



# *Homeownership Program Bulletin*

**September 15, 2004**

**Program Bulletin #2004-18**

**To: CalHFA Approved Lenders**

## **REVISED INTEREST RATES**

This bulletin is provided to serve notice of a decrease of 0.25% related to the effective mortgage interest rates offered by CalHFA and supersedes all other interest rate Program Bulletins. The changes are effective for all loan reservations and forward commitment requests received by the Agency after 8:00 a.m. on September 16, 2004.

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)

Please send all loan files and documents to:  
CalHFA Homeownership Programs  
1121 L Street, 7<sup>th</sup> Floor  
Sacramento, CA 95814

Attachments

Effective 09/16/04  
INTEREST RATE SCHEDULE

<b>First Mortgage Loan Programs</b>									
<b>AREA/ INCOME LEVEL</b>		<b>NEW CONSTRUCTION HOUSING</b>					<b>EXISTING RESALE HOUSING</b>		
		<b>STANDARD</b>	<b>AHPP</b>	<b>ECTP<sup>4</sup></b>	<b>SHBAP<sup>2</sup></b>	<b>NONPROFIT<sup>2</sup></b>	<b>STANDARD</b>	<b>AHPP</b>	<b>ECTP<sup>4</sup></b>
<b>STATE- WIDE AREAS</b>	<b>MODERATE INCOME</b>	4.75%	N/A	4.25%	N/A	N/A	4.75%	N/A	4.25%
	<b>LOW INCOME<sup>1</sup></b>	4.50%	4.25%	4.25%	3.00%	4.25%	4.50%	4.25%	4.25%
	<b>Lancaster/Palmdale<sup>5</sup> Low Income Only</b>	4.25%	N/A	N/A	N/A	N/A	4.25%	N/A	N/A
<b>HIGH COST AREAS<sup>3</sup></b>	<b>MODERATE INCOME</b>	4.50%	N/A	4.00%	N/A	N/A	4.50%	N/A	4.00%
	<b>LOW INCOME<sup>1</sup></b>	4.25%	4.00%	4.00%	3.00%	4.00%	4.25%	4.00%	4.00%
	<b>LA and Orange<sup>5</sup> Counties Low Income Only</b>	4.00%	N/A	N/A	N/A	N/A	4.00%	N/A	N/A

*Note: The interest rates are those in effect on the date shown. However, they are subject to change without notice. Current interest rates can be obtained from a CalHFA Lender, or from the CalHFA web site at [www.calhfa.ca.gov](http://www.calhfa.ca.gov) or by calling 1-800-789-2432.*

<sup>1</sup>Lenders who obtain a reduced interest rate reservation for low income applicants who are subsequently determined to have an annual income that exceeds the low income limit will be offered the Standard interest rate for moderate income families, assuming they meet CalHFA's moderate income limits.

<sup>2</sup>Rates quoted for SHBAP/Nonprofit developers are offered only through the BLOCK Program. SHBAP/Nonprofit developers may use 180-day locks; however, the interest rate will be set at the Standard new construction interest rate.

<sup>3</sup>For a listing of High Cost Areas, please click on the appropriate link or refer to the CalHFA web site under Homeownership forms.

<sup>4</sup>Extra Credit Teacher Program Rates

<sup>5</sup>SCHFA/CalHFA Partnership Program in Los Angeles and Orange Counties for Low Income Borrowers

<b>SUBORDINATE DOWN PAYMENT ASSISTANCE LOANS*</b>					
<b>Program</b>	CHAP	HiCAP	CHDAP	HIRAP	ECTP
<b>Rate</b>	5.00%	5.00%	3.00%	3.00%	5.00%

*\*Note: The subordinate loan interest rates are calculated as simple interest per annum.*

**Re-reservation (Relock) Fee Policy:** CalHFA will allow re-reservation (relock) on 90- or 180-day locks. However, canceling a previously issued reservation locked at a higher rate and then relocked at a lower current established rate will result in a 1% re-reservation fee.

**Late Delivery Fee:** 1% penalty will be collected against loans delivered within the 30-day grace period for the 90-day lock for resale, 180-day lock on new construction, or the BLOCK Program. Self-Help/Nonprofit developers using the BLOCK Program are assessed only 0.50% late delivery fee.

<b>NEW CONSTRUCTION TERMS AND FEES*</b>					
<b>DEVELOPER TYPE</b>	<b>180-Day Lock</b>	<b>6-Month Lock</b>	<b>9-Month Lock</b>	<b>12-Month Lock</b>	<b>18-Month Lock</b>
FOR-PROFIT	Available @ No Fee	0.50% (at discount)	1.50% (0.75% Cash Up; 0.75% at discount)	2.00% (1.00% Cash Up; 1.00% at discount)	Not Offered
NONPROFIT	Available @ No Fee	Not Offered	Not Offered	1.00% (0.50% Cash Up; 0.50% at discount)	1.50% (0.75% Cash Up; 0.75% at discount)
SELF-HELP/ NONPROFIT	Available @ No Fee	Not Offered	Not Offered	1.00% (0.25% Cash Up; 0.75% at discount)	1.5% (0.25% Cash Up; 1.25% at discount)

\*New Construction (BLOCK Program) – Available through CalHFA approved Lenders.