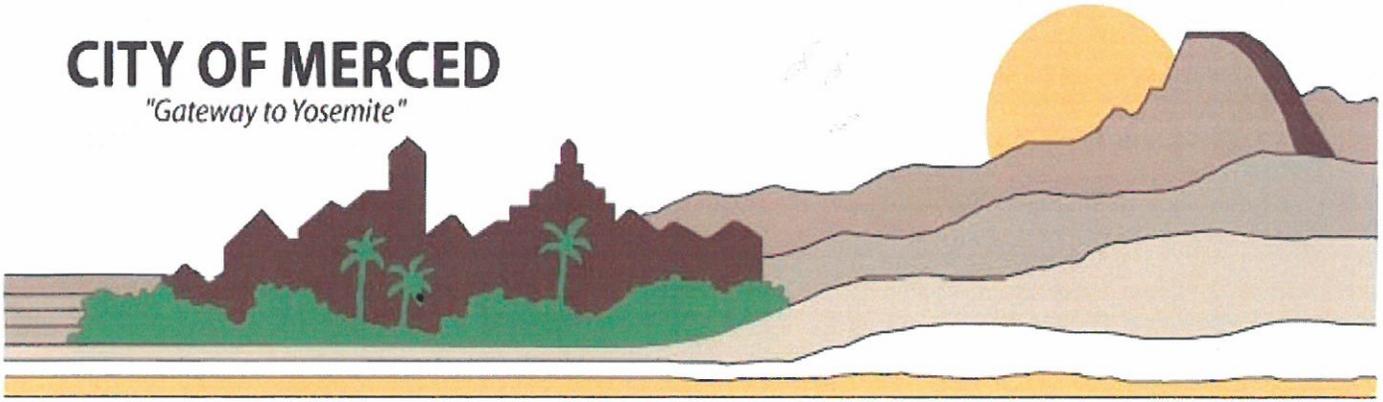


CITY OF MERCED

"Gateway to Yosemite"



City of Merced Housing Division

Telephone: (209) 385-6863

Fax: (209) 723-1780

Dear Applicant,

Thank you for your interest in the City of Merced's CalHome 12 First Time Home Buyer Program. To process your application, please complete the enclosed application package and include the following documentation:

- Prequalification letter from your lender.
- Application form (completely filled out).
- Assets form (completely filled out).

PLEASE INCLUDE THE FOLLOWING FOR EACH MEMBER OF THE HOUSEHOLD:

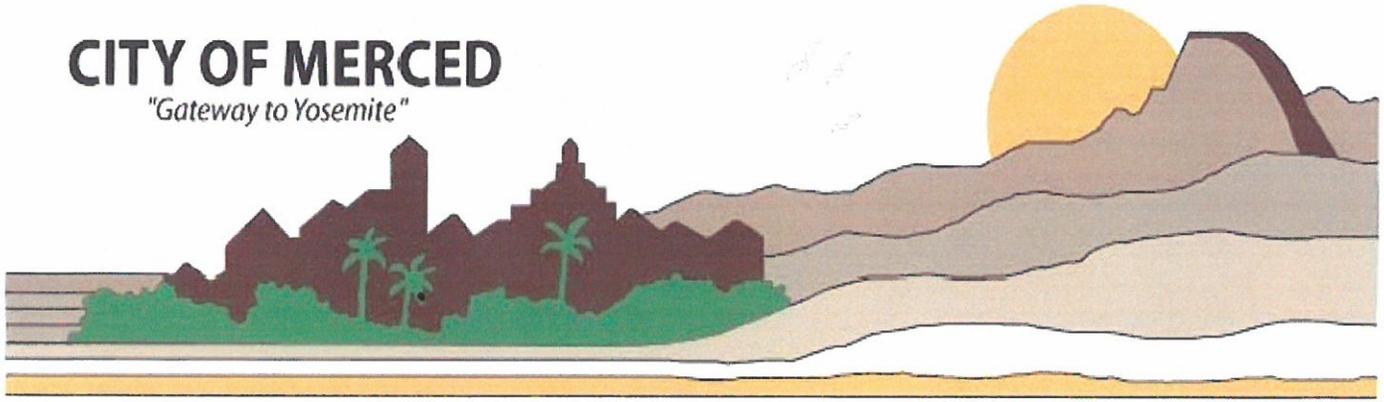
- Payroll stubs for the past 3 months.
- If on SSI, Social Security, AFDC, or any other grant, please bring in current grant letter.
- Signed copies of your Federal Tax Returns and W2's for the past 3 years.
- Most recent savings account(s) statement(s).
- Last 6 months of checking account(s) statements(s).
- Proof of asset(s).
- Rental agreement(s) covering the last 6 months.

