California State Treasurer's Office

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State Treasurer Fiona Ma Announces Two Bond Sales Totaling $195.7 Million For Veterans Housing

SACRAMENTO, Calif. – California State Treasurer Fiona Ma announced two bond sales for the California Department of Veterans Affairs (CalVet). The first sale, for $122.720 million, was sold on Oct. 27 for the Veterans General Obligation Bond program. The second sale, for $72.975 million, was sold on Nov. 2 for the Home Purchase Revenue Bond program. Proceeds from the two sales will be used by CalVet to provide home loans to veterans in California.

CalVet was established in 1921 and began making home loans available to veterans after World War I. One of CalVet's objectives is to provide eligible veterans the opportunity to acquire homes with long-term financing provided through the CalVet Home Loan Program. CalVet accomplishes this objective by acquiring residential properties to be sold under Contracts of Purchase. Generally, a Contract of Purchase creates a land sale contract which is analogous to a mortgage loan from CalVet to the veteran. Since its inception, the CalVet Home Loan Program has been funded through the issuance of Veterans General Obligation Bonds, CalVet Home Purchase Revenue Bonds, as well as surplus revenues. As of July 2026, CalVet had 4,936 Contracts of Purchase outstanding with a remaining principal balance of approximately $1.2 billion.

The Veterans General Obligation Bonds, Series CZ were sold by competitive sale. Two separate bids were accepted for the bonds. The first bid group, totaling $20.025 million, received bids from nine broker-dealers. J.P. Morgan Securities submitted the winning bid at an all-in true interest cost of 5.475343 percent. The bonds offered in this bid group were structured as a PAC bond with a 2056 scheduled final maturity and a 6.25 percent interest rate, yielding 3.70 percent to the expected 5-year average life.

The second bid group, totaling $103.375 million, received bids from twelve broker-dealers. Morgan Stanley & Co. submitted the winning bid at an all-in true interest cost of

4.884158 percent. The bonds in this bid group will mature from 2027 to 2055 with initial yields ranging from 2.95 percent to 5.20 percent.

The Home Purchase Revenue Bonds, 2026 Series B were sold by negotiated sale, with veteran-owned Academy Securities, Inc. and RBC Capital Markets serving as joint senior managers. American Veterans Group, Bancroft Capital and Mischler Financial Group, Inc. served as co-senior managers. The all-in true interest cost was 5.174698 percent. The bonds were structured with maturity dates ranging from 2027 to 2051, with initial yields ranging from 3.00 percent to 5.15 percent. In addition, a PAC bond was included with a 2056 scheduled final maturity and a 6.25 percent interest rate yielding 3.81 percent to the expected 5-year average life.

The Veterans General Obligation Bonds are rated Aa2 by Moody's Investors Service, AA+ by S&P Global Ratings, and AA by Fitch Ratings. The Home Purchase Revenue Bonds are rated Aa3 by Moody's Investors Service, AA by S&P Global Ratings, and AA- by Fitch Ratings.

For more information about CalVet Home Loans, call 1-800-952-5626 or visit www.calvet.ca.gov/HomeLoans.

The calendar of all upcoming state bond sales is available at BuyCaliforniaBonds.com.

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Fiona Ma is California's 34th State Treasurer. She is the first woman of color, and the first woman Certified Public Accountant (CPA) elected to the position. Treasurer Ma serves as the state's banker and is agent of sale for all state bonds and trustee of billions of dollars of state indebtedness. The State Treasurer's Office also processes more than $3 trillion in banking transactions annually and manages a $150 billion investment portfolio. As State Treasurer, Ma is also chair of many boards, commissions, and authorities that provide financing for schools, housing, recycling and waste management, alternative energy, hospitals, and other projects that create jobs, improve California's economy, and better the lives of residents.