

CalHFA Loans MWF Wholesale Brokers

Introduction to CalHFA

To create and finance progressive housing solutions so more Californians have a place to call home.

- State of CA agency
- CalHFA Approved Wholesale Lender
 - Mountain West Financial
- Self-Sustaining

Program parameters pertain to the housing agency's guidelines as of the revision date. Program guidelines should be confirmed with the MWF program matrix & overview and CalHFA's website prior to loan submission to ensure the use of the most current parameters. When combined with any program, the stricter underwriting guidelines will always prevail.

Borrower Eligibility

- First-Time Homebuyers: CalPlus, ZIP, MyHome
- Non Occupant Co-Borrowers not allowed
- Non Occupant Co-Signers allowed on FHA only
- Income Limits Apply Moderate Income
 - Based on County
 - Only calculate income of borrower(s) on the loan

Borrower Eligibility

- Minimum Credit Score 660 FHA
- Minimum Credit Score 680 Conventional
 - 660 Manual Underwrite - FHA Only
 - 660 for Standard Manufactured - FHA
 - 680 for Standard and MH Advantage Manufactured – Conventional
 - Mid-score of lowest scoring borrower is used.
- 43.00% Max DTI for all loan types, including manual underwriting (Manual UW allowed on FHA only)

First-Time Homebuyer Definition

- No ownership interest in their primary residence in the past three years
 - Community Property
 - Mortgage Interest
 - Mobile Homes

Qualifying Income Limit

CalHFA Uses Lender Qualifying Income

- Determines DTI
- Follow FHA/Fannie Mae guidelines for calculation

CalHFA Income Limit

- Determines if they meet CalHFA income limit requirements
- Follow CalHFA guidelines for calculation

*CalHFA does not allow any agency's MCC to be used for underwriting purposes with a CalHFA 1st mortgage

CalHFA Income Documentation

- Verification of Employment (VOE)
 - Written or verbal with start date
- Paystub(s)
- W-2(s) – most current year for all sources
- YTD P&L signed by the self-employed borrower

Max First Mortgage Loan Amount

- Conventional: Cannot exceed Fannie Mae HB loan limits.
- FHA: Cannot exceed FHA loan limits (excluding UFMIP).
- Loan amounts exceeding \$510,400 will be subject to a high-balance fee
 - Varies daily/see rate sheet
- Max Purchase Price: \$705,000
- Effective **6-1-2020**: Sales price limit is eliminated

Homebuyer Education

Face-to-Face* OR online course required for one occupying first-time homebuyer:

- Online 8 Hour Course
 - eHome
 - CalHFA Link (\$99 Fee*):
https://calhfa.ehomeamerica.org/sponsor_user/sponsor_main)
- Face-to-Face 8 Hour Course
 - NeighborWorks America
 - HUD Approved Housing Counseling Agency
 - *Contact HBE provider for options and pricing during the Covid-19 pandemic

Property Eligibility

- Sales Price Limits (eliminated as of **6-1-2020**)
- 1-unit Single Family Residence and Condos in CA
- Manufactured Homes (Permanent Foundation)
- Owner Occupied Only
- 1 Year Home Warranty
 - Except New Construction and Non First-Time Homebuyers
- 5 Acre Maximum

Owner Occupied Only

- Borrower intends to occupy the property as their primary residence
- Borrower has to occupy within 60 days
- Not allowed on title or vesting
 - Non purchasing spouse
 - Co-Signer

CalPLUS Programs

FHA

- 96.5% LTV / 105% CLTV

Conventional

- 97% LTV/ 105% CLTV (includes condos)
 - Max 95% LTV for High Balance
 - HFA Preferred Program:
 - Lowest MI Coverage
 - 18% for 97% LTV
 - 16% for 95% LTV
 - Single Premium, Monthly and Split Premium Options

Zero Interest Program (ZIP)

- 2% or 3% of the first mortgage loan amount
- Zero Interest
- Deferred Payments
- Closing Costs Only
- Lien Position
 - 2nd lien ahead of any non-CalHFA Community Second Program (CSP)
 - 3rd lien behind CalHFA MyHome Program

MyHome Assistance Program (MyHome)

