

AGENDA #9

FY 2024-25 SINGLE FAMILY DOWN PAYMENT ASSISTANCE PROGRAMS - YEAR IN REVIEW

Ellen Martin

Director of Homeownership Programs





PRESENTATION OVERVIEW

1. First Time Homebuyer Programs Overview and Business Model
2. Historical Lending Volume, Homebuyers Served, and Demographics
3. FY 2024-25 Program Outcomes

MyHome

- Zero Interest Program
- My Access

Dream For All



OVERVIEW AND BUSINESS MODEL

FIRST TIME HOMEBUYER PROGRAMS OVERVIEW



CalHFA's Single Family down payment assistance programs help low- and moderate-income first-time homebuyers access sustainable home ownership

- Loan Terms
- Home Buyer Education
- Home Warranty
- Post Close Financial Counseling



Low Cost Down Payment and Closing Cost Assistance

- **My Home**
 - Zero Interest Program
 - My Access
- **Dream for All**

SINGLE FAMILY PROGRAMS – BASIC BUSINESS MODEL



CalHFA provides borrower low cost down payment assistance



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That down payment assistance loan is paired with a CalHFA first mortgage



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CalHFA bundles and sells first mortgages on secondary market



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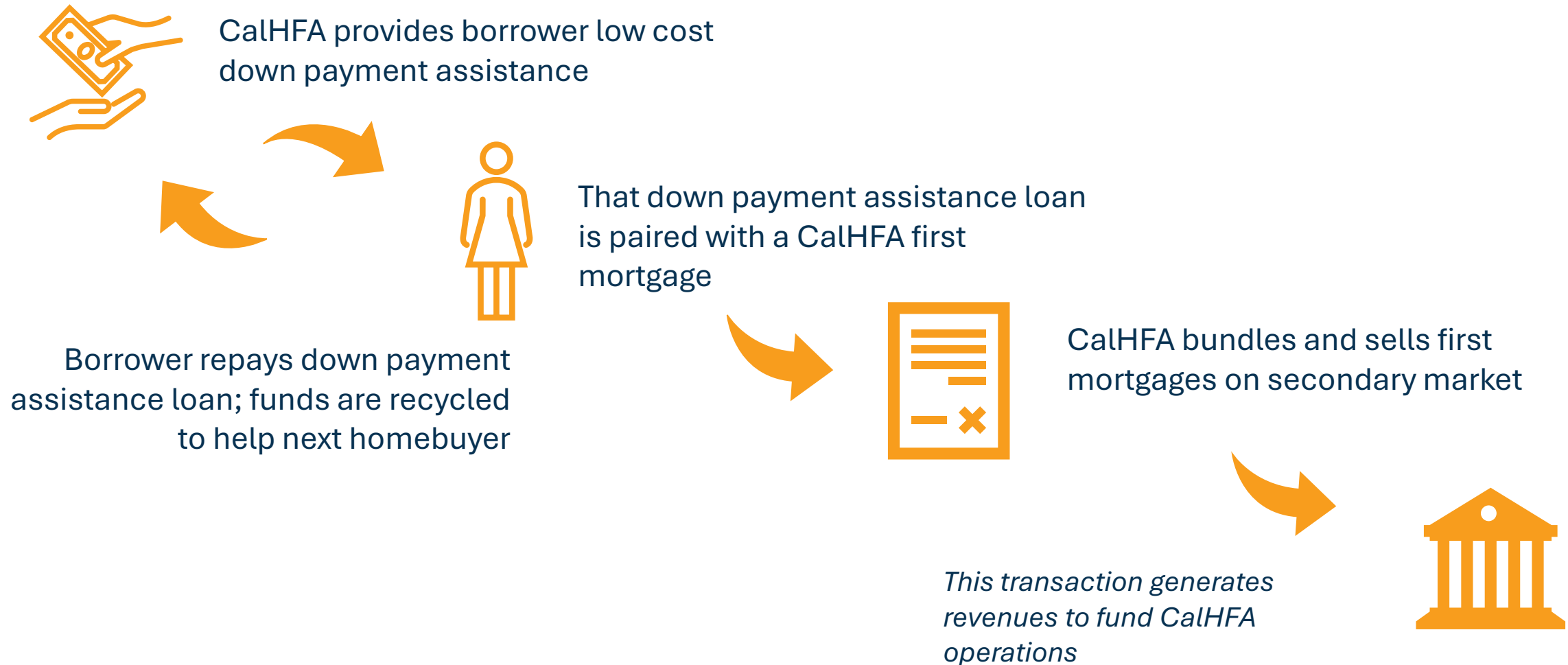
CalHFA bundles and sells first mortgages on secondary market



