



MCC ALERT

2013/2014 Alert #1

TO: MCC PARTICIPATING LENDERS
FROM: Bernadette Cruz / EDA Housing
EFFECTIVE DATE: September 23, 2013
SUBJECT: **CHDAP Program**

California Housing Finance Agency (CHFA) administers the California Homebuyer's Down Payment Assistance Program (CHDAP) as a junior loan for first-time homebuyers. The amount of the loan is the lesser of three percent of the purchase price or appraised value. Payments are deferred for the term of the loan.

This is to clarify the use of the CHDAP loan is acceptable with the MCC Program. The MCC Program cannot be combined with funds for the Borrower's mortgage derived from a Qualified Mortgage Bond or Qualified Veteran's Mortgage Bond. Examples of a Qualified Mortgage Bond are a California Housing Finance Agency (CalHFA) first mortgage loan, Riverside County Single Family Mortgage, and a Cal Vet loan. CHDAP is funded by state general funds therefore the MCC Program can be combined with the CHDAP Program. CHDAP has been approved by HUD and Fannie Mae for use with their financing programs.

Please note all requirements within our program manual and brochures for the MCC Program remain in full force and effect.

For more information: If you have any questions or would like more information, contact the EDA Housing staff at (951) 343-5469 or www.rchomelink.com.

Bernadette Cruz
Kari H'Orvath

bcruz@rivcoeda.org
khovath@rivcoeda.org