



Homeownership Program Bulletin

December 1, 2003

Program Bulletin #2003-36

To: CalHFA Approved Lenders

\$100 Million Partnership with Southern California Home Financing Authority

To help address the growing need for affordable housing in Los Angeles and Orange counties, an additional \$100 million of California Housing Finance Agency (CalHFA) lending has been made available as the result of a unique partnership between CalHFA and the Southern California Home Financing Authority (SCHFA)...California's largest and most successful local agency user of single family mortgage revenue bonds.

Under the terms of this special agreement effective December 1, 2003, CalHFA will provide the credit for and utilize the proceeds of SCHFA's bonds. CalHFA will purchase new CalHFA first-time homebuyer loans in SCHFA's jurisdiction with the proceeds of the new bonds. SCHFA's jurisdiction is comprised of the counties of Los Angeles and Orange (excluding the City of Los Angeles).

In accordance with the terms of the agreement, CalHFA will increase the moderate income limits for Los Angeles county to match SCHFA's program income limits for moderate income families. The low income limits will be adjusted upward accordingly to match CalHFA income ratios for new and existing housing. Additionally, CalHFA will reduce the interest rate for all low income families in Los Angeles and Orange counties, including the City of Los Angeles, by 25 basis points for a total of 75 basis points below CalHFA's rates for moderate income families in these two counties.

CalHFA will publish new income limits and interest rates under separate Program Bulletins concurrently with this announcement.

All other CalHFA loan program and policy requirements under CalHFA's standard programs will apply to homebuyers in this special SCHFA/CalHFA partnership program. CalHFA will also continue to make available all applicable down payment assistance programs currently available in these two counties.

CalHFA approved lenders may make loan reservations commencing immediately in the SCHFA jurisdiction on behalf of eligible homebuyers through the CalHFA Lender Access System (LAS) as they routinely do for all other loan reservations. Approved Lenders may obtain 90-day reservations on behalf of homebuyers purchasing single family existing-resale properties, and 180-day reservations for homebuyers purchasing single family new construction homes. Lenders should not notice a difference in the Homeownership Program or loan processing procedures except for the lower interest rates for low income families in both counties and the higher moderate income limits for Los Angeles county.

CalHFA and SCHFA will hold an Overview of the Program meeting for all direct Lenders who are and are not currently participating as an approved Lender for CalHFA. The meeting will be held for all interested Lenders on Friday, December 5, 2003 at 10:00 a.m. at the following location:

County of Orange
Board of Supervisors Hearing Room, First Floor
10 Civic Center Plaza
Santa Ana, CA 92701

Due to space limitations, it is requested that attendance be limited to one member per company. Please respond by Tuesday, December 2, 2003 by email to Jewel.Warren-Reed@lacdc.org.

Questions regarding this bulletin should be directed to CalHFA Homeownership Programs at 1121 L Street, 7th Floor, Sacramento, CA 95814; by phone (916) 324-8088; by fax (916) 324-6589; by email at homeownership@calhfa.ca.gov and you can always visit CalHFA's web site at: www.calhfa.ca.gov