

Public Meeting Agenda

California Housing Finance Agency Board of Directors  
 Thursday, September 21, 2023  
 10:00 a.m.

California State Teachers’ Retirement System (CalSTRS)  
 100 Waterfront Place, Boardroom  
 West Sacramento, CA  
 916.414.5911

Click on the Zoom link to register to attend the meeting virtually:  
<https://events.zoom.us/j/84461220000>

1. Roll Call	
2. Approval of the meeting minutes of the June 22, 2023 meeting .....	1
3. Chairperson/Executive Director comments	
4. Legislative and State Budget Update (Francesc Martí, Director of Policy, Strategy and Legislative Affairs) .....	4
5. Update on California Dream for All Program (Ellen Martin, Director of Homeownership Programs) .....	13
6. Report on Multifamily Program Production for Fiscal Year-End (Kate Ferguson, Director of Multifamily Programs) .....	31
7. Report on Multifamily Loan Financing Strategy and 2023 Affordable Housing Revenue Bonds Post-Sale (Erwin Tam, Director of Financing) .....	39
• Affordable Housing Revenue Bonds, 2023 Series A Presentation (Geoff Proulx, Managing Director, Morgan Stanley) .....	46
8. Informational written reports:	
A. Multifamily Loan Production report .....	66
B. Single Family Loan Production report .....	74
C. Asset Management Quarterly report .....	78
D. Agency Bonds, Interest Rate Swaps, and Financing Risk Factors report .....	81

9. Other Board matters

10. Public comment: Opportunity for members of the public to address the Board on matters within the Board's authority

11. Adjournment

NOTES\*\*

**PARKING:** Due to CalSTRS Headquarters expansion project, public parking at CalSTRS is available, but limited: 1) Parking structure (\$1 per 20 minutes, \$15 daily max); 2) Minimal street parking available via meter ranging from 90 minutes to 2 hours.

The Ziggurat Building parking garage, located at 601 3<sup>rd</sup> Street in West Sacramento, has available parking near CalSTRS (\$1 per 20 minutes, \$15 daily max).



**REFRESHMENTS:** Available at Waterfront Café in CalSTRS. No food is allowed in the Boardroom.

## MINUTES

### California Housing Finance Agency (CalHFA) Board of Directors Meeting June 22, 2023

Meeting noticed on June 12, 2023

#### 1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at 10:00 a.m. by Chair Cervantes. A quorum of members was present.

MEMBERS PRESENT: Avila Farias, Cabildo, Kergan (for Castro Ramírez), Cervantes, Johnson Hall, Limón, Henning (for Ma), Mirzazad (for Assefa), Prince, Sin, Sotelo, Seeley (for Velasquez), Williams

MEMBERS ARRIVING  
AFTER ROLL CALL: Russell, White

MEMBERS ABSENT: Miller (for Stephenshaw), Sotelo

STAFF PRESENT: Claire Tauriainen, Chris Shultz, Melissa Flores, Erwin Tam, Rebecca Franklin, Francesc Martí

GUEST SPEAKER: Geo Shannon, Reporting Director, CalHFA HRC

Early departures: Avila Farias, Mirzazad (for Assefa), Russell, Henning, Seeley was replaced by Velasquez

#### 2. Approval of the Minutes – May 23, 2023

On a motion by Avila Farias, the minutes were approved by unanimous consent of all members in attendance.

#### 3. Chairperson/Executive Director comments

Chairperson comments:

- Chair Cervantes welcomed everyone to the meeting.

Executive Director comments:

- Executive Director Johnson Hall welcomed CalVET Secretary Lindsey Sin as a new member of the Board and introduced Chris Shultz, the new Chief Deputy Director at CalHFA. She then thanked Rebecca Franklin, Director of Enterprise Risk Management, for filling in as Acting Chief Deputy Director.
- She reported that Moody's recently upgraded CalHFA's credit rating to Aa2, the highest rating in the agency's history. Both she and Chair Cervantes commended staff for their hard work.
- She shared that June is Homeownership month and CalHFA is continuing its tradition of celebrating it by offering free homebuyer education classes to prospective homebuyers.
- She recently attended NCSHA's Housing Credit Connect conference where she had robust discussions with other HFA leaders from across the country.
- She concluded her remarks by sharing that CalHFA was re-certified as a Great Place to Work.

**4. Closed session pursuant to Government Code section 11126(e)(1) to discuss pending litigation**

Closed session convened at 10:16 a.m. Upon conclusion of the closed session, the Board members returned to the open meeting at 10:45 a.m. and reported that no action was taken.

**5. Discussion, recommendation, and possible action to authorize a National Mortgage Settlement counseling program extension – Resolution No. 23-11**

*Presented by Erwin Tam*

On a motion by Prince, the Board approved **Resolution No. 23-11**. The votes were as follows:

AYES: Cabildo, Cervantes, Limón, Kergan (for Castro Ramírez), Prince, Sin, Velasquez, White, Williams

NOES: None

ABSTENTIONS: None

ABSENT: Avila Farias, Henning (for Ma), Russell, Sotelo

**6. Updates on amendments made to Financial Risk Management Policy, Investment and Debt Management Policy and Disclosure Policy**

*Presented by Erwin Tam*

Director of Financing Erwin Tam provided the Board with an overview of recent changes made to three different financial policies.

**7. Update on California Mortgage Relief Program**

*Presented by Rebecca Franklin and guest speaker Geo Shannon*

Rebecca Franklin, President of the CalHFA Homeowner Relief Corporation (CalHFA HRC) and Geo Shannon, Reporting Director of CalHFA HRC provided the Board with an update on recent program expansions to the California Mortgage Relief Program.

**8. Legislative update**

Francesc Martí, Director of Policy, Strategy, and Legislation gave the Board an overview of the legislative budget process, along with updates on state and federal legislation.

**9. Other Board matters**

Chair Cervantes asked if there were any other Board matters and member Williams requested that the Board consider housing affordability cycles discussion at a future meeting.

**10. Public comment**

Chair Cervantes asked if there were any members of the public who wanted to make a public comment and there were none.

**11. Adjournment**

As there was no further business to be conducted, Chair Cervantes adjourned the meeting at 12:35 pm.



# Legislative Update

September 21, 2023

**Francesc R. Martí**

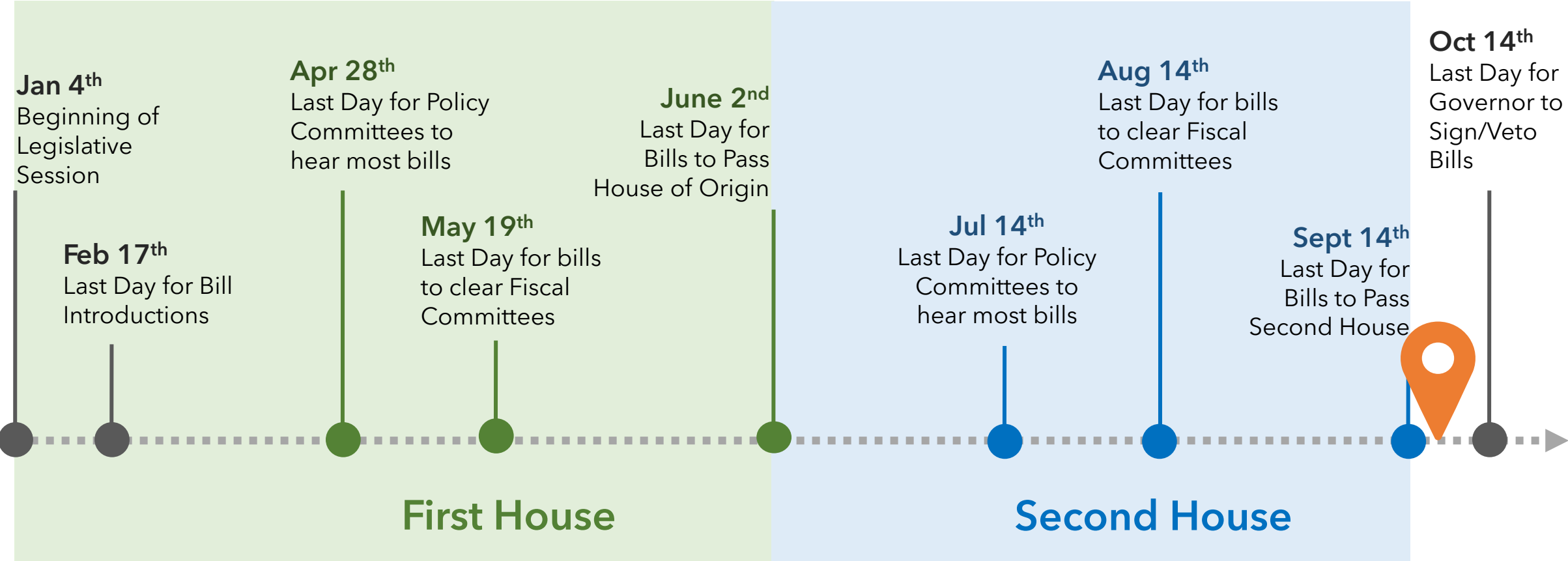
Director of Policy, Strategy and Legislative Affairs

*Please note: This presentation will be updated with additional detail upon the end of the legislative session.*

# End of Session Results



# State Legislative Process







## Legislative Update

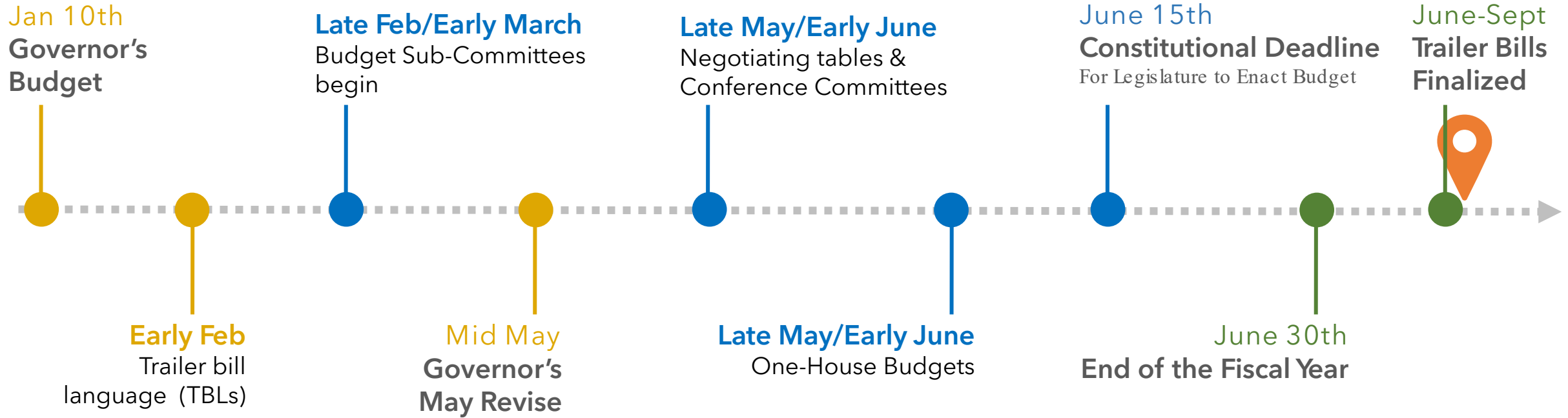
- Direct Impact to CalHFA Chaptered Bills
- Direct Impact to CalHFA On Governor's Desk
- Housing Bills of Interest Chaptered
- Housing Bills of Interest On Governor's Desk



# State Budget



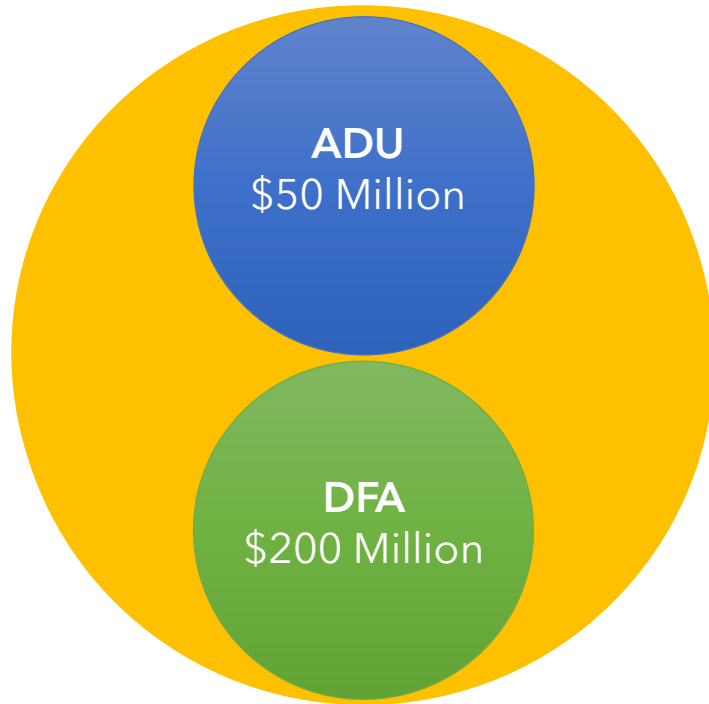
# State Budget Process



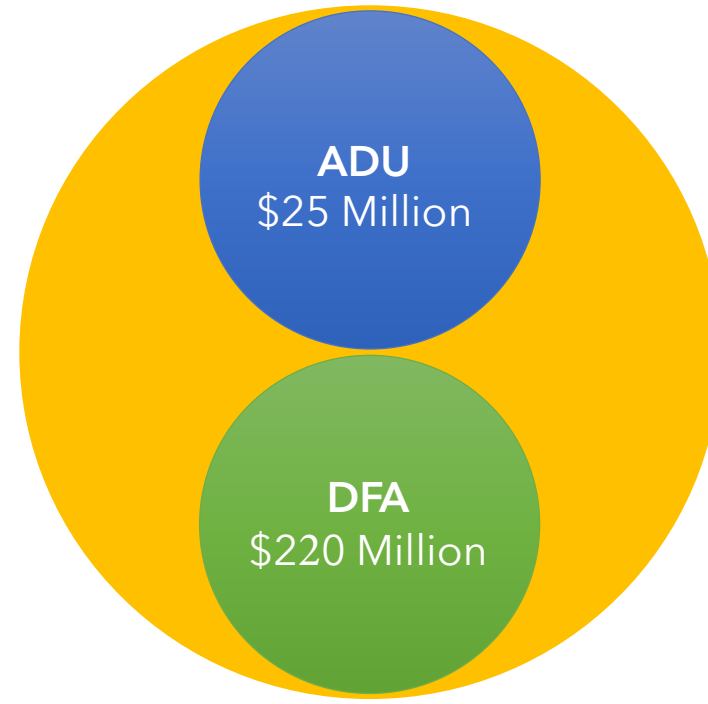


## CalHFA Items in the State Budget

June Budget



Sept. Budget Bill Junior





CalHFA State Budget Items  
**End of Session Update**

- BUDGET TRAILER BILL  
AB/SB 143
- BUDGET BILL JUNIOR  
SB 104



# Questions



# Dream For All Program Update

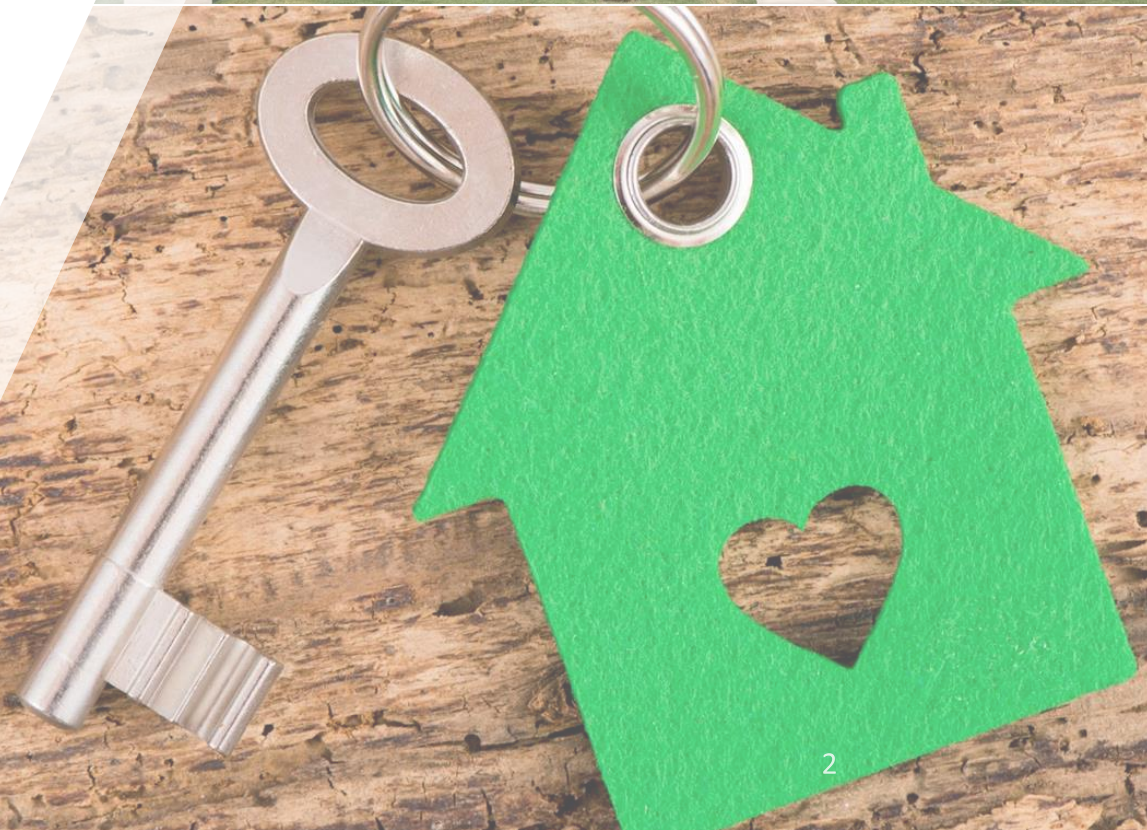
September 21, 2023

**Ellen Martin**

Director of Homeownership

## Dream For All Program

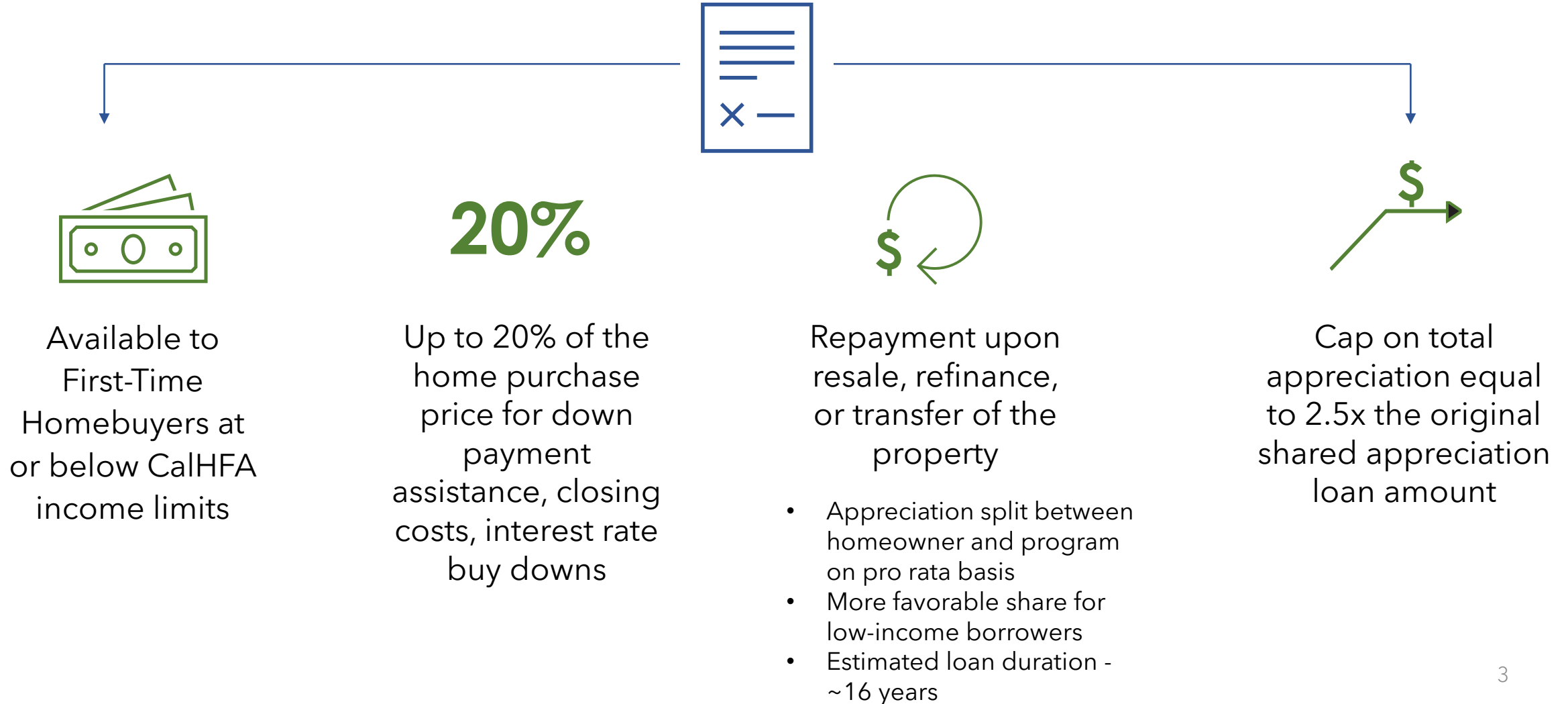
- A revolving, **shared appreciation loan program** that provides loans for a down payment to qualified homebuyers. Upon sale or transfer of the home, the homebuyer repays the original down payment loan, plus a share of the appreciation in the value of the home.
- **Simple Example**
  - Dream For All fund provides a loan for 20% of the home purchase price.
  - The homeowner pays back the original loan amount plus 20% of any appreciation in the value of the home.







