

CalHFA GOVERNMENT ELIGIBILITY MATRIX								
First Mortgage Programs <sup>1</sup>								
Program Name	Max Loan Amount <sup>2</sup>	Loan Type	Property Type	AUS Requirement	Max LTV/CLTV <sup>2</sup>	Min Credit Score	Max DTI	Subordinate Options
CalHFA FHA Program	FHA County Loan Limits	203b	SFR and Condos	DU Approve/Eligible or LPA Accept	96.5%/105%	640	45%	MyHome required, FHA Approved Seconds optional
			SFR and Condos	Manual Underwriting		660	43%	
			Manufactured Homes	DU Approve/Eligible or LPA Accept	96.5%/105%	660	45%	
CalPLUS FHA Program	FHA County Loan Limits	203b	SFR and Condos	DU Approve/Eligible or LPA Accept	96.5%/105%	640	45%	ZIP required, MyHome, FHA Approved Seconds optional
			SFR and Condos	Manual Underwriting		660	43%	
			Manufactured Homes	DU Approve/Eligible or LPA Accept	96.5%/105%	660	45%	

<sup>1</sup> Each borrower must be a first time homebuyer

<sup>2</sup>First mortgages in which the total loan amount exceeds \$766,550 are considered High Balance Loans. See rate sheet for pricing and fees.

Subordinate Programs					
Program Name	Max Loan Amount	Interest Rate	Loan Proceeds Purpose	First Mortgage Options	Lien Position
MyHome Assistance Program	FHA = 3.5%   VA = 3% of appraised value or sales price, whichever is less	1%	Down Payment and Closing Costs Assistance	Must be combined with CalHFA FHA or CalHFA VA 1 <sup>st</sup> mortgage, CalPLUS FHA optional	2nd
Zero Interest Program (ZIP)	2% or 3% of the first (base) mortgage loan amount	0%	Closing Costs Assistance only	CalPLUS FHA 1 <sup>st</sup> Mortgage required	2nd, 3rd when combined with MyHome

Loan Limits			
1 UNIT	FHA LOW-COST AREA	HIGH-COST AREA FHA FORWARD/FNMA/FHLMC	<a href="#">2024 FHA MORTGAGE LIMITS COUNTY LOOKUP</a>
	\$498,257	\$1,149,825	

TOPIC	OVERLAY
BASIC GUIDELINES	<p>Items in this matrix apply to CalHFA Government loan programs. Refer to <a href="#">CalHFA Government Loan Programs Handbook</a> and <a href="#">FHA Single Family Housing Policy Handbook 4000.1</a> for additional guidance.</p> <p>Information in this matrix is subject to change without notice.</p>
Amended Tax Returns	<p>Accepted for the following amendment reasons:</p> <ul style="list-style-type: none"> <li>• Amended for clerical items only (i.e. modifying a prior ITIN number to a newly issued SSN)</li> <li>• Amended for income-related items, under the following conditions:               <ul style="list-style-type: none"> <li>▪ Amended at least sixty (60) days before mortgage application taken</li> <li>▪ Amendment shows on transcripts (stamped returns not acceptable)</li> <li>▪ Documentation supplied to support the increase, including but not limited to:                   <ul style="list-style-type: none"> <li>▪ 1099 or W2 showing missed/updated income</li> <li>▪ Canceled checks or bank statements showing missed/updated rental income</li> </ul> </li> </ul> </li> </ul>
Appraisal	<ul style="list-style-type: none"> <li>• Full appraisal from a certified appraiser required</li> </ul>
Assets	<ul style="list-style-type: none"> <li>• Bank Statements must show account activity for a full two (2) month period.               <ul style="list-style-type: none"> <li>○ Follow AUS requirements for all loans approved by DU or LPA</li> </ul> </li> <li>• Internet Statements, obtained from financial institution’s website, must contain same information found on a standard bank statement</li> <li>• VOD as stand-alone document not permitted unless obtained from a Third-Party Vendor</li> </ul>
AUS	<ul style="list-style-type: none"> <li>• <b>Automated Underwriting (AUS) parameters:</b> <ul style="list-style-type: none"> <li>○ Fannie Mae Desktop Underwriter (DU) with Approve/Eligible or Freddie Mac Loan Prospector Advisor (LPA) with Accept recommendation required</li> <li>○ FHA Scorecard option must be used for all FHA loans</li> <li>○ Manual downgrades not permitted</li> </ul> </li> <li>• <b>Manual Underwriting permitted, subject to the following:</b> <ul style="list-style-type: none"> <li>○ Must meet FHA requirements, the overall insurability and/or eligibility of the loan may not be affected</li> <li>○ Allowed when the loan receives a Refer/Eligible recommendation</li> <li>○ Borrowers without a credit score are not permitted</li> <li>○ Loans that receive an Approve/Eligible or Accept but require a downgrade due to additional information not measured in the AUS decision allowed</li> <li>○ 43% maximum DTI</li> <li>○ 660 minimum FICO</li> <li>○ Not permitted on Manufactured Homes</li> </ul> </li> </ul>
Borrower Requirements	<ul style="list-style-type: none"> <li>• Each borrower must be a first-time homebuyer</li> </ul>