This transaction generates revenues to fund CalHFA operations



SINGLE FAMILY PROGRAMS – BASIC BUSINESS MODEL



BUSINESS MODEL IMPERATIVES



KEY CONSIDERATION



WHAT DOES THAT MEAN?

BUSINESS MODEL IMPERATIVES



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1. CalHFA is not a direct lender – loans are originated through a network of CalHFA approved lenders.



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1. Lenders are critical Single-Family Program partners. Without lenders, we cannot offer our programs.

BUSINESS MODEL IMPERATIVES



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1. CalHFA is not a direct lender – loans are originated through a network of CalHFA approved lenders.
2. CalHFA only has funding for down payment assistance, not first mortgages. Secondary market provides funding for first mortgages and guarantees for mortgage-backed securities.



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3. CalHFA does not have access to low-cost capital or General Fund support for core programs or operations.



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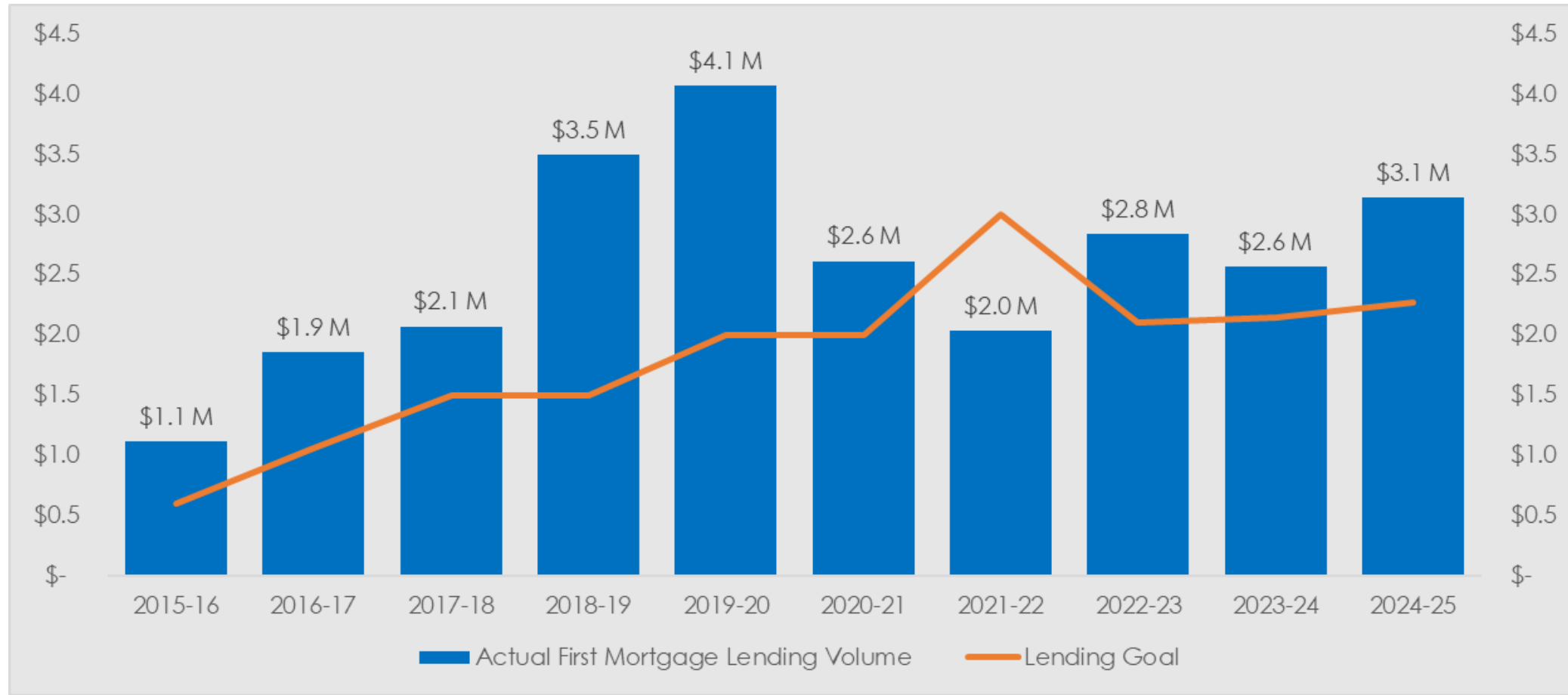
WHAT DOES THAT MEAN?

