

Homebuyer Assistance Program Application

The City has in effect an Affordable Housing Ordinance, which requires most new residential developments to provide at least 10% of their units for sale at affordable below-market prices to qualified buyers. The City maintains a waiting list of people interested in this program. Completing and returning the Homebuyer Assistance Program application will place your name on the list for affordable units which may become available in the future.

It is important to note that affordability covenants are placed upon homes purchased through this program. If a program participant sells the affordable unit for profit within 45 years, the City will be entitled to a portion of that profit.

Current income limits are listed in the chart below. (NOTE: you must include the income of all persons in the household who are 18 years of age or older.) If your annual gross income is higher than the income limit for your household size, you are not eligible to participate in the program.

In order to be considered for any future affordable housing opportunities offered by the City, the enclosed application must be completed and returned along with proof that you have at least \$10,000 available for a 3% down payment and closing costs.

Even if the \$10,000 is a gift from your parents for example, you must have the money in your own bank account at the time you submit an application.

HOUSEHOLD SIZE	MAXIMUM ALLOWABLE GROSS INCOME
1	\$73,900
2	\$84,500
3	\$95,050
4	\$105,600
5	\$114,050
6	\$122,500
7	\$130,950
8	\$139,400

Your name will not be placed on the waiting list for the Affordable Housing Program until we have received all required documentation.

Please Note: there are no homes available through the program at the present time. City staff is unable to estimate when a property will become available. If you have any questions, you may call (714) 671-4461 or email maried@cityofbrea.net.

BREA'S HOMEBUYER ASSISTANCE PROGRAM

Frequently Asked Questions

What is Brea's Homebuyer Assistance Program?

The City has in effect an Affordable Housing Ordinance, which requires most new residential developments to provide at least 10% of their units for sale at affordable below-market prices to qualified buyers.

Who is eligible for this Program?

To participate, applicants must be able to pay at least three percent of the purchase price toward the down payment and related closing costs, and the applicant's income must fall within maximum annual income guidelines. Figures are provided by the U.S. Department of Housing and Urban Development (HUD) and updated annually – see cover letter.

How does the Program work?

Program participants must move into and live in the house that they purchase. If the home is sold or is refinanced for more than the current first mortgage within 45 years of purchase, participants must pay the City an equity share (a portion of the difference between the original purchase price and the resale price).

What do I do after I have submitted my application?

Once the application has been submitted, it is only necessary to advise the Economic Development Division if there are changes in address, phone, etc. Applicants are notified by letter when their name has reached the top of the waiting list and they become eligible to participate in the Program.

How can I be sure that my name is kept on the waiting list?

On an annual basis, applicants are sent re-application forms which must be completed and returned to the Economic Development Division. The re-application provides updated information regarding each applicant. Returning the re-application annually assures the applicant that his/her name will remain on the waiting list if still qualified for the Program.

How long is the wait after applying for the Program?

There is no way to gauge how long an applicant will remain on the waiting list. The Program is not first-come, first served. Please see next question regarding the Program's point system.

CONTINUED →→

How is my application evaluated?

Applications for the Homebuyer Assistance Program are evaluated based upon specified selection criteria, and City staff establishes a waiting list. An applicant's place on the waiting list depends upon accumulated points which are awarded in the following categories:

- *Brea Residency:* Brea residency at the time of application is NOT required, but Brea residents are awarded preference points on the waiting list.
- *Overcrowding:* Overcrowding exists when a household averages more than three persons per bedroom. An overcrowded family is awarded preference points on the waiting list.
- *Cost-burdened:* Households in which 35% or more of the total income is used for housing costs are awarded preference points on the waiting list.
- *Brea Employment:* Brea employment at the time of application is NOT required, but applicants with Brea employment are awarded preference points on the waiting list.
- *Military Service: U.S. veterans, widows/widowers of U.S. veterans, and active members of the U.S. military are awarded preference points on the waiting list.*
- *Waiting time:* Points are awarded for each month that an applicant's name remains on the waiting list.

What other facts should I know about Brea's Homebuyer Assistance Program?

- Maximum occupancy of the home purchased may not exceed two persons per bedroom plus one additional person (for example, seven persons in a three-bedroom home).
- Applicants must be able to qualify for a first mortgage in the amount needed to purchase the home. Co-signors are not allowed.
- There must be at least two persons in the applicant's household if purchasing a three-bedroom or larger unit. One-person households may not purchase anything larger than a two-bedroom unit.

Please Note: There are no homes available through the Program at the present time. City staff is unable to estimate when a property will become available.

**CITY OF BREA
APPLICATION FOR HOMEBUYER ASSISTANCE PROGRAM**

Please Print

Applicant: _____
 First Name Middle Initial Last Name

Co-Applicant: _____

Current Street Address: _____ Unit # _____

City: _____ State: _____ Zip: _____

Email Address: _____

Daytime Telephone: _____ Evening Telephone: _____

Number of Bedrooms at Current Address: _____

Current monthly housing payment (rent or mortgage; if mortgage, include association fees and property taxes.) \$ _____

Annual Household Income \$ _____ (Defined as income before taxes for all household members who are age 18 or over.)

Current Household Size: _____ (Defined as the total number of occupants where you currently reside.)

Do you have a minimum of \$10,000 in liquid assets (savings accounts, checking accounts, 401K or IRA funds) to cover a 3% down payment and closing costs? Yes _____ No _____

IMPORTANT: IF THE ANSWER TO THIS QUESTION IS "YES," ATTACH A COPY OF YOUR MOST RECENT BANK STATEMENT(S) TO YOUR APPLICATION.

Applicant's Current Employer: _____

Employer's Address: _____

City: _____ State: _____ Zip: _____

Applicant's Profession: _____

Co-Applicant's Current Employer: _____

Employer's Address: _____

City: _____ State: _____ Zip: _____

Co-Applicant's Profession: _____

CONTINUE TO BACK PAGE OF APPLICATION → →

Has applicant ever lived in the City of Brea? Yes _____ No _____

If yes, dates resided in Brea: From _____ To _____

Has applicant ever worked in the City of Brea? Yes _____ No _____

If yes, dates worked in Brea: From _____ To _____

Has co-applicant ever lived in the City of Brea? Yes _____ No _____

If yes, dates resided in Brea: From _____ To _____

Has co-applicant ever worked in the City of Brea? Yes _____ No _____

If yes, dates worked in Brea: From _____ To _____

Future Household Size: _____ (Defined as the number of household members who will be living in the home which is purchased through this Program).

Have you declared bankruptcy in the last 7 years? Yes _____ No _____
If yes, what was your discharge date? _____ (Attach a copy of your discharge papers)

Do you currently own residential property? Yes _____ No _____
If yes, is the property currently listed with a Real Estate Agent? Yes _____ No _____
Amount of equity in the property at the current time \$ _____

I am interested in purchasing: Condo/Townhouse _____ Single-Family Residence _____

If applicant or co-applicant is a U.S. veteran, or the widow/widower of a U.S. veteran, or is currently serving in the U.S. military, attach a copy of a DD-214 or an active military ID card to be given preference on the waiting list.

I declare under penalty of perjury that the foregoing is true and correct.

Signature: _____ Date: _____

Co-Applicant's Signature: _____ Date: _____

Return completed application to:

City of Brea Economic Development, 1 Civic Center Circle, Brea, CA 92821

Don't forget to include any applicable attachments