RESOLUTION AUTHORIZING THE CALHFA SINGLE FAMILY CONVENTIONAL
LENDING PROGRAM FOR FANNIE MAE PREFERRED PREMIUM PRICED FIRST
MORTGAGE PRODUCT ("CalPLUS Conventional") AND FANNIE MAE PREFERRED
MARKET BASED FIRST MORTGAGE PRODUCT ("CalHFA Conventional") AND ITS
IMPLEMENTATION

WHEREAS, the California Housing Finance Agency (the “Agency”) has developed a
financing model (“Single Family Lending TBA Model”) as a vehicle to finance the Agency’s
single family lending products with minimal risk to the Agency;

WHEREAS, on May 19, 2011, the Board of Directors adopted Resolution 11-06 which
stated that “it is the policy of the Board to require staff to present new financing strategies and new
loan products for full discussion and approval by majority vote of the Board prior to
implementation by the Agency;”

WHEREAS, staff of the Agency presented to the Board of Directors two conventional
lending products for approval and implementation. The first lending product is the CalHFA
Fannie Mae Preferred Premium Priced First Mortgage Product (“CalPLUS Conventional”) where
the CalHFA conventional first mortgage is combined with other CalHFA down payment assistance
products (including the CalHFA “ZIP” product) and expected to be sold at a premium sufficient to
fund the CalHFA ZIP loan and a net profit to CalHFA. The second conventional lending product
is the CalHFA Fannie Mae Preferred Market Based First Mortgage Product ("CalHFA
Conventional") where the CalHFA conventional first mortgage is combined with other CalHFA
down payment assistance products (not including the CalHFA “ZIP” product) and is expected to
be sold at a slight premium resulting in a net profit to CalHFA; and

WHEREAS, the Board of Directors has adopted Resolution 13-08 approving the Single
Family Lending TBA Model and wishes to approve and set certain parameters for the use of the
TBA Model in conjunction with the CalPLUS Conventional and the CalHFA Conventional;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

1. The CalPLUS Conventional and the CalHFA Conventional is approved.

2. The Agency is authorized to use the Single Family Lending TBA Model in order to
finance the CalPLUS Conventional and the CalHFA Conventional subject to the following
parameters:
A. Borrower must receive an initial FICO score of 640 or higher as required by Fannie Mae, master servicer or private mortgage Insurer guidelines.

B. Borrower must complete an Agency approved single family lending education program.

C. Maximum 103% combined loan-to-value ratio.

D. No greater than a total 43% debt-to-income ratio.

E. Minimum borrower cash contribution of $1,000.00 to $1,500.00 depending on FICO score.

F. Two-year home warranty policy for existing construction properties, including policies for 1 year with right to renew. Exception for new construction properties when builder provides the warranty.

I hereby certify that this is a true and correct copy of Resolution 13-18 adopted at a duly constituted meeting of the Board of Directors of the Agency held on November 12, 2013, at Burbank, California.

ATTEST: 
Secretary