

FOR IMMEDIATE RELEASE

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CONTACT: Sandy Sarber
916.322.0249**\$45 MILLION IN PROPOSITION 46 FUNDS NOW AVAILABLE TO PRESERVE
CALIFORNIA'S AFFORDABLE RENTAL UNITS**

Sacramento – As part of its ongoing mission to preserve affordable rental housing throughout the State, the California Housing Finance Agency (CalHFA) today announced that applications for \$45 million in Preservation Acquisition Funds are now being accepted on an ongoing basis.

The Preservation Acquisition Fund is made possible through Proposition 46 – the Housing and Emergency Shelter Trust Act of 2002. The \$45 million will be made available in the form of very low interest loans that cover up to 100% of the acquisition costs to preserve affordable rental developments. The higher acquisition loan amounts will be a significant increase over existing loans, which at 70%-80% of project acquisition costs are generally insufficient to preserve these valuable housing resources.

“When affordable developments convert to market rate rental projects, seniors, individuals and families-in-need are often displaced” says Terri Parker, CalHFA Executive Director. “Our goal for the first year of the Fund is to preserve 8-12 projects, representing approximately 1,000 rental units. This way, an estimated 2,500 of California’s residents-in-need are protected and assured of safe, decent and affordable housing.”

Applications will be available to qualifying non-profits, for-profits and public agency sponsors for existing multifamily developments with priority given to those housing projects where assistance will expire within two years. Second priority will be given to projects that will expire within five years. Existing projects that are eligible for the program must be currently receiving federal assistance as defined by State law. Since all loans, plus accrued interest, are due and payable within two years, funds will be recycled quickly into additional projects.

CalHFA - the State's affordable housing bank - was chartered 27 years ago to assist Californians to achieve the dream of safe, affordable and decent housing. For more details on Preservation Acquisition Financing, please contact Laura Whittall-Scherfee, Multifamily Programs Chief at 916.327.2588. Information on the full complement of CalHFA programs can be obtained by calling 1.800.323.8718 or visiting the web site at www.calhfa.ca.gov.

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