



Transaction Rescue Webinar – Down Payment Assistance for Your Clients

Virtual Event

October 23rd, 2024



Welcome





MORTGAGE.CAR.ORG



FINDDOWNPAYMENT.CAR.ORG



Transaction Rescue™

CALIFORNIA ASSOCIATION OF REALTORS®

Your lifeline to the lending community is a free member benefit! We provide assistance with finding a lender, loan qualifications, underwriting, short sales and more. Give us a call on the FREE helpline at (213) 739-8383, email us at TransactionRescue@car.org

DOWN PAYMENT RESOURCE DIRECTORY

Quickly search and identify over 400+ available down payment assistance programs in your client's target area with our Down Payment Resource Directory.



STEPS to Financing the Dream of Homeownership – Lending / DPA Arena Speakers



Cynthia Leal

Managing Originator

Guild Mortgage



Angel Romero

HFA Relationship
Manager

Down Payment
Resource



Abel Fregoso Jr.

Sr. Loan Originator

PRMG



Molly Ellis

Housing Finance
Officer, Lending
Services Manager

*California Housing
Finance Agency
(CalHFA)*



Carolyn Sunseri

Director of
Marketing &
Stakeholder
Relations

*Golden State
Finance Authority
(GSFA)*



Please be advised that you aren't required to seek services from any of the speakers in the presentation

They were chosen because we believe they'll be helpful in providing education without requiring you to give them business. Having said that, we're not making any representations or warranties regarding the quality of their services.

We understand that you may have your own preferred companies and ultimately, it's your decision as to whose services you will seek.

Inclusivity Statement



We ask that each of you support C.A.R.'s diversity efforts by committing to treating each other with dignity and respect. Please:

- Keep statements focused on the topic or question before the group.
- Avoid mention of irrelevant demographic information like age or unrelated leadership experience.
- Refrain from saying or doing anything that could lead anyone to feel excluded or belittled.

C.A.R.'s Transaction Rescue Leadership may interject, as needed, to promote full and respectful dialogue.

C.A.R. Policies



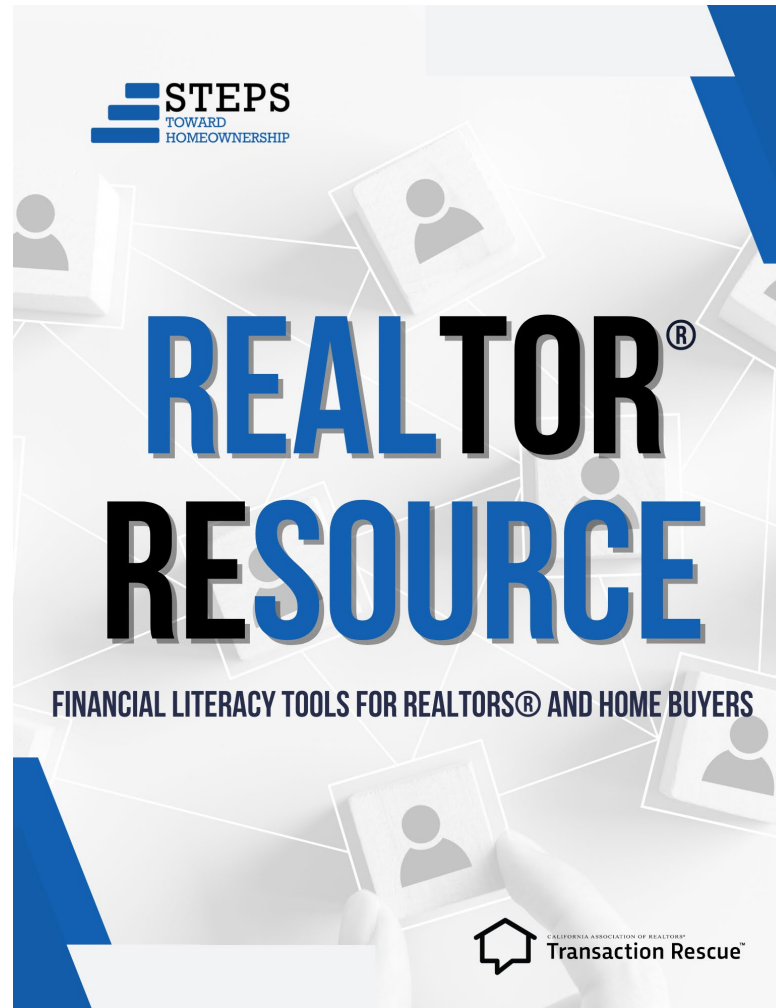
Anti-trust Compliance: As a reminder, C.A.R. is committed to conducting all meetings and events in a professional, ethical, and lawful manner, including adherence to all antitrust laws. To that end, the topics for this meeting will focus on advancing the interests of real estate professionals and consumers of real estate services, increasing competition, reducing risk for all parties involved in real estate transactions, and sharing insights on business best practices. The following discussion topics are always prohibited: commission or compensation levels, agreements to fix prices or compensation, agreements to limit product or service offerings, allocation of geographical territory or customers, and agreements to refuse to deal. Any discussion inconsistent with this policy will not be tolerated.

Down Payment Assistance Tool

<http://FindDownPayment.car.org>



REALTOR® Resource: Financial Literacy Tool



REALTOR® Resource: Financial Literacy Tool

A Field Guide To Identifying Mortgage-Ready Buyers

GET ANSWERS TO THESE QUESTIONS FROM YOUR BUYERS:	YES	NO
1. Do you have income sources that can be documented with current pay checks, bank statements, W2s and tax returns?		
2. Has it been at least two years since you discharged debts in bankruptcy or three years since a home you owned was foreclosed?		
3. Do you have access to down payment money from sources that can be verified and documented?		
4. Do you have at least two or three open credit accounts in good standing?		
5. Are you a US citizen, permanent resident or do you have a current work authorization card?		

If the response to these question is “yes”, send your buyer to your lender partner for pre-approval. If the answer is “no”, send them to a trusted housing or credit counselor referral partner and stay in touch with them as they resolve their issues.

