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## **CalHFA Offers \$10 Million to Local Governments**

*For Affordable Residential Development in California Communities*

**SACRAMENTO, September 11, 2006** – The California Housing Finance Agency’s (CalHFA) Residential Development Loan Program (RDLP) is now accepting applications from local government entities to award up to \$10 million in low interest loans for the development of affordable single family housing. CalHFA through its innovative loan program is offering four-year, 3% interest rate loans for site acquisition and predevelopment expenses for new affordable infill owner-occupied housing developments. The RDLP funds are available to California cities, counties, housing authorities, redevelopment agencies, and community development commissions.

“RDLP offers city and county government agencies the low-cost funding they need to acquire infill sites for affordable home development,” said Theresa Parker, CalHFA Executive Director. “We chose to target infill sites to promote smarter urban growth, rather than encourage urban sprawl. In the end, families will live closer to their jobs and schools.”

“Additionally, working families striving to purchase a first home will benefit two-fold from this program,” Parker explains. “The cities and counties use CalHFA’s very low interest funding to

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lower the sales price of the new home. Plus, qualified homebuyers can obtain financing from CalHFA's portfolio of below market interest mortgages and down payment assistance programs to purchase their new home with a mortgage they can afford."

CalHFA will offer an additional \$10 million in RDLP funding in the spring of 2007. CalHFA uses a competitive process to award the funding, which is limited to a maximum of \$4 million per development. Applications are evaluated on criteria that include: housing affordability; local government funding and involvement; demonstrated need for infill for-sale housing; comprehensiveness of project planning; readiness of the development to proceed; and the local government's ability to meet the terms, conditions and repayment of the loan. To be considered for funding in the current round, local government entities must submit applications to CalHFA by 5 p.m. on Friday, October 27, 2006.

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 140,000 California families live in a home of their own with a mortgage they can afford. For more information and a complete description of CalHFA's Homeownership, Multifamily, and Mortgage Insurance programs, visit [www.calhfa.ca.gov](http://www.calhfa.ca.gov) or call toll free 877.9.CalHFA (877.922.5432).

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