# Dream For All Shared Appreciation Loan Terms - Phase 1





## Phase 1 Outcomes



**2,500**

Total Reservations



**87%**

Pull Through



**\$113,000**

Average DFA Loan



**\$567,000**

Average Home Price

***Note:** All figures based on loan reservations net of cancellations as of 8/31/23. Figures subject to change as loans are processed and funding disbursed.*



## Phase 2 Program

### Funding Available

- Approximately \$255 million (current allocation + fallout)
- Estimated 2,000 DFA loans

### Goals and Objectives



Provide potential first generation homebuyers more time to access program assistance and maximize opportunity for new buyers to enter market



Narrow eligibility to target funds to aid mortgage ready first time homebuyers that most need assistance



Increase program uptake in Black/African American community, and maintain solid program uptake in Latino, AAPI, and Tribal communities



Build on improved uptake in hard-to-serve areas such as Los Angeles, Central Coast, Orange County, and San Diego



Conduct study to evaluate program financing options



## Program Calibrations Under Consideration

- Shared Appreciation Loan Delivery and Reservation System
- Expanded Upfront Marketing and Outreach Program
- Narrowed Eligibility Criteria and Program Parameters to target first generation and lower income borrowers





- Feedback from CalHFA Board
- Discussions with partners in Administration and Legislature
- Other stakeholder/Advisory Committee feedback
- Final program calibrations and implementation timeline -  
October 26 Board meeting



# Dream For All Program Statistics - Phase 1

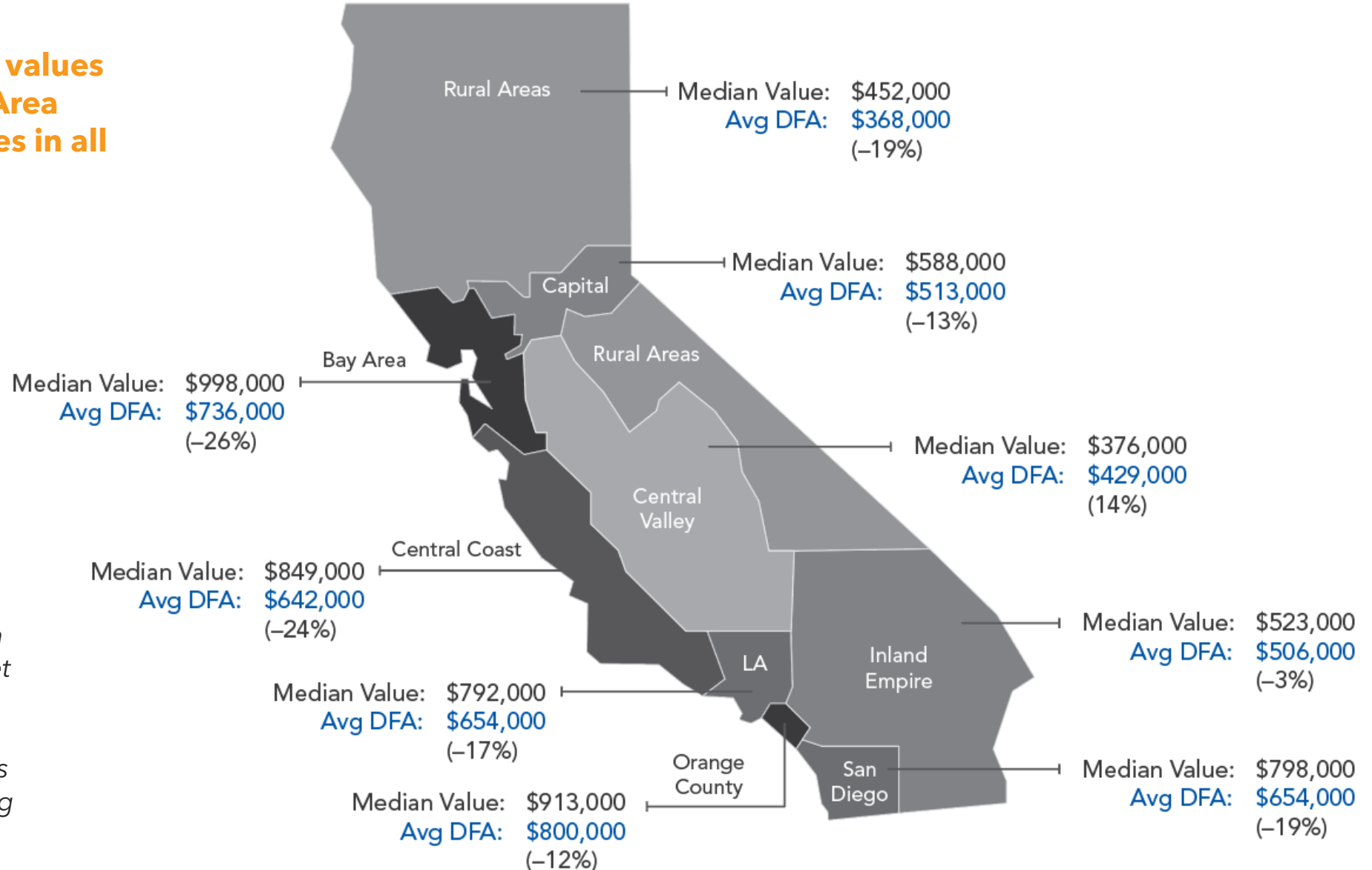
Current as of August 31, 2023

Provided for informational purposes



## Regional Average DFA Home Sales Price

**Average DFA home values were less than the Area Median Home Values in all but one Region**



*Note: All figures based on initial loan reservations net of cancellations as of 8/31/2023. Figures subject to change as loans are processed and funding disbursed.*



## Lender Network

### LENDERS

- CalHFA's lender network consists of over 130 lenders located throughout the State.
- Any lender may apply to be an approved CalHFA lender.

### GEOGRAPHIC COVERAGE

- Borrowers may contact any CalHFA lender, no matter where they live
- 54 counties are included in a preferred lending officer's primary territory

### LANGUAGE ACCESS

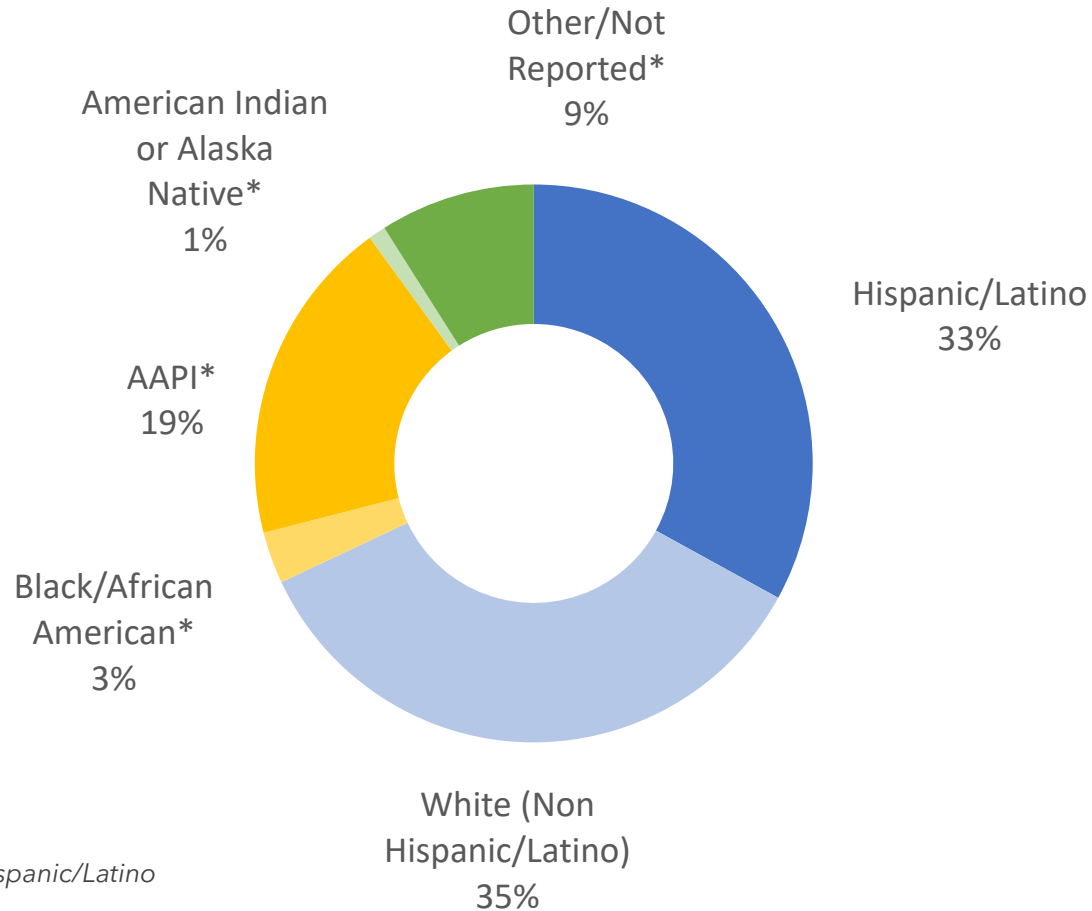
- Over 60% of CalHFA's preferred loan officers speak Spanish
- Other languages:
  - Tagalog
  - Vietnamese
  - Hindi
  - Punjabi
  - Arabic







### DFA Borrowers by Race/Ethnicity



\*Non-Hispanic/Latino

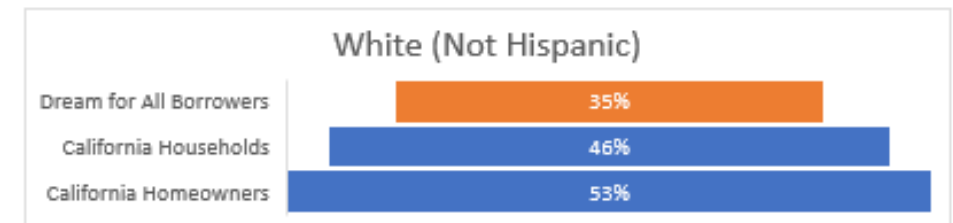
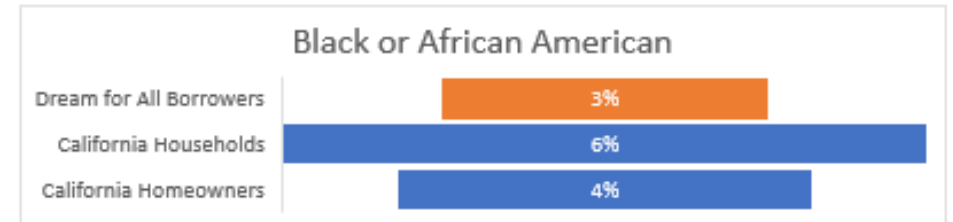
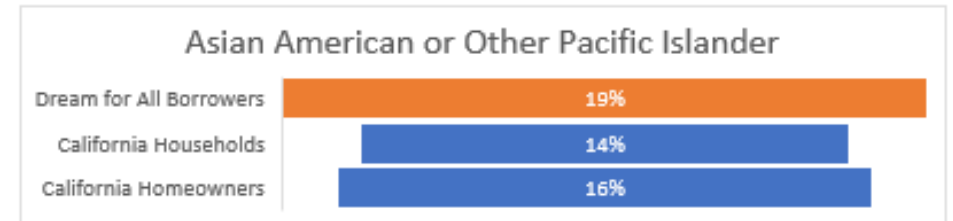
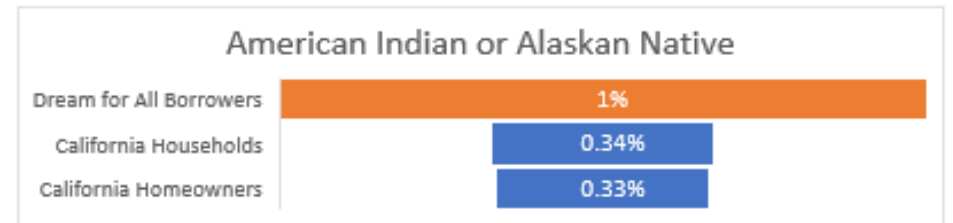
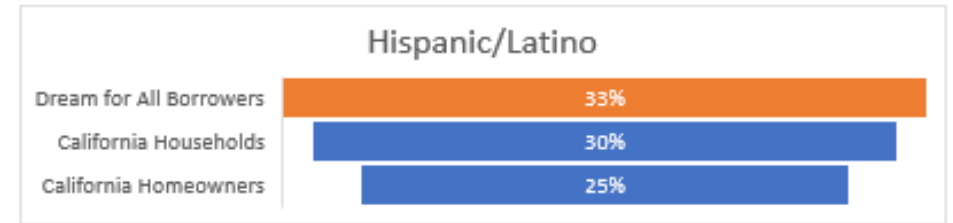
- Over **55%** of Dream for All borrowers self-identified as **belonging to communities of color**
  - 33% of Dream for All borrowers identified as Hispanic or Latino
  - 19% identified as Asian American or Pacific Islander
  - 3% identified as Black or African American
- 35% of Dream for All Borrowers identified as non-Hispanic/Latino White.

Note: All figures based on loan reservations net of cancellations as of 8/31/23. Figures subject to change as loans are processed and funding disbursed.



## DFA Borrower Race/Ethnicity Comparison

- DFA outperformed among Hispanic/Latino and AAPI borrowers, with the share of borrowers exceeding both the share of households in California and the share of homeowners in California
- The share of DFA borrowers identifying as Black or African American fell slightly below the share of Black/African American households and the current composition of Black/African American homeownership. This is a key area for outreach focus.
- DFA borrowers identifying as non-Hispanic/Latino White fell well below the current share of Non-Hispanic/Latino White households and homeowners.



*Note: All figures based on loan reservations net of cancellations as of 8/31/23. Figures subject to change as loans are processed and funding disbursed.*



## Borrower Income

Dream for All helped lower income borrowers buy their first home.



Nearly **40%** of DFA Borrowers **earned less than \$100,000**



Over **60%** of DFA Borrowers **earned less than \$125,000**



Nearly **80%** of DFA Borrowers **earned less than \$150,000**

*Note: All figures based on loan reservations net of cancellations as of 8/31/23. Figures subject to change as loans are processed and funding disbursed.*



## Geography

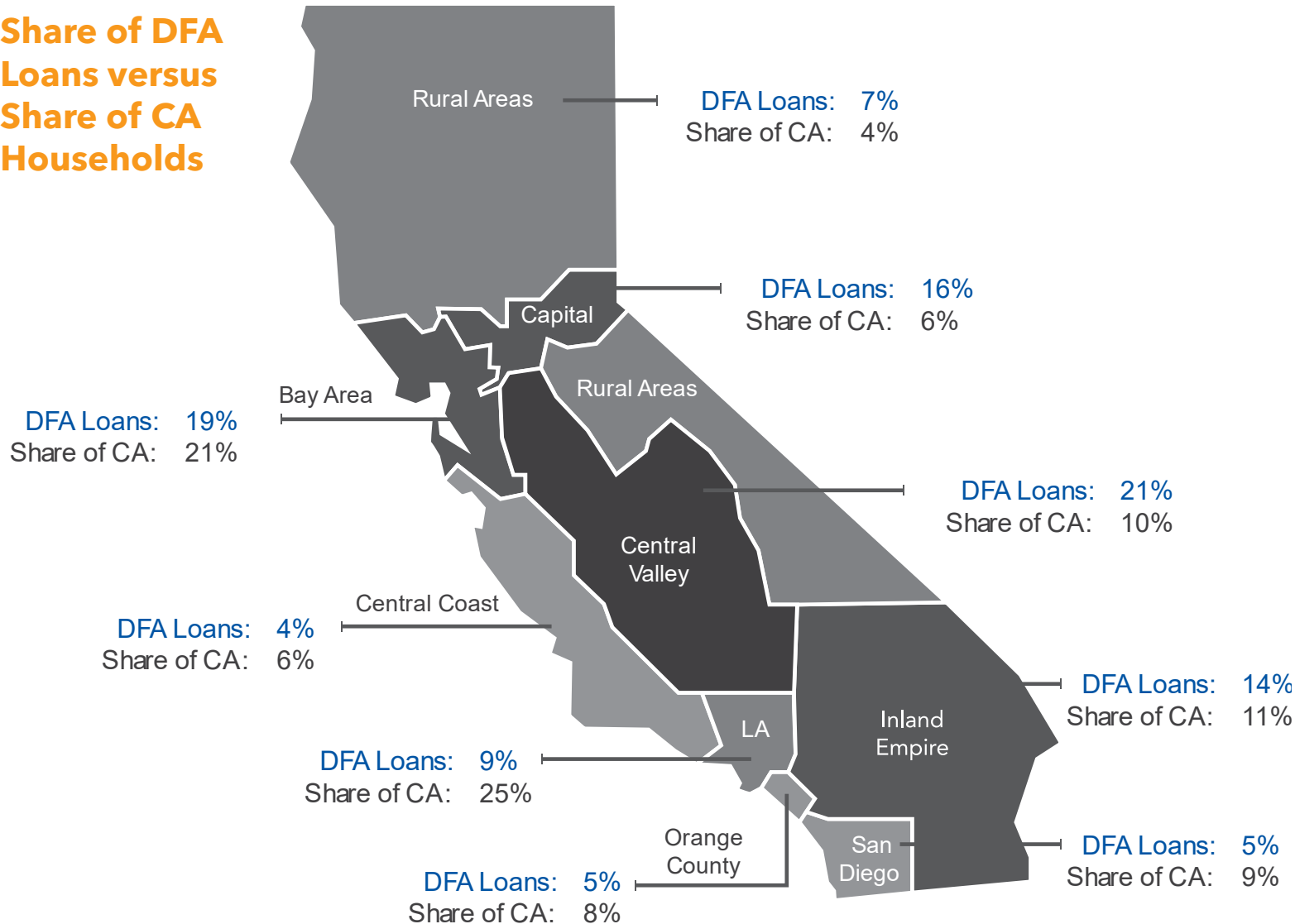
### Dream for All loans were geographically diverse

- Loans in 53 of 58 counties
- Relative to other CalHFA down payment assistance programs, shift in areas served:
  - Central Valley, Capital, Inland Empire regions still dominant
  - Significant gains in the share of loans in the Bay Area
  - Also saw gains in the share of loans in San Diego, Los Angeles, Central Coast
- Key Geographic Drivers
  - **Home Values** - more loans were concentrated in Counties where homes are more affordable for CalHFA buyers
  - **Inventory** - more loans were concentrated in Counties with greater inventory of homes



## Share of Dream for All Loans by Region

### Share of DFA Loans versus Share of CA Households

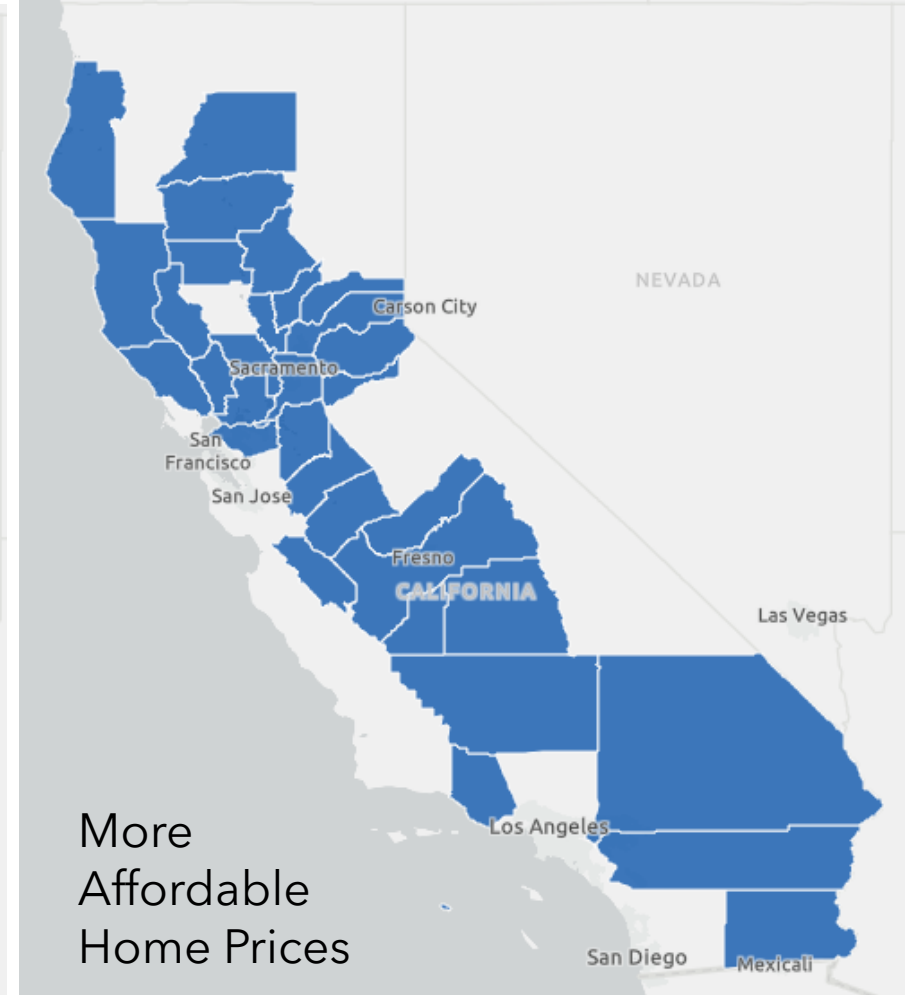
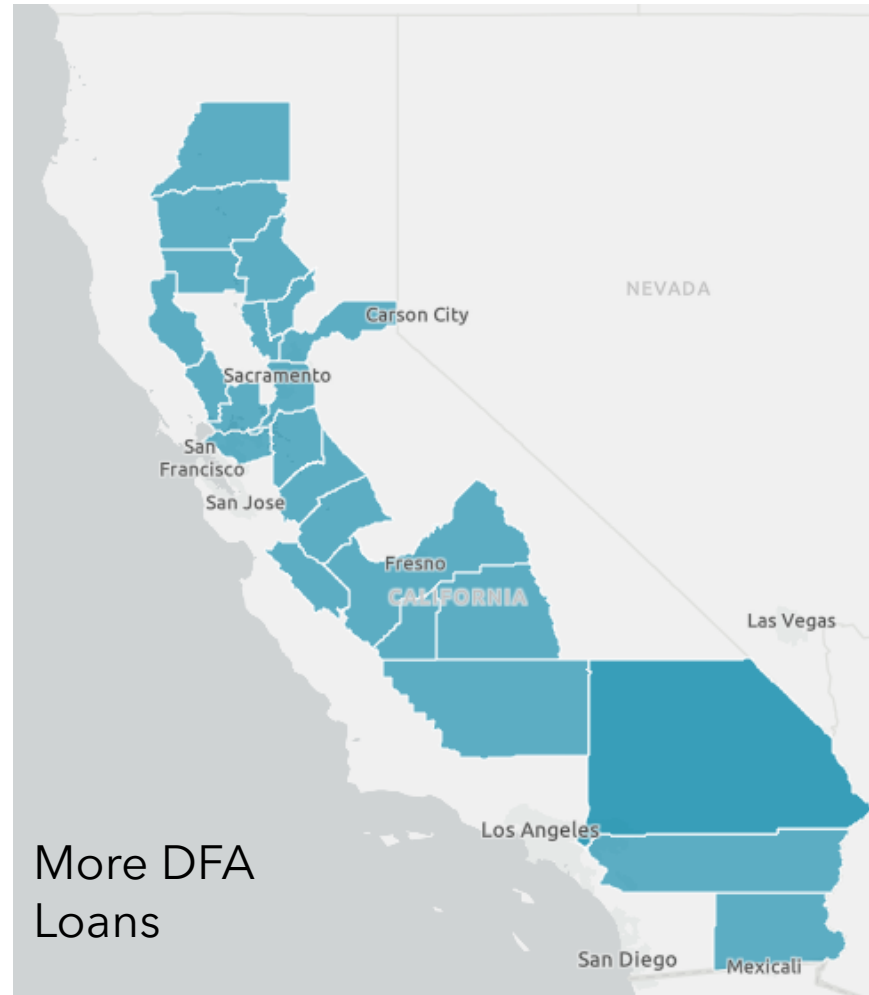