1. Lenders are critical Single-Family Program partners. Without lenders, we cannot offer our programs.
2. We have to follow rules set by Fannie Mae, FHA, USDA and VA so first mortgages are sellable on secondary market.
3. Programs must generate revenues to fund operations and recycle funds to sustain availability.
Our risk tolerance reflects the need to minimize default and delinquencies.



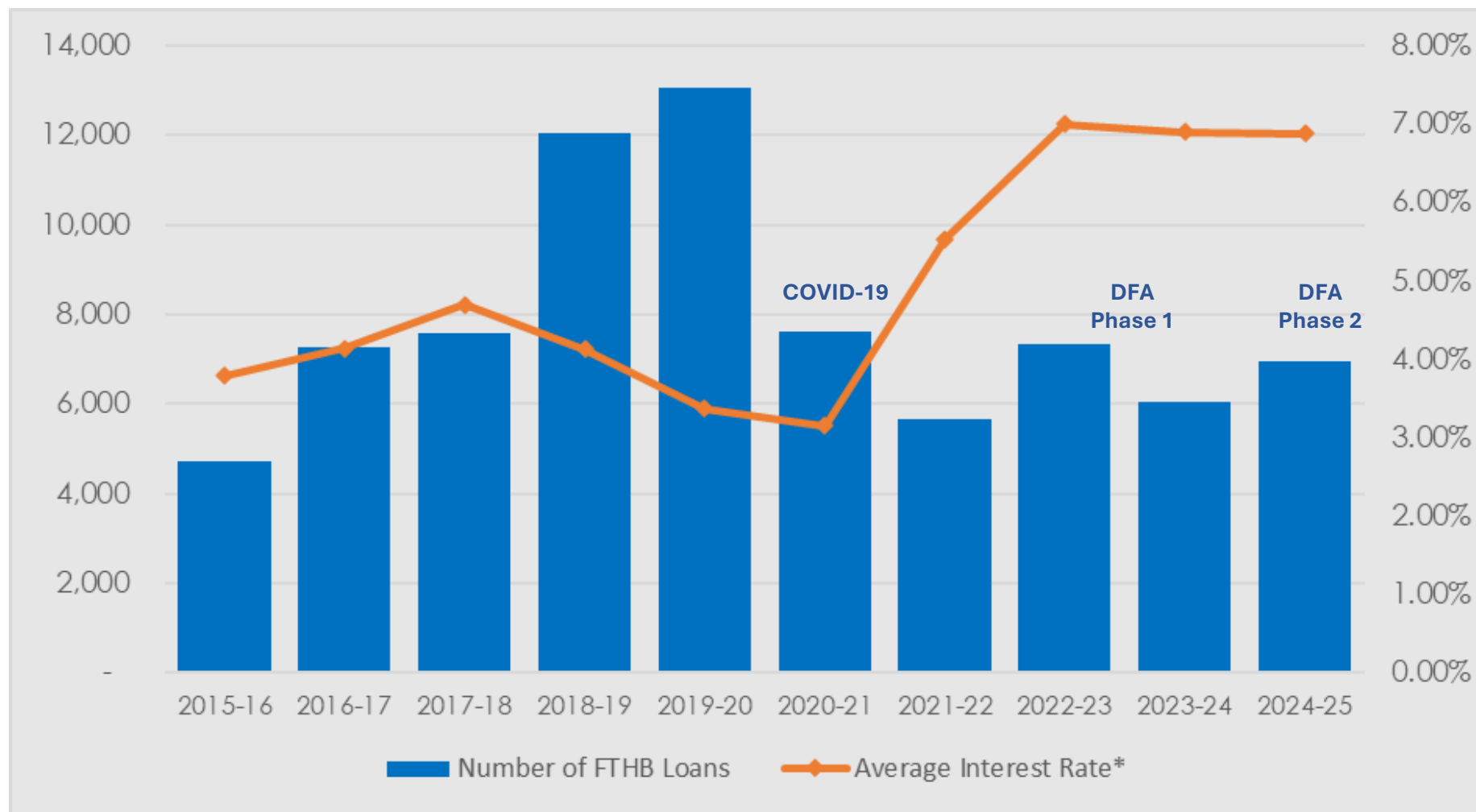
HISTORICAL METRICS

HISTORICAL SINGLE FAMILY LENDING VOLUME (\$BILLIONS)



Based on preliminary FY 24-25 data and subject to change

HISTORICAL NUMBER OF HOMEBUYERS SERVED



Based on preliminary FY 24-25 data and subject to change

HISTORICAL DEMOGRAPHICS OF HOMEBUYERS ASSISTED*



Ethnicity/Race Combined*	CA Households	CA Homeowners	CalHFA Borrowers**
AAPI	13%	15%	6%
American Indian or Alaska Native	0.3%	0.3%	0.4%
Black or African American	6%	4%	8%
Hispanic or Latino	28%	24%	52%
White	43%	53%	30%
Not Provided	10%	4%	3%
TOTAL	100%	100%	100%

* Includes Home Mortgage Disclosure Act (HMDA data). If borrower does not provide data, federal regulations require loan officers to note ethnicity and race based on visual observation or surname. A review of self reported DFA portal data compared to HMDA data suggests this may result in underreporting of Black and Latino borrowers and an overreporting of white borrowers.

** Based on available data for the last 10 years for the Forgivable Equity Builder Loan, MyHome, and Dream For All programs.



