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**CalHFA SALES PRICE LIMITS INCREASE
MORE THAN 20 PERCENT OVER LAST YEAR**

SACRAMENTO, March 16, 2005 – The California Housing Finance Agency (CalHFA) announced today increased limits on sales prices for homes that can be financed using the agency's below-market interest rates. Limits have increased an average of more than 20 percent over the last year, creating more opportunities for first-time homebuyers in California.

The new CalHFA sales price limits are the highest allowable by federal law and are based on real estate prices in each of the state's 58 counties. Borrowers who meet CalHFA limits on income may be eligible for the below-market rate loans as long as the home they are purchasing falls at or under the sales price limit for the county.

In the last year, the home price limits increased by more than 22 percent in Los Angeles County, 28 percent in Riverside County, 31 percent in Ventura County and 11 percent each in San Francisco, San Diego and Sacramento counties. The largest percentage increases came in the rural counties of Alpine, Calaveras and Humboldt. Napa is the only county that registered a slight decline over the last year.

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CalHFA's sales price limits increase periodically throughout the year. A survey of home sales throughout each individual region is studied to determine the amount of the increases.

"It's very exciting to be able to increase these sales limits and provide more opportunities for first-time homebuyers in our state," said Theresa A. Parker, Executive Director of CalHFA.

"Owning a home is the dream of many Californians. These revised limits add strength to CalHFA's programs and will help bring that dream closer for many families."

The California Housing Finance Agency is celebrating its 30th Anniversary this year and has helped more than 130,000 California families purchase their first home. As a completely self-supporting state agency, bonds are repaid by revenues generated through mortgage loans, not appropriated taxpayer dollars.

For more information on the revised sales limits and the full complement of CalHFA homeownership programs, call 1.800.789.2432 or log on to www.calhfa.ca.gov.

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