Unpermitted Property Additions:</p> <ul style="list-style-type: none"> <li>• The addition complies with all FHA guidelines</li> <li>• The addition does not result in a change in the number of units</li> <li>• The appraiser has no reason to believe the addition would not pass inspection for a permit.</li> </ul>