FY 2024-2025 PROGRAM OUTCOMES

FY 2024-25 KEY METRICS



7,000

Households
Served



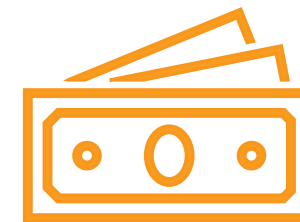
\$280 Million

Downpayment
Assistance
Loans



\$3.1 Billion

First Mortgage
Securitizations



\$63 Million

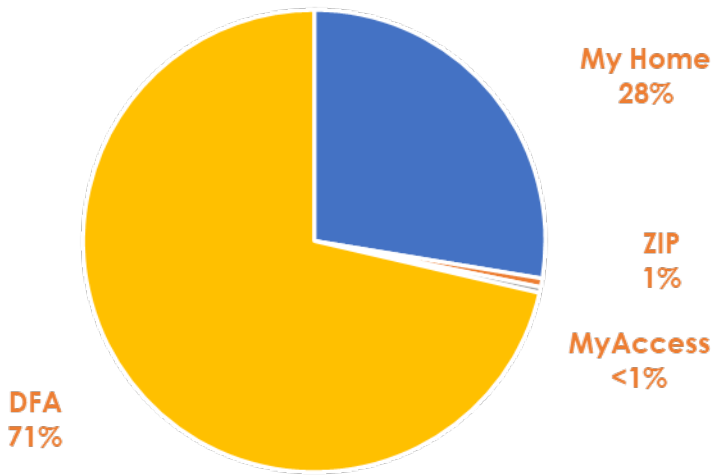
Revenues

70%

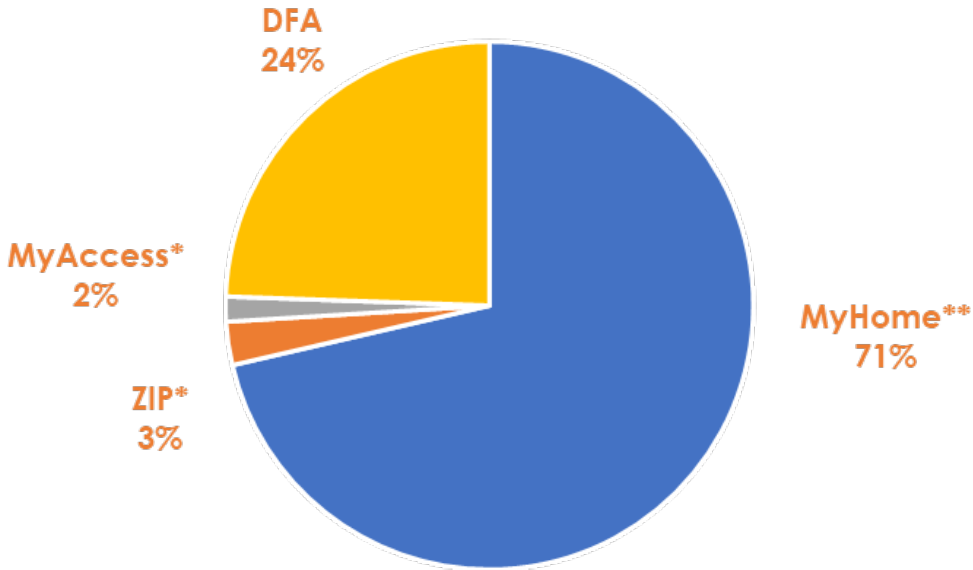
of Total CalHFA
Operating Revenues

FY 2024-25 DPA PROGRAMS

TOTAL DPA LOAN AMOUNTS



NUMBER OF BORROWERS



* Third liens with MyHome second.

** MyHome only, no CalHFA third lien.

Based on preliminary FY 24-25 data and subject to change

DEMOGRAPHICS OF HOMEBUYERS ASSISTED



Fiscal Year 2024-25 Race/Ethnicity for All DPA Programs*

Ethnicity/Race Combined	CA Households	CA Homeowners	CalHFA Borrowers*