TOPIC	OVERLAY
	<ul style="list-style-type: none"> <li>○ First-time homebuyer defined as a borrower who has not had an ownership interest in any principal residence, or resided in the home owned by a spouse during the previous three years</li> <li>● US Citizen or other National of United States, or a Qualified Alien allowed</li> <li>● All borrowers must occupy the property as a primary residence within 60 days of closing</li> </ul>
Condominiums	<ul style="list-style-type: none"> <li>● Single Unit condominium project approval process is not allowed on FHA loans</li> <li>● Leasehold not permitted</li> <li>● Minimum square footage: 400 Sq Ft</li> </ul>
Credit	<ul style="list-style-type: none"> <li>● Non-traditional credit is not permitted</li> <li>● All borrowers must meet the minimum representative credit score requirement. The middle score of the lowest-scoring borrower must be used to determine eligibility.</li> <li>● Borrowers whose only credit history is built from Authorized User Accounts are not eligible</li> </ul>
Custodial Account	<ul style="list-style-type: none"> <li>● An account in a minor's name where the borrower is named only as custodian of the funds is not eligible for use as closing costs, down payment, or reserves</li> </ul>
Debt-to-Income Ratio (DTI)	<ul style="list-style-type: none"> <li>● <b>Automated Underwriting:</b> <ul style="list-style-type: none"> <li>○ Maximum DTI is 50% regardless of AUS recommendation for borrower with credit scores <math>\geq 700</math></li> <li>○ Maximum DTI is 45% regardless of AUS recommendation for credit scores between 640-699 and/or manufactured homes <ul style="list-style-type: none"> <li>▪ Manufactured homes not permitted on VA loans</li> </ul> </li> </ul> </li> <li>● <b>Manual Underwriting, permitted, subject to the following:</b> <ul style="list-style-type: none"> <li>○ Maximum 43% DTI</li> <li>○ Minimum 660 FICO</li> <li>○ Per FHA Guidelines, compensating factors required if ratios are <math>&gt; 31/43\%</math> <ul style="list-style-type: none"> <li>▪ FICO <math>\geq 660</math>: 37/43% - <b>ONE</b> of the following is required: <ul style="list-style-type: none"> <li>◆ Verified and documented cash reserves, or</li> <li>◆ Minimal increase in housing payment, or</li> <li>◆ Residual income</li> </ul> </li> <li>▪ FICO <math>\geq 660</math> 40/40% <ul style="list-style-type: none"> <li>◆ No discretionary debt</li> </ul> </li> <li>▪ FICO <math>\geq 660</math>: 40/43% - <b>TWO</b> of the following are required <ul style="list-style-type: none"> <li>◆ Verified and documented cash reserves</li> <li>◆ Minimal increase in housing payment</li> <li>◆ Significant income not reflected in effective income; and/or</li> <li>◆ Residual income</li> </ul> </li> </ul> </li> </ul> </li> </ul>