- Central Valley, Capital Region, Inland Empire saw a significant share of DFA loans, exceeding their share of CA households, due to more affordable home prices and greater inventory of homes for sale.
- More Bay Area residents were served by DFA than other CalHFA down payment assistance programs, with their share of DFA loans approaching their share of CA households.
- Share of DFA loans in Los Angeles, San Diego, Orange County and Central Coast were lower than their share of CA households, due to high home prices and low inventories.
  - Share of DFA loans in these regions still significantly outperformed other CalHFA down payment assistance programs



## Comparison of DFA Loan Performance and Housing Affordability

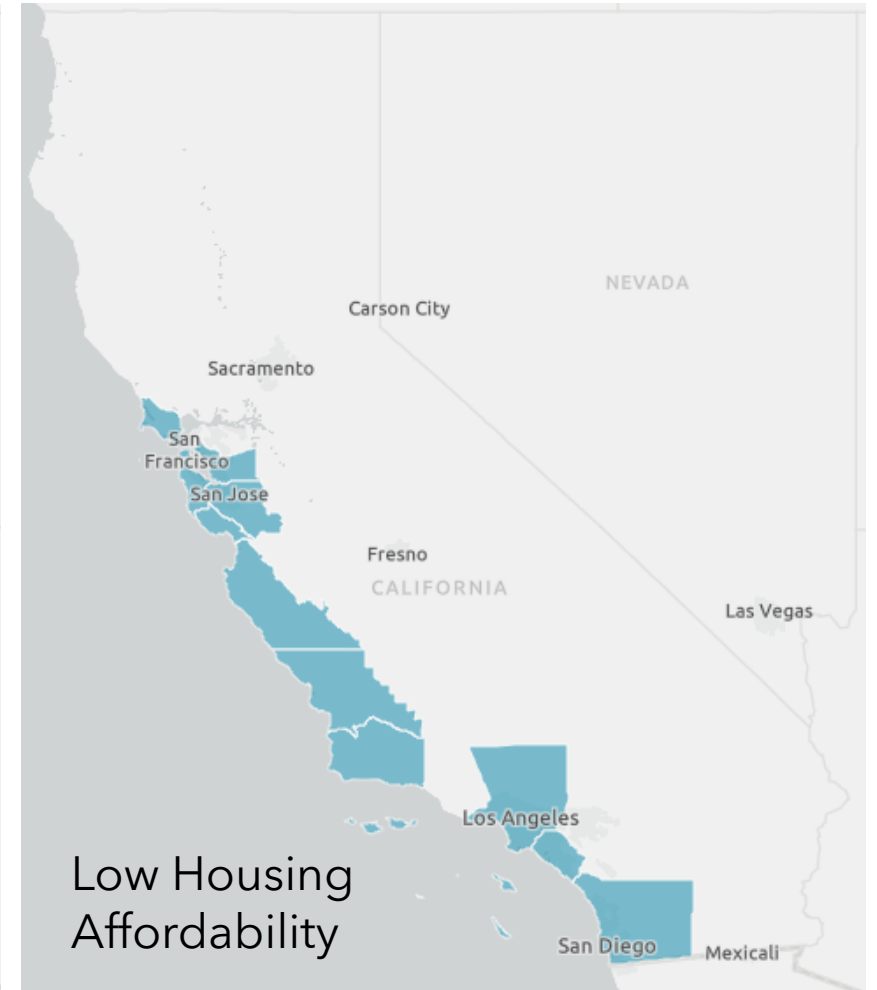
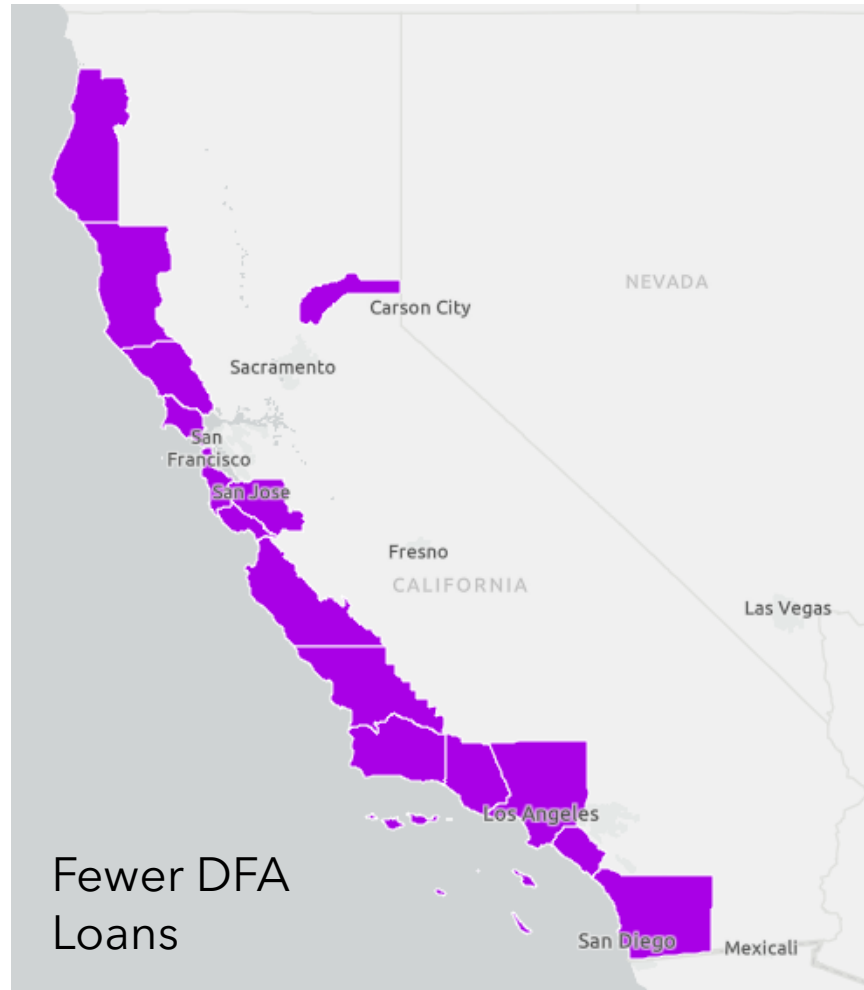
More Dream for All loans were concentrated in counties where homes are more affordable to CalHFA first time homebuyers.





## Comparison of DFA Loan Performance and Housing Affordability

Fewer Dream for All Loans occurred in counties where home prices are out of reach for CalHFA borrowers, and/or inventories of homes for sale are low.





# Questions





# Multifamily Program Production for Fiscal Year-End

September 21, 2023

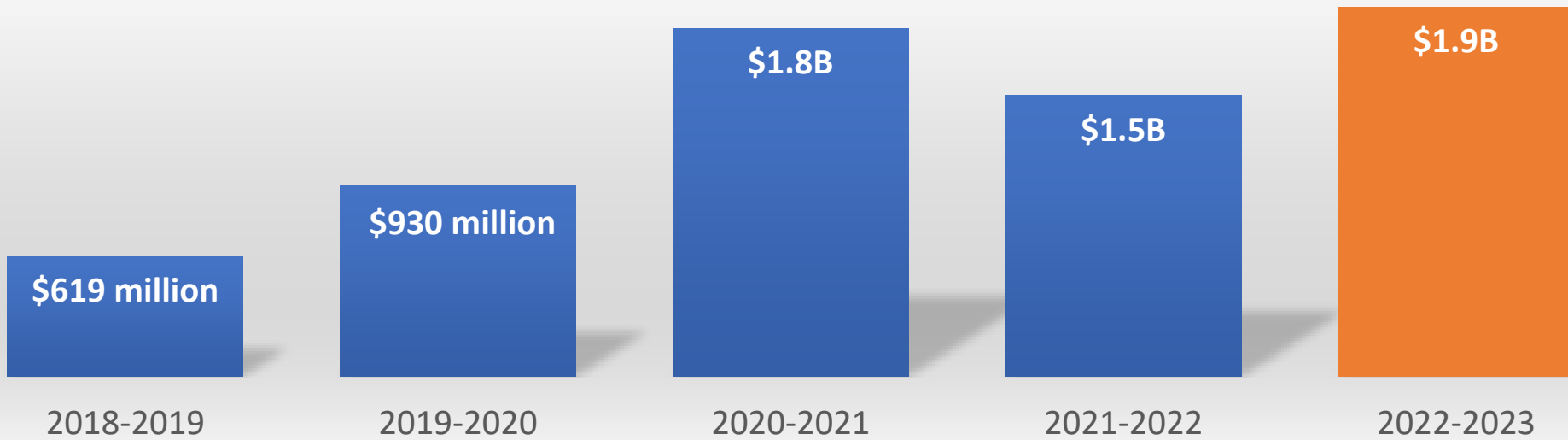
**Kate Ferguson**

Director of Multifamily Programs



# Historic Trends and Primary Drivers

Multifamily Production Dollar Volume = \$ Amount of new loan commitments, loan closings/conversions, and conduit closings



**SB2 & the establishment of Mixed Income subsidy Program ("MIP")**

- **1<sup>st</sup> MIP NOFA**
- **Subsidy Funding Drives new Perm Debt and Conduit Business**

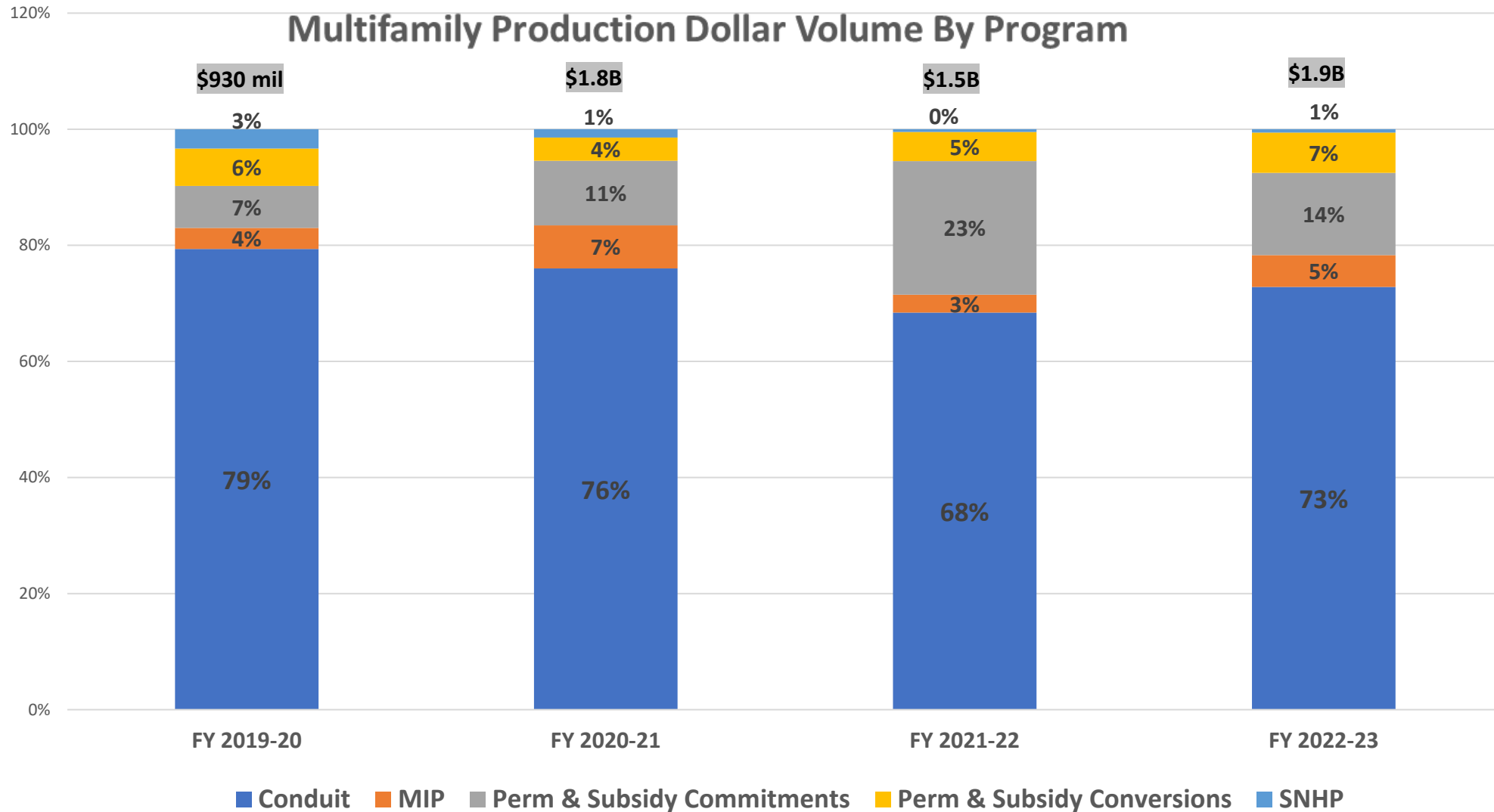
- **MIP goes Over the Counter w/ infusion of AB101 funds + \$200MM in State Tax Credits**
- **Restructure of Conduit Program**

**MIP receives allocation of Private Activity Bonds from CA Debt Limit Allocation Committee**

**MIP Pairing with Affordable Housing and Sustainable Communities Program, and Transit Oriented Development Program**

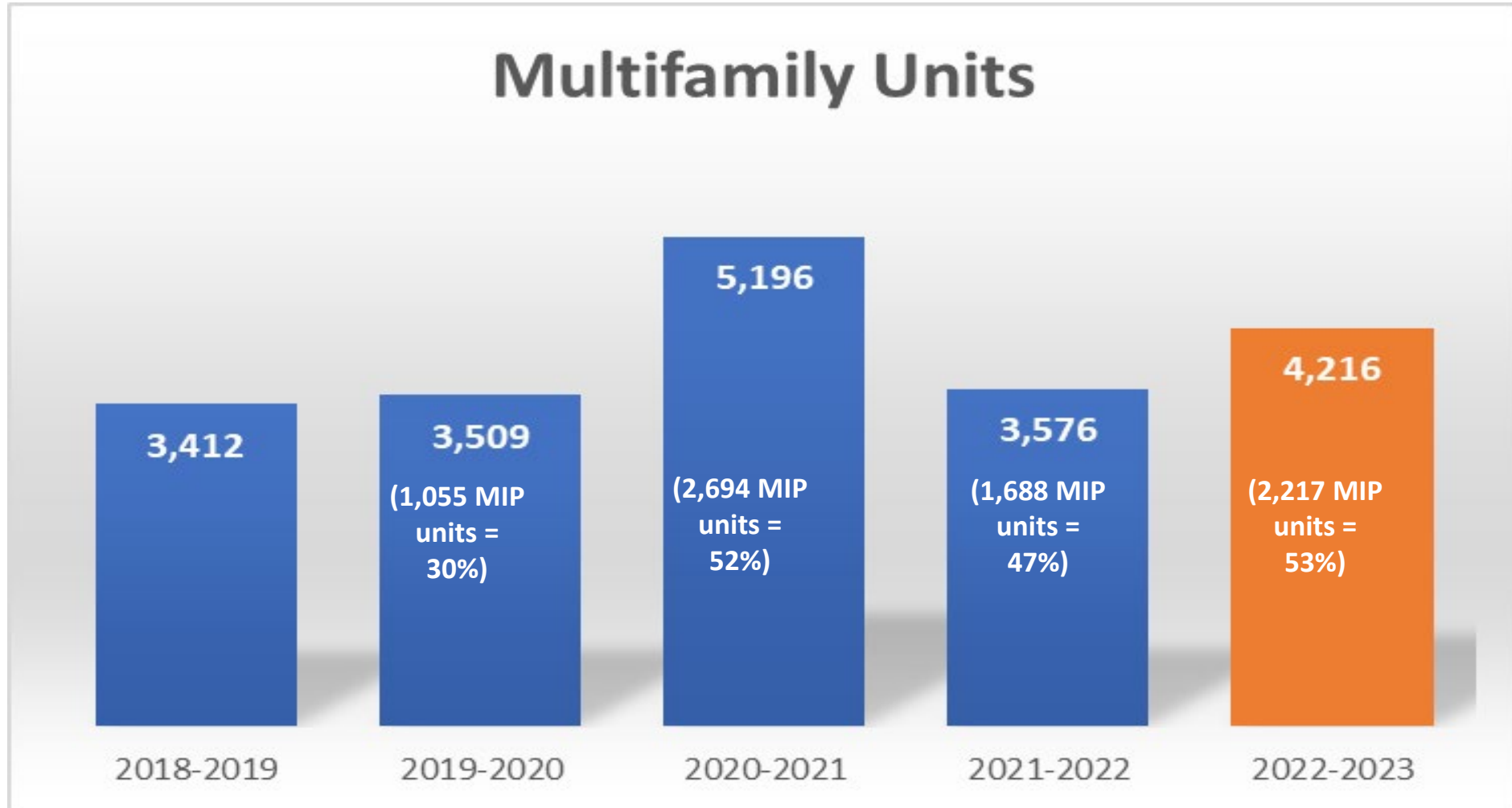


# Historic Trends and Primary Drivers





# Historic Trends and Primary Drivers





## FY2022-2023 Primary Production Driver is MIP

Mixed Income Program resulted in the following FY2022-23:

- 61.3% of total Volume (\$1.2 B) tied to MIP (includes both conduit and perm)
- 53.4% of total conduit volume tied to MIP projects (\$746 Million of total conduit volume)
- All Permanent Commitments (\$271.9 Million) were tied to MIP projects
- 50% of total Unit Production ( 2,102 units) tied to MIP



## FY2023-24 MIP to Drive Achievement of Goals

Mixed Income Program in 2023-24 will result in the following:

- \$272 million in new Perm Loan Commitments – 108% of Business Plan Goal
- \$522 million in new Conduit Business – 41% of Business Plan Goal
- 2030 in Unit Production – 46% of Business Plan Goal



## Maintaining MIP Efficacy

- Consistency
  - Broad band of affordability
  - Access to Private Activity Bonds and State Tax Credits
  - Geographic Diversity
  - Efficient Program Delivery
- Financial Return to CalHFA
  - Short Term: Fee Revenue
  - Long Term: Ongoing Annuity
- Credibility and Trust



# Questions





# Multifamily Loan Financing Strategy & 2023 Affordable Housing Revenue Bond Post-Sale Report

September 21, 2023

**Erwin Tam**

Director of Financing



## Overview

- To provide an overview of the Board approvals and the lending process that lead to the issuance of bonds to finance multifamily permanent loans
- To explain why CalHFA issues bonds to finance multifamily permanent loans
- To provide a post-sale report for the 2023 Affordable Housing Revenue Bonds

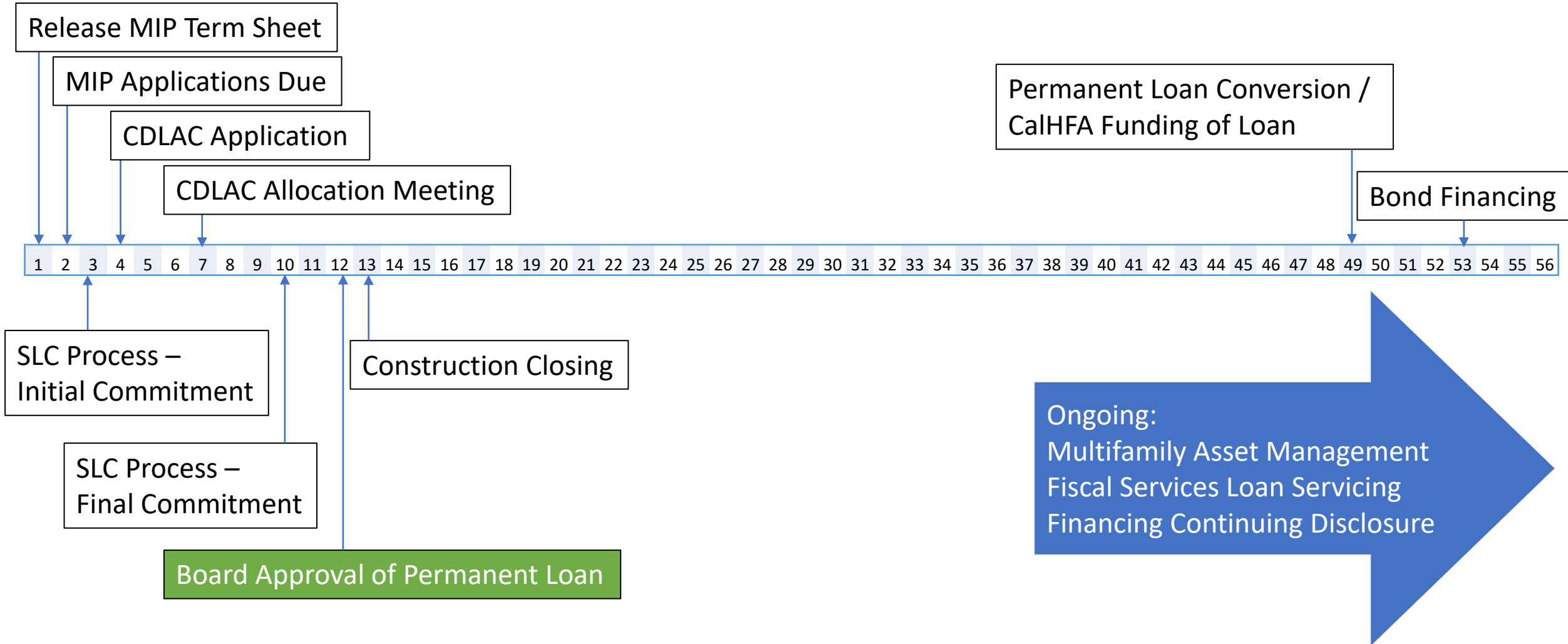


## Review of Board Actions

- CDLAC Resolution (*Annual Financing Resolutions*)
  - Allows CalHFA to apply for volume cap for projects
- Individual Development Permanent Loan Resolutions
  - Permanent Loans greater than \$15 million are approved by Board resolution
  - Since 2020, 85% of the volume of permanent loans have been approved by the Board vs. delegated authority
- Multifamily “Non-Bond” Resolution (*Annual Financing Resolutions*)
  - Allows CalHFA to warehouse permanent loans via Federal Home Loan Bank – San Francisco Loans until the issuance of bonds
  - Allows CalHFA to fund permanent and subordinate loans through Agency Funds
- Multifamily Bond Resolution (*Annual Financing Resolutions*)
  - Allows CalHFA to finance permanent loans through the issuance of bonds
  - 2023 Resolution included approval of the new Affordable Housing Revenue Bond Indenture
- Investment & Debt Management Policy
  - 2022 Resolution included a requirement for competitive RFQ process to select underwriters using the State Treasurer’s Underwriting Pool (1<sup>st</sup> competitive process since 2004)
  - Requires a post-sale report to the Board