REALTOR® Resource: Financial Literacy Tool

A Checklist of Serious Buyer Financing Challenges



Buyers with one or more of these issues will find it very difficult to obtain the best available terms for a conventional or government-insured loan. REALTORS® should proceed with caution before submitting purchase offers for buyers with these issues:

- ✎ The buyer is married but the non-buying spouse is not available or unwilling to cooperate with the purchase
- ✎ All of the buyer's income sources are cash
- ✎ The buyer is self-employed with minimal net business income reported in recent tax years
- ✎ The buyer plans to settle judgements and tax liens during escrow as a condition for final loan approval
- ✎ The buyer's assets are all cash and can't be sourced
- ✎ The buyer discharged a bankruptcy within the last 24 months or had a foreclosure less than three years ago
- ✎ The buyer's Social Security number is not valid
- ✎ Buyer is a non-citizen and is not a permanent resident (green card holder) and they do not have a valid work authorization card
- ✎ The property the buyer wants to purchase has serious health and safety problems, sub-standard non-permitted improvements and can not be immediately occupied by the buyers



REALTOR® Resource: Financial Literacy Tool

Checklist - Documents Required For Loan Approval



Here is a list of documents lenders will typically require from your buyers. REALTORS® can help their clients prepare for the loan application and approval process by reviewing this list with them early in the process and encouraging them to gather these documents as quickly as possible.

- Federal income tax returns for the past two years
- W2s for the past two years
- Paycheck stubs for the past two months
- Statements for all asset accounts (checking, savings, retirement) for past two months
- Other income documents such as Social Security award letters
- Names and contact information for all employers over the last two years
- All addresses used over the past two years
- Government ID and Social Security card
- Copy of finalized divorce decree, child support order, bankruptcy filings and discharge papers
- Non citizens must provide copy of resident alien (“green”) card or valid work authorization card
- Letters of explanation regarding past derogatory credit, name and address variations, recent credit inquiries, and other issues required by the underwriter
- Others as needed or requested

REALTOR® Resource: Financial Literacy Tool

A Down Payment Worksheet

Use this worksheet with your clients to help them find sources of money for their down payment

ACCEPTABLE DOWN PAYMENT SOURCES	AMOUNT	WHEN AVAILABLE
Funds currently held in their checking, savings and investment accounts	\$	
Properly documented gift funds from family members	\$	
Pending proceeds from the sale of buyer's existing real estate	\$	
Withdrawal or loan from retirement savings accounts	\$	
Income tax refund	\$	
Rental deposit refund	\$	
Down payment assistance grant from non-profit organization or qualified loan from public agency	\$	
TOTAL	\$	

REMEMBER:

Cash-on-hand ("mattress money") is generally not an eligible source of down payment funds



REALTOR® Resource: Financial Literacy Tool

C.A.R.'s Down Payment Resources Directory

HOME | MARKETING | CLIENTS | DOWNPAYMREASURE

PRINT | EMAIL | SAVE SHARE

Fill out the following 3-step pre-screening form, in order to find out if you are eligible for any of the 400+ down payment assistance programs available in California. If you are still not sure how to begin, feel free to [watch this video](#).

If you need further assistance with the Down Payment Resource Directory tool, please contact your REALTOR® or [find a local REALTOR® here](#), if you do not have one already.

Property Information | Household Information | Special Circumstances

Enter the **Street Address** and **Zip Code** of a specific property
 -OR-
 Start typing in the **General Search** field and pick a neighborhood, city or county from the menu.

Street Address (e.g. 123 Main Street) Zip Code

General Search (start typing for a menu of options)

Estimated sales price

Is this a Multi-Family Home? Single-Family Multi-Family

Is the home in foreclosure? Yes No

Continue

Matched Programs
53
[View Programs](#)

Within the C.A.R Tool, you can find:

- Participating Lenders
- Program Guide/Flyers
- Filters/Guidelines:
 - Special Groups (Teachers, Protectors, etc.)
 - Eligible Properties
 - Maximum Sales Price
 - Eligible Borrowers
 - Maximum Household Income
 - Loan Terms
- Benefits
- Latest Updates

FILTERS AVAILABLE		
Property Information	Actual Property	Law Enforcement
Household Information	Sales Price	Firefighter
Special Circumstances	Currently Own a Home	Healthcare
General Search - City, County, Town, etc.	Household Income	Disability
	Veteran	Military
	Educator	Energy Efficient

Steps with CalHFA

Step 1 – See If You Are Eligible.
[Eligibility Calculator](#)

Step 2 – Get Pre-Qualified
 Find a Preferred Loan Officer
[Preferred Loan Officers](#)

Step 3 – Take Homebuyer Education
[ONLINE eHome's eight-hour Home-buyer Education](#)
[IN-PERSON NeighborWorks America](#)
 or [HUD-Approved Housing Counseling Agency](#)

Step 4 – Start looking for a home
 Talk to a local Realtor to guide you through this process

Info with GSFA

We Allow:

- Condos
- PUDS
- 1-4 unit
- Manufactured Home Primary Residences

Minimum credit score of 620

Find a Participating Lender:
<http://gsfahome.org/programs/platinum/lenders.aspx>



REALTOR® Resource: Financial Literacy Tool

Tips for Credit- Challenged Buyers

Help your credit-challenged buyers with the **Stop-Start-Fix** credit improvement system

Stop adding new derogatory credit by bringing past-due balances on open accounts current, avoiding new late payments, and reducing revolving credit card balances.

Start building positive credit by having two to three credit accounts using secured credit cards if necessary, keep the balances low and maintain an on-time payment history.

Fix prior derogatory credit by selectively paying off or settling collection and charged-off account, judgements, and liens *as required by the underwriter.*

1. **DON'T** apply for new credit
2. **DON'T** pay off collections or "Charge Offs"
3. **DON'T** close credit card accounts
4. **DON'T** max out or over charge credit card accounts
5. **DON'T** consolidate your debt
6. **DON'T** do anything that will cause a red flag to be raised by the scoring system

7. **DO** join a credit watch program
8. **DO** stay current on existing accounts
9. **DO** continue to use your credit as normal
10. **DO** call your Mortgage Loan Originator. A knowledgeable, professional Mortgage Loan Originator should be able to provide you with world-class service you need to choose the loan that's right for your client



HELPFUL REFERRAL RESOURCE:

[Credit.org](https://www.credit.org) is a non-profit organization that offers a wide range of free credit counseling and financial management services

CreditSmart®

CreditSmart is a suite of free financial capability and homeownership education resources designed to empower consumers with the skills and knowledge to support them through every stage of their homeownership journey.

