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Preserving Affordable Housing in Hemet

Sacramento, September 22, 2005 – An existing affordable housing complex in Hemet will soon receive funding for acquisition and renovations to help preserve rental housing for 80 low to moderate income families. The California Housing Finance Agency (CalHFA) Board of Directors approved \$4.6 million in loans to Hemet Estates Affordable, L.P., whose managing general partners are Hemet Estates Residential, LLC and Las Palmas Foundation, a California nonprofit corporation, to purchase and rehabilitate the existing apartment complex. The renovations are scheduled to begin by January 2006 and will take place over a 10-month period.

Built in 1982, Hemet Estates Apartments is located in the northeastern area of the city. Located on 4.67 acres, the property consists of 14 two-story buildings containing 80 units, with one, two or three bedrooms, and a community building. Hemet Estates Apartments will receive improvements to building exteriors and common areas, mechanical systems and residential units. Upon completion of the work, families with incomes at or below 60 percent of the county area median income will be eligible for the affordable units.

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CalHFA will provide acquisition and rehabilitation financing of \$3.5 million with a variable interest rate for 24 months and a second mortgage loan of \$1.1 million for an eight-year period. Upon completion, a permanent tax-exempt 30-year loan for \$3.5 million will be provided at a 5.30 percent fixed interest rate.

Chartered in 1975 as the state's affordable housing bank, the California Housing Finance Agency is celebrating 30 years of providing affordable housing in California. Last year, CalHFA's Multifamily Division financed over \$255 million for the construction and permanent financing of new developments and special needs projects, and the preservation of existing affordable rental housing. More information on Multifamily Loan Programs and the full complement of CalHFA programs is available at (800) 789-2432 or www.calhfa.ca.gov.

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