# Illustrative Multifamily Financing Timeline (in months)

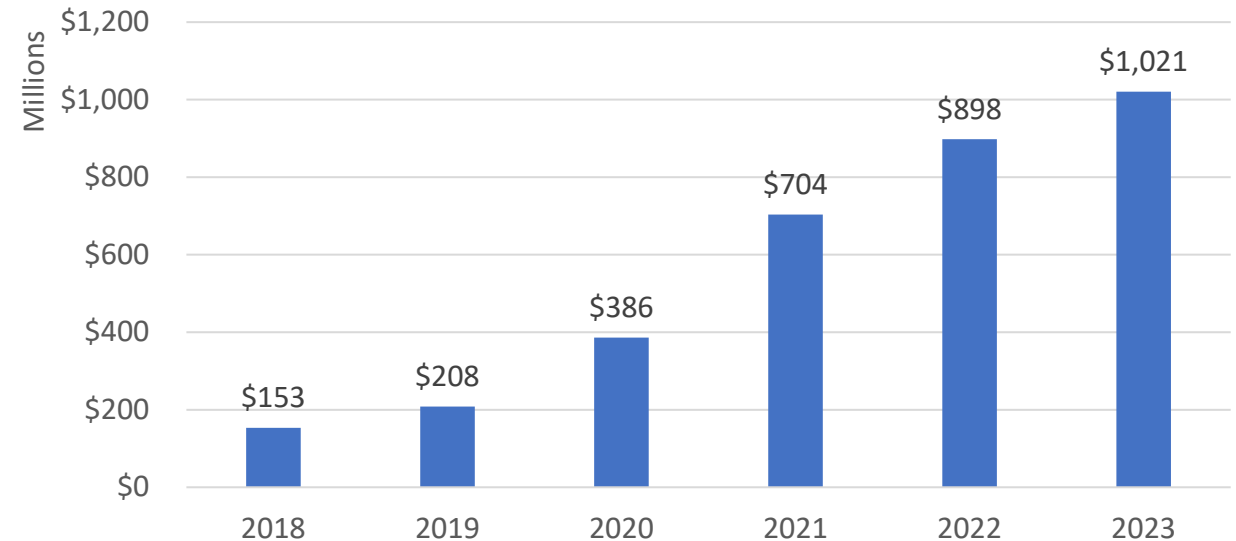




## Why Bonds?

- CalHFA's multifamily pipeline has expanded significantly over the past few years, with over \$1 billion in loans to fund in the next four years
- CalHFA can fund permanent loans through the issuance of bonds, the Federal Financing Bank and Risk-Sharing Program (FFB), or through balance sheet
- Since 2014, the Agency had generally used FFB to fund permanent loan commitments
- FFB ended under the Trump Administration in 2019 and restarted in 2021 under the Biden Administration – leaving certain loans unable to be financed with FFB
- Tax-Exempt bonds are the lowest cost of capital for CalHFA in the current market

**Outstanding Multifamily Permanent Loan Commitments by Fiscal Year**



Note: Commitments typically fund 36-42 months after construction close



## Objectives from the 2023 Affordable Housing Revenue Bonds

- Establish a flexible indenture to finance multifamily permanent loans that will be durable (MHRB III existed from 1997-2022)
- Remove CalHFA's general fund as a backstop for the bonds
- Include a second-party opinion to endorse CalHFA's "Sustainability" designation
- Align indenture with single family indenture as much as possible for administrative efficiency
- Encourage California individual investors to buy CalHFA bonds



# Questions

Morgan Stanley



# **Affordable Housing Revenue Bonds, 2023 Series A Board Presentation Materials**

**September 21, 2023**



## Affordable Housing Revenue Bonds (“AHRB”) 2023A Highlights

- Historically / Since 2008, CalHFA has financed multifamily mortgage loans primarily with conduit bonds and bank private placements
- On August 8, 2023, CalHFA re-entered the bond market with **a new flexible parity bond indenture** to finance **on-balance sheet multifamily mortgage production** which will allow CalHFA to **retain earnings over time**
  - Most new permanent loans are expected to be financed under the newly created AHRB indenture
- Overview of CalHFA’s 2023A transaction:**
  - Inaugural sale:** \$84,940,000 2023 Series A (Sustainability Bonds) (“2023A Bonds”)
    - Use of Proceeds:** Financed 570 units within six developments across San Francisco, San Jose, Santa Rosa, Truckee, and Folsom
  - Security:** The AHRB Trust Indenture is secured by Mortgage Revenues and associated Assets and **no GO pledge**
  - Ratings:** The 2023A Bonds are rated Aa2 by Moody’s and AA by S&P
  - Structure:** 100% fixed-rate serials (3.20% - 3.95%), a 2038 term (4.125%), and a fixed-rate “soft” put bond (3.60%)
  - Strong overcollateralization:** 1.33x initial parity position as evidenced below

<b>Assets</b>		<b>Liabilities</b>	
2023A Borrower Loans	\$85,713,510	2023A Bonds	\$84,940,000
DSRA (2 months P&I of 2023 A Borrower Loans)	\$768,219		
Special Reserve Fund			
Restricted Sub-Account (8/31/2023)	\$26,538,045		
<b>Total Assets</b>	<b>\$113,019,774</b>	<b>Total Liabilities</b>	<b>\$84,940,000</b>

**Initial Parity Position (Excludes Unrestricted Assets) 1.33x**

- Additional \$250 million MF III mortgage loans have been transferred to the Unrestricted Account of the AHRB Special Reserve Fund

- 2023A Results:** The Bond issue attracted **\$411 million** of orders, **or 4.8x subscription**, allowing Morgan Stanley to **reprice 5 to 12.5 basis points lower in yields across the curve**

# AHRB 2023A Transaction Structure

## Transaction Overview

- ✓ CalHFA issued the 2023A Bonds to refinance the Agency's previous financing of six permanent mortgage loans
- ✓ The loans financed multifamily rental housing developments across five counties throughout central and Northern California
- ✓ CalHFA pledged an additional six loans from the MF III Indenture to the Restricted Sub-Account of the Special Reserve Fund
- ✓ Costs of Issuance and the Underwriters' Discount were paid with available monies of the Agency

## Sources of Funds

Bond Proceeds	\$84,940,000
2023 Series A Mortgage Loans	26,538,045
Other Available Monies	2,687,372
<b>Total Sources</b>	<b>\$114,165,417</b>

## Uses of Funds

Deposit to Bond Proceeds Account	\$85,713,510
Deposit to 2023 Series A Restricted Sub-Account	26,538,045
Deposit to Debt Service Reserve Account	768,219
Costs of Issuance	459,790
Underwriters' Discount	685,853
<b>Total Uses</b>	<b>\$114,165,417</b>

## Transaction Structure (000s)

### 2023 Series A-1 Serials and Terms

Maturity	Par	Yield	Maturity	Par	Yield
2/1/2024	\$1,190	3.20%	8/1/2024	\$1,975	3.20%
2/1/2025	1,970	3.20%	8/1/2025	2,040	3.25%
2/1/2026	2,040	3.25%	8/1/2026	2,110	3.30%
2/1/2027	2,300	3.35%	8/1/2027	2,375	3.35%
2/1/2028	2,380	3.40%	8/1/2028	2,460	3.45%
2/1/2029	2,470	3.45%	8/1/2029	2,550	3.50%
2/1/2030	2,560	3.60%	8/1/2030	2,180	3.65%
2/1/2031	1,950	3.70%	8/1/2031	1,670	3.75%
2/1/2032	1,420	3.80%	8/1/2032	1,485	3.80%
2/1/2033	1,480	3.85%	8/1/2033	1,545	3.85%
2/1/2034	1,540	3.90%	8/1/2034	1,535	3.90%
2/1/2035	1,450	3.95%	8/1/2035	1,520	3.95%
			<b>Term Bond</b>	8/1/2038	8,745 4.125%

### 2023 Series A-2 Fixed-Rate Soft Put Bond

Maturity	Par	Yield
8/1/2063	30,000	3.60%
<b>All-In TIC: 3.16%</b>		

## Overview of the 2023A Borrower Loans

Project Name	City	Units	Original Principal Amount	Outstanding Principal Amount <sup>1</sup>	Maturity Date	Balloon Date	Loan Term / Amort. Period	Gross Interest Rate	Earliest Loan Prepay Date	Supplemental Security	Subsidy Program	LIHTC
Bernal Dwellings	SF	160	21,780,000	21,539,042	10/1/2057	10/1/2039	17 years/ 35 years	4.020%	10/1/2032	FHA Risk-Sharing	Earned Surplus; Section 8; RAD/Section 18; SFHA; MOHCD	Yes
Cedar Grove Apartments	Santa Rosa	96	15,000,000	15,000,000	8/1/2063	8/1/2040	17 years/ 40 years	3.700%	8/1/2033	N/A	MIP	Yes
Frishman Hollow II	Truckee	68	7,072,700	7,042,581	3/1/2063	3/1/2040	17 years/ 40 years	4.000%	3/1/2033	N/A	MIP; Town of Truckee; Martis Valley Fund	Yes
Hayes Valley South	SF	110	25,475,329	25,475,329	8/1/2058	--	35 years/ 35 years	3.980%	8/1/2033	FHA Risk-Sharing	Earned Surplus; Section 8; RAD/Section 18; SFHA; MOHCD	Yes
Leigh Avenue	San Jose	64	\$8,967,000	\$8,841,731	7/1/2052	--	30 years/ 30 years	5.750%	7/1/2032	FHA Risk-Sharing	Section 8; San Jose; Santa Clara; AHP	Yes
Peterson Place	Folsom	72	7,875,000	7,814,827	11/1/2062	11/1/2039	17 years/ 40 years	4.040%	11/1/2032	N/A	MIP; Folsom; Sacramento	Yes
<b>Total/ Wt. Avg</b>		<b>570</b>	<b>86,170,029</b>	<b>85,713,510</b>			<b>24 years/ 36 years</b>	<b>4.133%</b>				

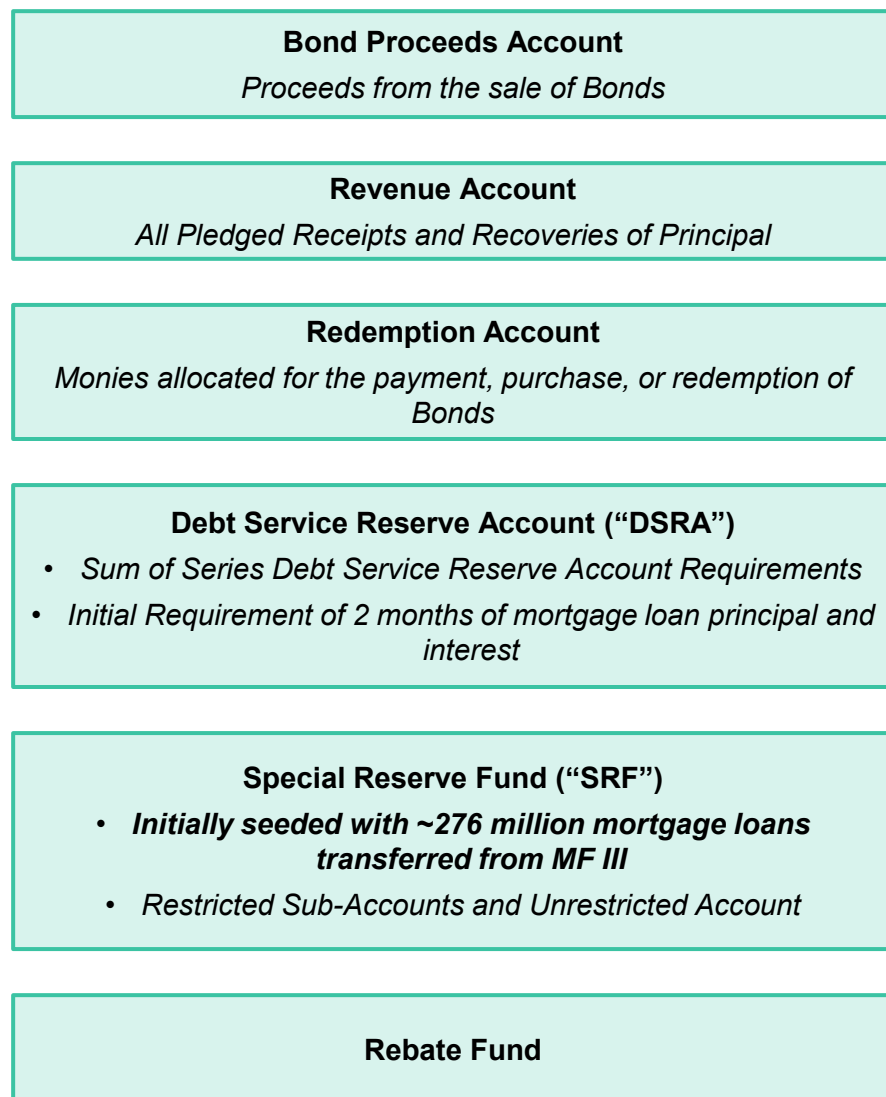
1) Outstanding Principal as of August 31, 2023

# Overview of the AHRB Indenture Provisions

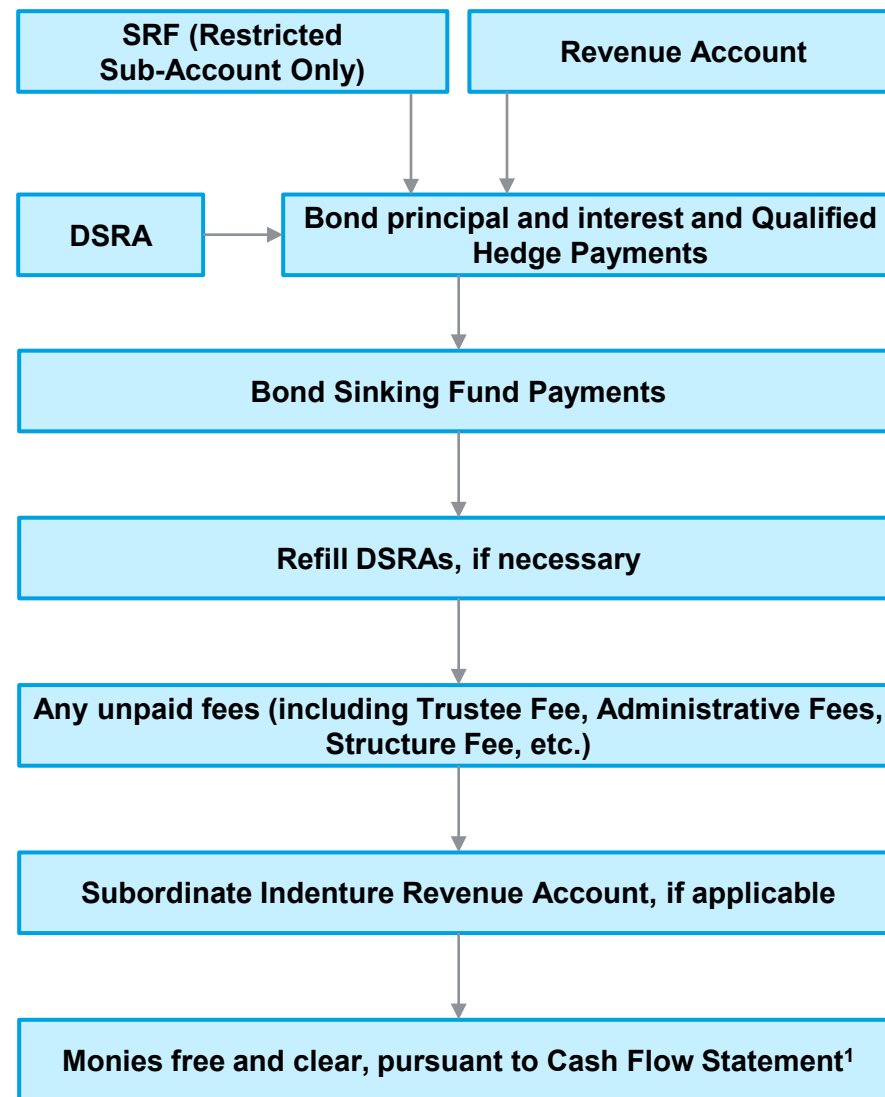
Provision	Detail
<b>GO (General Obligation) Pledge:</b>	<ul style="list-style-type: none"> <li>None. May pledge GO to a given Series of Bonds in Supplemental Indenture (e.g., Funding Agreement: CalHFA agrees to cover loan payment deficiencies)</li> </ul>
<b>Pledge of Revenues/Trust Estate:</b>	<ul style="list-style-type: none"> <li>All Bonds</li> </ul>
<b>Permitted Uses of Bond Proceeds:</b>	<ul style="list-style-type: none"> <li>Finance, refinance or acquire Borrower Loans (or participations therein)</li> <li>Refunding Bonds</li> <li>Costs of issuance and capitalized interest</li> <li>Debt Service (if shortfall) and hedge payments</li> <li>Reimburse credit facility</li> </ul>
<b>Borrower Loans:</b>	<ul style="list-style-type: none"> <li>Loan made for a Project (multifamily housing development) or Residential Housing (single family housing structure)</li> </ul>
<b>Reserve Accounts:</b>	<ul style="list-style-type: none"> <li>Debt Service Reserve Account (for debt service shortfalls – excess to Revenue Account or Redemption Account)</li> <li>Special Reserve Fund (including Restricted Sub-Accounts and Unrestricted Account)</li> </ul>
<b>Release of Revenues:</b>	<ul style="list-style-type: none"> <li>On each Interest Payment Date (after DSRA, Bond Proceeds Account, Trustee fees, Credit Facility Provider fees, Agency fee, investments, subordinate debt)               <ul style="list-style-type: none"> <li>Pursuant to Cash Flow Statement</li> </ul> </li> <li>CalHFA Issuer Fee               <ul style="list-style-type: none"> <li>Not Pursuant to Cash Flow Statement</li> </ul> </li> </ul>
<b>Additional Bonds:</b>	<ul style="list-style-type: none"> <li>Subject to legal limit, Cash Flow Statement</li> <li>Refunding Bonds require certification of DSRA Requirement</li> </ul>
<b>Subordinate Debt:</b>	<ul style="list-style-type: none"> <li>Permitted</li> </ul>
<b>Cash Flow Statements:</b>	<ul style="list-style-type: none"> <li>Issuance of Bonds</li> <li>Withdrawing Revenues</li> <li>Selling defaulted Borrower Loans</li> <li>Applying Revenues other than to pay down Bonds</li> <li>Purchasing Bonds above par</li> <li>Cross-calling</li> <li>Entering or amending Qualified Hedges</li> </ul>
<b>Rating Confirmation:</b>	<ul style="list-style-type: none"> <li>Amendments</li> </ul>
<b>Multi-modal:</b>	<ul style="list-style-type: none"> <li>Yes</li> </ul>
<b>Loan Prepayments:</b>	<ul style="list-style-type: none"> <li>Redemption Account</li> <li>Other Account with Cash Flow Statement and not otherwise prohibited</li> <li>COB for recycling</li> </ul>
<b>Loan Covenants:</b>	<ul style="list-style-type: none"> <li>Obligation to enforce; ability to acquire</li> </ul>
<b>Amendments:</b>	<ul style="list-style-type: none"> <li>Permitted for a Series upon tender or redemption</li> </ul>
<b>Events of Default:</b>	<ul style="list-style-type: none"> <li>Payment default; covenant default with 45-day cure</li> <li>Series Event of Default with Penalty Rate (does not constitute an Indenture Event of Default)</li> </ul>
<b>Remedies:</b>	<ul style="list-style-type: none"> <li>Trustee enforcement for Indenture Event of Default only</li> </ul>
<b>Recycling:</b>	<ul style="list-style-type: none"> <li>Provisions to accommodate recycling to preserve volume cap</li> </ul>

# Summary of Affordable Housing Revenue Bonds Indenture

## Establishment of Accounts



## Flow of Funds



1) A Cash Flow Certificate may be filed in order to take actions relating to amending Borrower Loans if such amendments do not materially adversely affect the cash flow projections contained in the last Cash Flow Statement

# 2023A Offering Statement

## NEW ISSUE—BOOK-ENTRY ONLY

This cover page contains information for quick reference only. It is not a summary of the information contained in this Official Statement. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

Moody's/S&P: "Aa2"/"AA"  
(see "RATINGS" herein)

\$84,940,000

### CALIFORNIA HOUSING FINANCE AGENCY

Affordable Housing Revenue Bonds,

\$54,940,000 2023 Series A-1 (Non-AMT) (Sustainability Bonds)

\$30,000,000 2023 Series A-2 (Non-AMT) (Sustainability Bonds)



**Dated:** Date of delivery

**Due:** as shown on the inside cover page

**Purpose**

The Agency will use the proceeds of the Affordable Housing Revenue Bonds, 2023 Series A-1 (the "2023 Series A-1 Bonds") and Affordable Housing Revenue Bonds, 2023 Series A-2 (the "2023 Series A-2 Bonds" and, collectively with the 2023 Series A-1 Bonds, the "2023 Series A Bonds") to refinance the Agency's previous financing of six (6) permanent mortgage loans (the "2023 Series A Borrower Loans") for six (6) multifamily rental housing developments (collectively, the "2023 Series A Projects"). See "PLAN OF FINANCING."

**Sustainability Bonds Designation**

The Agency has designated the 2023 Series A Bonds as "Sustainability Bonds." See "DESIGNATION OF THE 2023 SERIES A BONDS AS SUSTAINABILITY BONDS."

**Tax Exemption**

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Agency, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2023 Series A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), except that no opinion is expressed as to the status of interest on any 2023 Series A Bond for any period that such 2023 Series A Bond is held by a "substantial user" of the facilities financed or refinanced by the 2023 Series A Bonds or by a "related person" within the meaning of Section 147(a) of the Code. In the further opinion of Bond Counsel, interest on the 2023 Series A Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the 2023 Series A Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the 2023 Series A Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2023 Series A Bonds. See "TAX MATTERS."

**Redemption of 2023 Series A Bonds**

The 2023 Series A Bonds are subject to redemption prior to maturity as described herein. See "DESCRIPTION OF THE 2023 SERIES A-1 BONDS" and "DESCRIPTION OF THE 2023 SERIES A-2 BONDS."

