



Announcement 11-17R

Guideline Updates and Changes

Effective March 10, 2017:

The following areas of Mortgage Solutions' guidelines have been updated. All changes and additions appear in **red**.

DOWN PAYMENT ASSISTANCE PROGRAMS (DPA)

CALIFORNIA HOUSING FINANCE AGENCY (CALHFA)

- For product specific guidance see:
 - [CALHFA Seller's Guide](#)
- Escrow Holdbacks are ineligible
- CALHFA Program Matrix
 - [Conventional Program Matrix](#)
 - [FHA Program Matrix](#)
- CALHFA [Income and Sales Price Limits](#)

Approved Programs

- CALHFA CONVENTIONAL:
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
 - Approved PMI Companies:
 - Genworth Mortgage Insurance Corporation ([Genworth](#))
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
- CALPLUS CONVENTIONAL (USED EXCLUSIVELY WITH ZIP):
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
 - ZIP Interest Rate Disclosure
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible

- Approved PMI Companies:
 - Genworth Mortgage Insurance Corporation (*Genworth*)
- CONVENTIONAL ZERO INTEREST PROGRAM(ZIP)(USED EXCLUSIVELY WITH CALPLUS CONVENTIONAL):
- CALHFA FHA:
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
- CALPLUS FHA(USED EXCLUSIVELY WITH ZIP):
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
 - ZIP Interest Rate Disclosure
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
- FHA ZERO INTEREST PROGRAM(ZIP)(USED EXCLUSIVELY WITH CALPLUS FHA):
- SUBORDINATE MORTGAGES ALLOWED WITH CALHFA FIRST CONVENTIONAL OR FHA
 - MyHome Assistance Program (MyHome)
 - MyHome Seller's Guide
 - Cannot be combined with ECTP
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
 - Extra Credit Teacher Program (ECTP)
 - ECTP Seller's Guide
 - Cannot be combined with MyHome
 - Additional required disclosure
 - CalHFA Borrower Affidavit
 - Tax Return Affidavit
- Compliance Review
 - All files must be submitted to CALHFA for pre-closing compliance review
- Ineligible Properties
 - Manufactured Homes
 - Co-Ops
 - Land Trusts
 - Construction to Permanent Financing Loans
- Maximum Acreage
 - Lot size cannot exceed 5 acres
- Origination Source
 - Retail only

Wholesale & Correspondent are ineligible

COLORADO HOUSING & FINANCE AUTHORITY (CHFA)

Approved Programs

- ADVANTAGE:
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible

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- Loan Prospector Advisor accept findings only
 - Freddie Mac HFA only
 - Manual underwriting ineligible
- PREFERRED & PREFERRED PLUS:
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
 - Loan Prospector Advisor accept findings only
 - Freddie Mac HFA only
 - Manual underwriting ineligible

TENNESSEE HOUSING DEVELOPMENT AGENCY (THDA)

Approved Programs

- HARDEST HIT FUND
 - Must close with Great Choice first mortgage loan
 - Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible

GOLDEN STATE FINANCE AUTHORITY (GSFA PLATINUM) DOWN PAYMENT ASSISTANCE PROGRAM

- For product specific guidance see:
 - [GSFA Program Guidelines](#)
- 203k loans are ineligible
- USDA loans
- Automated Underwriting System (AUS)
 - DU Approve/Eligible findings only
 - Manual underwriting ineligible
 - Loan Prospector Advisor findings only allowed on Freddie HFA Advantage
 - LPA Accept required
 - Manual underwriting ineligible
- Ineligible Program
 - GSFA MCC
- Ineligible Properties
 - Manufactured Homes
 - Co-Ops
 - Land Trusts
 - Construction to Permanent Financing Loans
- Origination Source
 - Retail only
 - Wholesale & Correspondent are ineligible
- Private Mortgage Insurance Requirements
 - Private Mortgage Insurance (PMI) required on all loans over 80% LTV
 - Approved PMI Companies:
 - Mortgage Guaranty Insurance Corporation ([MGIC](#))
 - National Mortgage Insurance Corporation ([NationalMI](#))
 - Genworth Mortgage Insurance Corporation ([Genworth](#))
 - United Guaranty Residential Insurance Company ([UGI](#))
 - Radian Guaranty Inc. ([Radian](#))
 - PMI may not be provided by any entities deemed ineligible by Freddie Mac
 - Loan file must be submitted to PMI company for underwriting

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- If using United Guaranty Residential Insurance Company
- Participating Lender must comply with PMI company overlays
- Only Borrower-paid monthly PMI allowed
- Split PMI is ineligible
 - With National Mortgage Insurance Corporation
- Mortgage Solutions allows reduced private mortgage insurance coverage as indicated in the table below:

REDUCED PMI FOR GSFA PROGRAM	
LTV	%
95.01-97%	18%
90.01-95%	16%
85.01-90%	12%
80.01-85%	6%