Every person has a unique homeownership journey which is why CreditSmart offers different paths to education and financial wellness.



CreditSmart® Essentials



CreditSmart® Military



CreditSmart® Homebuyer U



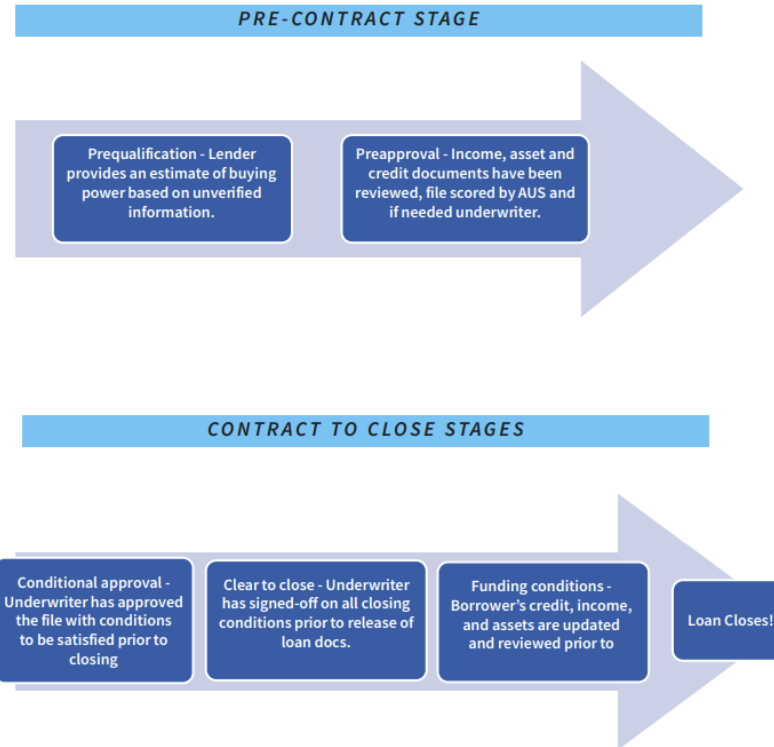
CreditSmart® Coach



CreditSmart® Multilingual

REALTOR® Resource: Financial Literacy Tool

Loan Approval and Closing Steps



Remember, loan approval is a dynamic, ongoing process that takes place up to and including the closing date! Help your buyer stay mortgage-ready through the entire process!

REALTOR® Resource: Financial Literacy Tool

Working with Nonprofit Housing Agencies

REALTORS® can benefit by supporting and working with non-profit housing agencies. These organizations provide valuable services to your buyers and can become important referral partners.

TYPICAL SERVICES THEY PROVIDE	5 WAYS YOU CAN PARTNER WITH NONPROFIT HOUSING AGENCIES
Pre-purchase home buyer education	1. Volunteer as a subject matter expert at their first-time buyer workshops
Financial and debt management counseling	2. Become a board member
Default and foreclosure prevention and counseling	3. Help with fund raising activities and events
Build or rehab affordable homes for sale to first-time buyers	4. Volunteer at special events and neighborhood clean-up days
Administer first-time buyer programs	5. Refer clients who need their services

HOW TO FIND HOUSING ORGANIZATIONS IN YOUR AREA

HUD-approved agencies can be found at: www.hud.gov/findacounselor

NeighborWorks organizations can be found at:
www.neighborworks.org/Our-Network/Network-Directory

Credit counseling organizations can be found at: www.nfcc.org

REALTOR® Resource: Financial Literacy Partner

Housing Counseling Services

1. Work with a HUD Housing Counselor to help your client:
 - a) Understand the sales process
 - b) Understand the Buyer's Broker Agreement and what it means to them and their options
 - c) Create a budget
 - d) Set a realistic timeline expectations
 - e) Review their credit (soft pull) and create a personalized housing plan
 - f) Support during the process
2. Clients can review their credit at [Annualcreditreport.com](https://www.annualcreditreport.com)
3. Go to [HUD.gov](https://www.hud.gov) to find a HUD Housing Counselor

Working with a HUD housing counselor provides valuable support for navigating the housing market, managing finances, and protecting their home post purchase.

<https://www.hud.gov/counseling>

<https://www.hud.gov/>

<https://www.hud.gov/sites/dfiles/OCHCO/documents/4000.1hsgh.pdf>

2024 Conforming & High Balance Loan Limits by County for Freddie & Fannie

(As of 1/01/2024)

The Federal Housing Finance Agency's (FHFA) announcement to increase the 2024 conforming loan limits for mortgages acquired by Fannie Mae and Freddie Mac to **\$766,550** on one-unit properties and a cap of **\$1,149,825** in high-cost areas. The previous loan limits were \$726,200 and \$1,089,300, respectively. Higher Loan Limits = More Properties Available to Entry Level Buyers

Loan Limit Counties

\$1,149,825 –	Alameda, Contra Costa, Los Angeles, Marin, Orange San Benito, Santa Clara, Santa Cruz, San Mateo
\$766,550 > < 1,149,825	San Diego, Ventura, Santa Barbara, San Luis Obispo, Monterey Napa, Sonoma, Yolo
\$766,550 –	All Remaining Counties for FHLMC/FNMA, FHA are less.

