

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

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September 29, 2010

TO ALL POTENTIAL APPLICANTS

**RE: NOTICE OF REQUEST FOR PROPOSALS FOR THE GOLDEN STATE
ACQUISITION FUND**

The California Department of Housing and Community Development (HCD) is pleased to announce it is accepting proposals from qualified applicants to serve as the Fund Manager of the new Golden State Acquisition Fund (Loan Fund). To be eligible to serve as the Fund Manager, applicants must be non-profit Affordable Housing lenders.

Funding for this RFP is provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to Section 50705 and 50706 of Chapter 8.5 of Part 2 of Division 31 of the California Health and Safety Code, which establishes the Loan Fund as one component of the Affordable Housing Revolving Development and Acquisition Program (AHRDAP). The AHRDAP is part of the Affordable Housing Innovation Fund created pursuant to the passage of SB 586 (Dutton, Chapter 652 Statutes of 2007).

The GSAF is operated and funds are awarded under Program Guidelines adopted by the Department. These Guidelines can be accessed at:
<http://www.hcd.ca.gov/fa/ahif/ahip-1.html>.

This RFP provides funds to establish the Golden State Acquisition Fund (GSAF). The RFP requires the selected Fund Manager to provide capital in a ratio equal to three times the State's funds to fully capitalize the GSAF. When the GSAF is fully established, the Fund Manager will use the Fund's resources to make Project Loans to Affordable Housing developers for the acquisition of real property for the development or preservation of Affordable Housing for low-income households.

Proposals under this RFP are due in HCD's offices no later than 5:00 p.m. on Tuesday, November 30, 2010. Please note that all Proposers are required to attend a Proposer's meeting at HCD headquarters on Thursday, October 21, 2010.

If you have any questions about this RFP or the Golden State Acquisition Fund, please contact Affordable Housing Innovation Program staff at 916-324-1488.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Westlake". The signature is fluid and cursive, with the first name "Chris" being more prominent than the last name "Westlake".

Chris Westlake, Deputy Director
Division of Financial Assistance

Enclosure