



March 27, 2020

chfa is fully operational

CHFA's Home Finance team is fully operational and continues to purchase loans daily. We are working diligently to meet your needs and the needs of your customers. In recognition of different factors influencing business in this environment, CHFA is releasing the following temporary guidance to assist you as much as possible.

Please read below on the following procedural changes:

1. [chfa firststepsm programs: notarization not required on chfa form 401: initial applicant affidavit](#)
2. [income tax returns](#)
3. [fannie mae and freddie mac[®] temporary guidelines](#)
4. [chfa fees](#)

1. chfa firststepsm programs: notarization not required on CHFA Form 401: Initial Applicant Affidavit

CHFA will no longer require that *CHFA Form 401: Initial Applicant Affidavit* be notarized. CHFA will accept *CHFA Form 401: Initial Applicant Affidavit* submitted without a notary's stamp and signature.

Please note, this only applies to the Initial Applicant Affidavit. *CHFA Form 402: Final Applicant Affidavit* will still require a notarization.

Both forms still require the borrower's signature, which must be an original, wet signature.

These affidavits are required when originating a CHFA FirstStepsm Mortgage Loan. Updated forms are available in [HomeConnectionsm](#) and on our [website](#).

2. income tax returns

The IRS has extended the deadline to file 2019 tax returns to July 15, 2020. Until that time, CHFA will accept a borrower's most recently filed tax return, be it their 2018 or 2019 tax return. A full transcript of the borrower's tax return is acceptable.

You may not submit the following in lieu of a 2018 or 2019 tax return:

- an older tax return,
- a filing extension, or
- a W-2 paired with a wage income transcript.

A 2019 tax return will be required for loans locked on or after July 15, 2020.

Reminder:

- Prior year tax returns **are required** for all borrowers utilizing the CHFA FirstStepsm Programs.
- Tax returns are **not** required for the CHFA SmartStepsm and CHFA Preferredsm Programs **unless required** by the applicable Automated Underwriting System (AUS) findings or underwriting guidelines.

3. fannie mae and freddie mac® guidelines

Excluding Property Inspection Waivers (PIW), CHFA is aligning with the temporary flexibilities relating to appraisals and verbal verifications of employment, as well as other changes, announced on March 23, 2020, by [Fannie Mae](#) and [Freddie Mac®](#).

4. chfa fees

CHFA understands many transactions are facing delays in closings and recordings. CHFA is offering the following temporary options to assist:

- If a loan is within the original 60-day Lock Period, Participating Lenders may request a one-time waiver of the 30-day extension fee. This allows our Participating Lenders to keep the locked Interest Rate for an additional 30 days from the original expiration date. Please email the CHFALockDesk@chfainfo.com to request this waiver. Such requests must be submitted to CHFA by April 17, 2020. Requests will not be considered after this date.
- Should a Participating Lender not be able to timely obtain a recorded Deed of Trust or a Title Policy, and those are the only two documents missing from the Final Documents Package, CHFA will not assess the Late Delivery Fee of \$150. Please remember, CHFA requires the Final Documents Package be delivered within 120 days of closing.

Please [contact us](#) with any questions.

CHFA Home Finance

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