Link to Freddie Mac (FHLMC) / Fannie Mae (FNMA) 2024 Loan Limits

- <https://www.fhfa.gov/DataTools/Tools/Pages/Conforming-Loan-Limit-Map.aspx>

Link to FHA Loan Limits just changed on the 15th of November for **2024 Limits – Conforming \$1,149,825 max, (for single unit) less in many areas**

<https://entp.hud.gov/idapp/html/hicost1.cfm>

2024 Fannie / Freddie / FHA Loan Limits



	Standard FHA*	Standard GSE*	FHA and GSE, High Cost Areas
1-unit	\$498,587	\$766,550	\$1,149,825
2-unit	\$637,950	\$981,500	\$1,472,250
3-unit	\$771,125	\$1,186,350	\$1,779,525
4-unit	\$958,350	\$1,474,400	\$2,211,600

*Continuous States, DC, and Puerto Rico

Fannie/Freddie Mac Loan Limit: Loan Limit [Look-Up Table 2024.xlsx](#) (live.com)

FHA Mortgage Limits by County: (hud.gov) [FHA Mortgage Limits](#) (hud.gov)

REALTOR® Resource: A field guide to identifying “Mortgage-Ready” buyers

	Get answers to these questions from your buyers:	Yes	No
1	Do you have income sources that can be documented with current pay checks, bank statements, W2s and tax returns?		
3	Has it been at least two years since you discharged debts in bankruptcy or three years since a home you owned was foreclosed?		
4	Do you have access to down payment money from sources that can be verified and documented?		
5	Do you have at least two or three open credit accounts in good standing?		
6	Are you a US citizen, permanent resident or do you have a current work authorization card?		

If the response to these question is “yes”, send your buyer to your lender partner for pre-approval. If the answer is “no”, send them to a trusted housing or credit counselor referral partner and stay in touch with them as they resolve their issues.

REALTOR® Resource:

Tips for Credit-Challenged Buyers

Help your credit-challenged buyers with the **Stop-Start-Fix** credit improvement system

Stop adding new derogatory credit by bringing past-due balances on open accounts current, avoiding new late payments, and reducing revolving credit card balances.

Start building positive credit by having two to three credit accounts using secured credit cards if necessary, keep the balances low and maintain an on-time payment history.

Fix prior derogatory credit by selectively paying off or settling collection and charged-off account, judgements, and liens *as required by the underwriter*.

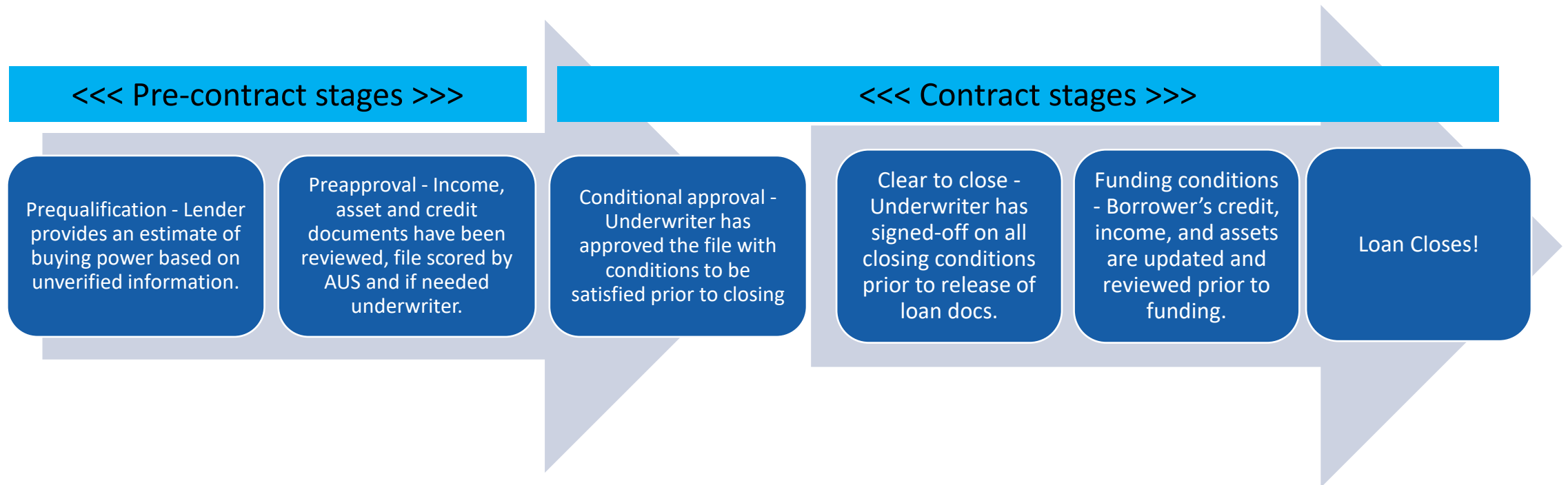
Helpful referral resource: *Credit.org is a non-profit organization that offers a wide range of free credit counseling and financial management services*

Credit Do's & Don'ts

Top 10 Credit **Do's** and more importantly **Don'ts** during the loan process

1. **DON'T** apply for new credit
2. **DON'T** pay off collections or "Charge Offs"
3. **DON'T** close credit card accounts
4. **DON'T** max out or over charge credit card accounts
5. **DON'T** consolidate your debt
6. **DON'T** do anything that will cause a red flag to be raised by the scoring system
7. **DO** join a credit watch program
8. **DO** stay current on existing accounts
9. **DO** continue to use your credit as normal
10. **DO** call your Mortgage Loan Originator. A knowledgeable, professional Mortgage Loan Originator should be able to provide you with world-class service you need to choose the loan that's right for your client

Loan Approval and Closing Steps



Remember, loan approval is a dynamic, ongoing process that takes place up to and including the closing date! **Help your buyer stay mortgage-ready through the entire process!**

Qualified Mortgage (QM) Loans

- Government Loans
 - FHA – 3.5% down
 - VA – 0% down
 - USDA – 0% down
- Conventional Loans
 - Conforming Loans (Fannie Mae & Freddie Mac)
 - Low Down Payment Loans (3% & 5% Down)
 - Fannie Mae Home Ready
 - Freddie Mac Home Possible & Home One
 - Down Payment Assistance 1st TD Loans – Backed by State & Local Housing Finance Groups (w/CalHFA & GSFA 2nd TD's)
- High Balance & Jumbo Loans

