

**CONTACT: Ken Giebel
(916) 322-0249**

**FOR IMMEDIATE RELEASE
MONDAY, April 28, 2003
#2003-0428**

**California Housing Finance Agency Mortgage Insurance Selects
GE as Insurance Partner**

Sacramento – The California Housing Finance Agency (CalHFA) today announced a partnership with GE Mortgage Insurance in which GE will insure CalHFA’s new and existing mortgage insurance business and perform related insurance services.

The agreement covers the \$1.2 billion insurance-in-force written by the Agency as well as all new mortgage insurance to be written on conventional loans. One of the Agency’s major goals is to finance and insure loans in California to increase homeownership opportunities for low to moderate first-time homebuyers. In addition to insurance protection, GE will provide various administrative services related to the reinsurance of the loans.

“This agreement with GE will maximize our use of capital through insurance, allowing us to provide more homeownership opportunities for Californians,” said Theresa Parker, CalHFA’s Executive Director. “It will also provide us access to state of the art technology and operations as a result of GE’s leadership position in this area, resulting in both cost and productivity savings.”

-more-

Insurance and Services Agreement Will Help Boost Affordable Housing in State

Page 2 of 2

For over 26 years, the California Housing Finance Agency has supported the needs of renters and first-time homebuyers by providing financing and programs that create safe, decent and affordable housing opportunities for individuals and families within specified income ranges. Making its first home loan in 1977, CalHFA is chartered as the State's affordable housing bank, offering below market-rate loans through the sale of tax-exempt bonds and providing affordable mortgage insurance. Since its inception, CalHFA has provided over 145,000 single family loans, totaling nearly \$12 billion. In addition, the Mortgage Insurance Program has insured over 25,000 loans for almost \$5 billion.

"We're excited about working with CalHFA to make homeownership a reality for more low and moderate income borrowers in California," said Mark Goldhaber, Vice President, Affordable Housing & Government Business Development of GE Mortgage Insurance. "CalHFA is an innovative lender and insurer in affordable housing, and we're looking forward to working with them to expand their leadership role in providing affordable housing opportunities throughout California."

A completely self-supporting State Agency, CalHFA's operations are funded by revenues generated through mortgage loans and insurance premiums, and not taxpayer dollars. For further information, go to www.calhfa.ca.gov.

###