



City of Clearlake First Time Homebuyer Program

14050 Olympic Drive
Clearlake, CA 95422 (707) 994-8201

The purpose of the City's Home Investment Partnership Program (HOME) is to help qualified low-income families buy their own homes by providing gap assistance and, at the same time, promote housing construction, jobs, and economic growth that come with increased home ownership.

The City will lend qualified buyers up to \$40,000 that will be secured by a Second Note and Deed of Trust. The note will not require any payments and will be deferred for 45 years (or upon transfer, lease, or sale of the property). All participants in the program must have not owned a home in the last three years and be able to secure a mortgage (good credit) for the remaining balance, and want to purchase a home in the City of Clearlake. Assistance is available to households with incomes at or below 80 percent median income for the City of Clearlake. HUD adjusts the income levels annually. The current income limits are as follows:

1 Person \$33,000	2 Persons \$37,700	3 Persons \$42,400	4 Persons \$47,100
5 Persons \$50,900	6 Persons \$54,650	7 Persons \$58,450	8 Persons \$62,200

Annual Income is the gross amount of income received by all adults in the family over the past year and evidenced by their most recent Income Tax Returns, W-2 form, Form 1099's and recent pay stubs.

Homebuyer education on-line must be completed.

<http://www.homebuyerfunds.com/>

FUNDS FROM THE FIRST TIME HOME BUYER PROGRAM ARE FOR THE PURPOSE OF PROVIDING DOWN PAYMENT ASSISTANCE FOR A HOME PURCHASE.

BEFORE YOU CAN PURCHASE A HOME THROUGH THIS PROGRAM YOU MUST:

- Receive notification that you are eligible to participate in the program.
- Qualify for a low interest loan through a California Housing Finance Agency lender.
- Be able to provide 3% of the purchase price of the home from your own funds
- Must not have purchased a home within the last three years
- Must meet income guidelines
- Want to purchase a home in the City of Clearlake

YOUR PARTICIPATION IS ON A FIRST COME-FIRST SERVED BASIS.

1. Fill out and submit application and required supporting documents to Adeline Brown, Finance Department.
2. Your application will be evaluated to determine if you are eligible to participate in the program. Program coordinator will notify you by letter or phone of your eligibility status.
3. Call the lender and introduce yourself. Explain to the Lender that you are a First Time Home Buyer Participant with the City of Clearlake and that you would like to start the loan process. The lender will send you a loan application that you must fill out and return to the lender. The lender will require that you provide Income Tax returns, W-2 forms, current pay stubs and Social Security or Resident Alien cards. The lender will be able to tell you the maximum sales price of the home that you qualify to buy. Remember the Lender has to qualify you for the loan to purchase your new home. Their guidelines are different than that of the City and you must adhere to the lenders guidelines. This will require patience. ***The City can only make you income eligible to participate in the program and assist with your down payment once you have been approved for a loan.***
4. If your total household income is not enough to purchase a home on your own, you may still be able to buy a home using a co-borrower. A co-borrower can be another person that will be in the house with you or someone that will not live in the house but will co-sign for you. If you have a co-borrower, you both should meet with the lender and be pre-qualified before you look for a home. You will be required to pay the lender about \$50 for a credit report.
5. Select a real estate agent (preferably one that specializes in working with First Time Home Buyers) and ask them to help you find a home in the price range for which you are qualified. Please remember that you must put in at least 3% of your own money for the purchase.
6. Once you find a home, you and your real estate agent will then take the contract to the seller for the seller's approval.
7. When the seller has accepted the offer to purchase the home, the real estate agent will open an escrow for you. You should then go back to the lender with a copy of your contract so the lender can start to process your loan.
8. The loan approval and escrow process will take approximately 60 days. During this 60 day period you will need to pay your 3% down payment to the escrow company. Near the end of the 60 days you will be asked to go to the escrow company to sign the loan papers for the loan from the mortgage company and from the City.