Lending Terms /Abbreviations

- **AUS – Automated Underwriting System**
- **LPA – Loan Prospect Advisor (previously – Loan Prospector LP) (Freddie)**
- **DU – Desktop Underwriter (Fannie)**
- **GUS – Government Underwriting System**
- **FICO – Fair Isaac Company (Loan Scoring Model Used By a Majority of Lenders / Investors)**
- **DPA – Down Payment Assistance**
- **MI – Mortgage Insurance**
 - **UFMIP - Up-Front Mortgage Insurance (FHA Loans)**
 - **MMI – Monthly Mortgage Insurance (FHA Loans)**
 - **PMI – Private Mortgage Insurance (Conventional Loans) - LPMI – Lender Paid Mortgage Insurance**
- **OO - Owner Occupied Borrower / Co-Borrower**
- **NOO – Non-Owner-Occupied Borrower / Co-Borrower**
- **FTHB – First Time Home Buyer**
- **CalHFA – California Housing Finance Agency**
- **GSFA – Golden State Finance Authority (Platinum)**
- **Flipping – Selling within 3 months, with large value increase, may trigger Lender RED Flags**
- **Calculations**
 - **DTI – Debt to Income LTV – Loan to Value and Combined Loan to Value (CLTV)**
 - **PITIA w/MI – Principal, Interest, Taxes, (Hazard) Insurance, Association Fees, and Mortgage Insurance**

Pathway to Home



Pathway to Home Closing Cost Assistance Grant Program

C.A.R. HAF's Pathway to Homeownership Closing Cost Assistance Grant Program helps first-time homebuyers who are members of an "Underserved Community*" bridge the affordability gap by providing up to \$10,000 in closing cost assistance. Each grant is provided to low-to-moderate income (120% AMI and below) first-time homebuyers who utilize the services of a CA REALTOR.®

Pathway Info:



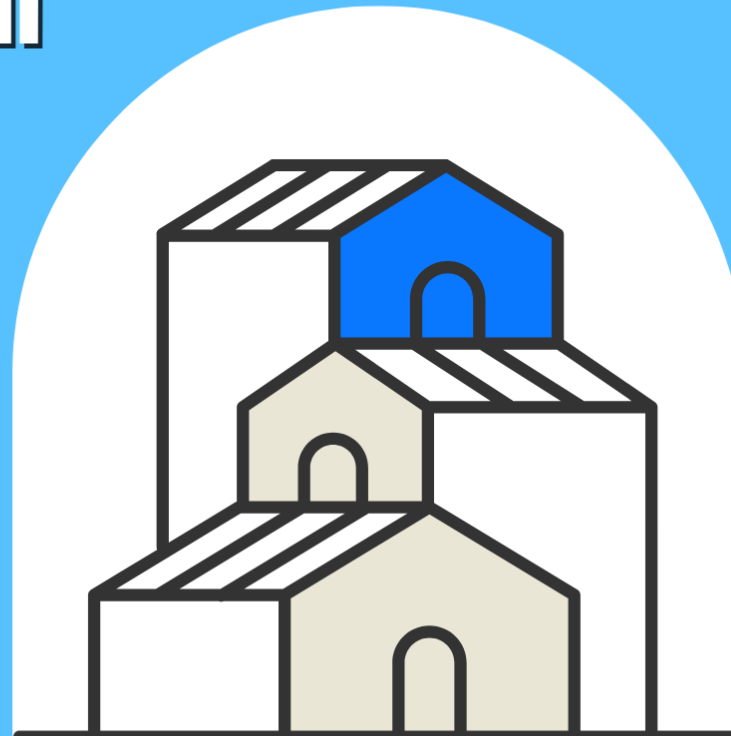
on.car.org/hafclose

Donate:



on.car.org/hafdonate

Contact us at
haf@car.org



carhaf.org

*"Underserved Community" includes: (i) people of color; (ii) persons with disabilities (physical, cognitive, or mental); or (iii) lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons.(ii) An individual with a disability is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities.



CALIFORNIA ASSOCIATION OF REALTORS®
Transaction Rescue™

RESEARCH & ECONOMICS



HOUSING MATTERS PODCAST

The Housing Matters Podcast is your housing hub for market analysis, economic trends, and housing news from the CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). Be sure to subscribe on iTunes or Spotify to hear the latest episode to learn what you need to know about the market from C.A.R. experts who will provide their take on the week's top real estate stories.



HOUSING MARKET FORECAST

This semi-annual report projects where mortgage rates, home sales and median prices are headed. Use this general statewide forecast to learn about potential issues that may affect housing prices and inventory levels.



REAL QUICK

Watch our C.A.R. economists provide their insights on the latest economic and market news... quickly



INTERACTIVE DASHBOARDS

C.A.R.'s interactive dashboards are calculators and data management tools that allow users to interact with data by tracking, monitoring, and displaying key housing market metrics. By using our interactive dashboards, users can gain insights by slicing and dicing different variables and dig deeper into local statistics that are more relevant to their markets.

MARKET MINUTE WRITE-UP

The Market Minute Write-Up is a one-page analysis that offers the most up-to-date information on the economy and the housing market. It is designed to provide members, on a weekly basis, key highlights and concise insights on industry-related issues. Combined with the weekly infographic, the 2-page report is downloadable, shareable, and can easily be used as part of the marketing materials for REALTORS®.



Utilize Key C.A.R Transaction Lending and Legal Resources



TransactionRescue@car.org

<https://Mortgage.car.org>

Transaction Rescue Webinars

<https://www.car.org/FinWebinars>

STEPS Towards Homeownership

<https://on.car.org/steps>

STEPS Towards Homeownership – Home Buyer Education Workshops

<https://on.car.org/stepshomebuyer>

Legal Disclosures & Resources Questions & Answers

<https://www.car.org/riskmanagement/qa>





**STEPS TO FINANCING THE DREAM
OF HOMEOWNERSHIP
DECEMBER 4, 2024**



CALIFORNIA ASSOCIATION OF REALTORS®
Transaction Rescue™



CALIFORNIA ASSOCIATION OF REALTORS®

Transaction Rescue™

WE WANT TO HEAR YOUR FEEDBACK!