Please take the time to review the materials enclosed. ***If you have any questions or when ready to make an appointment to submit your application, please contact us at (209) 385-6863 or for hearing impaired, please call (TDD 209-385-6816).*** We look forward to working with you!



CITY OF MERCED

"Gateway to Yosemite"



CALHOME 12 FIRST TIME HOME BUYER ASSISTANCE PROGRAM

PROGRAM INFORMATION

The CalHome 12 First Time Home Buyer Assistance Program is aimed at providing financial support, through a low-interest loan, to families who might otherwise be unable to purchase a home. The funds for this program are provided through the State of California Department of Housing and Community Development (HCD).

PROGRAM QUALIFICATIONS:

1. The household income cannot exceed 80% of Merced County Median Income adjusted for household size.
2. Maximum sales price limit based on the median home sales price and is subject to change in accordance with state and federal median home prices. Home price to be verified by a qualified appraiser.
3. Maximum CalHome 12 loan amount is \$56,000.00.
4. Applicant must not have owned a home for at least the last three years. Certain conditions apply. Contact the Housing Program for details.
5. Applicant must provide cash contribution equal to at least 1% of the sales price of the house. The cash contribution must be "applicant's own funds", and it cannot be borrowed or be part of a rebate from the seller. FHA or Conventional lender guidelines can be used for determining "applicant's own funds".
6. Applicant must be able to qualify for a first mortgage loan. The first mortgage loan must be a 30-year fixed interest rate loan.
7. The City will not go behind a subprime loan or adjustable rate loan and does not allow a temporary or permanent buy-down of the interest rate. First mortgage lenders are required to collect and manage an impound account for payment of taxes, assessments, and property insurance for the term of the loan.
8. Only single-family homes located within the designated census tracts located within the City of Merced are eligible under this program. (See attached map).

9. **Applicant must contact the Housing Division to verify the home is within the approved designated areas prior to signing a purchase agreement.**
10. Applicant must participate in a one day HCD approved homebuyer education class. A copy of certification must be submitted to the City. There is no cost to the applicants.
11. Applicant must occupy the house as a primary residence.

PAYBACK:

The applicant will be receiving a deferred payment loan that will be secured by a second deed of trust.

CONDITIONS:

1. The funds loaned will be deferred for 30 years. Interest at the rate of **three percent (3%)** will begin to accumulate at the close of escrow. Interest and principal will be due and payable on the due date in 30 years.
2. CalHome 12 loans shall not exceed \$56,000. Eligible households must document that they have at least 1% of own funds toward the down payment or closing costs. When considered with other available financing and assistance, the loan shall be the minimum amount necessary to ensure affordable monthly housing costs as defined by the first mortgage lender. The first lender shall make the largest first loan possible given the ability of the Borrower to repay in order to keep the CalHome 12 loan amount at the minimum amount necessary.
3. The loan-to-value (LTV) ration for a CalHome 12 loan, when combined with all other indebtedness to be secured by the property, shall not exceed 103% of the sales price.
4. The house must be owner-occupied. The loan is not assumable and must be paid in full upon the sale or transfer of the property.
5. The borrower may prepay the CalHome 12 loan plus interest, in part or in whole, at anytime without penalty.