AAPI	13%	15%	12%
American Indian or Alaska Native	0%	0%	0%
Black or African American	6%	4%	6%
Hispanic or Latino	28%	24%	46%
White	43%	53%	27%
Not Provided	10%	4%	8%
TOTAL	100%	100%	100%

* Preliminary FY 24-25 data for MyHome (including ZIP and MyAccess) and Dream For All programs. Includes HMDA data for MyHome and self-reported data from Dream For All preregistration portal.

Based on preliminary FY 24-25 data and subject to change



MYHOME, ZIP, AND MYACCESS DETAILS

FY 2024-25 KEY METRICS



7,000

Households
Served



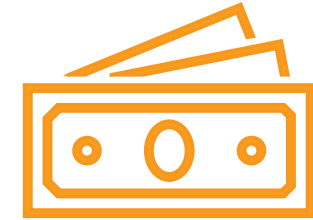
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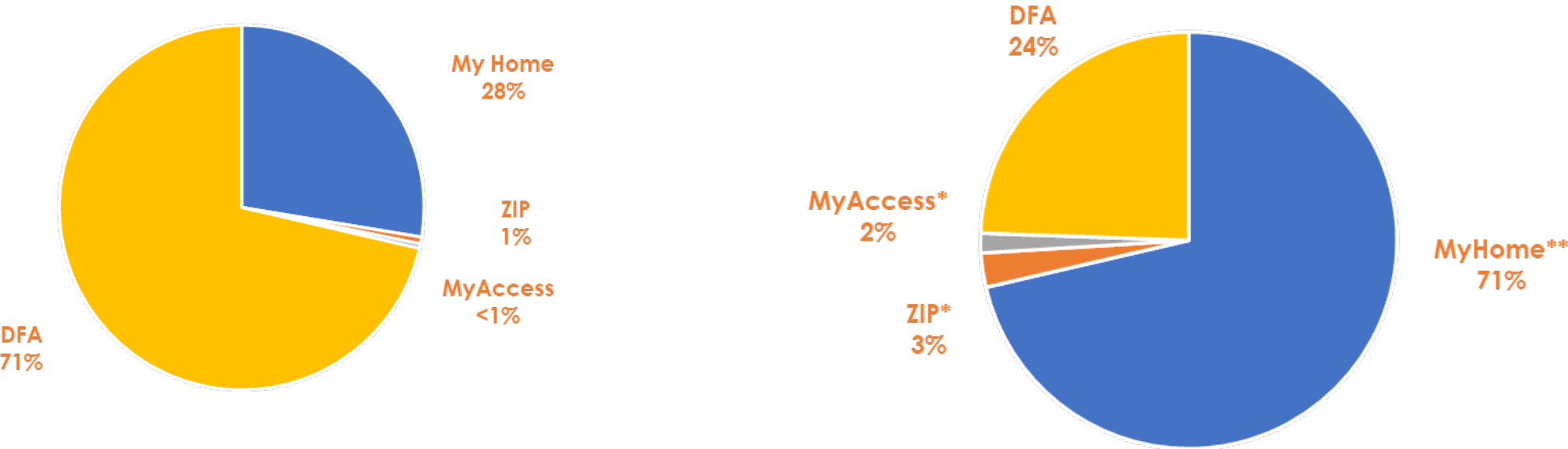
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FY 2024-25 DPA PROGRAMS