Contact List



California Association of REALTORS® - Panelist Contact List

Name	Company	Email	Contact #
Abel Fregoso	PRMG	AFregoso@prmg.net	619-572-3316
Angel Romero	Down Payment Resources	Info@downpaymentresource.com	303-875-9987
Carolyn Sunseri	Golden State Finance Authority	csunseri@rcrcnet.org	510-254-4697
Cynthia Leal	Guild Mortgage	cleal@guildmortgage.net	310-720-5309
Molly Ellis	California Housing Finance Agency	Mellis@calHFA.ca.gov	916-326-8680
Marc Farfel	C.A.R. Transaction Rescue	TransactionRescue@car.org	213-739-8383





Questions



Thank You!

Down Payment Resources

The Untapped Potential of DPA

And CAR's unique Down Payment Resource Directory

Presented By:



CALIFORNIA ASSOCIATION OF REALTORS®

Thank you for
joining us today!



Angel Romero

HFA Relationship Manager
Down Payment Resource®

About Down Payment Resource

Our Mission

To help our business partners connect homebuyers with the down payment help they need.

Our Vision

Anyone aspiring to homeownership will know that down payment help is available and how to find it.

- We're a national database and matching engine of ~2,400 homeownership programs.
- Our technology is integrated into MLSs and property listing data.
- FindDownPayment.car.org
- Our Down Payment Connect tool helps agents and loan officers connect buyers with DPA!

We help you connect homebuyers to the down payment help they need.



Homebuyer Assistance in California

366 total programs

269 agencies

296 active/funded

Homebuyer Assistance in California

297 are DPAs

216 are *deferred*

66 are *forgivable*

Homebuyer Assistance in California

77 have *NO* fthb requirement

182 cities/counties have programs

Homebuyer Assistance in California

219 allow condos

224 allow townhomes

56 allow 2-4 unit properties

125 allow manufactured homes

Homebuyer Assistance in California

Income limits cap from
\$165k to **\$300k** depending
on County (or none at all).

Price limits up to **\$1.1M**
(or none at all).

Homebuyer Assistance in California

Assistance ranges from
\$10k (with a few offering less)

to

\$150k (with several offering more)

Current DPA Trends

- Demand for DPAs is through the roof.
- DPA providers continue to enhance programs with more assistance, higher income limits and higher purchase price limits to keep up with rising prices.
- New state & local programs continue to launch in markets nationwide.
- 83% of all DPAs are funded and available.

Down payment assistance is still available and not going away!

Down Payment Resource Directory

A unique tool provided by
CAR

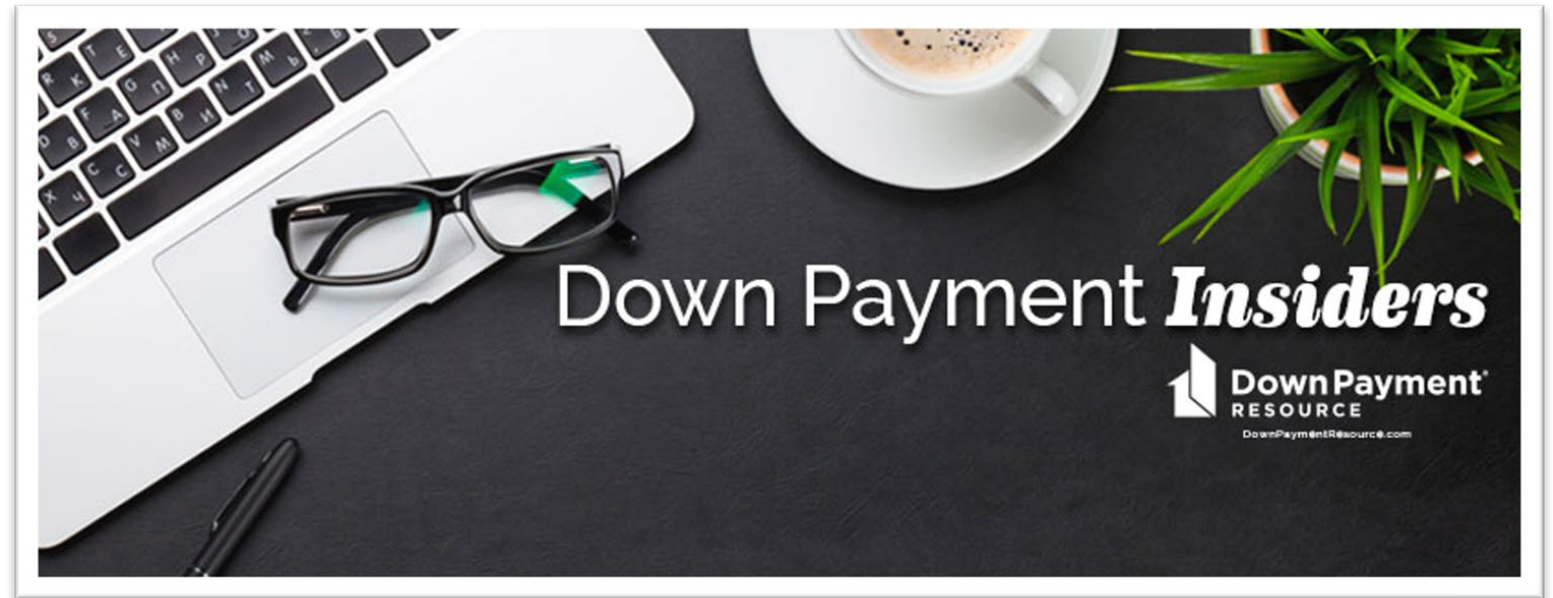
- FindDownPayment.car.org
- The CAR/DPR partnership
- *When* to use the tool
- *Why* to use the tool

WHEN and *WHY* to use the DPA Directory

Great for:

- Starting conversations with likely buyers.
- Helping an aspiring buyer realize how much help is out there.
- Helping a current client identify DPA opportunities.
- Researching specific scenarios when DPA is available.
- Accessing detailed information about specific DPA programs.
- Finding lenders who offer these DPAs.
- Building up your own DPA IQ.

Connect with 12,000 Down Payment Insiders!



