



# Homeownership Program Bulletin

**December 19, 2008**

**Program Bulletin #2008-39**

**To: CalHFA Approved Lenders**

## **Temporary Suspension of CalHFA Programs**

Effective immediately, CalHFA is suspending the following active CalHFA First Mortgage Fixed Rate Loan Programs and Down Payment Assistance Programs:

- 30-Year Fixed Mortgage products, including:
  - Moderate Income
  - Low Income
  - Nonprofits & Affordable Housing Partnership Program (AHPP)
  - Extra Credit Teacher Program (ECTP)
- California Homebuyer's Down Payment Assistance Program (CHDAP)
- Extra Credit Teacher Program (ECTP)
- School Facility Fee Down Payment Assistance Program (SFF)

These programs are being temporarily suspended as a result of the action taken by the Pooled Money Investment Board (PMIB) on December 17, 2008. The PMIB loans money to state agencies to advance program funds which will later be repaid through bond issuances. CalHFA uses a PMIB loan to initially fund its Conventional 30-Year Fixed Mortgage and down payment assistance programs. The recent PMIB action froze all such PMIB loans. It is anticipated that this situation will continue until the State's budget crisis is resolved.

The PMIB will meet again in early January, 2009. At that time, we may receive information as to when these programs will be restored.

CalHFA will continue to accept reservations for loans under the Community Stabilization Home Loan Program (CSHLP) and SMART Loan Program. However, please note that CHDAP funds will not be available for use with these programs.

CalHFA's Homeownership Division thanks you for your business and we look forward to continuing to support your affordable housing loan needs. 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)