**Mandatory Tender of 2023 Series A-2 Bonds**

The 2023 Series A-2 Bonds are subject to mandatory tender at the option of the Agency on August 1, 2026 or such earlier date on or after February 1, 2026 as determined by the Agency for all or a portion of the 2023 Series A-2 Bonds, subject to the provisions described herein regarding subsequent mandatory tender.

The Agency has no liability or obligation to pay or make available the Purchase Price on the Mandatory Tender Date. Failure to pay the Purchase Price of the 2023 Series A-2 Bonds does not, in and of itself, constitute an Event of Default under the Indenture. In the event that the Purchase Price or the Redemption Price of the 2023 Series A-2 Bonds is not paid, the Outstanding 2023 Series A-2 Bonds will bear interest at a rate equal to 9% per annum from the Mandatory Tender Date to but not including the date of purchase, redemption or maturity, as applicable. This Official Statement in general describes the 2023 Series A-2 Bonds only prior to the Mandatory Tender Date or the earlier date, if any, on which the 2023 Series A-2 Bonds are purchased upon mandatory tender at the option of the Agency.

See "DESCRIPTION OF THE 2023 SERIES A-2 BONDS."

**Interest**

The 2023 Series A Bonds will bear interest at the rates and payable on the dates set forth on the inside cover page of this Official Statement.

**Security**

The 2023 Series A Bonds are limited obligations of the Agency and will be payable solely from and secured by the Revenues and assets pledged therefor pursuant to the Indenture, including, without limitation, certain payments to be made under or with respect to the 2023 Series A Borrower Loans and the 2023 Series A Restricted Assets. The 2023 Series A Bonds are the first series of Bonds being issued under the Indenture and will be secured on a parity with and will be entitled to the same benefit and security as other Bonds (other than Subordinate Bonds) to be issued in the future under the Indenture, except as described herein.

Neither the Agency, any of its members, the State of California, nor any political subdivision thereof (except the Agency, to the limited extent set forth in the Indenture) nor any public agency shall in any event be liable for the payment of the principal or Redemption Price of, premium (if any) or interest on the 2023 Series A Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever except as set forth in the Indenture, and none of the 2023 Series A Bonds or any of the Agency's agreements or obligations shall be construed to constitute an indebtedness of or a pledge of the faith and credit of or a loan of the credit of or a moral obligation of any of the foregoing within the meaning of any constitutional or statutory provision whatsoever. The Agency has no taxing power.

**Bond Counsel**

Orrick, Herrington & Sutcliffe LLP.

**Underwriters' Counsel**

Kutak Rock LLP.

**Disclosure Counsel**

Orrick, Herrington & Sutcliffe LLP.

**Trustee**

U.S. Bank Trust Company, National Association.

**Book-Entry System**

The Depository Trust Company. See APPENDIX E – "Book-Entry Only System."

**Delivery**

The 2023 Series A Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval as to their legality by Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the Issuer, and certain other conditions. The 2023 Series A Bonds are expected to be delivered on or about August 24, 2023.

**Morgan Stanley**

**BofA Securities**

Date: August 9, 2023

**Citigroup**

**Barclays**

**Ramirez & Co., Inc.**

## MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES

### \$54,940,000 2023 Series A-1 Bonds (Sustainability Bonds)

#### \$46,195,000 2023 Series A-1 Fixed Rate Serial Bonds

Due	Amount	Interest Rate	Price	CUSIP No. <sup>†</sup>
Feb. 1, 2024	\$1,190,000	3.20%	100%	13032WAA2
Aug. 1, 2024	1,975,000	3.20	100	13032WAB0
Feb. 1, 2025	1,970,000	3.20	100	13032WAC8
Aug. 1, 2025	2,040,000	3.25	100	13032WAD6
Feb. 1, 2026	2,040,000	3.25	100	13032WAE4
Aug. 1, 2026	2,110,000	3.30	100	13032WAF1
Feb. 1, 2027	2,300,000	3.35	100	13032WAG9
Aug. 1, 2027	2,375,000	3.35	100	13032WAH7
Feb. 1, 2028	2,380,000	3.40	100	13032WAJ3
Aug. 1, 2028	2,460,000	3.45	100	13032WAK0
Feb. 1, 2029	2,470,000	3.45	100	13032WAL8
Aug. 1, 2029	2,550,000	3.50	100	13032WAM6
Feb. 1, 2030	2,560,000	3.60	100	13032WAN4
Aug. 1, 2030	2,180,000	3.65	100	13032WAP9
Feb. 1, 2031	1,950,000	3.70	100	13032WAQ7
Aug. 1, 2031	1,670,000	3.75	100	13032WAR5
Feb. 1, 2032	1,420,000	3.80	100	13032WAS3
Aug. 1, 2032	1,485,000	3.80	100	13032WAT1
Feb. 1, 2033	1,480,000	3.85	100	13032WAU8
Aug. 1, 2033	1,545,000	3.85	100	13032WAV6
Feb. 1, 2034	1,540,000	3.90	100	13032WAW4
Aug. 1, 2034	1,535,000	3.90	100	13032WAX2
Feb. 1, 2035	1,450,000	3.95	100	13032WAY0
Aug. 1, 2035	1,520,000	3.95	100	13032WAZ7

\$8,745,000 4.125% 2023 Series A-1 Fixed Rate Term Bonds due August 1, 2038—Price 100% CUSIP No.<sup>†</sup> 13032WBA1

### \$30,000,000 2023 Series A-2 Bonds (Sustainability Bonds)

\$30,000,000 3.60% 2023 Series A-2 Fixed Rate Term Bonds due August 1, 2063—Price 100% CUSIP No.<sup>†</sup> 13032WBB9

Mandatory Tender Date<sup>††</sup>: August 1, 2026  
Redeemable on or after: February 1, 2026  
Maximum Rate: 9%

**Interest Payment Dates:** Interest on the 2023 Series A Bonds is payable on February 1 and August 1, commencing February 1, 2024, and on any redemption or tender date.

**Authorized Denomination:** \$5,000 or any integral multiple thereof.

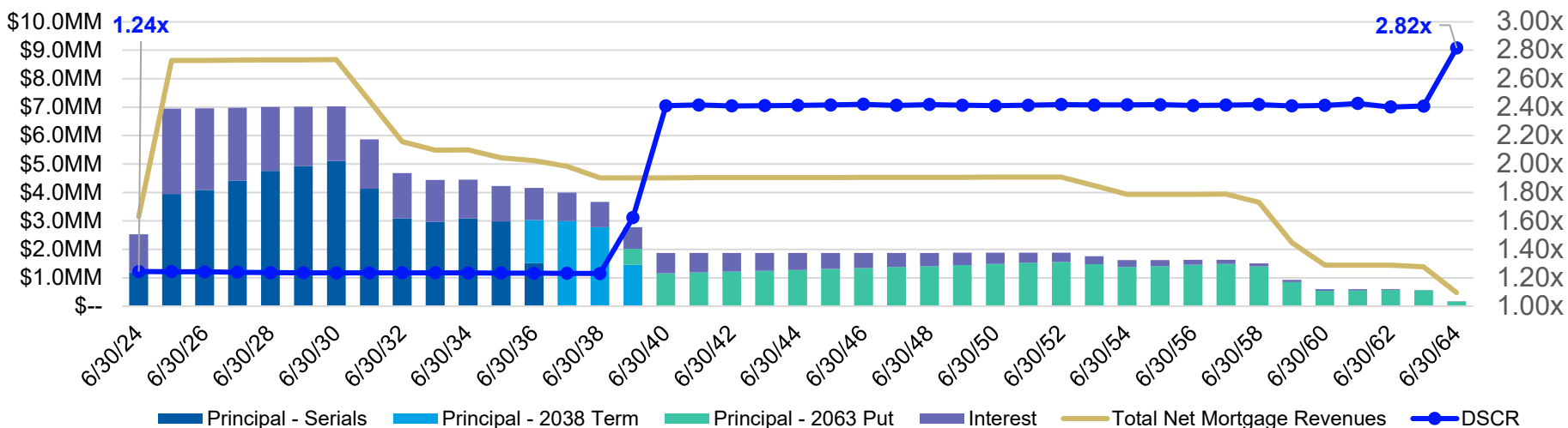
<sup>†</sup> CUSIP numbers have been assigned by an independent company not affiliated with the Agency and are included solely for the convenience of the owners of the 2023 Series A Bonds. The Agency is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the 2023 Series A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2023 Series A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity, tender and remarketing, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2023 Series A Bonds.

<sup>††</sup> The 2023 Series A-2 Bonds are subject to mandatory tender for purchase (with no right to retain) on or after August 1, 2026 or such earlier date on or after February 1, 2026 as determined by the Agency for all or a portion of the 2023 Series A-2 Bonds, subject to the provisions described herein regarding subsequent mandatory tender.

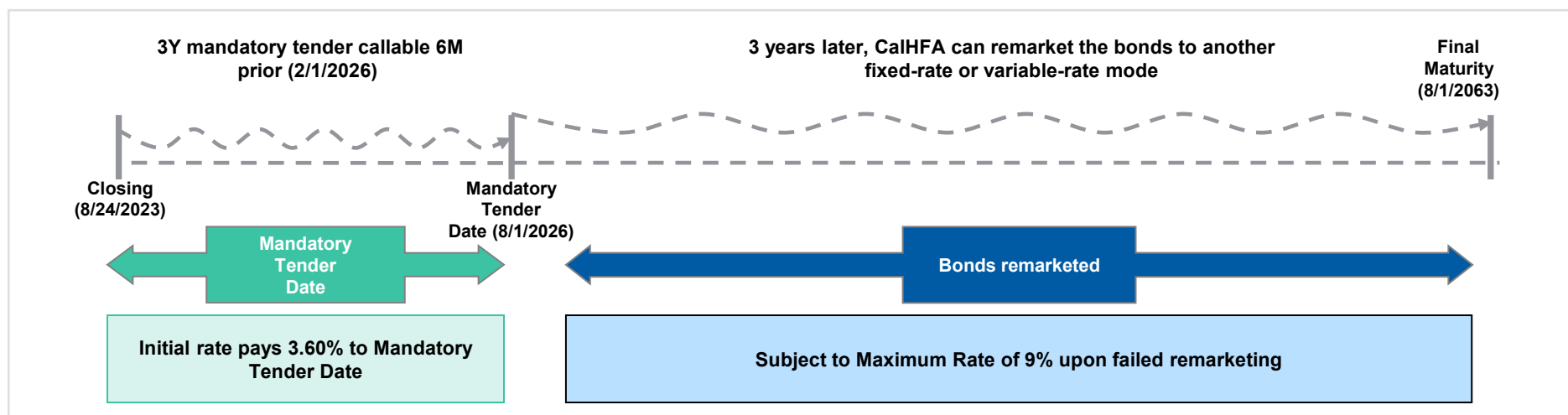
# 2023A Bond Structure and Mechanics

## AHRB Bond Structure

Bond Principal and Interest and Net Mortgage Revenues of 2023A Borrower Loans and MFII Loans by Fiscal Year



## 2023 A-2 Fixed-Rate Soft Put Bond Mechanics



## Designation of 2023A Bonds as Sustainability Bonds

<p><b>Use of Proceeds</b></p>	<ul style="list-style-type: none"> <li>– CalHFA is designating the 2023A Bonds as Sustainability Bonds based on the use of proceeds to refinance permanent mortgage loans for six multifamily rental housing projects that provide affordable housing and include energy efficiency standards and features</li> <li>– The <b>Sustainability Bonds</b> designation of the 2023A Bonds reflects the use of proceeds consistent with the ICMA “Sustainability Bond Guidelines” and mapping to four United Nations Sustainable Development Goals (“UNSDGs”)</li> </ul> <table border="1" data-bbox="569 521 1898 886"> <thead> <tr> <th>UNSDG</th> <th>Sustainability Bond Principles</th> <th>Green Bond Principles</th> </tr> </thead> <tbody> <tr> <td><b>Goal 1: No Poverty</b></td> <td>Affordable Housing, Socioeconomic Advancement and Empowerment, Access to Essential Services</td> <td>Climate Change Adaptation</td> </tr> <tr> <td><b>Goal 7: Affordable and Clean Energy</b></td> <td>Affordable Basic Infrastructure</td> <td>Energy Efficiency</td> </tr> <tr> <td><b>Goal 10: Reduced Inequalities</b></td> <td>Socioeconomic Advancement and Empowerment, Access to Essential Services</td> <td></td> </tr> <tr> <td><b>Goal 11: Sustainable Cities and Communities</b></td> <td>Affordable Housing, Affordable Basic Infrastructure, Socioeconomic Advancement and Empowerment</td> <td>Green Buildings</td> </tr> </tbody> </table>	UNSDG	Sustainability Bond Principles	Green Bond Principles	<b>Goal 1: No Poverty</b>	Affordable Housing, Socioeconomic Advancement and Empowerment, Access to Essential Services	Climate Change Adaptation	<b>Goal 7: Affordable and Clean Energy</b>	Affordable Basic Infrastructure	Energy Efficiency	<b>Goal 10: Reduced Inequalities</b>	Socioeconomic Advancement and Empowerment, Access to Essential Services		<b>Goal 11: Sustainable Cities and Communities</b>	Affordable Housing, Affordable Basic Infrastructure, Socioeconomic Advancement and Empowerment	Green Buildings
UNSDG	Sustainability Bond Principles	Green Bond Principles														
<b>Goal 1: No Poverty</b>	Affordable Housing, Socioeconomic Advancement and Empowerment, Access to Essential Services	Climate Change Adaptation														
<b>Goal 7: Affordable and Clean Energy</b>	Affordable Basic Infrastructure	Energy Efficiency														
<b>Goal 10: Reduced Inequalities</b>	Socioeconomic Advancement and Empowerment, Access to Essential Services															
<b>Goal 11: Sustainable Cities and Communities</b>	Affordable Housing, Affordable Basic Infrastructure, Socioeconomic Advancement and Empowerment	Green Buildings														
<p><b>Project Evaluation and Selection</b></p>	<ul style="list-style-type: none"> <li>– The Agency, CDLAC and CTCAC review whether a project is expected to provide safe, quality housing at rent levels which low and moderate income individuals and families can afford. The 2023A Projects were each selected by the Agency, CDLAC and CTCAC to receive financing, an allocation of tax-exempt bond authority, and an allocation of LIHTC, respectively</li> <li>– Applicants are required to demonstrate that the applicable project will satisfy the 2019 California Green Building Standards Code. Further, applicants have provided an executed contract between the applicant and an energy consultant to monitor the design and construction as necessary to meet the program requirements</li> </ul>															
<p><b>Management of Proceeds</b></p>	<ul style="list-style-type: none"> <li>– The proceeds of the 2023A Bonds will be immediately transferred to the Agency to refinance the 2023A Borrower Loans for the 2023A Projects</li> </ul>															
<p><b>Post-Issuance Reporting</b></p>	<ul style="list-style-type: none"> <li>– The proceeds of the 2023A Bonds will be used to refinance loans that were originally made prior to the date of issuance of the 2023A Bonds. Because the Agency has provided certain information and because the proceeds of the 2023A Bonds will be spent on the date of issuance of the 2023A Bonds to refinance the existing 2023A Borrower Loans, there is no additional information to report with respect to the use of the proceeds of the 2023A Bonds</li> </ul>															



# Mapping ICMA Standards to the UN SDGs

**SUSTAINABLE DEVELOPMENT GOALS**




*“At PIMCO, we believe that securities can be created to target a range of impact outcomes based on the SDGs, without compromising on investment return potential, and in some cases even enhancing it.”*

*“We are also engaging with issuers to encourage them to map revenues to SDGs as well as to report more broadly on SDG progress.”*

Scott A. Mather, CIO U.S. Core Strategies



**Examples of Mapping of Selected SBG Project Categories to the SDGs:**

SDG	SBP Category	Example Indicator
	<ul style="list-style-type: none"> <li>Affordable Housing</li> <li>Socioeconomic Advancement and Empowerment</li> </ul>	<ul style="list-style-type: none"> <li>Products and services serving low-income groups</li> <li>Access to financial services, including microfinance</li> </ul>
	<ul style="list-style-type: none"> <li>Energy Efficiency</li> <li>Renewable Energy</li> </ul>	<ul style="list-style-type: none"> <li>Number of people with access to affordable clean/efficient energy products/services (e.g. clean cooking stoves)</li> <li>Renewable energy produced</li> </ul>
	<ul style="list-style-type: none"> <li>Affordable Housing</li> <li>Affordable Basic Infrastructure</li> <li>Socioeconomic Advancement and Empowerment</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate housing</li> <li>Convenient access to public transport</li> </ul>

Source: "Green and Social Bonds: High-Level Mapping to the Sustainable Development Goals," ICMA, June 2019

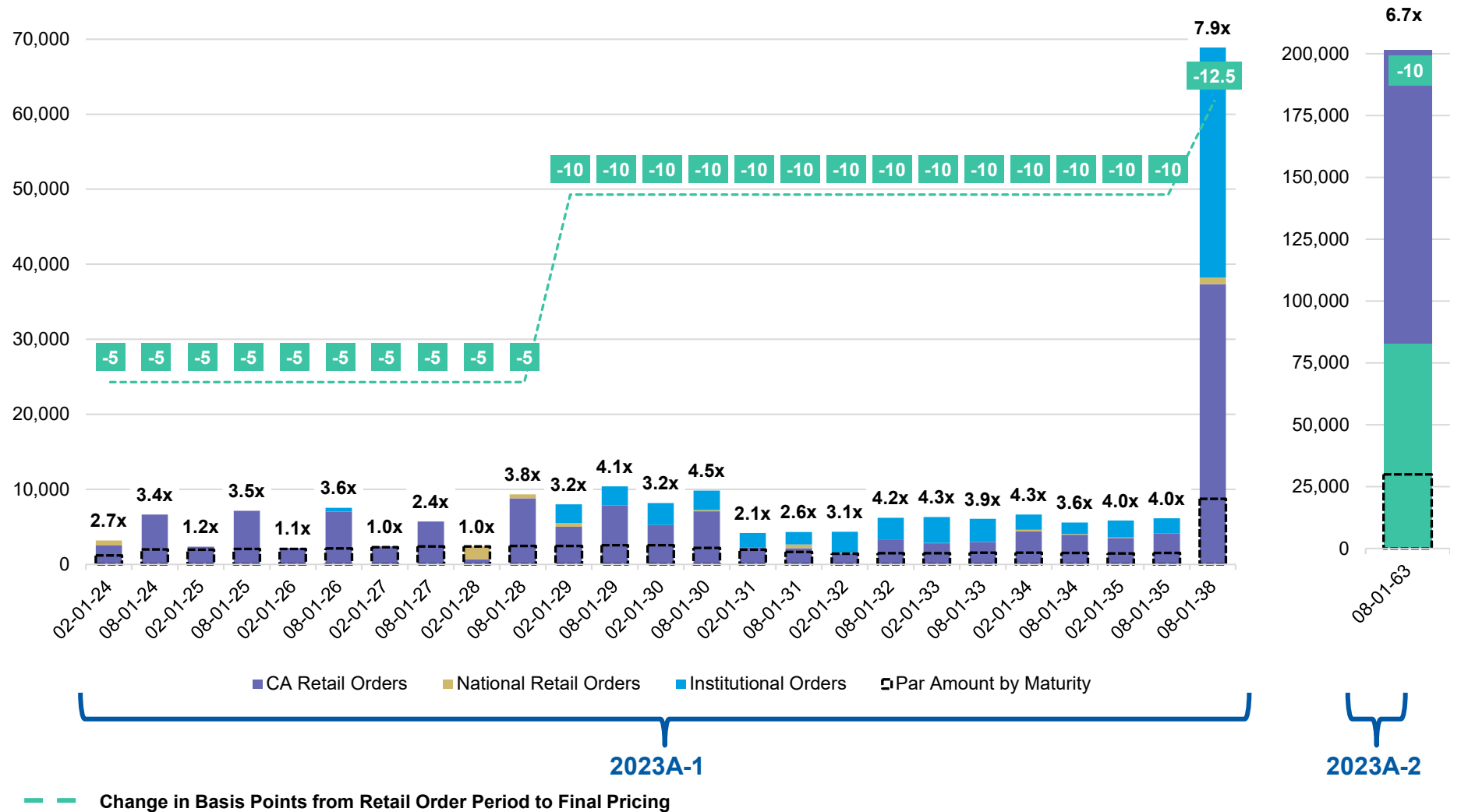
## Series 2023 Sustainability Bonds Loan Detail

Project Name	Address	New Construction vs. Rehab	Total Development / Rehab Costs	Total Units	Expected Unit Set-Aside Breakdown at or below:							Title 24 California Building Standard Code	Expected Green Building Standard	Environmental Characteristics
					30% AMI	40% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Mgr			
Bernal Dwellings	3138 Kamilie Ct., San Francisco, 94110 (City and County of San Francisco)	Rehab	\$85,780,000	160	--	--	35	120	--	4	1	Yes	2019 Cal Title 24; SF MOHCD; GreenPoint	ENERGYSTAR® appliances, water heater, lighting, low-flow toilets, low-flow showerheads
Cedar Grove Apartments	3422 Santa Rosa Ave., Santa Rosa, 95407 (Sonoma County)	New Construction	55,750,000	96	--	--	48	--	47	--	1	Yes	2019 Cal Title 24	ENERGYSTAR® appliances, low-water use landscaping
Frishman Hollow II	11026 Rue Ivy, Truckee, CA 96161 (Nevada County)	New Construction	34,205,700	68	--	--	33	14	7	13	1	Yes	2019 Cal Title 24	ENERGYSTAR® appliances, low-water use landscaping, modular construction
Hayes Valley South	401 Rose St., San Francisco, 94102 (City and County of San Francisco)	Rehab	79,060,329	110	--	--	66	43	--	--	1	Yes	2019 Cal Title 24; SF MOHCD; GreenPoint	ENERGYSTAR® appliances, roof insulation, windows, gas furnace, lighting, PV solar
Leigh Avenue Senior	1030 Leigh Ave., San Jose, 95126 (Santa Clara County)	New Construction	35,874,500	64	20	23	--	20	--	--	1	Yes	2019 Cal Title 24; Santa Clara; LEED Platinum; HomeFree	ENERGYSTAR® appliances, lighting, low electric usage, low-water use landscaping, building materials
Peterson Place	1105 Blue Ravine Road, Folsom, 95630 (Sacramento County)	New Construction	30,225,000	72	8	--	34	--	29	--	1	Yes	2019 Cal Title 24	ENERGYSTAR® appliances, lighting, low-water use landscaping
<b>Total</b>			<b>\$320,895,529</b>	<b>570</b>	<b>28</b>	<b>23</b>	<b>216</b>	<b>197</b>	<b>54</b>	<b>46</b>	<b>6</b>			

