



CITY OF OAKDALE
First-Time Home Buyer
Down Payment Assistance Program

The City of Oakdale has received funding through the State of California Department of Housing and Community Development Funding and the U.S. Department of Housing and Urban Development for a down payment assistance program. This program will provide \$20,000 - \$50,000 (based upon availability of funds) to assist first-time homebuyers in the purchase of a home in Oakdale.

If you have any questions regarding this program, please contact Lourdes Barragan at (209) 845-3625.



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Program Interest Form

Date: _____ Owned a home in the last 3 years? Yes No

Applicant's Name _____ Age _____ Are You Disabled? Yes No

Co-Applicant's Name _____ Age _____ Are You Disabled? Yes No

Mailing Address: _____

Telephone: _____

Number of People In Household: _____

Name(s)	Age	Sex	Relationship
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Ethnicity of Applicant		
For statistical purposes only		Check one:
1	American Indian/Alaska Native	
2	Asian	
3	Black/African American	
4	Native Hawaiian/Pacific Islander	
5	White	
6	American Indian/Alaska Native AND White	
7	Asian AND White	
8	Black/African American AND White	
9	American Indian/Alaska Native AND Black/African American	
10	Other	
Ethnicity: If Hispanic/Latino, check one of the following:		
<input type="checkbox"/> Mexican	<input type="checkbox"/> Puerto Rican	<input type="checkbox"/> Cuban <input type="checkbox"/> Other Latino

Income of All Persons Living in the Home (Specify Total Gross Monthly Amount): _____

Signature of Applicant: _____ Date: _____

Signature of Co-Applicant: _____ Date: _____

Fax or Mail Form to:
 City of Oakdale
 120 S. Sierra
 Oakdale, CA 95361
 Phone: (209) 845-3625
 (866) 735-0193 TDD
 Fax: (209) 845-3592

For Official Use Only	
If Qualified:	Date Assistance Provided: _____
If Not Qualified:	Reason: _____

INCOME LIMITS (HUD 2010)

1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850



Borrower Eligibility

MAXIMUM INCOME

Maximum family income from all sources must not exceed 80% of median income adjusted for family size as shown on the chart below.

(HUD 2010)

1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
\$33,350	\$38,100	\$42,850	\$47,600	\$51,450	\$55,250	\$59,050	\$62,850

Program guidelines do not allow averaging for the purpose of determining annual income and therefore the applicant's current income must be projected forward.

HOMEOWNERSHIP TRAINING

Lender will be required to provide a Fannie Mae 8-hour homeownership-training course.

BUYER CONTRIBUTION

The Buyer will be required to contribute a minimum of 1% of the sales price plus credit report fee.

LOANS

As long as funds are available, loans will be FHA CHFA loans unless the Buyers income exceeds the CHFA income limits. All non-CHFA loans will be approved on a case by case basis. All loans made for First Time Home Buyers (FTHB) will be fixed-rate loans and interest buy-downs will not be allowed.

IMPROVEMENT BONDS (New Construction)

All improvement bonds shall be paid-in-full by the Seller in escrow.

DOWN PAYMENT ASSISTANCE

The City will provide up to \$50,000 in assistance secured by a silent second (\$30,000) and third (\$20,000) deed of trust at an interest rate that is 5% below the rate of the first loan but no less than 1%. The note shall be all due and payable upon transfer or in 30 years.

DEBT RATIOS

The City has established a minimum debt ratio. CHFA allows debt ratios for first-time homebuyers of existing homes to be 29% / 41% and will allow ratios of 31% / 43% for energy efficient new homes. To ensure that the City is not unduly subsidizing debt, debt ratios have been established that allow a buyer to use from ten to 12 percent of their monthly gross income to make payments on revolving debt and loans (automobile loans, credit cards, etc.). This amount of debt is considered normal. Therefore, the maximum amount of the down payment assistance contributed by the City shall be determined by requiring a minimum 'Front Debt' ratio of 29%. This may cause some applicants to have a 'Back Ratio' that is too high and they will not be able to qualify for a loan. In these cases the applicant will have to reduce their other debt in order to qualify for the program.

Property Eligibility

PROPERTY TYPES

Only single-family residences are eligible. The SFR may be a detached unit, a condominium unit or a townhouse unit of new construction or existing (a.k.a., a resale unit). New construction must be complete (i.e., all livable areas finished) and have a certificate of completion / occupancy.

OCCUPANCY

Owner-occupied primary residences only.