PROCEDURES:

- Provide pre-qualified lender letter and application with documentation.
- The application will be screened for basic eligibility requirements.
- **NOTE: Applicant *should not* execute a purchase agreement prior to receiving a final approval for the CalHome 12 program.**

The program description in this handout is only to provide partial information. The subsequent loan documents issued through this program contain the legal language that outlines borrower's responsibility under the loan.

MAXIMUM QUALIFYING INCOME GUIDELINES*							
NUMBER OF PERSONS IN HOUSEHOLD (80% AMI)							
1	2	3	4	5	6	7	8
\$32,450	\$37,050	\$41,700	\$46,300	\$50,050	\$53,750	\$57,450	\$61,150

*Official State Income Limits for 2015 www.hcd.ca.gov/fa/calhome

THIS INFORMATION IS ALSO AVAILABLE ON OUR WEBSITE AT:

www.cityofmerced.org/housing

City of Merced Housing Division

678 W. 18th Street – 3rd Floor

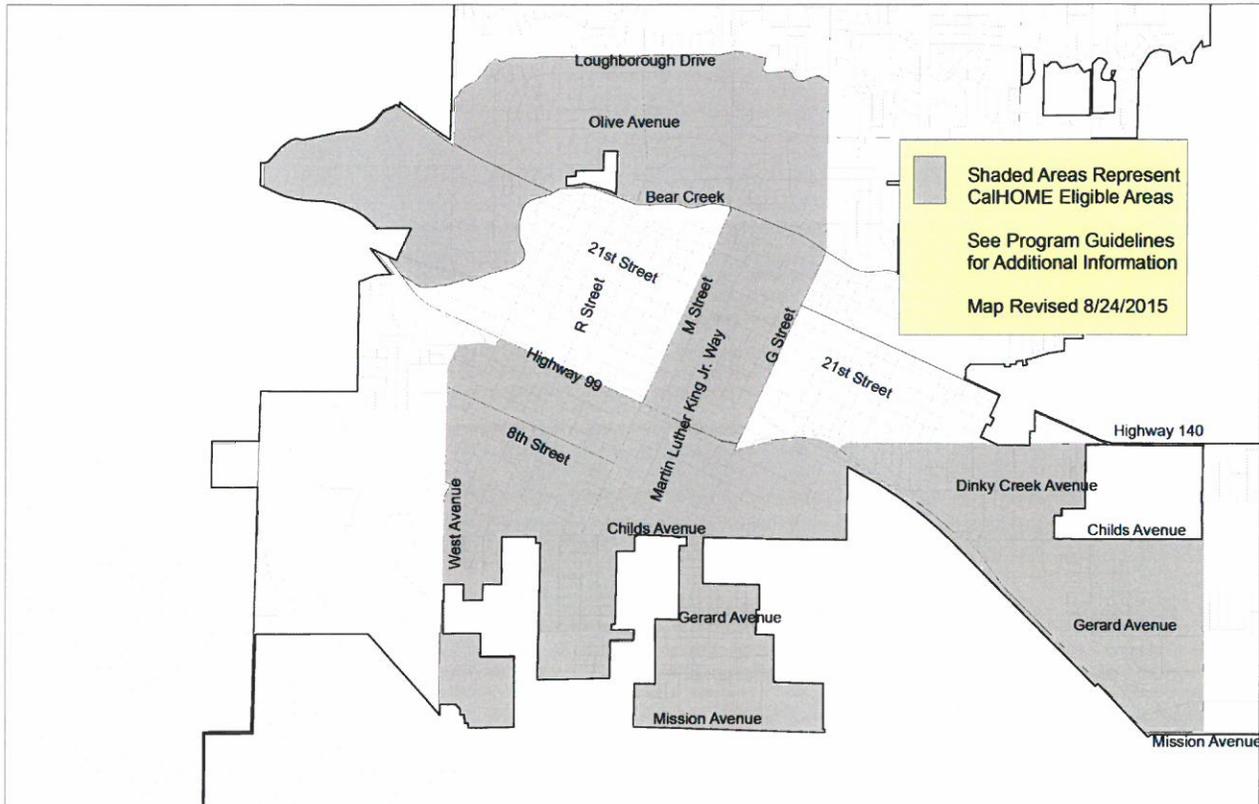
Merced, CA 95340

Phone: (209) 385-6863

Office Hours: 10:00 A.M. – 12:00 P.M. and 1:00 P.M. – 5:00 P.M.



2012 CalHome Mortgage and Rehabilitation Assistance



Disclaimer: This document was prepared for general inquiries only. The City of Merced makes no warranty, representation, or guarantee regarding the accuracy of this map. The City of Merced is not responsible for errors or omissions that might occur. Official information regarding specific parcels should be obtained from official recorded or adopted City documents.

Map Updated August 24/2015 - <http://www.huduser.org/oc/qctmap.html>



CITY OF MERCED

CALHOME 12 FIRST TIME HOME BUYER ASSISTANCE PROGRAM APPLICATION

APPLICANT INFORMATION

Applicant's name (Last) (First) (MI)			Home Phone: _____	
			Cell Phone: _____	
Present Address	City	State	Zip Code	# Years
Social Security Number - -		Date of Birth / /		
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Separated				
Source of Income: <input type="checkbox"/> Employment <input type="checkbox"/> Social Security <input type="checkbox"/> SSI <input type="checkbox"/> Public Assistance <input type="checkbox"/> Child Support <input type="checkbox"/> Alimony <input type="checkbox"/> Pension <input type="checkbox"/> Other			Total Monthly Gross Income \$	
Name and Address of Employer			Business Phone ()	
Position/Title			Years at Job	