TOPIC	OVERLAY
Electronic Signatures/eSigning	<ul style="list-style-type: none"> <li>• eSigning is allowed for most documents.</li> <li>• eSigning is not allowed for items below: (or any Loans with POA)               <ul style="list-style-type: none"> <li>○ Note</li> <li>○ Note Rider(s)</li> <li>○ Notice of Right to Cancel</li> <li>○ Security Instrument</li> <li>○ Security Instrument Rider(s)</li> <li>○ COVID-19 Temporary Attestation</li> </ul> </li> </ul>
Eligible Property Type	<ul style="list-style-type: none"> <li>• Must be in the state of California</li> <li>• One-unit primary single family residence (SFR) and planned unit development (PUD)</li> <li>• Accessory Dwelling Unit (ADU), guest houses, ‘granny’ units and ‘in-law’ units are eligible as follows:               <ul style="list-style-type: none"> <li>○ Property must be defined as a one-unit property</li> <li>○ Multiple ADUs not permitted</li> <li>○ Must meet city/county zoning ordinances</li> <li>○ If rental income from ADU is used for credit qualifying, CalHFA will also use gross rental income when determining borrowers’ compliance income for program eligibility</li> </ul> </li> <li>• Condominiums (see <a href="#">Condominiums</a> section above)</li> <li>• Manufactured Homes (see <a href="#">Manufactured Homes</a> section below)</li> <li>• Properties must meet requirements of California Health and Safety Code</li> </ul>
Eligible States	<ul style="list-style-type: none"> <li>• California only</li> </ul>
Escrow Account	<ul style="list-style-type: none"> <li>• Escrow Account required; no escrow waiver allowed</li> </ul>
Escrow Holdbacks	<ul style="list-style-type: none"> <li>• Not permitted</li> </ul>
Exclusionary List	<ul style="list-style-type: none"> <li>• OCMBC will validate that parties involved in the transaction have not been excluded from the program</li> </ul>
Family-Owned Business	<ul style="list-style-type: none"> <li>• Two years tax returns are required regardless of AUS recommendation</li> </ul>
Homebuyer Education	<ul style="list-style-type: none"> <li>• Homebuyer education is mandatory and must be completed by at least one borrower</li> <li>• Course completion required prior to closing</li> <li>• Homebuyer Education course must be completed with one of the following:               <ul style="list-style-type: none"> <li>○ Online Homebuyer Education through <a href="#">eHome™</a></li> <li>○ In Person or Virtual Live Homebuyer Education through <a href="#">NeighborWorks America</a> or through a <a href="#">HUD approved Housing Counseling Agency</a></li> </ul> </li> <li>• Completion certificates are good for one year</li> </ul>

TOPIC	OVERLAY
Home Warranty Insurance Coverage (Mandatory)	<ul style="list-style-type: none"> <li>• One-year home warranty protection policy is required               <ul style="list-style-type: none"> <li>◦ Exceptions – purchasing a new construction property</li> </ul> </li> <li>• Policy must cover at a minimum               <ul style="list-style-type: none"> <li>◦ Water heater(s), air conditioning, heating, oven/stove/range</li> </ul> </li> <li>• Home Warranty must be disclosed on Initial and Final Closing Disclosure or a copy of insurance declaration page will be required</li> </ul>
Income Limits	<ul style="list-style-type: none"> <li>• Cannot exceed <a href="#">CalHFA Income Limits</a></li> </ul>
Income Requirements	<ul style="list-style-type: none"> <li>• Calculate income using the FHA guidelines</li> <li>• Credit qualifying income will be used to determine if loan exceeds maximum program limits (income not used to qualify will not be used in determining if max program limits are exceeded)</li> </ul>
Ineligible Programs	<ul style="list-style-type: none"> <li>• 203(h)</li> <li>• 203(k)</li> <li>• Energy Efficient Mortgages (EEM)</li> <li>• FHA Back to Work</li> <li>• FHA Negative Equity Refinance</li> <li>• High Cost Loans</li> <li>• Land Trusts</li> <li>• Native American Lands</li> <li>• PACE obligations attached to property</li> <li>• Section 184 - Indian Home Loan Guarantee Program</li> <li>• Section 223(e) - Declining Neighborhoods</li> <li>• Section 248 - Indian Reservations</li> <li>• Temporary Buydowns</li> </ul>
Ineligible Properties	<ul style="list-style-type: none"> <li>• 2-4 Unit properties</li> <li>• Below Market Rate (BMR) Properties</li> <li>• Community Land Trusts</li> <li>• Co-Ops</li> <li>• Indian leased land</li> <li>• Leasehold properties</li> <li>• New construction manufactured homes</li> <li>• Resale type deed restrictions</li> <li>• Single-wide manufactured homes</li> <li>• Solar Panels that affect first lien position</li> </ul>