# CalHFA AHRB 2023A Order Results and Pricing Adjustments

## Pricing Benefit and Total Orders by Type and Maturity

Subscription (x)



# Orders and Allotments by Maturity

## 2023 A-1 and A-2

Dollars in Thousands

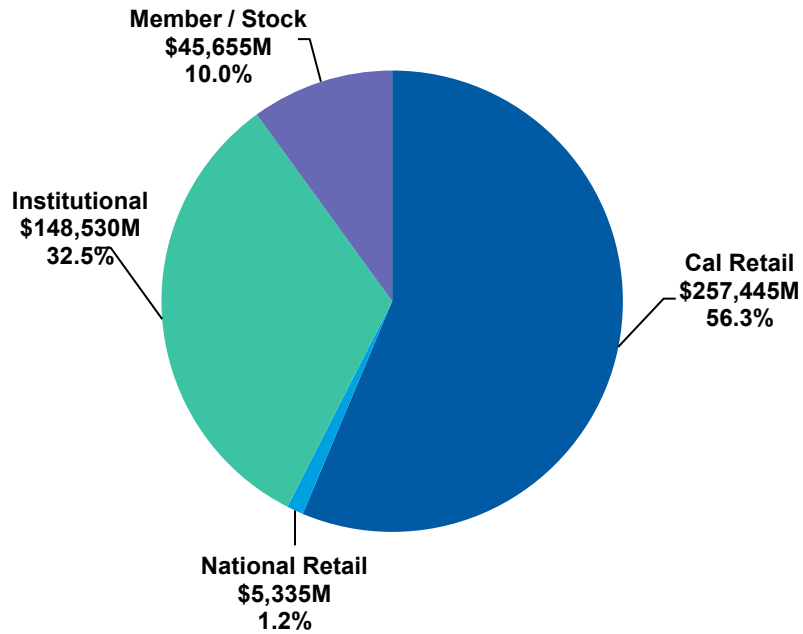
Maturity	Par	Retail		Institutional		Member/Stock		Total	
		Orders	Allotments	Orders	Allotments	Orders	Allotments	Orders	Allotments
<b>2023 Series A-1 (Non-AMT)</b>									
02-01-2024	\$1,190	\$3,175	\$1,190	\$--	\$--	\$--	\$--	\$3,175	\$1,190
02-01-2025	1,970	2,350	1,970	--	--	--	--	2,350	1,970
02-01-2026	2,040	2,200	2,040	--	--	--	--	2,200	2,040
02-01-2027	2,300	2,375	2,300	--	--	--	--	2,375	2,300
02-01-2028	2,380	2,380	2,380	--	--	--	--	2,380	2,380
02-01-2029	2,470	5,525	1,235	2,485	1,235	--	--	8,010	2,470
02-01-2030	2,560	5,235	1,280	2,930	1,280	--	--	8,165	2,560
02-01-2031	1,950	2,210	975	1,975	975	--	--	4,185	1,950
02-01-2032	1,420	1,520	710	2,840	710	1,000	--	5,360	1,420
02-01-2033	1,480	2,860	740	3,460	740	1,000	--	7,320	1,480
02-01-2034	1,540	4,605	770	2,030	770	1,000	--	7,635	1,540
02-01-2035	1,450	3,575	725	2,275	725	4,350	--	10,200	1,450
08-01-2024	1,975	6,625	1,975	--	--	--	--	6,625	1,975
08-01-2025	2,040	7,135	2,040	--	--	--	--	7,135	2,040
08-01-2026	2,110	7,035	1,610	500	500	--	--	7,535	2,110
08-01-2027	2,375	5,725	2,375	--	--	--	--	5,725	2,375
08-01-2028	2,460	9,325	2,460	--	--	--	--	9,325	2,460
08-01-2029	2,550	7,860	1,275	2,525	1,275	--	--	10,385	2,550
08-01-2030	2,180	7,240	1,090	2,580	1,090	--	--	9,820	2,180
08-01-2031	1,670	2,655	835	1,670	835	--	--	4,325	1,670
08-01-2032	1,485	3,235	745	2,970	740	--	--	6,205	1,485
08-01-2033	1,545	2,985	775	3,080	770	--	--	6,065	1,545
08-01-2034	1,535	4,060	770	1,525	765	--	--	5,585	1,535
08-01-2035	1,520	4,120	760	2,015	760	4,560	--	10,695	1,520
08-01-2038	8,745	38,230	4,525	30,670	4,220	18,745	--	87,645	8,745
<b>Subtotal</b>	<b>\$54,940</b>	<b>\$144,240</b>	<b>\$37,550</b>	<b>\$65,530</b>	<b>\$17,390</b>	<b>\$30,655</b>	<b>\$--</b>	<b>\$240,425</b>	<b>\$54,940</b>
<b>2023 Series A-2 (Non-AMT)</b>									
08-01-2063	30,000	118,540	15,000	83,000	15,000	15,000	--	216,540	30,000
<b>Subtotal</b>	<b>\$30,000</b>	<b>\$118,540</b>	<b>\$15,000</b>	<b>\$83,000</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>--</b>	<b>\$216,540</b>	<b>\$30,000</b>
<b>Grand Total</b>	<b>\$84,940</b>	<b>\$262,780</b>	<b>\$52,550</b>	<b>\$148,530</b>	<b>\$32,390</b>	<b>\$45,655</b>	<b>\$--</b>	<b>\$456,965</b>	<b>\$84,940</b>

# Orders and Allotments by Investor Type

2023 A-1 and A-2

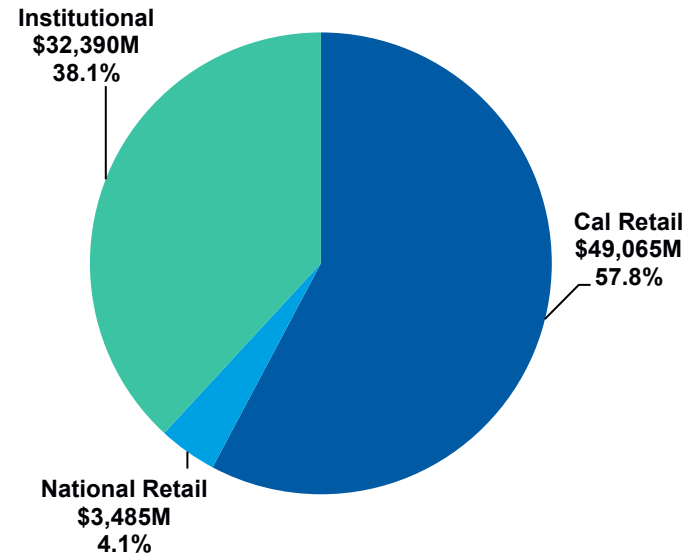
## Total Orders by Investor Type

Total = \$456,965MM



## Total Allotments by Investor Type

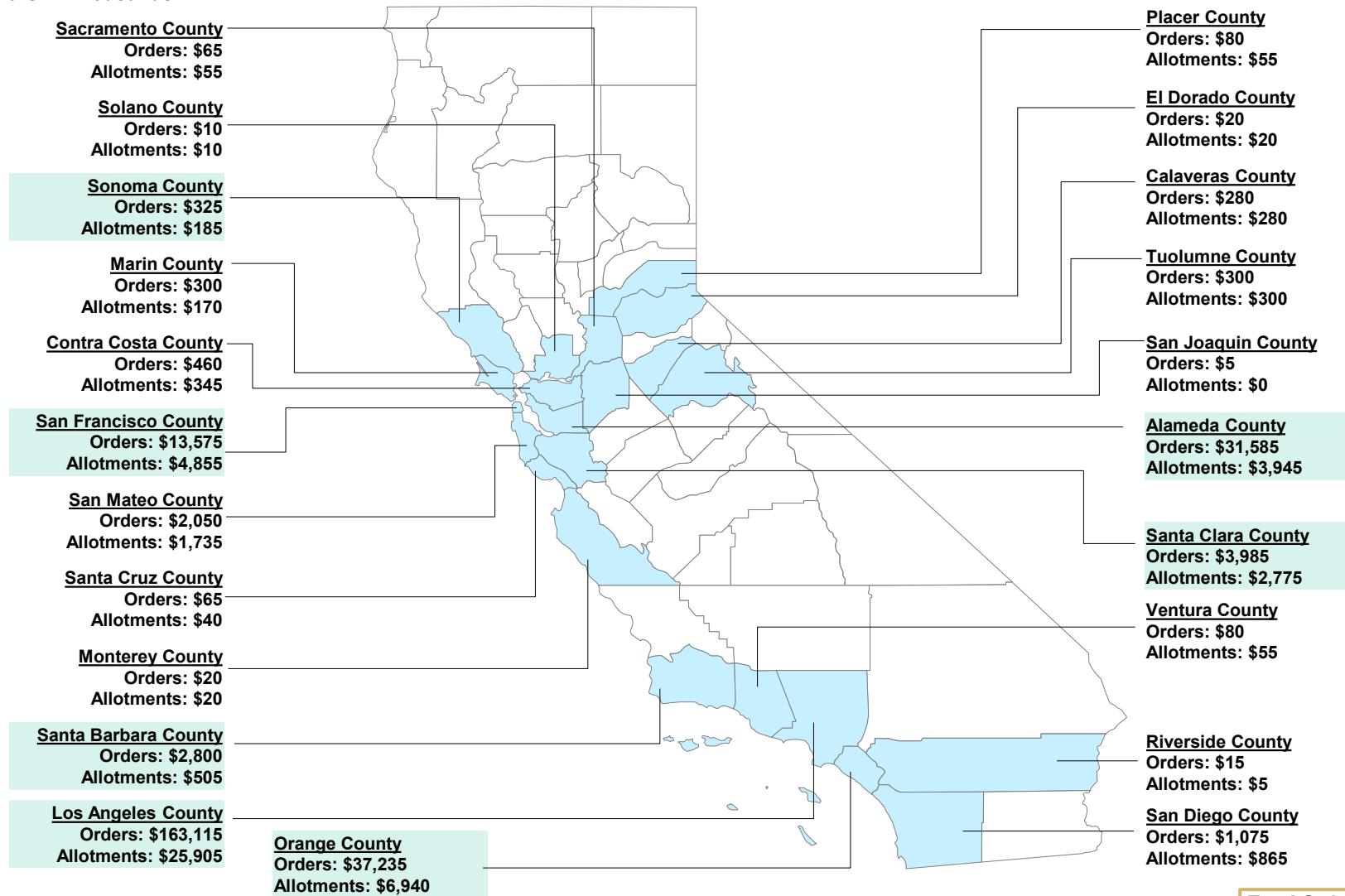
Total = \$84,940MM



# CA Retail Orders and Allotments by County

## 2023 A-1 and A-2

Dollars in Thousands



**Total Orders: \$257.4**  
**Total Allotments: \$49.1**

*Includes Professional Retail Orders (\$232.7 across 7 counties)*

# Orders and Allotments by Underwriter

2023 A-1 and A-2

Dollars in Thousands

	Retail											
	California		National		Total		Institutional		Member		Total	
	Orders	Allotments	Orders	Allotments	Orders	Allotments	Orders	Allotments	Orders	Allotments	Orders	Allotments
<b>Senior Manager</b>												
Morgan Stanley	\$245,285	\$40,195	\$2,315	\$1,685	\$247,600	\$41,880	\$139,530	\$30,890	\$--	\$--	\$387,130	\$72,770
<b>Subtotal</b>	<b>245,285</b>	<b>40,195</b>	<b>2,315</b>	<b>1,685</b>	<b>247,600</b>	<b>41,880</b>	<b>139,530</b>	<b>30,890</b>	<b>--</b>	<b>--</b>	<b>387,130</b>	<b>72,770</b>
<b>Co-Senior Manager</b>												
Barclays	--	--	--	--	--	--	--	--	25,970	--	25,970	--
<b>Subtotal</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>25,970</b>	<b>--</b>	<b>25,970</b>	<b>--</b>
<b>Co-Managers</b>												
Citi	8,495	6,175	2,670	1,615	11,165	7,790	--	--	--	--	11,165	7,790
BofA Securities	3,665	2,695	350	185	4,015	2,880	--	--	11,715	--	15,730	2,880
Ramirez	--	--	--	--	--	--	9,000	1,500	7,970	--	16,970	1,500
<b>Subtotal</b>	<b>12,160</b>	<b>8,870</b>	<b>3,020</b>	<b>1,800</b>	<b>15,180</b>	<b>10,670</b>	<b>9,000</b>	<b>1,500</b>	<b>19,685</b>	<b>--</b>	<b>43,865</b>	<b>12,170</b>
<b>Total</b>	<b>\$257,445</b>	<b>\$49,065</b>	<b>\$5,335</b>	<b>\$3,485</b>	<b>\$262,780</b>	<b>\$52,550</b>	<b>\$148,530</b>	<b>\$32,390</b>	<b>\$45,655</b>	<b>--</b>	<b>\$456,965</b>	<b>\$84,940</b>

# Orders and Allotments by Institution

## 2023 A-1 and A-2

Dollars in Thousands

	2023 A-1		2023 A-2		Total		
	Orders	Allotments	Orders	Allotments	Orders	Allotments	Allotments (%)
Belle Haven	\$36,960	\$3,760	\$30,000	\$3,250	\$66,960	\$7,010	10%
Vanguard	17,145	6,140	15,000	2,500	32,145	8,640	27%
Retail (Individual)	30,310	20,475	40	40	30,350	20,515	68%
Income Research & Mgmt.	--	--	30,000	3,250	30,000	3,250	11%
Invesco	--	--	30,000	4,000	30,000	4,000	13%
KORE Private Wealth	9,875	1,505	20,000	3,000	29,875	4,505	15%
Thornburg	6,655	915	15,000	2,500	21,655	3,415	16%
PIMCO	17,060	6,175	--	--	17,060	6,175	36%
Northern Trust	16,920	6,690	--	--	16,920	6,690	40%
Fidelity Investments	--	--	15,000	2,500	15,000	2,500	17%
Putnam Investment Management	--	--	15,000	2,500	15,000	2,500	17%
Baird	--	--	15,000	2,500	15,000	2,500	17%
Blackrock	11,140	1,695	--	--	11,140	1,695	15%
Williams, Jones & Associates	10,340	450	--	--	10,340	450	4%
Denver Investment Advisors	1,485	245	8,500	1,460	9,985	1,705	17%
Nuveen	9,260	1,230	--	--	9,260	1,230	13%
Rockefeller	9,010	95	--	--	9,010	95	1%
Eaton Vance	2,000	--	7,000	1,500	9,000	1,500	17%
Principal Global	8,745	750	--	--	8,745	750	9%
NAVAID	5,000	720	--	--	5,000	720	14%
MFS	4,250	800	--	--	4,250	800	19%
Evercore Wealth Management	2,580	400	--	--	2,580	400	16%
Columbia	2,185	810	--	--	2,185	810	37%
Smith Affiliated	2,000	--	--	--	2,000	--	0%
U.S. Trust	2,000	1,050	--	--	2,000	1,050	53%
Gulfstream Partners	1,900	400	--	--	1,900	400	21%
GSAM	1,680	300	--	--	1,680	300	18%
John Hancock	--	--	1,000	1,000	1,000	1,000	100%
Wells Fargo	450	200	--	--	450	200	44%
SilverCrest Asset Management	435	35	--	--	435	35	8%
SIT	250	--	--	--	250	--	0%
Eagle Asset Management	135	100	--	--	135	100	74%
<b>Total</b>	<b>\$209,770</b>	<b>\$54,940</b>	<b>\$201,540</b>	<b>\$30,000</b>	<b>\$411,310</b>	<b>\$84,940</b>	<b>21%</b>



# CalHFA Pricing Results vs. Comparable Transactions

**CalHFA priced as much as 41 basis points tighter versus recent comparable housing transactions**

Issuer:	California HFA
Scale Date:	8/8/2023
Call Date:	8/1/2032
Credit:	AHRB 2023A
Total Par:	\$85.700MM
Ratings (M/S/F):	Aa2/AA/NR
Settlement:	8/24/2023
Tax Status:	Exempt

Comparable Transactions				
FHFC	NE IFA	HOC Montg Co	NC HFA	IN HCDA
HMRB 2023-3	SFHRB 2023E	MPB 2023A	HORB 51	SFMRB 2023C-1
Aaa/--	--/AAA--	A2/--	Aa1/AA+/-	Aaa/--/AAA
\$64mm	\$70mm	\$57mm	\$199mm	\$45mm
MS	JPM	Jef	RBC	RBC
Tue 8/8	Wed 8/2	Tue 8/1	Tue 7/25	Thu 7/20

## Final Pricing

Year	Maturity	MMD	Par	Call Date	Spread	Yield	vs.			vs.			vs.			vs.			vs.			
							Spread	CalHFA	Yield	Spread	CalHFA	Yield	Spread	CalHFA	Yield	Spread	CalHFA	Yield	Spread	CalHFA	Yield	
1	2/1/2024	3.32%	1,265,000	NC	(12)	3.200%																
1	8/1/2024	3.30%	2,010,000	NC	(10)	3.200%	5	+15	3.35%	13	+23	3.40%										
2	2/1/2025	3.22%	2,005,000	NC	(2)	3.200%	11	+13	3.35%	24	+26	3.40%										
2	8/1/2025	3.14%	2,075,000	NC	11	3.250%	25	+14	3.40%	32	+21	3.40%										
3	2/1/2026	3.04%	2,075,000	NC	21	3.250%	35	+14	3.40%	40	+19	3.40%										
3	8/1/2026	2.97%	2,145,000	NC	33	3.300%	47	+14	3.45%	47	+14	3.40%										
4	2/1/2027	2.87%	2,335,000	NC	48	3.350%	62	+14	3.50%	62	+14	3.45%										
4	8/1/2027	2.84%	2,415,000	NC	51	3.350%	71	+20	3.55%	69	+18	3.50%										
5	2/1/2028	2.81%	2,415,000	NC	59	3.400%	79	+20	3.60%	73	+14	3.50%										
5	8/1/2028	2.79%	2,495,000	NC	66	3.450%	81	+15	3.60%	79	+13	3.55%										
6	2/1/2029	2.75%	2,500,000	NC	70	3.450%	90	+20	3.65%	86	+16	3.55%	106	+36	3.70%							
6	8/1/2029	2.73%	2,580,000	NC	77	3.500%	97	+20	3.70%	92	+15	3.60%	108	+31	3.70%							
7	2/1/2030	2.68%	2,590,000	NC	92	3.600%	112	+20	3.80%	112	+20	3.75%	128	+36	3.85%							
7	8/1/2030	2.68%	2,205,000	NC	97	3.650%	117	+20	3.85%	117	+20	3.80%	128	+31	3.85%							
8	2/1/2031	2.64%	1,970,000	NC	106	3.700%	126	+20	3.90%	126	+20	3.85%	147	+41	4.00%							
8	8/1/2031	2.64%	1,685,000	NC	111	3.750%	126	+15	3.90%	131	+20	3.90%	147	+36	4.00%							
9	2/1/2032	2.65%	1,435,000	NC	115	3.800%	135	+20	4.00%	135	+20	3.95%	151	+36	4.05%							
9	8/1/2032	2.65%	1,500,000	NC	115	3.800%	135	+20	4.00%	135	+20	3.95%	156	+41	4.10%							
10	2/1/2033	2.70%	1,495,000	8/1/2032	115	3.850%	130	+15	4.00%	129	+14	3.95%	154	+39	4.13%							
10	8/1/2033	2.72%	1,560,000	8/1/2032	113	3.850%	128	+15	4.00%	132	+19	4.00%	152	+39	4.13%							
11	2/1/2034	2.76%	1,555,000	8/1/2032	114	3.900%	130	+16	4.05%	135	+21	4.05%	152	+38	4.15%							
11	8/1/2034	2.80%	1,550,000	8/1/2032	110	3.900%	126	+16	4.05%	130	+20	4.05%	148	+38	4.15%							
12	2/1/2035	2.83%	1,465,000	8/1/2032	112	3.950%				127	+15	4.05%	150	+38	4.20%							
12	8/1/2035	2.88%	1,535,000	8/1/2032	107	3.950%				122	+15	4.05%	145	+38	4.20%							
15	8/1/2038	3.23%	8,840,000	8/1/2032	90	4.125%	107	+18	4.30%	113	+24	4.30%	124	+35	4.35%							
Fixed Rate Soft Put																						
3	8/1/2026	2.97%	30,000,000	2/1/2026	63	3.600%																

Morgan Stanley

Morgan Stanley  
congratulates the  
California Housing  
Finance Agency on its  
inaugural Affordable  
Housing Revenue  
Bonds financing.



ancing.  
64

## Disclaimer

Morgan Stanley & Co. LLC (“Morgan Stanley”) is not recommending an action to you; (b) Morgan Stanley is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (c) Morgan Stanley is acting for its own interests; (d) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material; and (e) Morgan Stanley seeks to serve as an underwriter on a future transaction and not as a financial advisor or municipal advisor. The information provided is for discussion purposes only in anticipation of being engaged to serve as underwriter. The primary role of an underwriter is to purchase securities with a view to distribution in an arm’s-length commercial transaction with the issuer. The underwriter has financial and other interests that differ from those of the issuer and obligated persons.

Any non-historical interest rates used herein are hypothetical and take into consideration conditions in today’s market and other factual information such as the issuer’s or obligated person’s credit rating, geographic location and market sector. As such, these rates should not be viewed as rates that Morgan Stanley guarantees to achieve for the transaction should we be selected to act as underwriter. Any information about interest rates and terms for SLGs is based on current publicly available information and treasury or agency rates for open-market escrows are based on current market interest rates for these types of credits and should not be seen as costs or rates that Morgan Stanley guarantees to achieve for the transaction should we be selected to act as underwriter.

We have prepared this document solely for informational purposes. You should not definitively rely upon it or use it to form the definitive basis for any decision, contract, commitment or action whatsoever, with respect to any proposed transaction or otherwise. You and your directors, officers, employees, agents and affiliates must hold this document and any oral information provided in connection with this document in strict confidence and may not communicate, reproduce, distribute or disclose it to any other person, or refer to it publicly, in whole or in part at any time except with our prior written consent. If you are not the intended recipient of this document, please delete and destroy all copies immediately.

