



Single Family Lending Program Bulletin

February 7, 2023

Program Bulletin #2023-01

To: CalHFA Approved Lenders

Use of CalHFA Down Payment Assistance

CalHFA wants to remind its lenders that all loan files must be consistent with subordinate program guidelines in order for the loan to be applicable for purchase. CalHFA subordinate loan programs may only be used for down payment and/or closing costs. The Zero Interest Program (ZIP) is for closing costs only.

Funds from any CalHFA program, like the MyHome Assistance Program, Zero Interest Program (ZIP) or Forgivable Equity Builder Loan, shall not be used to pay off borrower debt. Additionally, borrowers shall not receive any cash back from these loan programs.

Any loan that uses funds in a manner which is not consistent with CalHFA guidelines will not be purchased and could result in the first mortgage being uninsurable.

For questions about this bulletin, contact CalHFA Single Family Lending Division by phone 916.326.8033 or by email at SFLending@calhfa.ca.gov. Plus you can always visit CalHFA's website at: www.calhfa.ca.gov or Single Family Lending directly at www.calhfa.ca.gov/homeownership.

CalHFA thanks you for your business and we look forward to continuing to support your affordable housing loan needs.