TOPIC	OVERLAY
Loan Amount	<ul style="list-style-type: none"> <li>FHA loans - Maximum loan amount follows standard conforming FHA guidelines and varies by subject property county (<a href="#">HUD FHA Mortgage Limits Lookup Tool</a>)</li> <li>VA Loans - Maximum loan (excluding the Financed Guaranty Funding Fee) cannot exceed VA loan limits for the county the property is located (<a href="#">FHFA Conforming Loan Limits Lookup Tool</a>)</li> <li>Minimum loan amount is \$75,000</li> </ul>
Mortgage Credit Certificate (MCC)	<ul style="list-style-type: none"> <li>Not permitted</li> </ul>
Multiple Financed Properties	<ul style="list-style-type: none"> <li>Not permitted</li> </ul>
Non-Occupant Co-Borrower/Co-Signer	<ul style="list-style-type: none"> <li>Not permitted</li> </ul>
Non-Permanent Resident Aliens	<p>Non-Permanent Resident Alien borrowers accepted under the following conditions:</p> <ul style="list-style-type: none"> <li>Acceptable Visa evidence provided</li> <li>Borrower eligible to work in the US, as evidenced by EAD issued by the USCIS</li> <li>Borrower has valid Social Security Number (SSN)</li> <li>Borrower satisfies the same requirements, terms, and conditions as those for US citizen</li> <li>DACA – with category C33 work status under deferred action and current I-797 showing approved DACA status or print out of online approval from USCIS</li> <li>An Alien with Pending Asylum status is acceptable – borrower must provide a valid C08 Employee Authorization card and an Asylum Application receipt (or print out from USCIS status website) validating borrower status</li> </ul> <p>Note: Borrowers with diplomatic immunity are ineligible</p>
Payment History	<ul style="list-style-type: none"> <li>0x30 lates in the last 12 months for all manual underwrites</li> <li>Follow FHA guidelines for all AUS approved loans</li> </ul>
Power of Attorney (POA)	<ul style="list-style-type: none"> <li>A POA may not be eSigned and must be specific to the transaction.</li> </ul>
Renegotiated Purchase Contract	<ul style="list-style-type: none"> <li>Not allowed; however, minor adjustments due to condition or other relevant factors are permitted.</li> <li>Increase of sales price after appraisal completed is not permitted.</li> </ul>
Reserve Requirements	<ul style="list-style-type: none"> <li>Manually underwritten FHA loans required the following:               <ul style="list-style-type: none"> <li>1 required month for all manual underwrites</li> <li>If DTI &gt; 31/43% additional reserves may be required</li> <li>Please reference FHA Comp Factors for additional guidelines</li> </ul> </li> </ul>
Social Security Number (SSN)	<ul style="list-style-type: none"> <li>All borrowers must have a valid SSN</li> </ul>
Subordinate Financing	<ul style="list-style-type: none"> <li>Permitted, refer to <a href="#">Eligible Subordinate Programs and Requirements</a> below</li> </ul>
Transaction Type	<ul style="list-style-type: none"> <li>Purchase only</li> </ul>

TOPIC	OVERLAY
	<ul style="list-style-type: none"> <li>Non-Purchasing spouse may not be on purchase agreement</li> </ul>
Tax Transcripts	<ul style="list-style-type: none"> <li>Required when tax returns are used to qualify borrower income</li> </ul>
Unpaid Federal Tax Debt	<ul style="list-style-type: none"> <li>OCMBC considers all unpaid tax debt from prior years as delinquent, even if lien has not been filed; three months' payments required</li> <li>Borrower with delinquent Federal Tax Debt is ineligible</li> </ul> <p>NOTE: Record of Account can be used in lieu of canceled check or proof of electronic payment.</p>
Vesting	<ul style="list-style-type: none"> <li>Non-Purchasing spouse may not be on title</li> <li>CalHFA does not require vesting on the subordinate lien</li> </ul>

