

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
HOME AND HOMEOWNERSHIP SECTION
HOME Program**

1800 Third Street, Suite 390-3
Sacramento, CA 95814
(916) 322-0356
FAX (916) 322-2904



HOME

MANAGEMENT MEMORANDUM

HOME Investment Partnerships Program

Memorandum Number: 08-02

Date: April 29, 2008

To: HOME Program Interested Parties

From: Tom Bettencourt
HOME Section Chief

RE: HOME Program Maximum Purchase Price/After-Rehabilitation
Value Limits (203b limits) for 2008

This memo is to clarify the allowable "maximum purchase price or after-rehabilitation value limits" for HOME-assisted homeownership housing for 2008.

The higher FHA Economic Stimulus Act Section 203(b) limits that you may have heard about cannot be used because HUD has determined that they violate the HOME statute.

Based on specific HUD guidance, we have developed a new table showing the appropriate limits for 2008. In general, these limits are higher than previously available numbers. The new limits are attached to this e-mail and will be posted on the State HOME website soon.

For assistance concerning these limits, please contact Rita Levy, (916) 445-8339.