

Bulletin # 224
February 1, 2023

To: CHFA Lenders
From: CHFA Single Family Underwriting
Subject: CHFA Lock/Reservation Policy - Update

All Connecticut Housing Finance Authority (CHFA) loans reserved before November 1, 2022 must be purchased by CHFA or its partner Idaho Housing and Finance Association (IHFA) before April 1, 2023. For this purpose, purchased is defined as a completed, closed loan file having been submitted and the Lender having received first mortgage loan sale proceeds from CHFA or IHFA.

Loans reserved on or after November 1, 2022 that are not purchased within 150 days of the reservation date are deemed ineligible for purchase by CHFA.

Reference: Bulletin #206 published December 8, 2021 with updates highlighted below:

- Lock term shall be **90** days from the date of reservation (*aka lock*).
 - Up to two 30-day extensions will be available at a cost of 0.25% each.
 - There will no longer be a separate/additional “Commitment Period”.
 - Lender must request extension(s) from CHFA **PRIOR** to the expiration date – email any existing reservation change to reschanges@chfa.org.
 - If the loan is not delivered/purchased within the lock period (***up to 150 days total with extensions***), CHFA, AmeriNat, or IHFA **are not obligated to will not** purchase the loan.
- ~~Lender will have the opportunity to deliver the loan with renegotiated terms based upon current market, should current market be higher than locked terms.~~
- A new reservation/lock will be required in the case of a property change – a change of property address on an existing reservation will not be permitted.

All questions regarding this Bulletin should be directed to Lisa Hensley at lisa.hensley@chfa.org or Carolyn Christensen at carolyn.christensen@chfa.org