

## What steps do I take?

1. Decide on a bank or mortgage company and make an appointment with a loan officer to get pre-qualified for a home loan.
2. Let the loan officer know that you are interested in the County's Homeownership Assistance Program. It may be helpful to take this brochure with you.
3. Once you are pre-qualified for a home mortgage, have your loan officer call:

**Luz Melgarejo**  
**Program Coordinator**  
**420 E Laurel Street**  
**Willows CA 95988**  
**(530) 934-1480**

Equal opportunity Employer/Program. Auxiliary aids and services available upon request to individuals with disabilities



7/2017

**Health & Human Services**  
**Agency**  
420 E. Laurel St  
Willows CA 95988  
(530) 865-6129 or  
1-800-287-8711 ext. 6129



## Homeownership Assistance Program



**Glenn County**  
**Health & Human Services**  
**Agency**  
**Community Action Partnership**

420 E Laurel Street  
Willows CA 95988

Telephone: (530) 865-6129

Fax: (530) 934-6650

## INTRODUCTION

- The County of Glenn has created a Home-ownership Assistance Program under CDBG (Community Development Block Grant), that expands the availability of affordable housing for income qualified families.
- **The Program** offers a loan for mortgage subsidy assistance and provides a course of action for the primary financing and purchase of that first home.

## HOUSEHOLD INCOME

Family annual gross income may not exceed the following:

Family Size	Annual Income	Monthly Income
1	\$33,000	\$2,750
2	\$37,700	\$3,141
3	\$42,400	\$3,533
4	\$47,100	\$3,925
5	\$50,900	\$4,241
6	\$54,650	\$4,554
7	\$58,450	\$4,870
8	\$62,200	\$5,183

**\*\* income limits are subject to change**

Loans are based on total household income and family size. The maximum loan amount is as follows:

- **Families earning up to 80% or less of area median income may qualify** for a loan amount up to \$40,000 CDBG funds.
- **Front-end ratio shall be between 15% and 40% of the borrower's gross monthly income (before deductions) that cover the cost of PIT (loan principal and interest payment + property + taxes + property insurance)**

## TERMS AND CONDITIONS CONT.

- Applicants must work with a Real Estate Agent throughout the home buying process and the contract must be a California Residential Purchase Contract (excludes Lease to Purchase applicants).
- The appraisal and credit report must be paid by the borrower.
- Required to have impound account for the payment of taxes and insurance to ensure they remain current.
- The home purchased must be located within the unincorporated area in Glenn County.
- Homebuyer must contribute a minimum of down payment of one-percent (1%) of the purchase price.
- The home must meet "Building Code" and "Lead Based Paint" requirements.
- A Termite Inspection must be performed on all structures on the property and receive Section 1 & 2 clearance.

## REPAYMENT

- A mortgage subsidy loan is secured by a Deed of Trust and does not require monthly payments.
- Repayment of the loan will be required at the end of the 30 year loan term; or, if the house is sold, title is transferred, or if the house is no longer the family's principal residence.
- Prior to refinancing the primary loan it is wise to check with the Business Assistance/ Housing Development Department.

## TERMS AND CONDITIONS

- The loan shall be deferred for a minimum of 30 years @ no higher than 3% simple interest. Depending on how long the borrower lives in the home, some or all of the interest may be forgiven. The program loan term shall be for at least as long as the primary loan.
- The family must be a "first-time" home buyer (has not owned a home within the past three years).
- The maximum purchase price for existing homes is \$ 163,000.00 and for newly – constructed \$224,000.00 (**subject to change**)
- The family must contribute a minimum down payment of 1% of the purchase price but may contribute more if desired.