We have prepared this document and the analyses contained in it based, in part, on certain assumptions and information obtained by us from the recipient, its directors, officers, employees, agents, affiliates and/or from other sources. Our use of such assumptions and information does not imply that we have independently verified or necessarily agree with any of such assumptions or information, and we have assumed and relied upon the accuracy and completeness of such assumptions and information for purposes of this document. Neither we nor any of our affiliates, or our or their respective officers, employees or agents, make any representation or warranty, express or implied, in relation to the accuracy or completeness of the information contained in this document or any oral information provided in connection herewith, or any data it generates and accept no responsibility, obligation or liability (whether direct or indirect, in contract, tort or otherwise) in relation to any of such information. We and our affiliates and our and their respective officers, employees and agents expressly disclaim any and all liability which may be based on this document and any errors therein or omissions therefrom. Neither we nor any of our affiliates, or our or their respective officers, employees or agents, make any representation or warranty, express or implied, that any transaction has been or may be effected on the terms or in the manner stated in this document, or as to the achievement or reasonableness of future projections, management targets, estimates, prospects or returns, if any. Any views or terms contained herein are preliminary only, and are based on financial, economic, market and other conditions prevailing as of the date of this document and are therefore subject to change. We undertake no obligation or responsibility to update any of the information contained in this document. Past performance does not guarantee or predict future performance.

This document and the information contained herein do not constitute an offer to sell or the solicitation of an offer to buy any security, commodity or instrument or related derivative, nor do they constitute an offer or commitment to lend, syndicate or arrange a financing, underwrite or purchase or act as an agent or advisor or in any other capacity with respect to any transaction, or commit capital, or to participate in any trading strategies, and do not constitute legal, regulatory, accounting or tax advice to the recipient. We recommend that the recipient seek independent third party legal, regulatory, accounting and tax advice regarding the contents of this document. This document does not constitute and should not be considered as any form of financial opinion or recommendation by us or any of our affiliates. This document is not a research report and was not prepared by the research department of Morgan Stanley or any of its affiliates.

Notwithstanding anything herein to the contrary, each recipient hereof (and their employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the U.S. federal and state income tax treatment and tax structure of the proposed transaction and all materials of any kind (including opinions or other tax analyses) that are provided relating to the tax treatment and tax structure. For this purpose, “tax structure” is limited to facts relevant to the U.S. federal and state income tax treatment of the proposed transaction and does not include information relating to the identity of the parties, their affiliates, agents or advisors.

This document is provided by Morgan Stanley & Co. LLC and/or certain of its affiliates or other applicable entities, which may include Morgan Stanley Realty Incorporated, Morgan Stanley Senior Funding, Inc., Morgan Stanley Bank, N.A., Morgan Stanley & Co. International plc, Morgan Stanley Securities Limited, Morgan Stanley Bank AG, Morgan Stanley MUFG Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., Morgan Stanley Asia Limited, Morgan Stanley Australia Securities Limited, Morgan Stanley Australia Limited, Morgan Stanley Asia (Singapore) Pte., Morgan Stanley Services Limited, Morgan Stanley & Co. International plc Seoul Branch and/or Morgan Stanley Canada Limited. Unless governing law permits otherwise, you must contact an authorized Morgan Stanley entity in your jurisdiction regarding this document or any of the information contained herein.

© Morgan Stanley and/or certain of its affiliates. All rights reserved.

State of California

## MEMORANDUM

**To:** Board of Directors

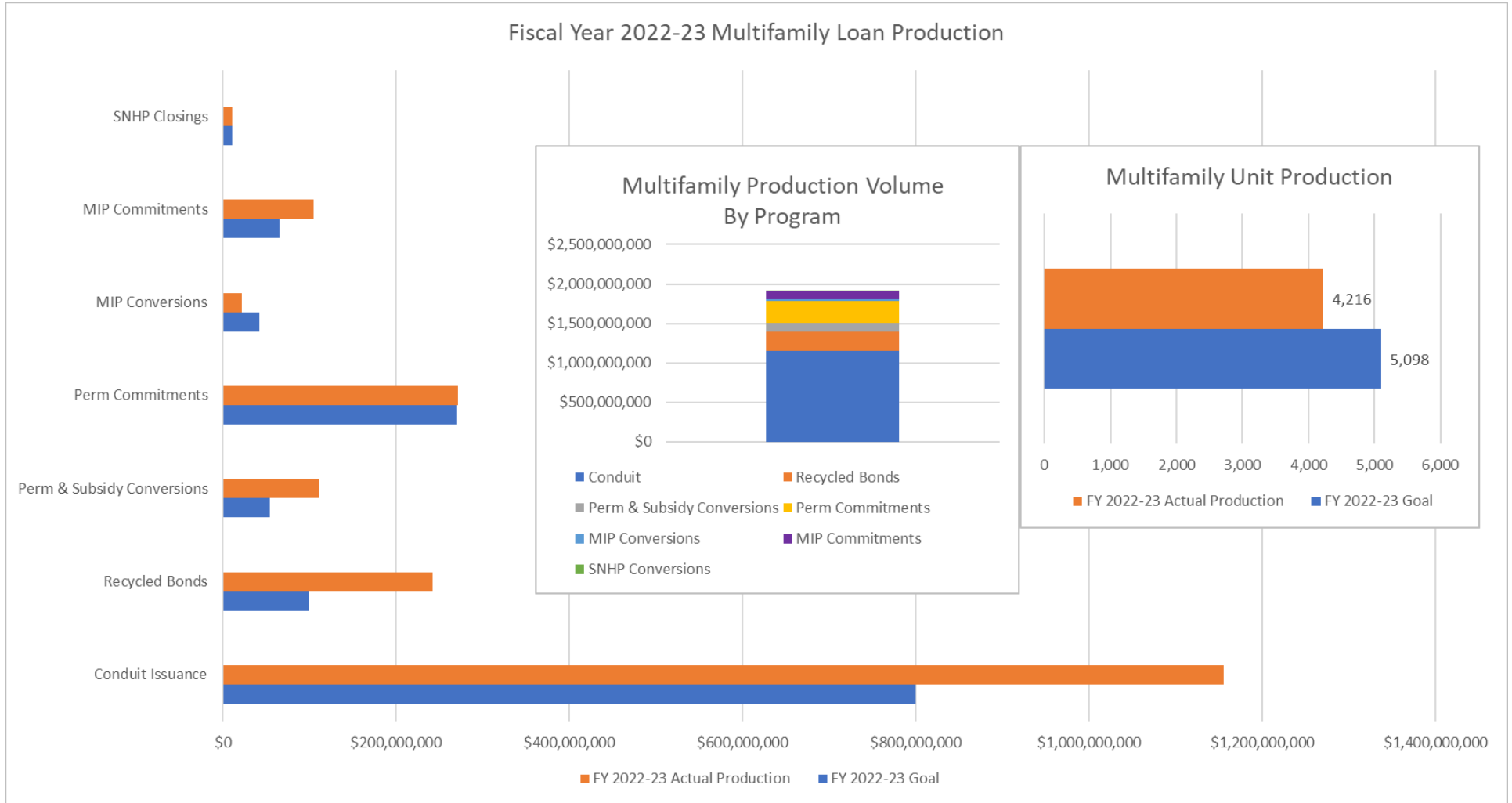
Date: September 21, 2023

**From:** Kate Ferguson, Director of Multifamily  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** UPDATE ON MULTIFAMILY LOAN PRODUCTION

CalHFA offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing for people who truly need it. CalHFA's Taxable, Tax-Exempt, and/or CalHFA funded Permanent Loan programs provide competitive long-term financing for affordable multifamily rental housing projects. The CalHFA Mixed-Income Program provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units between 30% and 120% of county Area Median Income. The CalHFA Conduit Issuer Program is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the programs are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals.

### Multifamily Loan Volume as of June 30, 2023



	Conduit Issuance	Recycled Bonds	Perm & Subsidy Conversions	Perm Commitments	MIP Conversions	MIP Commitments	SNHP Closings	Total All Programs
FY 2022-23 Goal	\$800,000,000	\$100,000,000	\$54,114,902	\$270,000,000	\$42,435,968	\$65,000,000	\$11,368,956	\$1,342,919,826
FY 2022-23 Actual Production	\$1,155,173,802	\$241,900,000	\$110,789,646	\$271,932,977	\$21,688,000	\$104,995,300	\$11,066,741	\$1,917,546,466
Percent of Goal Complete	144%	242%	205%	101%	51%	162%	97%	143%

## FY 2022-23 Conduit Issuance as of June 30, 2023

<i>Multifamily Conduit Transactions</i>									
<i>(Closed)</i>									
Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
1 Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	0	\$ 36,000,000.00	-	-	\$ 36,000,000.00
2 Anton Mosaic	Conduit - MIP & Perm	Sacramento	Family/Individual	11/14/2022	0	\$ 35,226,614.00	\$ 13,765,000.00	-	\$ 48,991,614.00
3 West La Va - Bulding 404	Conduit - Reg Only	Los Angeles	Veterans	11/16/2022	73	\$ 23,286,160.00	\$ 12,947,757.00	-	\$ 36,233,917.00
4 MacArthur Field A	Conduit - Reg Only	Los Angeles	Homeless, Special Needs	12/8/2022	75	\$ 21,000,000.00	\$ 13,500,000.00	-	\$ 34,500,000.00
5 Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	12/15/2022	0	\$ 46,650,000.00	\$ 23,460,747.00	-	\$ 70,110,747.00
6 Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	12/16/2022	0	\$ 18,606,511.00	\$ 6,555,580.00	-	\$ 25,162,091.00
7 Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/16/2022	0	\$ 42,500,000.00	-	-	\$ 42,500,000.00
8 8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	12/16/2022	0	\$ 31,875,000.00	\$ 10,900,000.00	-	\$ 42,775,000.00
9 Residency at the Empire I	Conduit - Reg Only	Burbank	Family/Individual	12/16/2022	148	\$ 61,000,000.00	\$ 9,404,500.00	\$ 18,000,000.00	\$ 88,404,500.00
10 Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/21/2022	0	\$ 42,225,000.00	\$ 20,485,000.00	\$ 10,000,000.00	\$ 72,710,000.00
11 Fiddymnt Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/22/2022	0	\$ 63,000,000.00	\$ 38,596,917.00	-	\$ 101,596,917.00
12 Monroe Street Apartments	Conduit - MIP & Perm	Santa Clara	Family/Individual, Special Needs	12/22/2022	0	\$ 2,200,000.00	-	-	\$ 2,200,000.00
13 West Carson	Conduit - Reg Only	Torrance	Family/Individual	12/22/2022	230	\$ 62,000,000.00	\$ 26,300,000.00	\$ 23,500,000.00	\$ 111,800,000.00
14 The Monarch at Chinatown	Conduit - PTO	Fresno	Family/Individual	12/23/2022	0	\$ 762,877.00	-	-	\$ 762,877.00
15 La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/27/2022	0	\$ 52,000,000.00	\$ 26,791,301.00	\$ 5,000,000.00	\$ 83,791,301.00
16 515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/29/2022	0	\$ 82,467,538.00	\$ 9,177,478.00	-	\$ 91,645,016.00
17 1322 O Street	Conduit - Reg Only	Sacramento	Family/Senior	12/29/2022	0	\$ 1,030,524.00	-	-	\$ 1,030,524.00
18 Residency at the Entrepreneur Hollywood	Conduit - Reg Only	Los Angeles	Homeless, Senior	3/1/2023	0	\$ 5,000,000.00	-	-	\$ 5,000,000.00
19 Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	3/8/2023	0	\$ 31,157,500.00	\$ 10,632,000.00	\$ 11,500,000.00	\$ 53,289,500.00
20 California Grand Manor	Conduit - MIP & Perm	Atascadero	Senior	3/13/2023	0	\$ 13,423,479.00	\$ 6,155,472.00	-	\$ 19,578,951.00
21 Vose	Conduit - Reg Only	Van Nuys	Family/Individual	3/13/2023	332	-	-	\$ 125,415,000.00	\$ 125,415,000.00
22 College Creek Apartments	Conduit - MIP & Perm	Santa Rosa	Family/Individual	3/16/2023	0	\$ 2,650,000.00	-	-	\$ 2,650,000.00
23 Sunnydale HOPE SF Block 3B	Conduit - Reg Only	San Francisco	Family/Individual	3/17/2023	90	-	-	\$ 21,135,000.00	\$ 21,135,000.00
24 Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	3/27/2023	0	\$ 35,331,000.00	\$ 9,806,034.00	-	\$ 45,137,034.00
25 Crocker Umeya Apartments	Conduit - Reg Only	Los Angeles	Family/Individual, Special Needs	4/19/2023	175	\$ 73,415,000.00	\$ 10,885,000.00	-	\$ 84,300,000.00
26 Beacon Villa	Conduit - MIP & Perm	Pittsburg	Family/Individual	4/26/2023	0	\$ 2,200,000.00	\$ 1,800,000.00	-	\$ 4,000,000.00
27 Village at Hanford Square	Conduit - Reg Only	Hanford	Family/Individual	5/8/2023	100	-	\$ 10,400,000.00	\$ 10,400,000.00	\$ 20,800,000.00
28 5626 Naranja	Conduit - Reg Only	San Diego	Family/Individual	5/26/2023	138	\$ 26,500,000.00	\$ 453,813.00	\$ 8,000,000.00	\$ 34,953,813.00
29 Modica	Conduit - Reg Only	San Diego	Family/Individual, Special Needs	6/9/2023	94	\$ 29,200,000.00	-	\$ 1,000,000.00	\$ 30,200,000.00
30 Taormina	Conduit - Reg Only	San Diego	Family/Individual	6/9/2023	136	\$ 42,700,000.00	-	\$ 2,000,000.00	\$ 44,700,000.00
31 40RTY on Colony	Conduit - Reg Only	La Mesa	Family/Individual	6/28/2023	40	-	\$ 5,950,000.00	\$ 5,950,000.00	\$ 11,900,000.00
32 Vista Woods	Conduit - MIP & Perm	Pinole	Senior	6/30/2023	0	\$ 3,800,000.00	-	-	\$ 3,800,000.00
					1,631	\$887,207,203.00	\$ 267,966,599.00	\$ 241,900,000.00	\$ 1,397,073,802.00

**Note:** Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

**Total Conduit Issuance Closed: \$1,397,073,802**

## FY 2022-23 Permanent & Subsidy Loan Conversions as of June 30, 2023

<i>Multifamily Permanent &amp; Subsidy Transactions</i>									
<i>(Closed)</i>									
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Closing Date</b>	<b>Units</b>	<b>Permanent Loan Amount</b>	<b>Subsidy Loan Amount</b>	<b>Total</b>
1	Reedley Village	Perm	Reedley	Family/Individual	8/30/2022	32	\$ 1,050,000.00	\$ 640,000.00	\$ 1,690,000.00
2	Bernal Dwellings	Conduit - PTO	San Francisco	Family/Individual	9/23/2022	160	\$ 21,780,000.00	\$ 3,500,000.00	\$ 25,280,000.00
3	Peterson Place	Conduit - MIP & Perm	Folsom	Family/Individual	10/21/2022	72	\$ 7,875,000.00	-	\$ 7,875,000.00
4	Blackstone McKinley TOD	Conduit - PTO	Fresno	Family/Individual	11/14/2022	88	\$ 3,305,000.00	\$ 1,760,000.00	\$ 5,065,000.00
5	Limnaea Villas	Perm	Kingsburg	Senior, Veterans	1/31/2023	47	\$ 1,500,000.00	\$ 676,617.00	\$ 2,176,617.00
6	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Family/Individual	2/3/2023	68	\$ 7,072,700.00	-	\$ 7,072,700.00
7	Iamesi Village	Conduit - PTO	San Jose	Family/Individual, Special Needs	3/1/2023	135	\$ 17,655,000.00	-	\$ 17,655,000.00
8	Cedar Grove Apartments	Conduit - MIP & Perm	Santa Rosa	Family/Individual	6/22/2023	96	\$ 15,000,000.00	-	\$ 15,000,000.00
9	Hayes Valley South	Conduit - PTO	San Francisco	Family/Individual	6/26/2023	110	\$ 25,475,329.00	\$ 3,500,000.00	\$ 28,975,329.00
						<b>808</b>	<b>\$ 100,713,029.00</b>	<b>\$ 10,076,617.00</b>	<b>\$ 110,789,646.00</b>

**Note:** Units associated with Permanent & Subsidy Conversion projects were counted in previous fiscal years.

**Total Permanent & Subsidy Loan Conversions Closed: \$110,789,646**

## FY 2022-23 Permanent & Subsidy Loan Commitments as of June 30, 2023

<i>Multifamily Permanent &amp; Subsidy Transactions</i>									
<i>(Closed)</i>									
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Closing Date</b>	<b>Units</b>	<b>Permanent Loan Amount</b>	<b>Subsidy Loan Amount</b>	<b>Total</b>
1	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	0	\$ 15,910,000.00	-	\$ 15,910,000.00
2	Anton Mosaic	Conduit - MIP & Perm	Sacramento	Family/Individual	11/14/2022	0	\$ 23,201,000.00	-	\$ 23,201,000.00
3	Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	12/15/2022	0	\$ 27,179,522.00	-	\$ 27,179,522.00
4	Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	12/16/2022	0	\$ 6,364,866.00	-	\$ 6,364,866.00
5	Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/16/2022	0	\$ 24,695,000.00	-	\$ 24,695,000.00
6	8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	12/16/2022	0	\$ 20,685,000.00	-	\$ 20,685,000.00
7	Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/21/2022	0	\$ 21,696,000.00	-	\$ 21,696,000.00
8	Fiddymnt Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/22/2022	0	\$ 37,400,000.00	-	\$ 37,400,000.00
9	La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/27/2022	0	\$ 24,300,000.00	-	\$ 24,300,000.00
10	515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/29/2022	0	\$ 30,892,000.00	-	\$ 30,892,000.00
11	Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	3/8/2023	0	\$ 19,496,000.00	-	\$ 19,496,000.00
12	California Grand Manor	Conduit - MIP & Perm	Atascadero	Senior	3/13/2023	0	\$ 6,183,589.00	-	\$ 6,183,589.00
13	Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	3/27/2023	0	\$ 13,930,000.00	-	\$ 13,930,000.00
						0	\$ 271,932,977.00	\$ -	\$ 271,932,977.00

**Note:** Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

**Total Permanent & Subsidy Loan Commitments Closed: \$271,932,977**



## FY 2022-23 Mixed Income Program Loan Conversions as of June 30, 2023

<i>Mixed Income Program Transactions</i>							
<i>(Closed)</i>							
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Closing Date</b>	<b>Units</b>	<b>MIP Loan</b>
1	Peterson Place	Conduit - MIP & Perm	Folsom	Family/Individual	10/21/2022	72	\$ 3,350,000.00
2	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Family/Individual	2/3/2023	68	\$ 4,388,000.00
3	Twin Oaks Senior Apartments	Conduit - MIP	Oakley	Senior	4/20/2023	130	\$ 5,160,000.00
4	Cedar Grove Apartments	Conduit - MIP & Perm	Santa Rosa	Family/Individual	6/22/2023	96	\$ 4,750,000.00
5	Valencia Pointe	Conduit - MIP	San Diego	Family/Individual	6/30/2023	102	\$ 4,040,000.00
						<b>468</b>	<b>\$21,688,000.00</b>

**Note:** Units associated with Mixed Income Program Conversion projects were counted in previous fiscal years.

**Total Mixed Income Loan Conversions Closed: \$21,688,000**

## FY 2022-23 Mixed Income Program Loan Commitments as of June 30, 2023

<i>Mixed Income Program Transactions</i>							
<i>(Closed)</i>							
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Closing Date</b>	<b>Units</b>	<b>MIP Loan</b>
1	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Family/Individual	7/8/2022	115	\$ 4,600,000.00
2	Anton Mosaic	Conduit - MIP & Perm	Sacramento	Family/Individual	11/14/2022	194	\$ 12,154,205.00
3	Serra Apartments	Conduit - MIP & Perm	Fremont	Family/Individual	12/15/2022	179	\$ 10,173,471.00
4	Sarah's Court Apartments	Conduit - MIP & Perm	Fresno	Family/Individual	12/16/2022	120	\$ 3,450,000.00
5	Mainline North	Conduit - MIP & Perm	Santa Clara	Family/Individual	12/16/2022	151	\$ 7,025,000.00
6	8181 Allison	Conduit - MIP & Perm	La Mesa	Family/Individual	12/16/2022	147	\$ 7,076,000.00
7	Shiloh Crossing	Conduit - MIP & Perm	Windsor	Family/Individual	12/21/2022	173	\$ 15,442,362.00
8	Fiddymnt Apartments	Conduit - MIP & Perm	Roseville	Family/Individual	12/22/2022	330	\$ 8,000,000.00
9	La Vista Residential	Conduit - MIP & Perm	Hayward	Family/Individual	12/27/2022	176	\$ 8,270,000.00
10	515 Pioneer	Conduit - MIP & Perm	Glendale	Family/Individual	12/29/2022	340	\$ 10,203,625.00
11	Alves Lane Apartments	Conduit - MIP & Perm	Bay Point	Family/Individual	3/8/2023	100	\$ 7,360,403.00
12	California Grand Manor	Conduit - MIP & Perm	Atascadero	Senior	3/13/2023	76	\$ 5,440,234.00
13	Mirasol Village Block D	Conduit - MIP & Perm	Sacramento	Family/Individual	3/27/2023	116	\$ 5,800,000.00
						<b>2,217</b>	<b>\$104,995,300.00</b>

**Total Mixed Income Loan Commitments Closed: \$104,995,300**

Please visit <https://www.calhfa.ca.gov/multifamily/mixedincome/approved/index.htm> to see the complete list of approved MIP projects.

