



Homeownership Program Bulletin

March 23, 2005

Program Bulletin #2005-11

To: CalHFA Approved Lenders

100% FULLY AMORTIZING CONVENTIONAL LOANS Effective Immediately

CalHFA is pleased to announce that CalHFA's thirty year fully amortizing conventional first mortgage loan may now be funded up to 100% of purchase price or appraised value, whichever is less. Borrowers no longer need to come up with funds for a down payment although HiCAP, CHDAP, ECTP and AHPP loan programs may still be utilized where applicable and eligible. HOWEVER, CHAP IS NOT AVAILABLE WITH THIS PROGRAM.

The interest rate for this program will be CalHFA's standard rate for conventional loans as published on its web site and amended from time to time. The rate differential currently given to low income borrowers and high cost counties will be maintained with this program.

All CalHFA conventional loans exceeding 80% loan-to-value must be insured by CalHFA Mortgage Insurance Services. Mortgage Insurance premiums will be determined by actual loan-to-value/purchase price ratios and the Mortgage Insurance Services premium schedule in effect at date of reservation. Underwriting standards for the 100% Fully Amortizing Conventional Loan are identical with other CalHFA conventional loans, with similar loan-to-value ratios.

The process for reservation, submission, approval, funding and purchasing is the same as with all other CalHFA conventional loans. CalHFA's standard conventional Note and Deed of Trust must be utilized and are available on CalHFA's web site. Electronic versions are also available via email or on disk. CalHFA-approved Lenders originating this loan product will be expected to provide all of the usual Truth-In-Lending disclosure statements etc.

For questions about this bulletin, contact CalHFA Homeownership Programs 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

Please send all loan files and documents to:
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