[Facebook.com/groups/DownPaymentInsiders](https://www.facebook.com/groups/DownPaymentInsiders)



Contact Us

DownPaymentResource.com

info@DownPaymentResource.com

A solid green horizontal bar is located at the bottom right corner of the slide.



California Housing Finance Agency CalHFA





PROGRAM TRAINING

LenderTraining@calhfa.ca.gov
www.calhfa.ca.gov

Main: 916.326.8000
Single Family: 916.326.8033

CalPLUS CalWithSM Zero Interest Program (ZIP)

- 97% LTV Conventional First Mortgage
- OR
- 96.5% LTV FHA First Mortgage

- ZIP built in assistance for closing costs only
 - 2% - 3%
 - Zero Interest
 - Deferred Payments

- First Time Homebuyers Only



CalHFA VA Loan Program

- VA guaranteed first mortgage up to 100% LTV
- Available for both first time homebuyers and repeat buyers
- Combine with MyHome if first time homebuyer

MyHome Assistance Program

- Loan amount
 - 3.5% for FHA
 - 3% for Conventional, VA and USDA
 - Based on the sales price or appraised value (whichever is less)
- 1.00% Simple Interest, Deferred Payment
- Can be used for down payment and/or closing costs
- First time homebuyers only
- Can be combined with ZIP



Cal BEA Borrower Eligibility

- 640 minimum credit score on FHA, VA and USDA
- 680 minimum credit score on conventional
- Max DTI is 50% for credit score 700 and up
- Max DTI is 45% for credit score under 700
- Homebuyer Education Required
- Income Limits Apply
 - <https://www.calhfa.ca.gov/homeownership/limits/index.htm>

The logo for CalHEFA (California Home Equity Finance Association) features a stylized orange house icon above the text "CalHEFA" in blue. The word "Property Requirements" is written in a large, bold, orange font to the right of the logo.

CalHEFASM Property Requirements

- Single Family One Unit Residence
 - Owner Occupied Only
- Manufactured homes – OK
- 1 Year Home Warranty Required



CalHFA Resources/Contacts

CalHFA website:

www.calhfa.ca.gov

www.calhfa.ca.gov/buildingblackwealth

Real Estate Agent page – Including “Find A Loan Officer”

<https://www.calhfa.ca.gov/homeownership/realestate.htm>

Molly K. Ellis

Housing Finance Officer, CalHFA

O: 916.326.8680

mellis@calhfa.ca.gov

Golden State Finance Authority GSFA





Leverage DPA Programs to Expand Your Business

Down Payment Assistance (DPA) Programs

Sponsored and/or Managed by Golden State Finance Authority



Supporting California Homebuyers for More than 31 Years

- » Public Entity and Agency in California
- » Organized in 1993
- » Affordable Housing Programs
 - Provide a source of financing
 - Network of Lenders to originate loans
 - Ensure borrower ability to pay



FHA, VA, USDA and Conventional Mortgages



\$670.2 Million in Down Payment Assistance Provided



86,100+ Homebuyers Assisted to-date



Connect Buyers with GSFA Down Payment Assistance

- » Solution Orientated Programs
- » Easy, Flexible and Affordable
- » Available throughout California
- » NOT Limited to First-time Homebuyers
- » Less-than-Perfect credit Allowed
- » Increase Purchasing Power
- » More Closed Loans = More Business



GSFA Homebuyer Assistance

1st Mortgage Loans

combined with

Down Payment Assistance

Current Programs:

1. Platinum
2. Golden Opportunities

Disclaimer: This presentation contains general program information, is not an offer for extension of credit nor a commitment to lend and is subject to change without notice. Complete program guidelines, loan applications, interest rates and annual percentage rates (APRs) are available through GSFA Participating Lenders.



See the Impact of DPA (Example #1)



\$794,352
Purchase Price

For example purposes only.

**Scenario is based on an FHA 1st Mortgage at 96.5% Loan-to-Value combined with DPA Assistance from GSFA, sized at 5% of the Total Loan Amount. Max Loan Amount for an FHA Loan through GSFA DPA Programs: (\$766,550 + \$13,415 Upfront MI (UFMI)) = \$779,964*

\$779,964*
FHA 1st Mortgage
Loan (96.5% LTV) + UFMI

\$38,998
GSFA DPA
(5% of the Total 1st Mortgage
Loan Amount)



\$27,802
to Cover 3.5%
Down Payment Requirement

\$11,196
Remaining to put towards
Closing Costs

GSFA DPA Programs – General Guidelines

» 30-Yr Fixed-Rate 1st Mortgages

- FHA, VA, USDA
 - Purchase transactions only
 - *Now Includes HUD184 product (tribal lands)*
- Conventional Freddie Mac HFA Advantage
 - Purchase or refinance transactions

» 1st Mortgage Loan Amount

- \$766,550 max loan amount
- No purchase price limits

» Eligible Properties

- Owner-occupied, primary residences
- 1-4 units, townhomes, condos and manufactured homes
- No second homes or rentals

» Eligible Uses of DPA Funds

- Down Payment
- Closing Costs
- Applied toward the 1st Mortgage



FREE Lender/Realtor Training Webinars – Visit our Website



GSFA Platinum® Program

FICO Score Requirement*	<ul style="list-style-type: none"> • 640 minimum FICO • Manufactured Homes require a 660 FICO (and max DTI of 45%)
Maximum Debt-to-Income (DTI)*	<ul style="list-style-type: none"> • 45% max for FICOs below 680 • Up to 50% for FICOs 680 and higher
Assistance Available	<p>Up to 5.5% of the Total 1st Mortgage Loan Amount</p> <ul style="list-style-type: none"> • Combination of a 2nd Mortgage and a Gift • Special pricing for Healthcare, Education, Fire and Police professions • Special pricing for Employees of GSFA Member Counties



