

## Joint Hearing

of the Assembly Housing and Community Development Committee  
and Senate Transportation and Housing Committee

**Subject: Overview of the Housing Market and the  
State's Housing Resources and Programs**

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February 18, 2015

## Agency Overview

For 40 years, the California Housing Finance Agency (CalHFA) has supported the needs of renters and homebuyers by providing financing and programs that create safe, decent and affordable housing opportunities for low to moderate income Californians.

### Mission

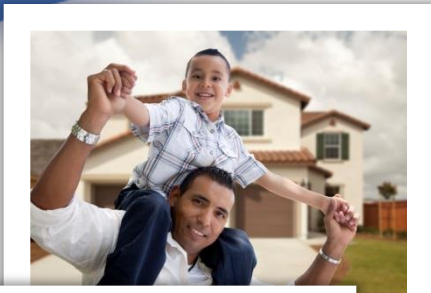
*To create and finance progressive housing solutions so more Californians have a place to call home*

### Agency Business Model

- Issues bonds, uses those proceeds to fund loans
- Completely self-supporting
- Financially independent from State General Fund

### Current Financial information

- \$4.6 billion in assets
- \$3.3 billion in outstanding bonds



## Agency Resume

**State's affordable housing bank created in 1975 and financed with bond investor capital and the investment to date includes:**

- Funding \$19.6 billion in mortgages for 153,000 first-time homebuyers
- Retaining 15,000 active first mortgages, and 35,000 active down payment assistance loans
- Creating 37,000 rental housing units for individuals and families
- Lending \$192 million to local agencies for affordable housing
- Providing \$3.1 million in liquidity for Habitat for Humanity
- Monitoring 475 multifamily properties to maintain affordability
- Providing \$35.1 million in MHSA funding to create 2,200 units



## Current

### Focus

- Improving and maintaining financial stability
- Developing strategies and tools to enhance our access to capital
- Putting systems in place to build capacity
- Developing and introducing new products to meet current market demands
- Adjusting to the changing California real estate market and improving economic conditions

### Agency's current credit ratings

- S&P: A-
- Moody's: A3



# Single Family Programs

## Single Family Profile

Providing low interest rate mortgages to low and moderate income homebuyers in California, as well as down payment and closing costs assistance

- By statute CalHFA is not authorized to be a direct lender on first mortgage loans and partners with an approved network of lenders statewide
- Traditionally works to help low and moderate income individuals and families purchase their first home
- Statewide partnerships with lenders, local housing agencies, nonprofits, builder/developers, realtors



# Multifamily Programs

## Multifamily Profile

Multifamily Programs Division provides acquisition, rehabilitation and permanent financing to preserve, maintain, and increase the affordability of rental housing for low and very low income families. Asset Management Division monitors the management of CalHFA financed developments. Each project is monitored for financial, physical and occupancy compliance with various regulations in California

- Preservation Loan Program
- Conduit Issuer Program
- Section 8 Contract Administrator
- Section 811 Project Rental Assistance Demonstration



## Mental Health Services Act Housing Program

Created in 2007 by Executive Order S-07-06, MHSA is a housing program to develop permanent supportive housing for individuals with mental illness and their families who are homeless or at risk of homelessness

- \$400 million original allocation transferred to CalHFA
- Funds for capital and operating subsidies
- MHSA funds are leveraged with other financing to provide housing for special needs people within affordable housing developments and create additional affordable housing



## Additional Federal Resources

## Federal Resources

- **Foreclosure Counseling**

HR 2764, the Department of State, Foreign Operations and Related Programs Appropriations Act of 2008, provided funding for a National Foreclosure Mitigation Counseling (NFMC) grant program to be administered by NeighborWorks® America

- **Keep Your Home California**

State of California's foreclosure prevention program. CalHFA received nearly \$2 billion from the federal Hardest Hit Fund allocated from the Trouble Asset Relief Fund of 2008, and in February of 2011 launched four programs to prevent avoidable foreclosures

## KYHC Program Overview

- **Unemployment Assistance Program**
- **Mortgage Reinstatement Program**
- **Principal Reduction Program**
- **Transition Assistance Program**
- **Reverse Mortgage Assistance Program**  
(New Program Announced February 2015)

## Funds Disbursed/Available

- \$1.8 billion allocated to California
- \$917 million in assistance funded (as of 2/11/15)
- \$72.6 million additional disbursements currently scheduled
- Approximately 49,000 homeowners assisted to date

## Contact Information

### Legislative

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### General

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Thank you.