CO-APPLICANT INFORMATION

Co-Applicant's name (Last) (First) (MI)			Home Phone: _____	
			Cell Phone: _____	
Present Address	City	State	Zip Code	# Years
Social Security Number - -		Date of Birth / /		
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Single <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed <input type="checkbox"/> Separated				
Source of Income: <input type="checkbox"/> Employment <input type="checkbox"/> Social Security <input type="checkbox"/> SSI <input type="checkbox"/> Public Assistance <input type="checkbox"/> Child Support <input type="checkbox"/> Alimony <input type="checkbox"/> Pension <input type="checkbox"/> Other			Total Monthly Gross Income \$	
Name and Address of Employer			Business Phone ()	
Position/Title			Years at Job	

ALL OTHER HOUSEHOLD MEMBERS

(include all individuals living in household)

NAME	SOCIAL SECURITY #	SEX	DATE OF BIRTH	GROSS MONTHLY INCOME
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
				\$
(Attach an additional sheet if necessary)				
TOTAL GROSS INCOME OF ALL OTHER HOUSEHOLD MEMBERS				\$
TOTAL NUMBER OF PERSONS IN THE HOUSEHOLD				

OTHER QUALIFICATIONS

Have you owned a home in the past 3 years?	<input type="checkbox"/> YES <input type="checkbox"/> NO
Have you resided within the city limits of Merced for the last full 6 months from the date of this application?	<input type="checkbox"/> YES <input type="checkbox"/> NO
If not a residence for the past 6 months, are you a retiree or do you have a primary business or job in the city limits of Merced?	<input type="checkbox"/> YES <input type="checkbox"/> NO

SUBSIDIZED HOUSING INFORMATION

This information is confidential and is only used for government reporting purposes and will not have any bearing on your loan approval.

Are you currently receiving Section 108 vouchers or any other type of housing assistance?	<input type="checkbox"/> YES <input type="checkbox"/> NO
---	--

RACE/ETHNICITY

This information is confidential and is only used for government reporting purposes to monitor compliance with equal opportunity laws. You are not required to furnish this information. The law provides that a Lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this Lender is required to note race on the basis of visual observation or surname.

