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CalHFA Expands Community Stabilization Home Loan Program to Kern County

SACRAMENTO, April 28, 2009 – The California Housing Finance Agency (CalHFA), the state's provider of affordable loans for first-time homebuyers, today announced that it has expanded a special program to help first-time homebuyers purchase foreclosed homes to Kern County.

Under the Community Stabilization Home Loan Program, first-time homebuyers are eligible for a low fixed rate loan and 100% loan-to-value to purchase foreclosed homes in areas with some of the state's highest foreclosure rates.

Several financial institutions have partnered in the program and offer sales prices on select REO properties dramatically reduced from the current value.

"The Community Stabilization Home Loan Program is one way the state is working to help communities most affected by the foreclosure crisis," said Steve Spears, Acting Executive Director of CalHFA. "Combined with this affordable lending program, these properties offer affordable housing opportunities for California families looking to purchase their first homes."

This program is only available in areas identified as among the most impacted by foreclosures in the state, including Contra Costa, Kern, Merced, Monterey, Riverside, Sacramento, San Benito, San Bernardino, San Joaquin, Solano and Stanislaus counties. Certain ZIP codes in Alameda and Los Angeles counties are also included.

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The homes must fall at or under CalHFA's sales price limits and families must meet income requirements.

In Kern County, for example, families of three or more can earn up to \$80,960 and still be eligible for the program. The limit on the home sale price in Kern County is \$322,208.

The program only involves properties owned by financial institutions that have opted to partner with CalHFA on this program and offer reduced prices. Borrowers are required to live in the home they are purchasing.

The program is funded using tax-exempt bonds, without any cost to California taxpayers.

For a list of foreclosed properties and details about this program, please visit www.calhfa.ca.gov/homeownership/programs/. Information on sales price limits and income eligibility requirements is also available at www.calhfa.ca.gov/homeownership/limits .

CalHFA has been playing a key role in helping Californians purchase their first homes since it was created by the legislature in 1975 to offer safe, fixed rate financing for first-time homebuyers. The agency has invested more than \$18 billion in non-taxpayer funds to help more than 150,000 California families live in a home of their own with mortgages they can afford.

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