**MANUFACTURED HOMES**

TOPIC	OVERLAY
MANUFACTURED HOME GUIDELINES	<p>Overlays in this matrix apply to Federal Housing Administration (FHA) guidelines. Refer to the <a href="#">FHA Single Family Housing Policy Handbook 4000.1</a> for additional guidance.</p> <p>Information in this matrix is subject to change without notice.</p>
Standards (09/14/2015)	<p>Appraiser must notify mortgagee and report any deficiency of MPR or MPS if a manufactured home does not comply with the following:</p> <ul style="list-style-type: none"> <li>Floor area must be <math>\geq 400</math> sq ft</li> <li>Constructed on or after June 15, 1976, in conformance with the federal MHCSS, as evidenced by an affixed HUD Certification Label in accordance with <a href="#">24 CFR §3280.11</a> (Manufactured Homes produced prior to June 15, 1976 are ineligible for insured financing.)</li> <li>Manufactured home and site exist together as a real estate entity in accordance with state law (but need to be treated as real estate for taxation purposes)</li> <li>Manufactured home was moved from the factory or dealer directly to the site</li> <li>Manufactured home was designed to be used as a dwelling with a permanent foundation built to comply with PFGMH</li> <li>Finished grade elevation beneath the manufactured home (or, if basement used, the grade beneath the basement floor) is at or above the 100-year return frequency flood elevation</li> <li>Structure is designed for occupancy as a principal residence by a single family</li> <li>Lease, if applicable, meets the requirements of <a href="#">Valuation of Leasehold Interest</a></li> </ul>

TOPIC	OVERLAY
Flood Zone	<ul style="list-style-type: none"> <li>OCMBC does not allow manufactured homes in a flood zone.</li> </ul>
Foundation: Existing Construction	<ul style="list-style-type: none"> <li><b>Definition:</b> Existing construction for manufactured housing refers to a manufactured home that has been permanently installed on a site for one year or more prior to the case number assignment date.</li> <li><b>Standard:</b> If the perimeter enclosure is non-load-bearing skirting comprised of lightweight material, the entire surface area of the skirting must be permanently attached to backing made of concrete, masonry, treated wood, or a product with similar strength and durability.</li> <li><b>Skirting:</b> Skirting refers to a non-structural enclosure of a foundation crawl space that is typically, but not always, a lightweight material such as vinyl or metal attached to the side of the structure and extending to the ground (generally not installed below frost depth).</li> <li><b>Perimeter Enclosure (MPR/MPS Item):</b> The space beneath the manufactured home must be properly enclosed; the perimeter enclosure must be a continuous wall that is adequately secured to the perimeter of the unit and allows for proper ventilation of the crawl space.</li> <li><b>Required Analysis and Reporting:</b> If the manufactured home foundation does not meet the requirements for Existing Construction, the appraiser must notify the mortgagee and report the deficiency in the MPR or MMPS.</li> </ul>
HUD Data Plate	<ul style="list-style-type: none"> <li><b>Standard HUD Data Plate Requirements:</b> Manufactured homes have a data plate affixed in a permanent manner, typically adjacent to the electric service panel, the utility room, or within a cabinet in the kitchen.</li> <li><b>Required Analysis and Reporting:</b> The appraiser must report the information on the data plate within the appraisal, including the manufacturer name, serial number, model, and date of manufacture, as well as wind, roof load, and thermal zone maps.</li> <li><b>Missing Data Plate (of Appraiser Cannot Locate):</b> If the data plate is missing or the appraiser is unable to locate it, the appraiser must report this in the appraisal and is not required to secure the data plate information from another source.</li> <li><b>If the data plate is missing or appraiser cannot locate it, OCMBC requires an IBTS report.</b></li> </ul>
IBTS Report/HUD Certification FHA	<ul style="list-style-type: none"> <li><b>HUD Certification Label Standard:</b> The manufactured home must have an affixed HUD Certification Label located at one end of each section of the house, approximately one foot up from the floor and one foot in from the roadside, or as near that location on a permanent part of the exterior of the house, as practicable. Etched on the HUD Certification Label is the certification label number, referred to as the HUD label number. Label numbers are not required to be sequential on a multi-section house.</li> <li><b>Required Analysis and Reporting:</b> The appraiser must report the HUD label number for all sections, or report that the HUD Certification Label is missing or that the appraiser was unable to locate it.</li> </ul>