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MYHOME, ZERO INTEREST PROGRAM AND MYACCESS OVERVIEW



MyHome

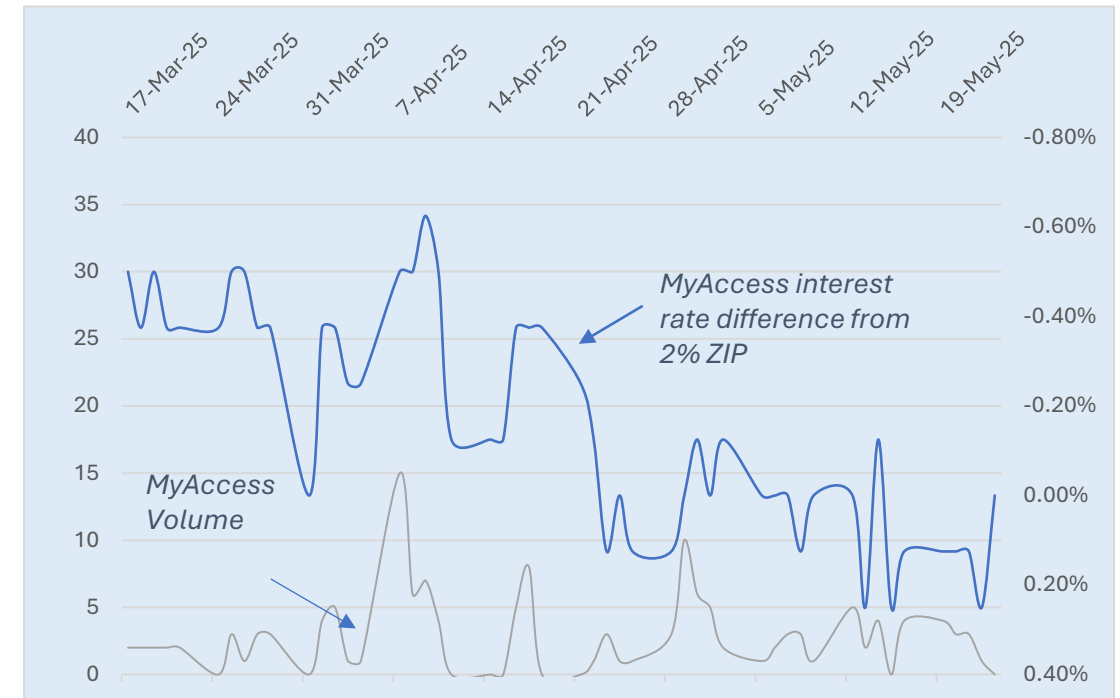
- Second lien providing up to 3.5% down payment and closing cost assistance
- 1% fixed simple interest

Zero Interest Program (ZIP)

- Third lien (behind MyHome) providing an additional 2–3% closing cost assistance.
- Higher first mortgage interest rate than MyHome alone.

MyAccess

- Third lien (behind MyHome) providing an additional 2.5% down payment or closing cost assistance
- MRB funded – interest rate based on bond coupon rate. Typically, somewhat higher than MyHome alone.