- Loan Amount is the lesser of the sales price/appraised value and...
 - FHA: Lesser of 3.50% or \$10,000*
 - Conventional: Lesser of 3.00% or \$10,000*
- Deferred Payments
- 2.50% Simple Interest
- Used for down payment and/or closing costs
- Must be combined with a CalHFA 1st Mortgage
- Must be in 2nd lien position

MyHome Assistance

\$10,000 cap exceptions

- The following will not be subject to the \$10,000 cap:
 - School employees - teachers, administrators, school district employees and staff of a California public school (pre-K-12), public school district, charter, county and continuation schools
 - Firefighters – firefighters, administrators, other federal local and tribal department employees
 - Manufactured housing with ADUs

Scenario

CalPLUS Conventional	
Purchase Price	\$400,000
LTV 97.00%	\$387,981
MyHome (2 nd)	\$14,000
ZIP (3 rd)	\$15,519
CLTV 104.37%	\$417,500
Closing Cost (4.375%)	\$17,500
Total Due	\$0

CalPLUS FHA	
Purchase Price	\$400,000
LTV 96.50%	\$386,000
MyHome (2 nd)	\$14,000
ZIP (3 rd)	\$15,710
CLTV 103.92%	\$422,465 (w/UFMIP)
Closing Cost (4.375%)	\$17,500
Total Due	\$1,790

Training Classes

- In-Person Classes-*Not available during Covid-19 pandemic*
 - Detailed
 - 4 Hours
 - Specific Dates & Times
- On Demand Webinars
 - Overview of Programs
 - Available 24-7
- Broker Certification required by Mountain West Financial, Inc.

Free CalHFA Leads

Where do the leads come from?

- 1-877-9CalHFA
- www.calhfa.ca.gov

Requirements

- Preferred LO list updated every 6 months-January and June
- Must close 6 CalHFA First Mortgage loans every six months
- Proof of CalHFA Classroom Training is required- *Not available during Covid-19 pandemic*

CalHFA/MWF Allowable Fees

- Origination Fees: Lesser of 2.50% or the Broker's existing comp plan
- Borrower Paid Origination Only
- MWF Underwriting Fee: \$995
- No other lender/broker fees, including processing, may be charged
- Third party fees are allowed
- Combined Broker and Lender fees may not exceed the greater of 3% of the loan amount or \$3,000

CalHFA Loan Reservation Process

- Ensure First Time Buyer Indicator is checked if FTHB
- Set the PMI Indicator in BOLT to “Borrower Paid Monthly”
 - This will ensure the conventional loan programs show up in the results. If Borrower Paid is not selected, ONLY FHA loan products will appear.

Other Information

Loan Originator is Paid By Lender Borrower

Lender Fee Buyout Requested? [explain](#)

Expected AUS Response [explain](#)

Number of Financed Properties [explain](#)

Prior Sales Date [explain](#)

Conv Loan PMI Type [explain](#)

Is UFMIP/FF Financed? Yes No

Override Auto-Calculated UFMIP/FF? Yes No

FHA UFMIP VA Funding Fee

Loan Interest Rate Locking

- Loans must be approved by Underwriting prior to locking
- Once a loan is approved, the broker can request it to be locked
- All locks will be issued for 30 days only
- Locks for subordinate liens will have the same expiration date as the corresponding 1st lien, regardless of when they are locked



Loan Scenario Calculator For example only

<https://www.calhfa.ca.gov/calc/scenario.html>

Loan Scenario Calculator

Use this calculator to compare CalHFA loans. This tool is intended for loan officers and lending partners. If you are a homebuyer, please have your loan officer walk through this with you. This tool is for estimation purposes only. Final loan figures may be different.

Best viewed in IE9 or higher, Chrome, Firefox or Safari. Asterisk (*) denotes required field.

Reset

First-Time Homebuyer? Yes No

Is the Borrower a **School District** or **Fire Department** Employee? Yes No

County:*

Riverside County

Purchase Price: *

\$300,000.00

Credit Score:*

680

Property Type:*

Single-Family

Closing Costs:*

\$3,000.00

Include All Title/Escrow/Lender Fees, Prepaids, etc:

Optional Fields:

Seller Concessions: **Pennies Removed**

\$0.00

Gifts, Grants, or Borrower's Monies: **Pennies Removed**

\$0.00

Non-CalHFA Subordinate Financing Amount: **Pennies Removed**

\$0.00

Target LTV:

%

Loan Scenario Calculator Results For example only

Scenario 1

Loan Program: *

CalPLUS FHA w/ZIP 3%

CalHFA Subordinate Loan: *

MyHome

Interest Rate: *

3.25%

Find Current Rates

High Balance Fee:

%

MI Type:*

FHA

Submit

ZIP funds can only apply to closing costs.

