

Shasta County down Payment Assistance Program:

What is the Down Payment Assistance Program?

Shasta County Housing and Community Action Programs provides 0% interest loans to qualified low-income, first-time home buyers to help with their down payment and closing costs. A first-time home buyer is someone who has not owned a home in the last 3 years, or who qualifies as a “displaced home-maker”. The program is available in the unincorporated area of Shasta County.

How much can you borrow?

The loan amount can be up to 37% of the purchase price. At the maximum purchase price of \$180,000, the DAP loan could be as much as \$60,000. The borrower must contribute at least 3% of the purchase price to the sale transaction. This may be a gift.

How do you Apply?

- Contact a mortgage lender at Megastar to obtain a pre-qualification letter.
- Visit the Department of Housing and Community Action Programs to place your name on the waiting list and pick up an application.
- Return the completed application along with the requested documentation to our office.

http://www.co.shasta.ca.us/index/housing_index/down_payment.aspx

City of Redding

Homebuyer Program

The City of Redding offers home purchase programs to assist income eligible families or individuals purchase a home within the city limits of Redding. The City provides a “silent” second loan to the borrower(s), no monthly payments are required. For a home to qualify, it must be either owner-occupied or vacant at least 90 days at the time an offer to purchase is made. The home must be inspected by a professional home inspector and the City of Redding. Section I and II of the termite report must be cleared.

The Homebuyer Program has the following requirements.

- Household income must not exceed the guidelines established by HUD (see table below).
- Applicants must have a credit history that meets program guidelines.
- Applicants must meet employment guidelines.
- Payments on long-term debt must be within City guidelines.
- Applicants cannot have owned a home within the last 3 years, or if owned a home, qualify as a displaced homemaker or a single parent.
- Applicants must provide cash resources equal to 3% of the purchase price, plus any closing costs that are the responsibility of the buyer. One-half of the down payment must be from the buyer’s own assets. All other amounts may be in the form of a gift from another person or entity.

<http://www.ci.redding.ca.us/housing/purchase.htm>

City of Shasta Lake Homebuyer Program

The Homebuyer Program (HP) promotes homeownership for low income, first time homebuyers. Assistance is in the form of a deferred loan (second mortgage), due and payable when the property is sold, transferred, or at the end of the loan term. The home selected must be located within the City limits of Shasta Lake. The Home must be owner occupied or a vacant unit.

Single family dwellings, condominiums, and manufactured homes are eligible for purchase under HP. Any dwelling purchased with assistance under HP must be on a permanent foundation and must be appropriate size and number of bedrooms for the number of persons in the purchaser's household. The City will inspect the dwelling for Code compliance. Any violations of these standards must be corrected prior to the City's final loan approval.

Application Process

1. HP Applicants will complete a City of Shasta Lake Homebuyer Program Interest Form.
2. Program Staff will mail a complete application packet.
3. Only original applications and all supporting documentation will be accepted. If the application is incomplete or the applicant is deemed ineligible, a letter will be sent to that effect.
4. All HP applicants must complete a First Time Homebuyer Seminar prior to close of escrow.
5. A meeting between the applicant and program staff will be scheduled and an eligibility letter will be provided to the applicant. The applicant may enter into a contract to purchase a home contingent on receiving first mortgage and HP financing. No purchase contracts dated prior to the eligibility letter will be accepted.
6. The applicant's Real Estate agent and Lender will carefully review the checklist for lenders and RE agents, to properly find a home that will conform to the program guidelines. Once a purchase agreement is executed, RE and/or HP Applicant will forward a copy of the executed purchase agreement to Program Staff. All homes must pass a Code Compliance Inspection. This inspection is provided by the City and is no charge to the applicant.
7. Program Staff will provide RE Agent and Applicant a letter of all items that will need to be received prior to loan committee. These items must be completed in a timely manner.
8. Loan Committee meetings are schedule on an as need basis. Following HP loan approval, HP loan documents and escrow instructions will be sent to the title company. The executed documents must be received back to the HP Program Staff for review prior to release of funds.

<http://ca-shastalake.civiccities.com/index.aspx?nid=880>

Tax Credit For 1st Time Homebuyers

Mortgage Credit Certificate Tax Credit Program (MCC)

When an MCC is issued to a homeowner, he/she can file for a tax credit on their federal income taxes equal to a portion of the annual mortgage interest paid. It is a dollar-for-dollar reduction in federal income tax liability. 20% of the annual mortgage interest paid can be taken as a tax credit. Shasta, Siskiyou, Trinity & Tehama Counties are eligible:

Borrower Requirements

The homebuyer must be a "first-time" homebuyer(2);

The total household income must fall within the Program income limits;

The home being purchased must fall within the Program purchase price limits;

The homebuyer must intend to live in the home being purchased as their primary residence.

How do I apply for this loan program?

Contact an MCC-Participating Loan Officer at Megastar. When initially contacting your loan officer, you may want to have the documents on the list below to help answer questions that loan officers' may ask you:

- Pay stubs
- Bank statements
- Employment history
- Previous tax returns

<http://www.gsfaHome.org/programs/mcc/overview.shtml>

National Homebuyers Fund Platinum Homebuyer Assistance Program

Provides eligible families and individuals with a grant that does not have to be repaid. The grant (up to 5% of the loan amount*) can be used towards down payment or closing costs. The Platinum Program is available for the purchase of an owner-occupied principal residence located in the state of California. The Program is available for purchases of both new and existing homes and is

NOT limited to first-time homebuyers.

<http://www.gsfaHome.org/programs/dpa/guide.shtml>



Kylie A. Dagg-Covington
The Real Estate Group - Realtor
License#01436362
950 Mission De Oro
Redding, CA 96002
kyliedagg@aol.com
kyliedagghomes.com

530.953.9553

Pete Metz
Branch Manager / Loan Officer
NMLS# CA 260571
930 Executive Way, Suite 125
Redding, CA 96002
pete@megastarfinancial.com



530.221.7700

Loans made or arranged pursuant to a California Finance Lenders Law license