

FIRST TIME HOME BUYER PROGRAM

The City of Pinole is committed to making owning a home an affordable, reachable reality for very low to moderate income home-buyers. The Pinole Redevelopment Agency has a program that provides down payment loans to assist qualifying individuals in purchasing their own home.

To learn if you qualify for our innovative program, please review the eligibility criteria. More information is also available on the City's website at www.ci.pinole.ca.us/housing/first_time.html.

To get started, contact:

**Community Housing
Development Corporation
(CHDC)**
(510) 412-9290 ext 26
www.chdcnr.com

HOME BUYER EDUCATION

Every borrower must attend homebuyer training at CHDC or another HUD-certified or HUD-certificated affiliate training center.

THE APPLICATION PROCESS

Applicant: Contact the Community Housing Development Corporation (CHDC) to learn about upcoming Program Orientation meetings. At the Orientation you will learn about the Program requirements and application process. **For more information and upcoming Orientation dates, call LaToya Carr, CHDC, at (510) 412-9290 ext 26.**

Applicant: Download the Program Intake Form (application) from www.chdcnr.com and begin completing it.

Applicant: Attend the Program Orientation and complete application materials. All required documentation must be submitted before your application is complete.

Applicant: Attend a home buying seminar at CHDC or other HUD-certified counseling agency, and meet with a housing counselor to assess your financial readiness. *(If you have a certificate proving that you attended homebuyer training at CHDC or a HUD-certified counseling agency, you do not need to attend again.)*

CHDC: Certify eligible borrowers. Once an application is "complete," loans are available on a first come, first served basis.

City Redevelopment Agency: Approve loan and reserve funds for 60 days.

Applicant: Apply for a 30-year, fixed rate loan with the lender of your choice, and shop for your new home!

Applicant: Open escrow on your new home within 60 days.

CHDC / City: Upon approval of loan, prepare to fund loan at close of escrow.

Applicant: When you go to the title company to sign your loan documents for the first mortgage, you will also sign loan documents for your Agency loan.

Applicant: A wide array of post-purchase services are available to you, including maintenance and repair training and ongoing financial counseling through CHDC. You are obligated to repay loan along with "shared appreciation" in the time frame agreed or at sale or transfer of the home, refinance or payoff of the first mortgage, or recordation of a third mortgage.

CITY OF PINOLE
REDEVELOPMENT AGENCY
2131 PEAR STREET
PINOLE, CA 94564
WWW.CI.PINOLE.CA.US
(510) 724-9831



FIRST TIME HOME BUYER PROGRAM



The Redevelopment Agency has designed a program to provide zero interest second mortgages to income eligible households to assist with the purchase of a home in the City of Pinole.

MAXIMUM LOAN AMOUNT

After obtaining the maximum first mortgage your income will support, the Agency will provide a loan to help bridge the gap between the amount of your first loan and the purchase price of the home. The Agency loan is secured by a Deed of Trust on the property. The "maximum loan amount" is based on your income category. Use the chart below to find our income category. Example: If you are a family of four, and your family earns \$65,000/annually, you are a low income family. If you are a low income family, you may apply for a loan of up to \$50,000.

ELIGIBILITY

MAXIMUM INCOME

A family or individual is qualified to apply for a loan if their income does not exceed moderate income. The household maximum qualifying incomes are revised annually.

FIRST TIME HOMEBUYER

You cannot have held ownership interest in a home that you resided in over the last three years.

OWNER OCCUPIED

The home must be your principal place of residence and cannot be leased or rented during the term of the Agency loan.

CREDIT CAPACITY

Borrower must have a good credit rating (640+ FICO score).

BUYER REQUIREMENTS

Borrowers must be able to pay at least \$5,000 or 3% (whichever is greater) of their own funds toward the purchase and must retain funds for reserves.

Borrowers must apply for and be able to obtain approval for a first mortgage.

Borrowers must apply for additional federal and state subsidy sources that are available. The Agency will help you apply.

LOAN TERMS

ZERO INTEREST - DEFERRED PAYMENT

Loans are zero interest and repayment of the loan is deferred.

- **Very low income**—deferred for 10 years and amortized over 30 years (repayable from years 11—40).
- **Low and moderate incomes**—deferred for 5 years and amortized over 30 years (repayable from years 6—35).

The loan becomes immediately due upon sale or transfer of the home, cash out refinance, or securing an additional junior mortgage.

SHARED APPRECIATION

The Agency loan carries "shared appreciation" upon repayment.

Appreciation is the difference between the original purchase price of your home and the price of your home when you sell it. When you pay off your loan, either through sale or cash out refinance, the Agency will "share" in the appreciated amount of your home. The Agency's share will be equal to the percent of that Agency's loan was in relation to the original purchase price.

For example, if the Agency loan was equal to 10% of the original purchase price, when the loan is repaid, 10% of the appreciated amount is owed to the Agency as the shared appreciation.



	MAXIMUM ANNUAL GROSS INCOME IN 2010						MAXIMUM LOAN AMOUNT
	FAMILY SIZE: 1	2	3	4	5	6	
VERY LOW INCOME	\$31,650	\$36,150	\$40,650	\$45,150	\$48,800	\$52,400	\$100,000
LOW INCOME	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750	\$50,000
MODERATE INCOME	\$75,850	\$86,700	\$97,500	\$108,350	\$117,000	\$125,700	\$30,000