2. GSFA Golden Opportunities

FICO Score Requirement*	<ul style="list-style-type: none"> FHA/VA/Conventional = 620 	<ul style="list-style-type: none"> USDA = 640
Maximum Debt-to-Income (DTI)*	<ul style="list-style-type: none"> FHA/VA/Conventional (AUS approval) = 55% 	<ul style="list-style-type: none"> USDA (GUS approval) = 55%
	Manual underwriting guidelines:	<ul style="list-style-type: none"> FHA/Conv. Not allowed; VA/USDA = 41% max DTI
Assistance Available	Up to 5% of the Total 1 st Mortgage Loan Amount	
	<ul style="list-style-type: none"> Combination of a 2nd Mortgage and a Gift 	

Income Limits / Homebuyer Education

Income Limits

- » Based on:
 - 1st Mortgage type
 - County of Property being purchased
 - Credit qualifying income (*Except: USDA*)
- » FHA, VA and USDA Loans:
 - Follow loan agency guidelines
- » Conventional Loans
 - [GSFA Income Limits on website](#)
 - County Examples:
 - Contra Costa \$284,760
 - Riverside, San Bernardino, Kern \$196,560
 - Sacramento, Yolo \$205,020

Homebuyer Education

- » No Requirement from GSFA
- » FHA/VA/USDA:
 - Follow agency guidelines
- » Freddie Mac HFA Advantage:
 - Required if all borrowers are first-time homebuyers
 - Refer to loan agency for specifics

GSFA DPA Programs – Expectations AND Timeline



- ❖ FICO
- ❖ DTI
- ❖ Income Range
- ❖ Borrower Occupation or Employer (with documentation)

- ❖ 200+ Lenders Participating
- ❖ Lender locks First Mortgage and reserves DPA at same time

- ❖ No additional compliance review by GSFA
- ❖ Lender closes escrow on Lender's timeline

The Value of DPA

Does Waiting Make Sense?

- » Home prices continue to rise
- » Interest rates continue to rise
- » Rents continue to rise
- » How long will it take to save up for a cash down payment?

Start Building Financial Security Now!

GSFA DPA (Base on Example #1)

Purchase Price	\$794,352
DPA Provided by GSFA	\$38,998
If you saved \$500 per month it would take =	6+ Years
Estimated Equity Increase of 5% Annually⁽¹⁾ for 6 years	\$238,305

(1) According to the California Association of REALTORS®, California's median home price is forecasted to rise 6.2 percent to \$860,300 in 2024.

DPA Clients Become Clients for Life!



How to Get Started



Lenders listed on the
GSFA website

www.gsfahome.org

GSFA Client

Relations

(855) 740-8422

M-F 8am – 5pm PST

info@gsfahome.org

- » Find Available DPA Programs here:
 - www.FindDownPayment.car.org OR www.GSFAhome.org

- » **Work with a GSFA Participating Lender!**
 - Key to Smooth/Fast Transactions
 - Experienced in GSFA Programs
 - Determines three (3) main qualifiers: Income, DTI, FICO
 - Furnishes interest rates and APRs
 - Determines best DPA option for homebuyer or stacking with other programs
 - Process loan(s)

GSFA – Key Resources

- » GSFA Affordable Housing Programs
 - <http://gsfahome.org/programs/index.shtml>
- » GSFA Approved Lenders
 - <https://gsfahome.org/programs/dpa/lenders.aspx>
- » Training and Education
 - <https://www.gsfahome.org/lender/learning-center.shtml>
 - <https://gsfahome.org/lender/training.shtml>
 - <https://gsfahome.org/lender/videos.shtml>
- » Marketing Literature
 - <https://gsfahome.org/lender/marketing/literature.shtml>

Customizable Marketing Literature

- » Pre-designed for Lenders/Realtors
- » Flyers and brochures
 - English & Spanish
 - Adobe PDF format
 - Text fields to add contact info
- » Use Guidelines:
 - Must be with a GSFA Lender
 - OR able to refer to a GSFA Lender
 - Represent programs accurately

GSFA Platinum Program®

Get Down Payment Assistance to Help You Buy a Home

Thousands of people get your dream of...

Golden State Finance Authority

Believe

Homeownership may be just around the corner for you too. Speak with a GSFA Platinum Participating Lender about whether the GSFA Platinum Program is the right fit for you.

Dream

For more than 30 years, Golden State Finance Authority (GSFA) has offered homebuyers mortgage loan programs featuring low interest rates and down payment and/or closing cost assistance in a variety of forms.

GSFA has helped more than 84,590 people purchase homes and provided over \$649.7 million in down payment assistance.

"STABILITY AND SAFETY WERE A REALITY"

“Becoming a homeowner became extremely important in providing stability for myself, my children and my mother who was battling cancer. Receiving this assistance granted us an opportunity that was previously out of reach.”

— Patricia Waggoner, Jan 2022
Fresno County, CA

GOLDEN STATE Finance Authority

*This brochure contains general program information, is not an offer for extension of credit nor a commitment to lend and is subject to change without notice. Complete program guidelines, loan applications, interest rates and annual percentage rates (APRs) are available through GSFA Participating Lenders. Golden State Finance Authority (GSFA) is a duly constituted public entity and agency. Copyright © 2023. 3020PL01 JAN 2023

GSFA Platinum® Down Payment Assistance
Up to 5.5% of Loan Amount

Let us help you achieve the dream of owning your own home

You don't have to be a first-time homebuyer.

DTI 50%)


ay to started

Thank You for Attending

Golden State Finance Authority

1215 K Street, Suite 1650

Sacramento, CA 95814

 (855) 740-8422



 YouTube

 info@gsfahome.org

 www.gsfahome.org

10/23/24

3005RE2.2



This document contains general program information, is not an offer for extension of credit nor a commitment to lend and is subject to change without notice. Complete program policies, eligibility requirements, loan applications, interest rates and annual percentage rates (APRs) are available through GSFA Participating Lenders.

The ReCoverCA Homebuyer Assistance (DR-HBA) Program is provided by the California Department of Housing and Community Development (HCD) in collaboration with Golden State Finance Authority (GSFA) as Program Manager. Funding for the Program is made possible through a Community Development Block Grant - Disaster Recovery (CDBG-DR) grant from HUD. GSFA is a duly constituted public entity and agency.

Copyright© 2024 Golden State Finance Authority (GSFA). All rights reserved.



Thank You

