

DESCRIPTION OF PROPOSED PROGRAM:

● ***Population to be served by the proposed Program (family size, income levels, etc.):***

CalHFA expects to serve low-and moderate-income families of all sizes and ethnic backgrounds. The average family size will be between 2.97 and 3.14 persons per household. CalHFA anticipates 3% of all prospective homebuyers to have an income less than 50% of Applicable Median Income (AMI) (as defined by CDLAC); 27 with incomes between 51% and 80% of AMI; 28% with incomes between 81% to 100% of AMI; and 42% over 100% of AMI.

● ***Housing stock to be purchased (types, unit sizes, etc):***

According to the Applicant, the housing stock to be purchased will consist of either newly constructed or existing single family residences, including condominiums and attached planned unit developments as well as single family detached. The anticipated average sales price will be approximately \$206,000. CalHFA expects that 90% to 90% of all homes financed under the program will have a sales price below 70% of the Average Area Purchase Price, on a county basis. Of the homes CalHFA anticipates to finance, 20% will be new construction and the remaining 80% will be existing resale.

● ***Specific reservations of bond proceeds such as low-income targeting, new construction, etc.***

According the application, there currently are no set-asides for special programs or locations. CalHFA has an open window reservations systems creating an environment where borrowers and lenders can make a reservation but allow the rate to either float or become fixed.

The application states that CalHFA always attempts to increase volume in targeted areas of the state. However, the reservations are not limited in a fashion and the housing demand dictates there areas of heavier volume. According to the application, housing demand is influenced by income limits and sale price limits as well as the supply of available properties within the sales price limits.

● ***Program interest rates, downpayment requirements, and other fees:***

Interest Rates: According to the application, mortgage interest rates are reset on a daily basis for each first mortgage product the Agency offers. The down-payment requirement depends upon the investor program, either 96.5% for FHA or 97% for conventional mortgages. CalHFA provides down payment assistance as well as closing cost assistance. The mortgage rate for first mortgages offering the Zero Interest Payment ("ZIP") and ZIP Extra assistance mortgages (see below) are typically 0.50% higher than the loans without assistance.

Downpayment Assistance: While the Agency has provided several subordinate loan programs in the past for first time home buyers, the application states that its down-payment programs are subject to funding availability. The Agency recently terminated the CHDAP program and replaced in with the MyHome assistance program. It provides down-payment and/or closing costs **only** in conjunction with a CalHFA first mortgage loan. MyHome is a deferred-payment junior loan and the maximum amount can be up to the lesser of five percent (5%) of the purchase price or appraised value. The rate at the time of application was 3.00%. The Agency offers the ZIP deferred payment mortgage and the ZIP Extra. The ZIP Extra is a deferred payment loan in the amount of 3.5% of the mortgage amount for FHA mortgages and 3.00% for conventional mortgages. The term on the ZIP loan will be the same as the first mortgage.

● ***Other homebuyers assistance programs offered by participating jurisdiction(s):***

None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are: Maximum purchase prices will vary from county to county, and are based on the IRS safe harbor limitations as published.

Expected average sales price of the estimated units to be assisted:

New units	\$260,000
Existing units	\$260,000
Rehabilitated units	\$0

MAXIMUM INCOME LIMITATIONS:

Maximum income limits will vary from County to County.

Area median income on which maximum program limits are based:

The higher of the 2015 Statewide median income or the County median income as published by HUD, and adjusted for family size by the California Department of Housing and Community Development.

Applicable standard that defines the area median income:

HUD statewide median HUD county MSA median
 Local median as determined by a special study

Percent of bond proceeds reserved for IRS-designated target areas in the jurisdiction(s): 20%

DESCRIPTION OF PUBLIC BENEFITS

Past Program Performance:

Year	Amount of Allocation Awarded	Amount of Allocation Used	Number of Loan Originated	Status of Outstanding Bond
2012	did not apply	\$0	0	\$0
* 2013	\$200,000,000	\$0	0	\$200,000,000
2014	did not apply	\$0	0	\$0

CalHFA did not file the allocation award with the IRS when required. The Agency is in the process of requesting that the IRS reinstate this allocation.

Pursuant to Section 5269 of the CDLAC Regulations, the Applicant has:

Certifies that any remaining bond proceeds from an Allocation up to two years prior to the current year will be used either:

- a. Before the use of new Allocation and/or;
- b. In conjunction with new Allocation in satisfying federal requirements (32-year rule) for such prior funds.