



## *Program Bulletin*

**February 8, 1999**

**Program Bulletin #99-02**

**To: CHFA Approved Lenders**

### **SINGLE FAMILY PROGRAM INTEREST RATES**

This bulletin is provided to serve notice of a change related to the effective mortgage interest rates offered by CHFA and supersedes all other interest rate Program Bulletins. **The rates below are for new construction and resale housing. The rates are effective for both the CHFA Single Loan (SL) reservation process for 90-day reservations and the new CHFA BLOCK Program (see Bulletin #98-20, dated September 15, 1998 for details).** The changes are effective for all loan reservations and forward commitment requests received by the Agency after **8:00 a.m., February 9, 1999**. The new interest rates are as follows:

#### CHFA INTEREST RATES

**Fixed-Rate Mortgages:**

<u>Existing-Resale:</u>	Standard	6.50%	(6.25% in CHFA High-Cost Areas)
	AHPP	6.25%	(6.00% in CHFA High-Cost Areas)
<u>New Construction</u>			
For-Profit Developers:	Standard	6.50%	(6.25% in CHFA High-Cost Areas)
	AHPP	6.25%	(6.00% in CHFA High-Cost Areas)
Nonprofit Developers*:	Contractor	6.00%	(5.75% in CHFA High-Cost Areas)
[501 (c)(3)]	SHBAP	5.00%	

\* Nonprofit/SHBAP developers may use 90-day locks; however, the interest rate will be at the for-profit developer rate.

**Adjustable Rate Mortgages:** Program Suspended

#### CHFA TERMS/FEEES

<u>Existing-Resale:</u>	
• 90 Days	No Fee
<u>New Construction:</u>	
For-Profit Developers:	
• 90 Days	No Fee
• 6 Months	0.50% (at Discount)
• 9 Months	1.50% (0.75% Cash Up; 0.75% at Discount)
• 12 Months	2.00% (1.00% Cash Up; 1.00% at Discount)

(Over)

Nonprofit Developers:

- 90 Days No Fee
- 12 Months 1.00% (0.50% Cash Up; 0.50% at Discount)
- 18 Months 1.50% (0.75% Cash Up; 0.75% at Discount)

Nonprofit Developers/SHBAP:

- 90 Days No Fee
- 12 Months 1.00% (0.25% Cash Up; 0.75% at Discount)
- 18 Months 1.50% (0.25% Cash Up; 1.25% at Discount)

CHFA reserves the right to change the mortgage interest rates and terms offered for future loan reservations and forward commitments.

**Re-reservations (Relock) Fee policy:** CHFA will allow re-reservation (relocks) on 90-day reservations. However, canceling a previously issued reservation locked at a higher rate and relocking at a lower rate when offered by CHFA will result in a 1% re-reservation fee.

Refer to the Program Manual, Exhibit O, for a list of High Cost Areas.

For additional information or questions regarding this Bulletin, you may write the California Housing Finance Agency, Single Family Programs, 1121 L Street, 7th Floor, Sacramento, CA 95814; call (916) 324-8088; or fax to (916) 324-6589.