CURRENT PROPERTY OCCUPANCY

The City will not pay relocation expenses for tenant-occupied properties. If applicable, this factor must be disclosed to the seller prior to execution of a purchase contract. Therefore, the property to be purchased must be occupied by the owner/seller, vacant for at least four months prior to date on application, or occupied by the Borrower (i.e., tenant purchase). If the property being purchased with the assistance of the FTHB program is occupied by any tenant at or after the time the buyer(s) execute the original contract of sale or if a tenant(s) has been asked to vacate the property in order to accomplish the sale, the property will be ineligible for the FTHB program.

LOCATION

The property must be in the city limits of Oakdale, California.

PURCHASE PRICE

The FTHB loan program sets a limit on the maximum purchase price based on the HUD FHA 203(b) limits. Subject to change, the current limit is \$346,750. The maximum purchase price may also be restricted by the lesser of the Borrower's ability to qualify the selected first mortgage loan (see CHFA manual for details) or the loan program maximum dollar amount or loan-to-value.

ACQUISITION NOTICE

Prior to presenting an offer to purchase an existing home, the Buyer and/or the Buyer's agent shall require the Seller to sign two forms:

(1) An "Acquisition Notice to Seller": This form includes: (a) certification that the purchaser has no power of eminent domain, (b) an estimate of the fair market value of the property and, (c) a statement that if an Acquisition Notice is not given prior to the acceptance of the purchase offer, the Seller may withdraw from the agreement after this information is provided.

(2) "Notice to Sellers of Existing Homes": This form requires that the Seller make all necessary repairs to the property prior to the close of escrow at the Seller's expense.

Whether the existing home needs repairs or not, we will recommend that the Buyers purchase a Home Protection Plan. These plans provide insurance on all interior electrical, plumbing and appliances for the first twelve months. The cost of these

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protection plans range from \$250 to \$300 and may be paid through escrow as a part of the closing costs.

PROPERTY SIZE

The FTTHB does not state restrictions on the number of occupants per bedroom (but the property and the number of inhabitants must meet local housing code)

ZONING

The area where the property is located must be zoned residential.

LEAD BASED PAINT HAZARDS

All homes built prior to 1978 must be inspected by a State Licensed Lead-Based Paint Inspector/Assessor in accordance with the EPA work standards at 40 CFR 745.227. The Seller of the home must agree in writing that all defective paint will be abated prior to the close of escrow and that the cost of the abatement shall be paid by the Seller.

Notification: Prior to making an offer to purchase a pre-1978 home, the Buyer will be given a copy of and asked to read the EPA pamphlet "*Protect Your family From Lead in Your Home*". (EPA 747-K-94-001, April 1999)

Inspections: The Inspector shall conduct a "Visual Assessment" of all painted surfaces in order to identify deteriorated paint. All deteriorated paint will be stabilized in accordance with CFR 35.1330 (a) and (b); and a Clearance shall be made in accordance with CFR 35.1340 This assessment shall include all outbuildings and structures on the property.

Abatement: If Abatement is required the contractor performing the abatement shall be given a copy of the Abatement Guidelines (24CFR35.1325 et seq.), a copy of the HUD publication "*LEAD PAINT SAFETY, a field guide for painting, home maintenance, and renovation work*" and a list of the "Prohibited Methods of Paint Removal" (24 CFR 35.140)

BUILDING STANDARDS

All homes will meet as a minimum requirement, local City Codes, or if there are no local codes, Section 8 Housing Quality Standards. To determine compliance with necessary local codes, existing homes will be inspected by either (1) a FHA Inspector as a Lender requirement, or (2) by the City of Oakdale Building Department or its representative. The house shall meet as a minimum standard requirement, all applicable local codes and health and safety standards. In addition, a California licensed Pest Control inspector shall make a pest inspection of the property. Any work required to correct existing conditions shall be made prior to the close of escrow. Said repairs and re-inspection shall be made at the expense of the Seller. New Homes will be built under the requirements of the State of California Building Code and the Building Code of the City of Oakdale. All new homes will meet all local codes, rehabilitation standards, and ordinances. Newly constructed housing must also meet the requirements of the current edition of the 2007 California Energy Code published by the Council of American Building Officials.

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EQUAL HOUSING

The City of Oakdale is a strong supporter of the Affirmative Fair Marketing legislation and requires that all Real Estate firms, Lenders and Escrow Companies display the Equal Housing Logo in their advertising and at their place of business.

NOTICE

The City of Oakdale is aware that most first time homebuyer households are not familiar with the terminology used in the real estate, lending and building industries. All Builders, Lenders and Realtors will make full disclosure of all costs, fees, assessments and the terms and conditions of the purchase prior to obtaining signatures. All advertising shall include the total cost to the Buyer. Any Builder, Lender or Realtor found to be using deceptive practices or misleading advertising will not be allowed to participate in the program.