RESULTS

	Scenario 1	Add Scenario 2
Program Name	CalPLUS FHA w/ZIP 3%	
Base First Loan Amount	\$289,500.00	
Upfront FHA/MI Premium/VA Funding Fee	\$5,066.25	
High Balance Fee		
Total First Loan Amount	\$294,566.00	
MyHome Program Amount	\$10,000.00	
ZIP Loan Amount	\$8,836.00	
ZIP Loan Amount Applying To Closing Cost	\$3,000.00	
ZIP Loan Amount Applying to Principal Reduction	\$5,836.00	
Total Financing From CalHFA	\$313,402.00	
Loan LTV	96.5% LTV	
Loan CLTV	102.77% CLTV	
Borrower Estimated Contribution	\$500.25	
<i>Amount in addition to any borrower contribution above</i>		
Monthly P&I Payment	\$1,281.97	
Estimated Monthly Property Taxes	\$312.50	
Estimated Monthly Hazard Insurance Payments	\$75.00	
Estimated Monthly Mortgage Insurance Premium	\$205.06	
Total Estimated Monthly Payments	\$1,874.53	
Add Other Monthly Amounts		

MWF BOLT Resources

CALHFA PROGRAMS MATRIX

WHOLESALE



This information is not intended or authorized for consumer use. Credit and collateral are subject to approval. Terms and conditions may apply. This is not a commitment to lend.

Loan Eligibility Requirements

Product Code	CF30CAL - CONF FIXED 30YR CALHFA CF30CAPLZ2 - CONF FIXED 30YR CALHFA PLUS ZIP 2.0% CF30CAPLZ3 - CONF FIXED 30YR CALHFA PLUS ZIP 3.0% FF30CALHFA - FHA FIXED 30YR CALHFA FF30CAPLZ20 - FHA FIXED 30YR CALHFA PLUS ZIP 2.0% FF30CAPLZ30 - FHA FIXED 30YR CALHFA PLUS ZIP 3.0%				CHZIP2 - CALHFA ZIP 2ND 2.0% CHZIP3 - CALHFA ZIP 2ND 3.0% MYHOME-F - CALHFA MYHOME 2 ND MYHOME-C - CALHFA MYHOME 2 ND				
Loan Type	Property Type	Occupancy	Purpose	Max Sales Price	Max Loan	Max LTV/CLTV	Min FICO Score	Max DTI Ratio	Max Assistance
CONV	1 Unit / Condos Fannie Mae Standard Manufactured	Owner Occupied	Purchase only	By County, max \$795,000 Effective 6-1-2020 the CalHFA sales price limits will be eliminated	HB Limits	97%/105% HB 95%/105% Manufactured 95%/105%	Conv. Standard Rate & Manufactured: 680 Conv. LI Rate: 660	43%	2.0% or 3.0% ZIP on PLUS product codes AND 3.0% MyHome
FHA	1 Unit / Condos/Manufactured	Owner Occupied	Purchase only		FHA Limits	96.5%/105%	FHA & Manual Underwrite: 660 660 for Standard* Manufactured Homes	43% FHA standard and manual underwriting	2.0% or 3.0% ZIP on PLUS product codes AND 3.50% MyHome

* MH Advantage not available for FHA

Ask!



Ask!

• *Not sure? We are here to help! Please contact your AE or PC for questions not addressed here.*

We want a clean and quick closing for you and your CalHFA borrower and we are here to help. If you are not sure about a condition or information provided, please contact your BDM or AE! We are friendly, helpful, and waiting for your call.

Test Time!

- <https://www.classmarker.com/online-test/start/?quiz=bmt575a11741af59>
- MWF certification required prior to loan submission
- To pass you must score 75% or higher
- Results will be emailed to you
- Submit loans, easy as 1, 2, 3!

Thank you!!