



Program Bulletin

November 15, 2001

Program Bulletin #2001-29

To: CHFA Approved Lenders and Self-Help Nonprofit Developers

CHFA Self-Help Builder Assistance Program (SHBAP)

Effective with the new fiscal year Business Plan, the Self-Help Builder Assistance Program (SHBAP) has been revised. This bulletin replaces Program Bulletin #99-06.

SHBAP funds are available to nonprofit [501(c)(3)] developers that will utilize the mutual self-help housing construction concept to construct homes for qualified low-income, first-time homebuyers. The Development Loan provides up to \$500,000 for site acquisition, site development, and home construction. The BLOCK Forward Commitment provides funds for below-market interest rate permanent loans for first-time self-help homebuyers.

The notable changes from the previous SHBAP announcement (Bulletin #99-06) are:

- Increase of loan amount up to \$500,000;
- BLOCK Forward Commitment permanent take-out interest rate is currently 4%. Rates are subject to change and are announced by program bulletins, in addition to being available on CHFA's website.
- Down payment assistance of \$2 million is available for SHBAP. CHFA offers three percent (3%) down payment and closing cost assistance to first time homebuyers as a deferred junior loan.
- The previous SHBAP application has been revised.

To obtain the revised SHBAP Application, Development Loan and Forward Commitment Summaries, either call Homeownership Programs at the number listed below or send an e-mail request to homeownership@chfa.ca.gov.

Questions regarding this bulletin should be directed to CHFA, Homeownership Programs, 1121 L Street, 7th Floor, Sacramento CA 95814; by phone (916) 324-8088; by fax (916) 324-6589; or visit CHFA's website at: www.chfa.ca.gov



Lenders are encouraged to use CHFA's FHA Energy Efficient Mortgage Program (EEM) to minimize energy usage and costs. Additional information regarding EEMs is available on CHFA's web page.