

# HOME SWEET HOME PROGRAM TERMS AND CONDITIONS AND INTEREST FORM



## 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 25% - 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 have minimum of a 2-year period of continued employment and at present job a minimum of 6 months
- ✓ 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% of purchase price towards home purchase
- ✓ Household income cannot exceed the limits allowed for family size, as illustrated below:

Family Size/ Tamaño de la familia	1	2	3	4	5	6	7	8
Low Income (80% of Area Median Income) Bajos ingresos (80% del ingreso medio del área)	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800

- ✓ 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 \$244,000 for existing and \$304,000 for new construction, Effective June 01, 2021.
- ✓ 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 the close of escrow**. Please call or go to website for more information and fees. Courses are offered through the following agencies in English and Spanish:
  - ✓ Community Services and Employment Training, Inc. (CSET)  
312 NW 3<sup>rd</sup> Ave, Visalia CA 93291  
[www.cset.org](http://www.cset.org) or 559-732-4194 (English, Spanish)
  - ✓ Self Help Enterprises  
8445 W Elwin Court, Visalia CA 93291  
[www.selfhelpenterprises.org](http://www.selfhelpenterprises.org) or 559-651-1000 (English, Spanish)

The City of Hanford does not discriminate on the basis of race, color, religion, sex, marital status, national origin, ancestry, familial status, disability, or sexual orientation in its employment opportunities, programs, services or activities.



# City of Hanford Homebuyer Assistance Program Interest Form

(This is not a loan application)

Name of applicant: \_\_\_\_\_ Name of co-applicant: \_\_\_\_\_

Current Address: \_\_\_\_\_  
 \_\_\_\_\_

Phone Number:  
 Home \_\_\_\_\_ Work \_\_\_\_\_ Cell \_\_\_\_\_

Email Address: \_\_\_\_\_

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Total number of all (children and adults) persons residing in the household: \_\_\_\_\_

Estimated Annual of all Adults over 18 who live in the home specify combined Gross Income:  
 \$ \_\_\_\_\_

(Include total gross income from all sources for all household members, including wages, SSI, SSA, disability, unemployment, dividends, child support, alimony, etc.)

Is your household income less than 80% of the Area Median Income by Household Size (Please see the column for your Household Size and Maximum Income Limits) YES  NO  (If NO, you are not eligible for the program)

2021 Income Limits

Family Size	1	2	3	4	5	6	7	8
Low Income (80% of Area Median Income) Revised 01/01/2022	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800

How much are you currently paying for monthly rent? \_\_\_\_\_

Has the applicant or co-applicant owned a home or had an interest in property in the last three years? \_\_\_\_\_

Have you been pre-qualified for a home loan? \_\_\_\_\_ If yes, provide copy of pre-qualification letter.

Signature of Applicant \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Co-Applicant \_\_\_\_\_ Date: \_\_\_\_\_

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It is the City's policy to provide services without regard to race, color, religion, sex, marital status, national origin, ancestry, familial status, disability, or sexual orientation.



**BACKGROUND INFORMATION:** The City of Hanford does not discriminate against persons on the basis of race, color, religion, sex, marital status, national origin, ancestry, familial status, disability, or sexual orientation. To demonstrate that we meet equal opportunity and fair housing requirements, we must report statistical information about applicants to the Department of Housing and Urban (HUD) Development. Your participation is voluntary and would be greatly appreciated. This information will be kept separate and confidential and will not be used in any way to make loan selection decisions.

Please complete a, b, c and d below:

a. ETHNICITY, SELECT ONLY ONE OF THE FOLLOWING:

- Hispanic or Latino
- Not Hispanic or Latino

b. RACE, SELECT ONE OR MORE OF THE FOLLOWING:

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

c. DISABILITY Definition: Any person who has, is regarded as having, or has a record of having a physical or mental impairment which substantially limits one or more major life activities, such as difficulty in securing, retaining or advancing in employment; or any person who has impairment of sight, hearing or speech, or impairment which requires special education or related services.

- I have a disability which meets the definition above.
- I do not have a disability.

d. OTHER INFORMATION:

Gender - applicable to head of household:  Male  Female

Age - applicable to head of household:  0-18 years;  19-24 years;  25-44 years;  
 45-64 years;  65 years and older

**STAFF ONLY BELOW THIS LINE**

Complete when observer identification method is used

ETHNICITY, select only one of the following:

- Hispanic or Latino
- Not Hispanic or Latino

RACE, select one or more of the following:

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

Determined by staff member \_\_\_\_\_ Date \_\_\_\_\_

**Applicant Race/Ethnicity (For statistical purposes only)**

**RACE**

- White
- Black/African American
- Asian
- American Indian or Alaska Native
- Native Hawaiian or Other Pacific Islander  Other \_\_\_\_\_

**HISPANIC/LATINO ETHNICITY:**  Yes  No