TOPIC	OVERLAY
Ineligible Features	<ul style="list-style-type: none"> <li>• The following are not allowed in relation to a manufactured home:</li> <li>• EEMs are not allowed for manufactured homes</li> <li>• Located in a co-op, condo, or PUD project</li> <li>• Located in a flood zone</li> <li>• Manufactured home with a leasehold</li> <li>• Manufactured home with an ADU or other structure</li> <li>• New construction manufacture homes</li> <li>• Graduated Payment Mortgage (GPM)</li> </ul>
Manufactured Home Additions	<ul style="list-style-type: none"> <li>• Any addition to the original structure (i.e. patio, deck, carport, rooms, etc.) requires a structural engineer report.</li> <li>• If the appraiser observes additions or structural changes to the original manufactured home, the appraiser must condition the appraisal upon inspection by the state or local jurisdiction administrative agency that inspects manufactured housing for compliance (or a licensed structural engineer may report on the structural integrity of the manufactured dwelling and the addition if the state does not employ inspectors).</li> </ul>

<b>ELIGIBLE SUBORDINATE PROGRAMS AND REQUIREMENTS</b>	
MyHome Assistance Program	<ul style="list-style-type: none"> <li>• Maximum loan amount is 3.5% of the sales price or appraised value, whichever is less</li> <li>• MyHome can be used for downpayment and closing costs</li> <li>• Funds cannot be used to pay off borrower debt</li> <li>• Term of the MyHome matches the terms of the CalHFA first mortgage, not to exceed 30 years</li> <li>• Payments are deferred for the life of the first mortgage loan</li> <li>• MyHome may be combined with the Zero Interest Program (ZIP) on the CalPLUS FHA Loan Program but must be recorded in second (2<sup>nd</sup>) lien position</li> <li>• Repayment of the principal and interest on the MyHome loan shall be due and payable at the earliest of the following events:             <ul style="list-style-type: none"> <li>○ Transfer of Title</li> <li>○ Sale of the property</li> <li>○ Payoff of the first loan</li> <li>○ Payoff of the subordinate loan principal balance</li> <li>○ Refinance of the first loan</li> <li>○ The formal filing and recording of a Notice of Default (unless rescinded)</li> </ul> </li> </ul> <p>Borrowers may not receive cash back from MyHome loan</p>

<p><b>Zero Interest Programs (ZIP)</b></p>	<ul style="list-style-type: none"> <li>• Maximum loan amount is 2% or 3% of CalPLUS FHA base mortgage loan amount</li> <li>• ZIP can used for closing costs only</li> <li>• Funds cannot be used to pay off borrower debt</li> <li>• Term matches the terms of the CalHFA first mortgage, not to exceed 30 years</li> <li>• Payments are deferred for the life of the first mortgage loan</li> <li>• ZIP must record in second (2<sup>nd</sup>) lien position unless combined with MyHome, to which ZIP would record behind MyHome in third (3<sup>rd</sup>) lien position</li> <li>• Repayment of the principal on the ZIP loan shall be due and payable at the earliest of the following events:             <ul style="list-style-type: none"> <li>○ Transfer of Title</li> <li>○ Sale of the property</li> <li>○ Payoff of the first loan</li> <li>○ Payoff of the subordinate loan principal balance</li> <li>○ Refinance of the first loan</li> <li>○ The formal filing and recording of a Notice of Default (unless rescinded)</li> </ul> </li> <li>• Borrowers may not receive cash back from Zip loan</li> </ul>
<p><b>FHA Approved Seconds</b></p>	<ul style="list-style-type: none"> <li>• OCMBC does not provide financing for eligible FHA approved seconds except for the MyHome Assistance and Zero Interest Program</li> <li>• Broker must source approved second (2<sup>nd</sup>) lien financing that meets FHA guidelines and would subordinate at closing</li> </ul>