

For More Information:

Contact: Leah Pears

Phone: (916) 445-8180; Fax: (916) 324-6589

lpears@calhfa.ca.gov

www.calhfa.ca.gov**The California Housing Finance Agency Announces Partnership with the South County Housing Consortium**

Sacramento, May 25, 2006 – The California Housing Finance Agency (CalHFA) is announcing its new partnership with the South County Housing Consortium in an effort to create and maintain affordable housing opportunities for residents in Monterey County.

The South County Housing Consortium is comprised of the county of Monterey and the cities of Gonzales, Soledad, Greenfield and King City. The group was formed to develop new strategies by sharing what each jurisdiction is currently doing in terms of down payment assistance, inclusionary housing, owner-occupied housing rehabilitation programs and educational programs.

CalHFA, the state's affordable housing bank, will collaborate with the South County Housing Consortium to educate local lenders, real estate professionals and housing developers on the many options for low to moderate income families to realize their dream of homeownership. The partnership will also provide educational opportunities to residents which will help them prepare for their first home purchase.

"The partnership between CalHFA and the South County Housing Consortium is a positive approach to improving the affordability of housing in Monterey County," said Theresa Parker, CalHFA Executive Director. "Supporting these affordable housing goals is a 'win-win' for CalHFA and the community."

CalHFA offers a wide variety of financial programs to assist developers and first-time homebuyers. All of these programs feature below market interest rates along with down payment assistance.

"The challenge of providing low to moderate income homebuyers with the financial resources to obtain affordable housing is a major concern for many jurisdictions throughout California," said Anna Vega, Greenfield City Manager. "The South County Housing Consortium, made up of the cities of Greenfield, Gonzales, Soledad, King City and the county of Monterey, and the families living in these jurisdictions benefit from the Consortium's collaboration with CalHFA. More South Monterey County low to moderate income homebuyers now have access to the innovative low interest rate loans available to lenders."

- more -

CalHFA also offers a discounted rate on mortgage insurance and most CalHFA-insured loans have the added benefit of HomeOpeners®*, a Mortgage Protection Program. With HomeOpeners, borrowers who become involuntarily unemployed, have help paying their principal, interest, tax and insurance payments for up to six months – and for as much as \$2,500 per month at no additional charge for the borrower.

CalHFA also offers down payment and closing cost assistance, which can be layered with a CalHFA first mortgage loan. These subordinate loans do not need to be repaid until the home is sold, refinanced, or paid in full. Borrowers can layer several CalHFA products to finance up to 107 percent of the home sales price.

“As the market changes and consumers look for alternatives, we will continue to work with local communities to develop innovative loans and other products that meet those consumer needs,” Parker said. “First-time homebuyers need to be aware that viable options are out there.”

Created in 1975, as the state’s affordable housing bank, the California Housing Finance Agency has invested over \$14 billion in non-taxpayer funds to help more than 135,000 California families live in a home of their own with a mortgage they can afford. For more information on CalHFA’s Homeownership, Multifamily and Mortgage Insurance programs, visit www.calhfa.ca.gov or call 877.9.CalHFA (877.922.5432).

* “HomeOpeners” is a registered trademark of Genworth Mortgage Holdings, LLC.

#