Please include the following supporting information:

- One month's most current pay stubs
- Verification of Assets
- Copy of award letters from social security or disability, if applicable
- Six month's most current bank statements (checking, saving, 401K, etc.)
- Last 3 years Federal income tax returns
- Copy of your birth certificate and driver's license
- Miscellaneous income documents (court orders, award letters, benefits notices, Tribal benefits, etc.)
- Rental verifications for previous 3 years (evidence of FTHB eligibility)
- First Lender copies of loan approval with maximum mortgage amount
- Underwriting Transmittal Summary completed and signed by underwriter
- Loan application from first lender
- Signed credit authorization

If self employed:

- 2015 & 2016 Federal tax returns
- Year to date profit and loss statement
- Earnings Statement(s) (W-2's, 1099's, etc.) for previous 3 years

FIRST TIME HOME BUYER STEPS TO FOLLOW

- STEP 1** Fill out Application and submit to City Hall along with supporting documents
- STEP 2** City of Clearlake Program Coordinator will determine and notify you of your eligibility by an eligibility determination letter.
- STEP 3** You must contact a CHFA/FHA Lender. Lender qualify you for a primary loan.
- STEP 4** You return **LOAN APPLICATION to lender**. Lender will determine whether you **qualify** for a loan and, if so, the amount of money they can lend you towards the purchase of your home (based on credit history and ability to repay the loan). You will need to pay a fee for a credit report to the lender. Ask the lender for a pre-approved loan amount letter. This way, you'll have in writing the exact price you can afford to pay for a home. Afterwards, remember to add an extra \$25K-35K to your purchasing power to account for the City of Clearlake's loan.
- STEP 5** **If you qualify for a loan**, Contact a local realtor and begin the search for your new home.

City of Clearlake

APPLICATION FOR HOMEBUYERS



DATE RECEIVED _____ EFFECTIVE DATE _____ FILE# _____

NOTE PLEASE READ "CERTIFICATION" PAGE 4 BEFORE FILLING OUT THIS APPLICATION

NON-ENGLISH SPEAKING HOUSEHOLD? YES _____ NO _____

Applicant's Name _____ Social Security # _____

Co-Applicant's Name _____ Social Security # _____

Street Address _____

City _____ Zip _____

Mailing Address if different _____

County _____

Home phone (____) _____ Applicant work phone: (____) _____

Applicant cell phone: (____) _____ Co-Applicant work phone: (____) _____

Co-Applicant cell phone: (____) _____

For statistical/government monitoring purposes only Enter code from list below (Information is voluntary)

Applicant's race _____ Co-applicant's race _____

Race of Household Code

- 11-White 12-Black/African American 13-Asian 14-American Indian/Alaskan 15-Native Hawaiian/other Pacific Islander 16-American Indian/Alaskan Native & White 17-Asian & White 18-Black/African American & White 19-American Indian/Alaskan Native & Black/African American 20-Other Multi-Racial

Hispanic Origin: Yes _____ No _____

Are any residents of the household employed by the Jurisdiction or its Program Operator? Yes _____ No _____	Have any of the applicants held ownership or interest in a property in the last three years? Yes _____ No _____ If yes, explain: _____
Do any residents of the household exercise any functions or responsibilities (or are they in a position to gain inside information) with respect to this housing program, including being a member of a governing body or agency of government that exercises housing policy, or have immediate family ties (by blood, marriage or adoption, including spouse, parent/step-parent, sibling, step-sibling, grandparent, grandchild and in-laws) to someone who does? Yes _____ No _____ If Yes to either, explain in box to the right.	(explanation, if applicable) _____ _____ _____ _____ _____

INCOME SUMMARY: Check applicable sources of income currently and during the prior calendar year for any residents:

Wages _____ AFDC (TANF) _____ Interest _____ Other _____
 SSA _____ Disability _____ Rentals _____ (explain): _____
 SSI _____ Unemployment _____ Pension _____

