

**CITY OF ROSEVILLE
FIRST TIME HOME BUYER
DOWN PAYMENT ASSISTANCE
PROGRAM**

Thank you for your interest in the City of Roseville's Down Payment Assistance Program. The Program is designed to promote home ownership for low income, first time homebuyers. Down payment assistance is in the form of a deferred loan (second mortgage), not due and payable until sale or transfer of property or 30 years, whichever occurs first. The amount of assistance cannot exceed \$120,000. Assistance requested over \$60,000 must be substantiated as needed to qualify for the minimum priced house appropriate for the household's size.

APPLICANT ELIGIBILITY--

Income:

Eligible participants must have gross annual incomes at or below 80 percent of the median income for the Sacramento area adjusted for family size.

First Time Home Buyer:

Eligible participants (both applicant and co-applicant) must meet one of the definitions of a first time Home Buyer as described below:

1. applicant(s) shall not have owned a home, except a mobile home not affixed to a permanent foundation, during the three years prior to applying for assistance under the City's Down Payment Assistance Program; or
2. a displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding 2 years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or under-employed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family; or

3. a single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; or
4. an individual or individuals who owns or owned, as a principal residence during the 3-year period before the purchase of a home with HOME assistance, a dwelling unit whose structure is:
 - not permanently affixed to a permanent foundation in accordance with local or state regulations; or
 - not in compliance with state, local, or model building codes and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.



APPLICANT PRIORITY--

Eligible participants who have lived or worked in the City of Roseville for a minimum of one year prior to applying for assistance under this Program will receive first priority for assistance.

ADDITIONAL REQUIREMENTS--

Eligible applicants will be required to:

1. Provide minimum of a 1% down payment, the source of which cannot be a loan.
2. Prior to being accepted as a program participant (but not required prior to application for the program), provide Sacramento Home Loan Counseling Center's Home Buyer's Seminar certificate of completion for all three classes (Home Buying Process, Budgeting, Home Maintenance/Good Neighbor), for a total of 8 hours of class training. For additional information contact the Home Loan Counseling Center at 916-646-2002, visit their website for current class schedules www.hlcc.net or contact the City's Housing Division office at 916-774-5270.

SELECTION OF A HOME--

The home selected must be located within the City limits of Roseville. The home must be owner-occupied or a vacant unit. For sale rental property occupied by a current tenant is not eligible for the Down Payment Assistance Program, unless the current tenant will also be the home purchaser.

In addition, homes located in a flood plain are **not** eligible for assistance with this program. To verify if a specific home is located in a flood plain, you may contact Garth Gaylord, in the Engineering Department, at 746-1300.

Type and Condition of Home:

Single-family dwellings, condominiums, half-plexes, and manufactured homes are eligible for purchase under the Program. Any dwelling purchased with assistance under this Program must be on a permanent foundation and must be of appropriate size and number of bedrooms for the number of persons in the purchaser's household.

The City will inspect the dwelling for compliance with Housing Quality Standards (basic health and safety requirements). Any violation of these standards must be corrected prior to City's final approval of down payment assistance for the unit. (NOTE: Exceptions can be made if homebuyer is using 203(k) financing, for the first mortgage. 203(k) is a federally funded program which allows the homebuyer to finance both a mortgage and a rehabilitation loan into one primary loan.)

Purchase Price:

The purchase price of the house cannot exceed \$441,750 which is 95% of the median purchase price for the City of Roseville (see current Program Guidelines). The individual participant's maximum purchase price will be calculated based on the maximum first mortgage amount and City assistance (City assistance will be based on purchaser's need and available housing stock for sale).

LOAN TERMS--

The City's 0% loan is a deferred, shared appreciation, 30-year loan, secured by a promissory note and deed of trust. No payments are required as long as the home remains the primary residence of the qualified low income, first time home buyer.

The City's note becomes due and payable when the home owner sells the property, rents the property, adds someone to title other than an immediate family member, or changes the use from single family residential, or 30 years, which ever occurs first. The note becomes due and payable upon refinance, if the refinance is not approved by the City's Housing Division or the refinance exceeds the homeowner's equity at the time of refinance.

LOAN PAY OFF—

Recapture of Investment

Term: The Promissory Note shall be for a term of Thirty (30) years at which time all unpaid principal and shared appreciation remaining will be due and payable. Said maturity shall be on the same day of the year as the Date of the Note.

Shared Appreciation: The City will share a portion of the net profit the purchaser would make in subsequent sales, based on the original 2nd mortgage value divided by the market value of the home. The note will be due and payable upon sale of the property, change of use, unapproved refinance or change of ownership.

MONITORING--

The City of Roseville's Housing staff will monitor annually to insure the home has remained the program participant's primary residence. This monitoring may require contacting the homeowner annually.

**FIRST TIME HOME BUYER
DOWN PAYMENT
ASSISTANCE PROGRAM**



For more information contact:

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