



First-Time Homebuyer Assistance Program

(Effective July 1, 2008)

The City of Garden Grove is pleased to offer a new First-Time Homebuyer Assistance Program, funded with State of California Proposition 1C funds (CalHome), to qualified homebuyers purchasing their first home, in Garden Grove. This program is designed to assist qualified low- and very low-income families with the monies necessary to bridge the gap between the mortgage amount a homebuyer can qualify for and the actual price of a detached or attached single-family home, condominium or townhouse. The following is a brief summary of the CalHome First-time Homebuyer Assistance Program:

- The Program offers a 30 year deferred payment subordinate trust deed loan (no monthly payments required) not to exceed \$40,000. Simple interest of 3% annually is accrued for the life of the loan.
- Participants must not exceed the income limits for their household size shown below.

2008 INCOME LIMITS FOR HUD HOME PROGRAM (EFFECTIVE APRIL 12, 2008)

% AMI	Income Standard	Household Size					
		1	2	3	4	5	6
80%	CalHome Loan	\$52,100	\$59,100	\$66,950	\$74,400	\$80,350	\$86,300

*The above limits apply to the income of all members of the household over 18 years of age. The income limits are based on figures published by HUD.

- The Program is available to those who have not owned a home in the last three years. There are exceptions for divorced, single parents who owned a home while married, but now do not, and displaced homemakers.
- Buyers must occupy the property to be purchased as their primary residence for the life of the loan.
- The buyer will be required to provide a minimum 1% down payment. Program eligibility will also be based on income as well as a debt-to-income ratio under 45%.
- If the title is changed or the home is sold, refinanced to withdraw equity, or used as a rental within 30 years, the original amount of the loan plus accrued interest becomes due and payable.
- The purchase price of a single-family home cannot exceed \$546,250. The purchase price of a condominium or townhouse cannot exceed \$362,790.
- Attendance at a free, two-hour First-Time Homebuyer class is required for all loan applicants.
- The property must meet HUD Housing Standards and, if built prior to 1978, may be required to pass a lead-based paint inspection.

The Program Administrator, Civic Center Home Loans and Realty, also offers other First-Time Homebuyer Programs to help moderate-income households. Prospective buyers are encouraged to contact Civic Center Home Loans and Realty before entering into a purchase agreement and before applying for a primary loan. Pre-approved buyers who have already signed a purchase agreement must have it amended in order to satisfy Program requirements.

To sign up for a free training class, or for additional details on the CalHome Program and other moderate-income First-Time Homebuyer assistance, please contact Matt Callahan at (877) 570-5276 Ext 3 or visit the City's First-Time Homebuyer website at www.comehometogardengrove.org.