Last Name(s) _____ Address _____ File # _____

STAFF USE ONLY BELOW THIS LINE

Total persons who live at address	_____	In Target Area?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Total seniors in household	_____	Conflict of Interest?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Annual Family Income	_____	Handicapped:	<input type="checkbox"/> No <input type="checkbox"/> Yes
Previous	Projected	FHOH?	<input type="checkbox"/> No <input type="checkbox"/> Yes
Year's Income	Income	Farm worker?	<input type="checkbox"/> No <input type="checkbox"/> Yes
\$ _____	\$ _____		
HCD Definition (Circle)			
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FAMILY AND INCOME DETAILS

LIST ALL PERSONS WHO WILL BE LIVING IN THE PROPERTY BEING PURCHASED INCLUDING APPLICANT AND CO-APPLICANT(S). NOTE: INCOME MUST BE IDENTIFIED IN TERMS OF "GROSS MONTHLY". IF NONE, PUT "NONE".

NAME	RELATIONSHIP	AGE	SEX	GROSS MONTHLY INCOME	OFFICE USE	
					ACTUAL INCOME	LS
	Applicant					

INCOME INFORMATION

Gross family income would include income from any of the following sources or any other source of income: Wages, Self-Employment, Farming income, Public Assistance, Social Security, Retirement Pensions, Veteran's or GI Benefits, Child/Spousal Support, Unemployment/Disability Insurance, Worker's Compensation, Contributions, Cash Gifts, Rental Income, Sale of Property, Foster Child Care, Interest, Dividends, Royalties, Scholarships, Grants and Loans for School.

PERSON RECEIVING INCOME	SOURCE OF INCOME	GROSS MONTHLY AMOUNT

EXPLANATION OF INCOME SOURCE, PATTERN(S), ANNUAL AMOUNT OR OTHER COMMENTS:

ASSET INFORMATION				
CHECKING AND SAVINGS				
Account Holder(s)	Bank or Credit Union	Account No.	Type Ckg ___ Svg ___	Balance
Account Holder(s)	Bank or Credit Union	Account No.	Type Ckg ___ Svg ___	Balance
Account Holder(s)	Bank or Credit Union	Account No.	Type Ckg ___ Svg ___	Balance
LIST OTHER ASSETS				
Retirement funds/stocks/bonds, etc. (from Income and Asset Inclusions checklist)				
Family Member	Asset Description	Cash Value	Income From Assets	
ASSETS (CASH, PROPERTY, ETC.) GIFTED OR SOLD BELOW MARKET VALUE IN LAST 24 MONTHS				
Family Member	Asset Description	Value	Sales Price, or Gift (\$0)	
APPLICANT		CO-APPLICANT		
Name and Address of Employer ___ Self-Employed		Name and Address of Employer ___ Self-Employed		
Position/Title/Type of Business Empl. Verif. Phone		Position/Title/Type of Business Empl. Verif. Phone		
Years on Job/Years employed in this line of work		Years on Job/Years employed in this line of work		
OTHER HOUSEHOLD MEMBER/JOB		OTHER HOUSEHOLD MEMBER/JOB		
Name Employer ___ Self-Employed		Name Employer ___ Self-Employed		

Position/Title/Type of Business	Empl. Verif. Phone	Position/Title/Type of Business	Empl. Verif. Phone
Years on Job/Years employed in this line of work		Years on Job/Years employed in this line of work	

LIABILITIES List the
 creditor's name and account number for all outstanding debts, including but not limited to automobile loans, revolving charge accounts, alimony, child support, stock pledges, etc.

Creditor Name	Account No.	Monthly Payments	Payments Left	Approximate Balance
Total of Liabilities		\$		\$

COMMENTS:

ADDITIONAL INFORMATION

List additional employment, assets or liabilities in the space provided below.

CERTIFICATION--READ BEFORE SIGNING

I certify that this will be my primary residence of occupancy.
 I certify that the information given on this form is true and accurate to the best of my knowledge. I certify that I have no

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Applicant's Signature
Date
Co-Applicant's Signature
Date

Print Name

Print Name