



Announcement 08-17R

CHFA Program Updates - Corrected

Effective immediately, CHFA has released an update to its Seller's Guide and product matrices to include the following:

Summary of Changes

- An increase to the CHFA DPA Grant amount
- Elimination of the Borrower Premium option for purchase loans
- **Introduction of a Very Low Income Program (VLIP)**

Down Payment Assistance Update

The CHFA DPA Grant amount has increased from 3 percent to up to 4 percent of the total first mortgage loan amount. CHFA has also added a zero-percent second mortgage for up to 5% of the total first mortgage loan amount. Both options can be used to assist with the down payment, closing costs and/or prepaids.

Borrower Premium Changes

Borrower Premium options are no longer available for purchase loans. All Borrower Premium options remain available for refinance loans.

Very Low-Income Program (VLIP) for CHFA FHLMC Programs

CHFA is offering a new pricing option for borrowers earning 50% or less of the Area Median Income (AMI) for the county in which they reside. These borrowers can obtain CHFA Preferred, CHFA Preferred Plus, or CHFA Advantage mortgage loan at a lower interest rate than is available for the standard versions of these products.

CHFA's complete announcement can be accessed [here](#).