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## Even in the Bay Area, Homeownership is Possible with CalHFA's Down Payment Assistance Program

**SACRAMENTO, August 25, 2004** – Even the highest priced homes in California can be affordable with the state's High Cost Area Home Purchase Assistance Program (HiCAP). The California Housing Finance Agency (CalHFA) today announced that HiCAP's down payment assistance of \$25,000 has already helped more than 1,300 Californians living in San Francisco, San Mateo, Santa Clara, Alameda, Contra Costa and Sonoma counties obtain the dream of homeownership.

HiCAP is a progressive homeownership assistance program that combines a generous deferred down payment loan with a below market 30-year fixed mortgage to bridge the gap between income and high priced housing for first-time homebuyers in the Bay Area.

New and resale homes in these counties have set new records and prices continue to escalate. Low and moderate income homebuyers often find it difficult to purchase a home without financial assistance of the type offered by this program. HiCAP helps first-time homebuyers by providing:

- A 30-year fixed, below market interest rate home loan (currently 4.25% to 5%), and
- A second, deferred payment loan of up to \$25,000 to be used for down payment assistance.

Additionally, the CalHFA HiCAP program can be combined with other CalHFA approved down payment assistance loans (also with deferred payments) or grants to assist in the acquisition of the home. For instance, HiCAP can be combined with CalHFA's Extra Credit Teacher Program,

which offers teachers and administrators who serve in high priority schools (API 1-5) an additional \$15,000 or 3% of the first home loan, whichever is greater, for added down payment assistance.

Other CalHFA programs that can be coupled with HiCAP include the CalHFA Housing Assistance Program (CHAP) and School Facility Fee Down Payment Assistance Program (SFF). A full list of all loan and grant programs the CalHFA HiCAP program can be combined with is located online at [www.calhfa.ca.gov](http://www.calhfa.ca.gov).

“This is a tremendous opportunity to make homeownership a reality for many Californians who previously were priced out of the market. HiCAP offers qualifying families the chance to purchase their first home with virtually zero out-of-pocket expense in the state’s most expensive housing markets,” said Theresa A. Parker, CalHFA Executive Director. “To date, CalHFA has allocated more than \$338 million in affordable loans through HiCAP, and we are thrilled that more families are finding out about the program, and are taking advantage of its first-time home buying opportunities.”

To qualify for any of CalHFA’s homeownership programs, borrowers must meet CalHFA guidelines for sales price and income limits as well as meet the borrower qualifications of a CalHFA approved lender. Information on all of these programs, qualifications and a list of more than 600 lending branches are available on CalHFA’s web site at [www.calhfa.ca.gov](http://www.calhfa.ca.gov) or by calling (800) 789-2432.

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