

**IMMEDIATE RELEASE**

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## **Housing Becomes More Affordable for Working Southern California Families**

***Unique State-Regional Partnership Addresses Need for Affordable Housing in Los Angeles and Orange Counties***

**SACRAMENTO, CA** -- This holiday season brings good tidings to low and moderate income families and individuals seeking to purchase affordable housing in Los Angeles and Orange counties.

An historic agreement has been reached between the California Housing Finance Agency (CalHFA) – the State’s affordable housing bank – and the Southern California Home Financing Authority (SCHFA) – the State’s largest local user of single-family mortgage revenue bonds. An additional \$100 million of affordable home lending will be made available through CalHFA from SCHFA effective today. This means more Southern California families will be able to realize the dream of homeownership for the first time.

“For too long, working families have been squeezed out of the Southern California housing market because their income was either too low or too high to qualify for first-time homebuyer loans at below market interest rates,” said Theresa Parker, CalHFA Executive Director. “This unique partnership between our two entities will allow income limits to be adjusted and interest rates lowered thereby expanding the sphere of affordable housing within their reach.”

Under the terms of the SCHFA-CalHFA agreement, CalHFA will increase the moderate income limits for Los Angeles County to match SCHFA’s program income limits. The low income limits will also be adjusted upward to match CalHFA income ratios for new and existing housing.

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CalHFA will also reduce the interest rate for all low income families in Los Angeles and Orange counties by 0.25%. The net result will be 0.75% below CalHFA's rates for moderate income families in the two counties.

“We are pleased to partner with CalHFA on this worthy endeavor,” said Carlos Jackson, Executive Director of the Los Angeles County Community Development Commission. “With this innovative agreement, we estimate that hundreds of additional first-time homebuyers will receive the loans they need for new and existing housing in areas where they work.”

The agreement calls for CalHFA to provide the credit for and utilize the proceeds of SCHFA's bonds. CalHFA will purchase new first-time homebuyer loans in SCHFA's jurisdiction of Los Angeles and Orange counties with the proceeds of the new bonds.

All other CalHFA loan programs and policy requirements under CalHFA's standing programs will apply to homebuyers in this special SCHFA-CalHFA partnership program. CalHFA will also continue to make available all applicable down payment assistance programs currently available through CalHFA in SCHFA's jurisdiction, such as the Extra Credit Teacher Program, the California Homebuyer's Downpayment Assistance Program, and the CalHFA Housing Assistance Program.

CalHFA-approved lenders should not notice a difference in CalHFA's Homeownership Program or loan processing procedures except for the lower interest rates for low income families in both counties and the higher income limits for persons in Los Angeles County of moderate income.

CalHFA and SCHFA will conduct an “Overview of the Program” meeting for all direct lenders whether or not they are currently participating as an approved lender for CalHFA. The meeting will be held on Friday, December 5 at 10 a.m. at:

County of Orange  
Board of Supervisors Hearing Room, First Floor  
10 Civic Center Plaza  
Santa Ana, CA 92701

Questions regarding the new program should be directed to CalHFA Homeownership Programs at P.O. Box 4034, Sacramento, CA 95812 or by calling (916) 324-8088. Additional information also can be obtained by visiting the CalHFA web site at [www.calhfa.ca.gov](http://www.calhfa.ca.gov).

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