



# Homeownership Program Bulletin

March 21, 2008

Program Bulletin #2008-09

To: CalHFA Approved Lenders

## CalHFA Loan Program Changes

CalHFA is committed to helping provide affordable housing to all qualified low and moderate income, first-time homebuyers throughout California. As the housing market is faced with increasing adverse economic pressures, CalHFA is positioning itself to address these demands while continuing to offer quality financing to qualified homebuyers. Effective on loan reservations made on and after March 25, 2008, the following changes to our loan programs will apply:

- The maximum Loan-to-Value (LTV) for 30-Year, 40-Year, and 35-Year *interest only* PLUS<sup>SM</sup> conventional loans is 95.00%, and the maximum Combined-Loan-to-Value (CLTV) for all CalHFA loans, including conventional and government insured/guaranteed loans, is 102.00%.
- Mortgage insurance premiums will increase for all conventional loans as follows:

| LTV             | Coverage | Annualized Monthly Premium |
|-----------------|----------|----------------------------|
| 90.01 to 95.00% | 35%      | .90%                       |
| 85.01 to 90.00% | 35%      | .67%                       |
| 80.01 to 85.00% | 35%      | .62%                       |

- CalHFA will continue to provide subordinate financing to help bridge the gap between the maximum LTV and maximum CLTV through the use of the High Cost Area Home Purchase Assistance Program (HiCAP) or CalHFA Housing Assistance Program (CHAP), and the California Homebuyer's Downpayment Assistance Program (CHDAP). Specific details on programmatic changes to HiCAP and CHAP are detailed in Program Bulletin #2008-10, which is being released simultaneously with this Program Bulletin. Lenders may also use CalHFA-approved Affordable Housing Partnership Program (AHPP) subordinate loans in addition to HiCAP or CHAP and CHDAP. Each subordinate loan program has specific requirements which must be satisfied.

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](mailto:homeownership@calhfa.ca.gov) and you can always visit CalHFA's web site at: [www.calhfa.ca.gov](http://www.calhfa.ca.gov)

Unless otherwise directed, please send all loan files and documents to:  
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