

Making Loan Comparisons Easy

California Housing Finance Agency

Special Achievement

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Since 2013, CalHFA has expanded its loan products as a way to meet California's growing low and moderate income population. As new relevant loan products were released, demand from CalHFA's approved lender network followed. Today, CalHFA offers nine first mortgage programs. Five of these are Government Insured programs which can use two different closing cost assistance options along with four Conventional loans which also can use those two different closing cost assistance loans. CalHFA also has two separate down payment assistance loans that can be used with all those first mortgage loan programs.

If that sounds confusing...it is, even to a seasoned loan officer, to say nothing of a real estate agent or first-time homebuyer. All of these program options are designed to fit the individual needs of each individual first-time homebuyer scenario. But how is a lender supposed to know exactly which combination of loan layering is best for *their* new homebuyer?

Enter [CalHFA's Loan Scenario Calculator](#). CalHFA's lender training unit quickly recognized a need for a one-stop place on its website to help a lender quickly and accurately estimate which CalHFA loan package is best for their client. So, the Single Family Lending division requisitioned one of its financing analysts who quickly understood how to build the formulas behind the scenes, along with a graphic designer who knew ADA compliance and the principles of user experience and good design. With this new tool, loan officers just enter a few easy pieces of information to determine the best program combination for their borrower in a matter of minutes.

Loan Scenario Calculator

Use this calculator to compare CalHFA loans. This tool is intended for loan officers and lending partners. If you are a homebuyer, please have your loan officer walk through this with you. This tool is for estimation purposes only. Final loan figures may be different.

Best viewed in IE9 or higher, Chrome, Firefox or Safari. Asterisk (*) denotes required field.

First-Time Homebuyer? Yes No

County:*

Purchase Price:*

Credit Score:*

Property Type:*

Closing Costs:*

Include All Title/Escrow/Lender Fees, Prepays, etc:

Optional Fields:

Seller Concessions:

Gifts, Grants, or Borrower's Monies:

Non-CalHFA Subordinate Financing Amount:

Target LTV:

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Earlier this year, we upgraded the Scenario Calculator to provide lenders up to three side-by-side CalHFA loan package scenarios for a comparison based on the borrower’s distinctive features like property location, purchase price, credit score, etc.

RESULTS

	Scenario 1	Scenario 2	Scenario 3
Program Name	CalPLUS Conventional w/ZIP 3%	CalHFA FHA	CalHFA VA Loan
Base First Loan Amount	\$386,000.00	\$350,750.00	\$396,000.00
Upfront FHA/MI Premium/VA Funding Fee	\$1,000.00	\$6,138.13	
Total First Loan Amount	\$386,000.00	\$356,888.00	\$396,000.00
MyHome/School Program Amount	\$14,000.00	\$14,000.00	\$14,000.00
ZIP Loan Amount	\$11,580.00		
ZIP Loan Amount Applying To Closing Cost	\$11,000.00		
ZIP Loan Amount Applying to Principal Reduction	\$580.00		
Total Financing From CalHFA	\$411,580.00	\$370,888.00	\$410,000.00
Loan LTV	96.5% LTV	87.69% LTV	99% LTV
Loan CLTV	102.89% CLTV	91.18% CLTV	102.5% CLTV
Borrower Estimated Contribution	\$0.00	\$45,250.13	\$0.00
<i>Amount in addition to any borrower contribution above</i>			
Monthly P&I Payment	\$2,252.59	\$2,026.37	\$2,186.73
Estimated Monthly Property Taxes	\$416.67	\$416.67	\$416.67
Estimated Monthly Hazard Insurance Payments	\$100.00	\$100.00	\$100.00
Estimated Monthly Mortgage Insurance Premium		\$233.83	
Total Estimated Monthly Payments	\$2,769.26	\$2,776.87	\$2,703.39
Add Other Monthly Amounts			

This has been a resounding success, as one-click comparison shopping has come to dominate most retail websites—see Home Depot, Amazon and others. The upgrade also gave our programmers the opportunity to simplify and streamline the underlying code.

Every day, CalHFA’s Single Family Lending unit receives calls inquiring on how to structure loan program options for their buyers. Callers are walked through the use of the calculator and are excited once they see how it works. In addition, CalHFA trainers use it every time they are in front of loan officers, processors and underwriters to illustrate how CalHFA loans can be structured to meet their clients’ best needs.

This calculator is one of the most-used webpages within the CalHFA website, with more than 10,000 visits in April 2019, up from about 8,000 the year before. As an unanticipated benefit, the use of this calculator by our lender network has improved CalHFA’s review turn times as it has eliminated many past inaccurate calculations that used to be a source of suspensions.

The upgraded scenario calculator has been incredibly helpful for our loan officers, and also for inside staff when they receive questions from the field. Implementation was fairly simple and ongoing maintenance is essentially nil; it is proving to be a great addition to our lenders’ toolboxes.