



# WHOLESALE BULLETIN

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## 19W-005

Attention: Business Development Managers & Mortgage Brokers

January 14, 2019

Please take a moment to read the important information contained in this bulletin.

Included in this Bulletin: **CalHFA Changes to Income Calculation, Non-Occupant Co-signers and Borrower Affidavit**

Effective for loans locked on and after February 1, 2019, CalHFA is making the following revisions:

**CalHFA Income Calculation:** For all CalHFA loan programs, CalHFA will use the lender's credit qualifying income, calculated per GSE and FHA, for CalHFA's income limits. To validate the income calculation used, CalHFA will need the final AUS and:

- FHA: 92900-LT with Chums# and income calculation breakdown
- Conventional: 1008 with income calculation breakdown

This change does not affect the income calculation method for CalHFA's Mortgage Credit Certificate (MCC) program, nor the fact that an MCC cannot be used for qualifying purposes when used in conjunction with a CalHFA first mortgage.

See the new [CalHFA Loan Submission Checklist](#) for a complete list of items to be uploaded.

**Non-Occupant Co-Signors:** CalHFA will no longer allow non-occupant co-signors on FHA loans. The allowance of non-occupant co-signors on Conventional loans was previously eliminated. Non-occupant co-signors and non-occupant co-borrowers are not allowed on any CalHFA loan.

**New Borrower's Affidavit:** CalHFA has introduced a new [Borrower Affidavit and Certification](#), which includes the borrower self-certifying that they are a first-time homebuyer as defined below:

*"Applicant certifies that no applicant above has had an ownership interest in any occupied primary residence during the previous three years or has lived with a spouse who has/had an ownership interest in a primary residence during the previous three years, unless the applicant has been affected by a Major Disaster in California as declared by FEMA."*

See CalHFA Program Bulletins [2019-01](#) and [2019-02](#) for complete program details.

Author: Strategic Products