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## **Nearly \$65 Million for Financing the Construction of Affordable Housing in San Jose**

**SACRAMENTO, September 30, 2004** – The California Housing Finance Agency's (CalHFA) Board of Directors has approved \$64.93 million in loan packages for the construction of affordable housing condominiums that will serve approximately 300 low to moderate income families in San Jose.

Developing the new 300-unit Fairgrounds Family Housing complex are ROEM Development Corporation and the Housing Authority of the County of Santa Clara (HACSC). The complex will consist of two projects constructed on top of a podium with shared parking beneath. The two projects will be separately owned, with ROEM developing 170 units and HACSC developing 130 units. Even though they will be under separate ownership, both projects will be operated by a single property management firm, FPI Management, Inc.

All 300 units will serve families with incomes equal to or less than 60% of the area median income (AMI). However, the vast majority of units will be reserved for families with incomes

between 45% - 50% of AMI. Rents will be set at 75% - 80% of the market average in order to ensure the units' affordability for the residents.

The complex is designed for residential shared use areas including a parking garage, pool and spa, laundry rooms, and community center with fitness area, meeting space and a computer room. The project site is located approximately four miles from downtown San Jose and adjacent to the site of the old county fairgrounds. The area features nearby grocery stores, a Costco, and schools.

The total CalHFA tax-exempt loan packages include construction financing of \$17.3 million and \$23.2 million to HACSC and ROEM, respectively, with an interest only, 3% variable interest rate for 30-month terms. Upon completion of the project, CalHFA will provide HACSC \$8.6 million and ROEM \$15.9 million in permanent first mortgage financing. Additionally, the City of San Jose will provide financing and a fee waiver totaling \$21 million.

“The priority in affordable housing is evident by the high level of commitment provided by CalHFA and the City of San Jose,” said Theresa Parker, CalHFA Executive Director. “As important as the financing is on this project, the key to the success is the partnership between ROEM and HACSC. The neighborhood will have well designed new housing while those most in need in the community will have an affordable, comfortable home.”

CalHFA, the State's affordable housing bank, was chartered in 1975 to meet the housing needs of low and moderate income Californians. More information on the Multifamily Loan Finance programs and the full complement of CalHFA programs is available at 1.800.789.2432 or [www.calhfa.ca.gov](http://www.calhfa.ca.gov).

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