

FAIRFIELD CALHOME FIRST TIME HOME BUYER GUIDELINES
BORROWER / PURCHASER - OVERVIEW
GENERAL PROGRAM GUIDELINES AND PARAMETERS

The following program guidelines and parameters should be looked upon as a program overview. *Additional considerations, parameters and factors will need to be reviewed and applied when underwriting loans for each individual household.*

PROGRAM REQUIREMENTS

First Time Homebuyer

Participants in the program must be first time homebuyers buying and occupying properties within the City of Fairfield (including Cordelia). In addition to first time homebuyers (households who have not owned homes for the past three years), qualified buyers may also include displaced homemakers and owners of mobile homes.

Homebuyer Education

All participants must complete a homebuyer education class prior to submitting a CalHOME application. The class chosen must be approved by the City.

Eligible Neighborhoods

Homes purchased through the CalHOME Program must be located within one of the Fairfield Redevelopment Agency's five project areas. A map showing eligible addresses can be accessed via the City's website at <http://www.ci.fairfield.ca.us/affordablehousingmain.htm> and clicking on "Google Earth Map of RDA Project Areas" under "Downloads". Homes located outside of a redevelopment project area are ineligible for assistance under the current CalHOME Program.

Income Restrictions

Participants must have a household income which is less than or equal to 80% of the area's median. The maximum income limits are:

Household Size	1	2	3	4	5	6	7	8
Maximum Income Limit	\$44,450	\$50,800	\$57,150	\$63,500	\$68,600	\$73,650	\$78,750	\$83,800

Maximum CalHOME Assistance

The amount of the CalHome assistance shall be calculated as follows: the purchase price plus closing costs for the dwelling unit, (i) less the amount of the Applicant's down payment, (ii) less the amount of the first mortgage, and (iii) less the amount of any other down payment assistance available to the Applicant. The Applicant shall obtain a first mortgage loan for the maximum amount that (1) the Applicant qualifies for and (2) ensures that the Applicant's housing costs do not exceed the maximum affordable housing cost allowed by the Program.

The maximum CalHome assistance an Applicant may receive is \$40,000 (deferred).

Credit Requirements

The buyer must have good credit. As a general rule, this means no more than three late payments and no bankruptcies during the last two years. Alternate credit is acceptable.

Buyer's Down Payment

The Applicant must make a minimum contribution of 1% of the purchase price of the home from the borrower's own funds towards closing costs and/or down payment.

Primary Loan Guidelines

The Applicant's first mortgage loan must be a fixed rate loan with not less than a 30-year term. The Applicant shall obtain the maximum first mortgage loan with a term and interest rate from a mortgage lender consistent with affordable housing costs. The loan must be fully amortized and not exceed current market rate.

First mortgage loans shall not include provisions for negative amortization, principal increases, balloon payments or deferred interest. Adjustable rate loans are not permitted.

Interest Rate

The interest rate shall be 1% simple interest per year.

Preference

Preference shall be given to current Fairfield residents. A current Fairfield resident is someone who has lived in Fairfield at least one year prior to the date of loan application.

For more program information, prospective borrowers should call 707-428-7729.