



THIS PACKAGE INCLUDES:

Attached is information regarding the City's HOME Sweet Home Program (AKA First time Homebuyers Program). If you feel you meet the program criteria outlined in this package, then complete the attached interest form and we will add your name to the program's interest list.

THE APPLICATION PROCESS

Notices of available funding will be sent to those on the program's interest list. Unfortunately, there is NEVER enough funding to fund everyone on the list and not everyone will actually qualify for the program. The ideal candidate must be ready to buy, meaning they have or will have no problem obtaining primary financing and the primary lender is willing to work with a City program. To be considered for final loan approval, the applicant must 1) secure their primary, 2) be preapproved by City, 3) have found an approved home, 4) demonstrate the need for the assistance (based on city formula); and 5) be in escrow to buy. Funding will be distributed on a first-come first-served basis based on meeting these criteria.

DETERMINING INCOME ELIGIBILITY

To determine income eligibility, the city will use "projected income", which means we will take the current pay amount and project it forward 12-months. Income verification applies to all adults (18 years or older) that live in the home, whether or not they will be named on the loan.

CITY ASSISTANCE

- ⇒ Up to \$75,000 in gap financing for down payment and/or closing cost
- ⇒ Loan carries a 30-year term with 2% fixed interest
- ⇒ Loan is deferred for the entire 30-years of the term
- ⇒ Loan is due and payable at the end of the 30-year loan term
- ⇒ The program's goal is to reduce the family's housing costs (after assistance) to 28% - 33% of the borrowers' gross monthly income; and the overall ratio from 33% -42%. Any exceptions will be considered on a case by case basis.

BUYER

- ⇒ Must be a first time homebuyer (has not owned or had an interest in property within the past 3-years)
- ⇒ Must qualify for primary financing
- ⇒ Must have good credit with no outstanding collections, judgments, liens or any other negative debt
- ⇒ Must contribute a minimum of \$1,000 towards home purchase
- ⇒ Household income cannot exceed the limits allowed for family size, as illustrated below:

Family Size

Maximum Annual Income

1	\$33,450
2	38,200
3	43,000
4	47,750
5	51,600
6	55,400
7	59,250
8	63,050

PROPERTY TO BE PURCHASED

- ⇒ Must be located within the Hanford city limits.
- ⇒ May be newly constructed or existing, if existing, must be sound and not in need of rehabilitation.
- ⇒ Must be vacant for 90 days or owner occupied.
- ⇒ Purchase price cannot exceed \$208,000 for existing and \$269,000 for new construction, Effective April 2018.
- ⇒ Property cannot be tenant occupied.
- ⇒ Property must be considered “modest housing”. For the purpose of this program, “modest housing” is typically a 3-bedroom, 2-bath house with a 2-car garage.
- ⇒ Houses with second units, pools and/or spas are not allowed through this program.
- ⇒ Property must comply with local building codes.
- ⇒ If the home was built before 1978, the City’s Housing staff also conducts a visual assessment. If deteriorated paint is found (such as peeling, chipping, chalking or cracking interior or exterior paint) the property is not eligible for purchase unless the deficiencies are corrected. The house must then be re-inspected and must pass the visual assessment prior to closing. If the house passes the visual assessment, the purchase process can continue. A visual assessment is also conducted for all properties to verify basic health and safety conditions.

PRIMARY FINANCING

- ⇒ Buyer must qualify for primary financing (that is at least 51% of the home’s purchase price)

HOMEBUYER EDUCATION

- ⇒ All potential buyers must complete a qualifying homebuyer education course and provide a certificate of completion prior to loan closing. Courses are offered through the following agencies:

- ✓ Community Services Employment Training, Inc. (CSET) - To sign up for workshops, please call the FTHB Hotline at 559-741-4641 and leave your Name and Telephone Number or call Maria for more information at: (559) 732-4194. No fee

- ✓ MGIC – On line course available English & Spanish at:
www.homebuyers.mgic.com – No fee
- ✓ On line courses can be completed at: eHome America Online, course fee will be \$99 www.ehomeamerica.org/she
- ✓ Self Help Enterprises – To register go
to:<http://www.selfhelpenterprises.org/programs/homeownership-education/>
For more information call Juanita Franco at: (559) 802-1672
Fees are \$75 per individual and \$25 per each additional person.

For additional information, contact Sandra Lerma (559) 585-4766 or Roberta Monzelli (559) 585-2587 TDD/TYY, Dial 711

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