

RESOLUTION 77-16

ADOPTING CHANGES IN THE FHA-VA  
MORTGAGE PURCHASE PROGRAM

WHEREAS the California Housing Finance Agency Board of Directors did on October 27, 1976, adopt Resolutions 76-59 and 76-60 establishing an FHA-VA Mortgage Purchase Program (the "Program"); and

WHEREAS said Program involved the purchase of newly originated mortgages on newly constructed and existing dwellings; and

WHEREAS as originally conceived participating lenders are to submit 90% of their mortgage commitments in the form of mortgages on newly constructed properties; and

WHEREAS at meetings of the Housing Bond Credit Committee and this Board of Directors, representatives of participating lenders made presentations indicating that certain difficulties appear to be arising with respect to participating lenders' abilities to deliver mortgages as scheduled; and

WHEREAS the Housing Bond Credit Committee did, on February 1, 1977, adopt Resolution HBCC 12, recommending approval of changes in the Program; and

WHEREAS this Board of Directors has reviewed such recommended changes and has heard reports and recommendations from representatives of participating lenders, Agency staff, and other persons and has considered such recommendations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA HOUSING FINANCE AGENCY as follows:

1. The following changes to the Program are adopted:
  - a. The requirement that 90% of all mortgages submitted for purchase be on newly constructed dwellings, is deleted.
  - b. The ceiling on allowable net worth for persons and families whose household heads are under age 62, is raised from \$3000 to \$6000.
  - c. The types of mortgages eligible for a one quarter of one percent rebate shall include mortgages originated in areas designated by a local city, county, or city and county, or redevelopment agency, as a neighborhood improvement area, NDP, or other Federal Title I urban renewal area, or areas designated as rehabilitation or code enforcement areas by such local agencies.

2. Staff is instructed to file these emergency changes to adopted regulations with appropriate State officials.
3. Management is authorized to issue a letter to all participating lenders informing them of the changes to the Program adopted hereby.

I hereby certify that this is a true and correct copy of Resolution 77-16 adopted at a duly constituted meeting of the Board of Directors of the California Housing Finance Agency held on February 15, 1977.

Attest



Stuart Honse  
Secretary