Based on preliminary FY 24-25 data and subject to change



MYHOME, ZIP, AND MYACCESS KEY METRICS



Households Served*

MyHome Only – 5,000
+ZIP – 200
+MyAccess – 100



Average Loan Amount

MyHome - \$15,000
ZIP - \$9,000
MyAccess - \$14,000



Average Home Price

MyHome - \$462,000
ZIP - \$432,000
MyAccess - \$424,000

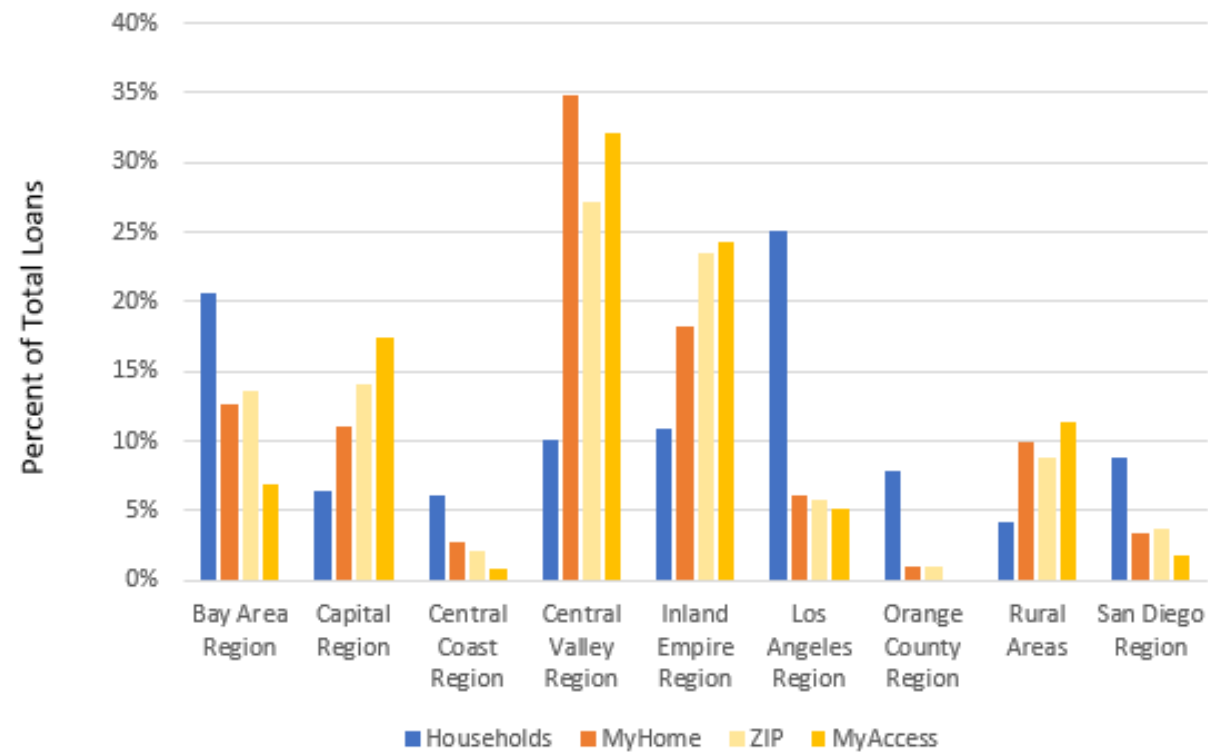
**Rounded to nearest 100. All MyAccess and ZIP loans paired with MyHome loans.*

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MYHOME, ZIP, AND MYACCESS - GEOGRAPHY



Comparison of Total Households to Loans by Region



Based on preliminary FY 24-25 data and subject to change

MYHOME, ZIP, AND MYACCESS - GEOGRAPHY



TOP 10 COUNTIES BY PROGRAM		
MyHome	ZIP	MyAccess
Sacramento	San Bernardino	San Bernardino
San Bernardino	Sacramento	Sacramento
Kern	Riverside	Riverside
Riverside	Fresno	San Joaquin
Fresno	Los Angeles	Stanislaus
Los Angeles	Kern	Fresno
San Joaquin	San Joaquin	Los Angeles
Stanislaus	Solano	Kern
Contra Costa	San Diego	Contra Costa
Tulare	Tulare	Solano

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NEW PROGRAM DEVELOPMENT



- How does the program support sustainable homeownership objectives?
- How does the program align with CalHFA's expertise and competencies?
- What is the funding source:
 - For subsidy/low-cost loan?
 - For first mortgage?
- Does the Program cover CalHFA's operating costs and risk?
- Are there additional risks to CalHFA from the program?