



Homeownership Program Bulletin

March 23, 2005

Program Bulletin #2005-12

To: CalHFA Approved Lenders

CHAP LIMITED TO USE WITH FHA INSURED LOANS

As a result of today's announcements of the 100% *interest only* PLUS conventional loan and the 100% Fully Amortizing conventional loan, effective March 24, 2005 at 12:01a.m., the CalHFA Housing Assistance Program (CHAP) will be limited to FHA insured loans and CalHFA HomeChoice loans. By providing two alternative sources for 100% financing, this valuable resource can now be utilized to assist first-time homebuyers with limited available down payment funds whose only option may be FHA insured financing.

Although CHAP is now limited primarily to CalHFA-purchased FHA loans, HiCAP, CHDAP, ECTP, HIRAP and AHPP may still be utilized in combination with all CalHFA-purchased conventional and FHA loans, where applicable and eligible.

By making these changes CalHFA endeavors to maximize the impact of all of its programs on making homeownership a reality for as many Californians as possible.

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:
CalHFA Homeownership Programs
1121 L Street, 7th Floor
Sacramento, CA 95814