

## Down-payment Assistance Deferred Loan

**Interest Rate:** 0%

**Loan Amount:** Maximum of \$25,000.

**Total Project Cost:** It is the borrower's responsibility to obtain the amount of funds necessary to purchase the property in accordance with the first mortgage guidelines.

**Loan term:** The Deferred Loan is 100% due when the borrower sells, transfers ownership or no longer occupies the property as the borrower's primary residence.

**Eligible Properties:** Owner-occupied properties with up to 4 dwelling units located within the boundaries of the City of Roseville. Condominiums and townhomes are eligible. Property must have an Estimated Market Value at or below the Roseville Median Value x 110%. Value is updated annually. The current median value is \$348,600 (110% is \$383,460).

**Ineligible Properties:** Dwellings that are more than 4 units, cooperatives, properties held in a Trust and properties used for commercial purposes.

**Eligible Borrowers:** Borrower(s) must be a **First-Generation Homebuyer** and must sign the First-Generation Homebuyer Affidavit. The homebuyer(s) **MUST** attend a Home Stretch workshop or other valid homebuyers course offered through a HUD approved counseling agency. All borrowers must be legal residents of the United States, as evidenced by a social security number, Including: U.S. Citizens, Permanent Resident Aliens, and Non-Permanent Resident Aliens. TAX IDENTIFICATION NUMBERS (ITIN) ARE NOT ACCEPTABLE.

A First Generation Homebuyer is defined as:

- a. Borrower does not currently own a home, nor has previously owned a home;
- b. Borrower(s) parents and/or legal guardian do not currently own a home, and if they previously owned a home, such ownership terminated as a result of foreclosure;
- c. Borrower spouse, if applicable, does not currently own a home, and if spouse previously owned a home, such ownership terminated as a result of foreclosure; and
- d. Borrower spouse's parents and/or legal guardian do not own a home, and if they previously owned a home, such ownership terminated as a result of foreclosure.

**Ineligible Borrowers:** Including but not limited to: Foreign Nationals, Non-Occupant Co-Borrowers, business entities, and Properties held in the name of a Trust.

**Ownership/Occupancy:** Owner- occupied only.

**Loan to Value Ratio** N/A

**Income Limit:** 100% AMI based on household size and adjusted gross income from the most recent tax return. If a tax return is not required to be filed by the borrower(s) then income will be determined by the projected income over the next 12 months.

**Documentation Requirements:**

- Copy of purchase agreement
- Commitment letter/approval for first mortgage
- Copy of Title Commitment
- Copy of Initial Loan Estimate for first mortgage
- Value of home (property tax or appraisal)
- Certification of Home Stretch Homebuyers (or other valid course) course completed

**Loan Security:** All loans will be secured with a mortgage in favor of the Roseville Economic Development Authority and must be in 2<sup>nd</sup> lien position.

**Borrower Fees:** Borrower will be responsible for mortgage filing and service fees, flood certificate, credit report fees and any other applicable closing fees.

**Disbursement Process:** Loan funds will be made payable and delivered to the title/closing agent. The down-payment and closing cost assistance deferred loan will be signed at closing of the purchase mortgage.