## FY 2022-23 Special Needs Housing Program Loan Conversions as of June 30, 2023

<i>Multifamily Special Needs Housing Program Transactions</i>							
<i>(Closed)</i>							
	<b>Project Name</b>	<b>Underwriting Type</b>	<b>City</b>	<b>Project Type</b>	<b>Closing Date</b>	<b>Units</b>	<b>SNHP Loan</b>
1	Post 310	SNHP/MHSA	San Diego	Family/Individual, Special Needs	8/5/2022	43	\$ 1,500,000.00
2	Villa St. Joseph	SNHP/MHSA	Orange	Senior, Special Needs	12/29/2022	50	\$ 3,696,893.00
3	FX Residence	SNHP/MHSA	Santa Ana	Family/Individual, Special Needs	1/2/2023	17	\$ 1,259,848.00
4	McCadden Plaza Youth Housing	SNHP/MHSA	Los Angeles	Special Needs/ TAY	2/9/2023	26	\$ 560,000.00
5	McCadden Campus Senior Housing	SNHP/MHSA	Los Angeles	Senior, Special Needs	3/8/2023	98	\$ 1,000,000.00
6	Huntington Square	SNHP/MHSA	Huntington Park	Special Needs/ TAY	3/20/2023	54	\$ 2,000,000.00
7	Liberty Lane	SNHP/MHSA	Redlands	Family/Individual, Special Needs	4/11/2023	80	\$ 1,050,000.00
						<b>368</b>	<b>\$ 11,066,741.00</b>

**Total Special Needs Housing Program Loan Conversions Closed: \$11,066,741**

State of California

# MEMORANDUM

**To:** Board of Directors

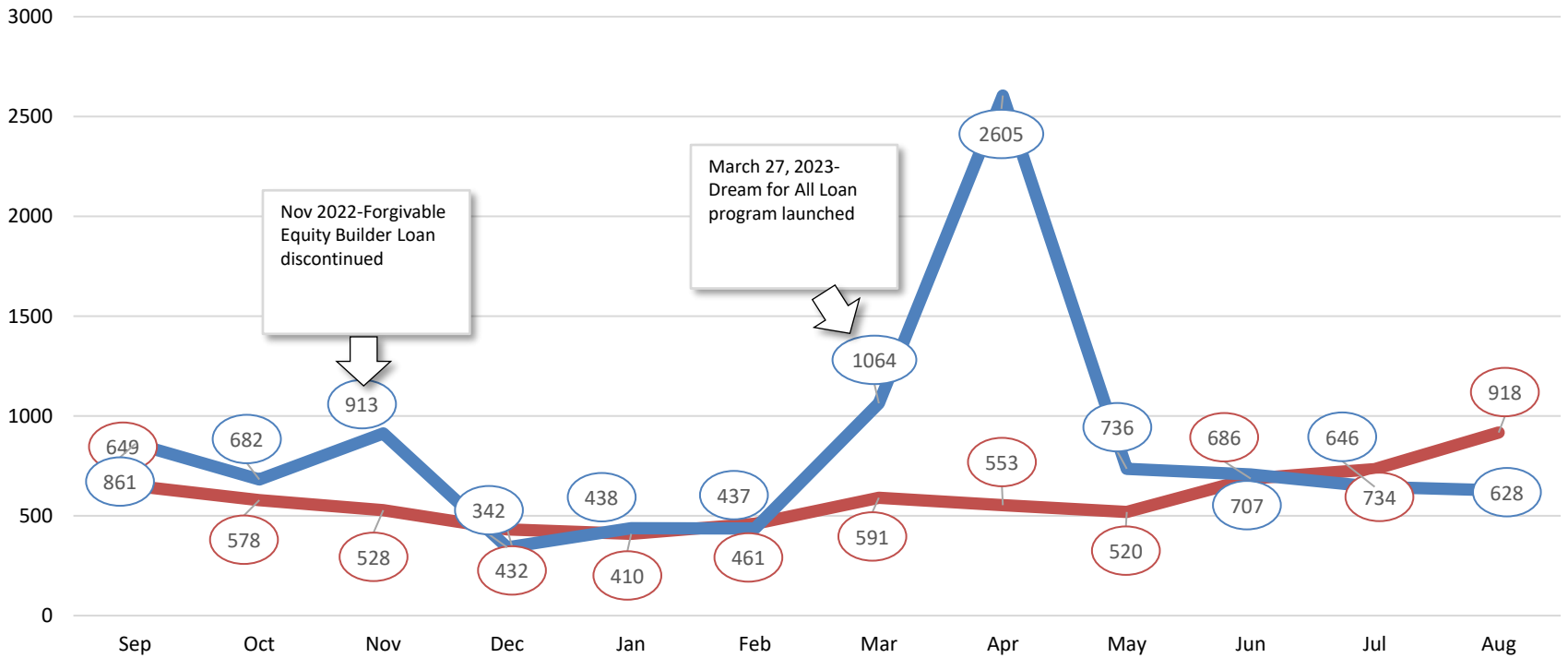
**Date:** September 21, 2023

**From:** Ellen Martin, Director of Homeownership Programs  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** Single Family Loan Production Report

Attached please find the Single Family Loan Production report for the period ending August 2023.

TOTAL RESERVATIONS

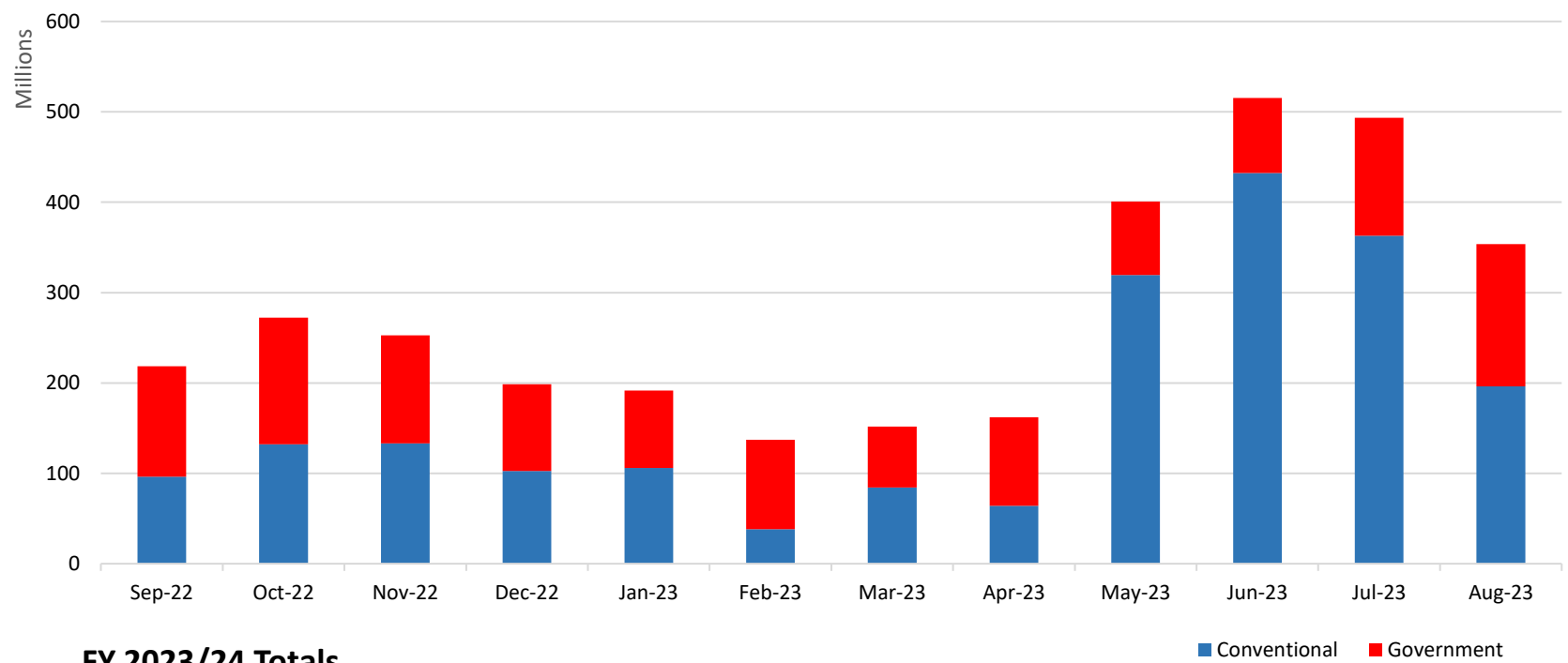


<b>FY 2023/24 Totals:</b>		
Conventional	503	40%
FHA	760	60%
	<b>1263</b>	

**Totals:**  
 September 2021 - August 2022 = 7060  
 September 2022 - August 2023 = 10059

— 1st Mtg. Reservations September 2021 - August 2022  
 — 1st Mtg. Reservations September 2022 - August 2023

September-2022 - August-2023 Securitized



**FY 2023/24 Totals**

**Government (27%)**

FHA with ZIP	47	16,797,785
FHA no ZIP	664	269,826,921
VA	4	1,238,745
USDA	3	850,503
	<b>718</b>	<b>288,713,954</b>

**Conventional (73%)**

Conventional with ZIP	25	11,334,995
Conventional no ZIP	469	228,715,023
LI/VLI Conventional with ZIP	5	1,285,240
LI/VLI Conventional no ZIP	77	24,884,095
<b>DFA Conventional</b>	<b>667</b>	<b>292,948,761</b>

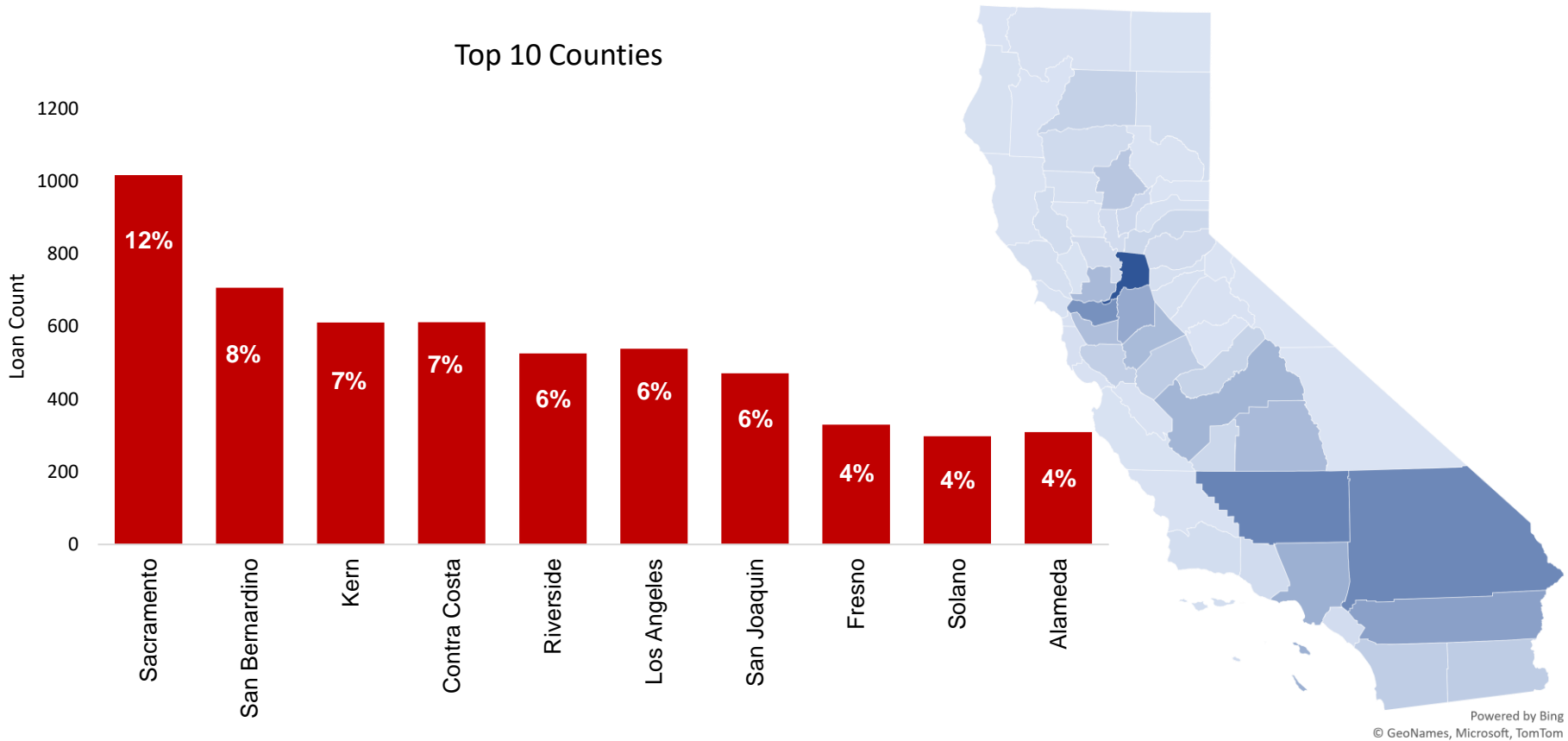
**Total**

**1961 847,882,068**

**1243 559,168,114**

# Where are our borrowers?

Top 10 Counties



First Loans Securitized in the past 12 months through August 2023

State of California

## MEMORANDUM

**To:** Board of Directors **Date:** September 21, 2023

**From:** Kate Ferguson, Director of Multifamily Programs  
**CALIFORNIA HOUSING FINANCE AGENCY**

**Subject:** ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

The CalHFA Asset Management Portfolio is comprised of 755 projects with a balance of \$1,204,947,741 in financing as of June 30, 2023. The CalHFA portfolio consists of 17,407 affordable home units throughout the State of California.

The portfolio is broken down by type of program as follows:

1	Section 8 (Contract Administrator)
94	CalHFA Permanent (Risk Share)
215	CalHFA Permanent (Non-Risk Share)
179	Mental Health Services Act
28	Special Needs Housing Program
83	Conduit
40	Section 811 (Contract Administrator)
<u>115</u>	School Facility Fee Reimbursement Program
755	Total

The portfolio has a low delinquency rate of 0.2%, which is only four projects. There are two projects on the Watch List for various issues such as untimely submission of annual financial reports, lack of compliance with the regulatory agreement, or pending completion of physical improvements recommended at time of inspection.

### Preservation Strategy

There are 42 loans on 39 projects (three projects have two or more CalHFA loans) scheduled to mature within the next five years. The Multifamily Program has initiated a preservation strategy of the existing portfolio in an effort to extend affordability of the CalHFA financed projects.

The goals of the Multifamily Asset Management Program are to increase and preserve the supply of affordable housing, assure the maintenance of a quality living environment, assure the projects are financially sound and sustainable, and to cooperate with local jurisdictions to advance affordable housing throughout the State.





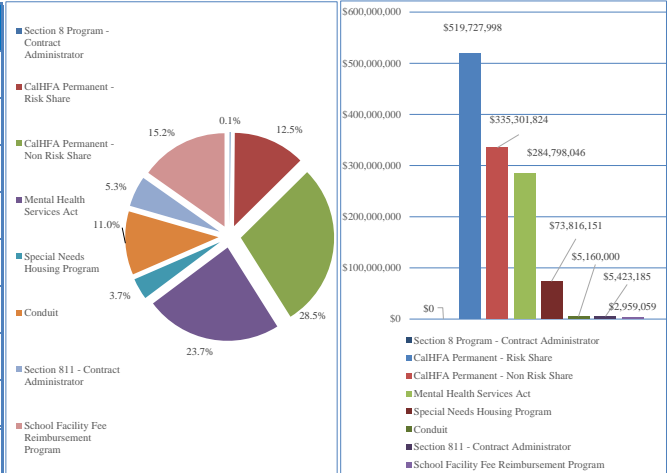
# ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

Ending: June 30, 2023

PROGRAMS

Type	# of Projects	% of Projects	UPB	% of UPB
Section 8 Program - Contract Administrator	1	0.13%	\$0	0.0%
CalHFA Permanent - Risk Share	94	12.45%	\$519,727,998	42.4%
CalHFA Permanent - Non Risk Share	215	28.48%	\$335,301,824	27.3%
Mental Health Services Act	179	23.71%	\$284,798,046	23.2%
Special Needs Housing Program	28	3.71%	\$73,816,151	6.0%
Conduit	83	10.99%	\$5,160,000	0.4%
Section 811 - Contract Administrator	40	5.30%	\$5,423,185	0.4%
School Facility Fee Reimbursement Program	115	15.23%	\$2,959,059	0.2%
<b>TOTAL*</b>	<b>755</b>	<b>100.00%</b>	<b>\$1,227,186,263</b>	<b>100.0%</b>

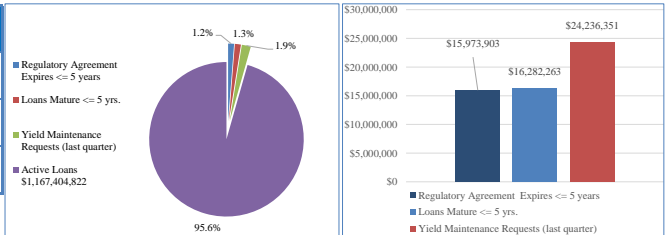
PROJECT TYPE



\* The unpaid principal balance is based on 435 existing projects with loan balances. The portfolio continues to maintain projects without loan balances for purposes of affordability requirements and compliance. 320 projects are being reviewed and maintained for compliance purposes only.

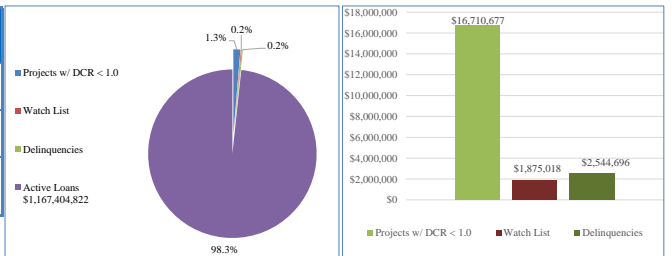
PRESERVATION RISK INDICATORS

Type	# of Projects	% of Projects	UPB	% of UPB
Regulatory Agreement Expires <= 5 years	50	6.62%	\$15,973,903	1.3%
Loans Mature <= 5 yrs.	42	5.56%	\$16,282,263	1.3%
Yield Maintenance Requests (last quarter)	15	1.99%	\$24,236,351	2.0%



FINANCIAL RISK INDICATORS

Type	# of Projects	% of Projects	UPB	% of UPB
Projects w/ DCR < 1.0	24	3.18%	\$16,710,677	1.4%
Watch List	2	0.26%	\$1,875,018	0.2%
Delinquencies	4	0.53%	\$2,544,696	0.2%





# ASSET MANAGEMENT QUARTERLY PORTFOLIO REPORT

Ending: June 30, 2023

MAP OF CALHFA MULTIFAMILY PROJECTS IN CALIFORNIA



State of California

## MEMORANDUM

**To:** Board of Directors

**Date:** 09/01/2023

Erwin Tam, Director of Financing

**From:** CALIFORNIA HOUSING FINANCE AGENCY

**Subject:** AGENCY BONDS, INTEREST RATE SWAPS AND FINANCING RISK FACTORS REPORT

### EXECUTIVE SUMMARY:

Since our last report, CalHFA's bonds outstanding have decreased by \$396 million from \$437 million to \$41 million, all of which are in our fixed rate stand alone multifamily indentures. Additionally, the Agency's swap notional amount outstanding decreased by \$59 million, from \$424 to \$365 million.

- 1) We currently have \$0mn long-term swap notional currently held in our two legacy indentures, HMRB and MHRBIII. With the completion of the Swap Termination Initiative, this will be the final update for the Board as to swaps in these indentures.
- 2) We no longer are posting collateral for our hedges, due to the successful strategy of winding-down all of our loan-term swaps as well as new ISDAs that do not require collateral posting at CalHFA's current ratings level.
- 3) We have successfully completed our strategy of winding-down our loan term swap portfolio. With the completion of the Swap Termination Initiative, this will be the final update for the Board for Pre-2014 Swaps.
- 4) We are also entering new short-term swaps to hedge interest rate risk on new forward multifamily commitments not adequately covered by our current swap portfolio. We currently have \$365mn in swap notional hedging these commitments.

The following report describes our bond and interest rate swap positions as well as the related risks associated with our financing strategies. The report is divided into sections as follows:

- 1) Outstanding Bonds
- 2) Interest Rate Swaps
- 3) Financing Risk Factors
  - a) Termination Risk/Guarantor Risk
  - b) Collateral Posting Risk

## 1) BONDS OUTSTANDING

Below is the Agency's outstanding debt position. This table does not include any pass-thru or conduit financings which make up an additional \$5.44 billion. For the purposes of this report, this conduit/pass-thru amount will not be included in the tables or calculations.

BONDS OUTSTANDING	
As of August 1, 2023	
(\$ in millions)	
Indenture	Amount Outstanding
Stand Alone (MF)	41
Total	41

## 2) Interest Rate Swaps

CalHFA's current hedging strategy includes new cash settled interest rate swaps to hedge multifamily loan commitments. Cash settled fixed-payer swaps involve one payment on the settlement date instead of many payments over time. The table below provides a summary of our swap notional amounts.

SWAPS	
(\$ in millions)	
Source	Current Notional
MF Loan Commitments	365
Total	365

Long term fixed-payer swaps that were entered into after 2003 had swap termination options which allowed CalHFA to terminate all or portions of the swap at par (no cost to terminate). While swaps that we entered into before 2003 had no par termination option, we negotiated a discount on the termination value for many of the swaps from that period. Based on current projections, we will make up the cost of the early market terminations by August 2024.

### 3) FINANCING RISK FACTORS

#### A) TERMINATION/GUARANTOR RISK

Termination risk is the risk that, for some reason, our interest rate swaps must be terminated prior to their scheduled maturity. Our swaps have a market value that is determined based on current interest rates. When current fixed rates are lower than the fixed rate of the swap, our swaps have a negative mark-to-market, and termination would result in a payment from us to our counterparty. Conversely, when current fixed rates are higher than the fixed rate of the swap, our swaps have a positive value to us, and termination would result in a payment from the provider of the swap to us.

It should be noted that, in a termination event, the market determines the amount of the termination payment and who owes it to whom. Depending on the market, it may be that the party who has caused the termination is owed the termination payment.

On a historical basis, the highest negative mark-to-market value of CalHFA's swaps was \$380 million in January 2012. Since September 30, 2022, CalHFA would be a net recipient of funds if it terminated all its interest rate swaps. Below is the current termination value of our swaps. The table has been updated from last report to include the new swaps hedging our multifamily commitments.

#### TERMINATION VALUE

Date	Termination Value
	\$ in millions
12/30/2021	(72.6)
03/30/2022	(66.1)
06/30/2022	(24.2)
09/30/2022	3.3
12/30/2022	24.9
03/30/2023	20.5
06/30/2023	26.3
08/01/2023	32.9

Additionally, the following table provides information on how much we would owe each counterparty in the event of a swap termination.

SWAP COUNTERPARTIES	
Counterparty	Mark-To-Market \$ in millions
Wells Fargo N.A	0.41
Bank of New York Mellon	10.57
Bank of America, N.A.	21.89
<b>Total*</b>	<b>32.86</b>

\* \$20Mn of Basis Swaps not included in totals; (recent payments have been positive to the Agency, though they have been comparatively small)

Guarantor risk is a type of termination risk where the Agency's swap guarantor defaults or has a significant decline in its credit rating that would cause the termination of the swap. This is in part mitigated by having a diversified group of swap guarantors

The following table shows the diversification of our fixed payer swaps among the 3 firms acting as our swap guarantors.

SWAP GUARANTORS				
Swap Guarantor	Credit Ratings		Notional \$ in millions	Number of Swaps
	Moody	SP		
Bank of America, N.A.	Aa1	A+	249.6	18
Bank of New York Mellon	Aa1	AA-	107.9	3
Wells Fargo Bank N.A.	Aa2	A+	7.7	1
<b>Total*</b>			<b>365.2</b>	<b>22</b>

## B) COLLATERAL POSTING RISK

Some swap agreements have collateral posting requirements. Collateral posting requirements are a function of the mark-to-market, ratings, threshold amounts, independent amounts and any collateral already posted. Our swaps are valued weekly, and our collateral position is adjusted weekly based on those valuations. Failure to post the required collateral can result in a termination event. At its peak, CalHFA was required to post \$132 million of collateral at the end of January 2012. Since February 2023, CalHFA has not held any swaps that require collateral posting.