HEAD OF HOUSEHOLD GENDER: Male Female

ETHNICITY OF HEAD OF HOUSEHOLD

SELECT ONLY ONE ETHNICITY:

- Hispanic or Latino**: A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.
- Not Hispanic or Latino**: A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

RACE OF HEAD OF HOUSEHOLD

SELECT ONE CATEGORY OR MORE FOR RACE:

- American Indian or Alaska Native**: A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- American Indian or Alaska Native and White.**
- American Indian or Alaska Native and Black or African American.**
- Asian**: A person having origins in any of the original people of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- Asian and White.**
- Black or African American**: A person having origins in any of the black racial groups of Africa.
- Black or African American and White.**
- Native Hawaiian or Other Pacific Islander**: A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- White**: A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

Veteran or Homeless: YES NO

Were you or your household previously homeless, if yes, please provide verification:

YES NO

APPLICANT'S CERTIFICATION

I certify that all information on this application is true and correct to the best of my knowledge and I understand that any deliberate falsifications are grounds for rejection of this application. I consent to allow verification of any information herein contained.

Applicant's Signature

Co-Applicant's Signature

Print Name

Print Name

Date

Date

**PLEASE SUBMIT TO:
CITY OF MERCED HOUSING DIVISION
678 W. 18TH STREET – 3RD FLOOR
MERCED, CA 95340**



FOR CITY OF MERCED HOUSING DIVISION

DATE COMPLETED APPLICATION RECEIVED: _____

APPLICATION RECEIVED BY: _____

ASSETS GENERAL RULES & INSTRUCTIONS

What is an Asset?

An asset is a cash or noncash item that can be converted to cash

What is the cash value of asset?

The estimated, known or calculated dollar value of each asset listed. Cash value of an asset can be estimated by a formal assessment; or the actual dollar value may be known (for example, the amount of money in a savings account).

How do I determine an asset's value?

In order to calculate the dollar value of the listed asset, subtract the cost to sell the asset from the asset's value (i.e., the asset value minus the cost to sell it).

What items are considered Assets?

- **Savings / Checking account(s), safe deposit boxes.** For savings accounts, use the current balance. For checking accounts, use the average balance for the last six months. Assets held in foreign countries are also considered assets.
- **Revocable trusts.** Include the cash value of any revocable trust available to the household. A revocable trust can be terminated at any point prior to decease.
- **Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, money market accounts, and other investment accounts.** Interest or dividends earned are counted as income from assets even when the earnings are reinvested.
- **Individual retirement, 401K and other retirement accounts.** These are included when the holder has access to the funds, even though a penalty may be assessed. If you are making occasional withdrawals from the account, determine the amount of the asset by using the average balance from the previous six months (Do not count withdrawals as income).
- **Equity in rental property or other capital investments.** Include the current fair market value less any unpaid balance on any loans secured by the property and reasonable costs that would be incurred in selling the asset (example: penalties, broker fees).
- **Retirement and pension funds.**
 - a. **While the person is employed.** Include only amounts the family can withdraw without retiring or terminating employment. Count the whole amount less any penalties or transaction costs.
 - b. **At retirement, termination of employment, or withdrawal.** Periodic receipts from pension and retirement funds are counted as income. Lump sum receipts from pension and retirement funds are counted as assets. Count the amount as an asset or as income, as provided below.
 - (1) If benefits will be received in a lump sum, include the lump-sum receipt in net family assets.

- (2) If benefits will be received through periodic payments, include the benefits in annual income. Do not count any remaining amounts in the account as an asset.
 - (3) If a household member initially receives a lump-sum benefit followed by periodic payments, count the lump-sum benefit as an asset and treat the periodic payment as income. Do not count the remaining amount as an asset.
- **Cash value of life insurance policies available to the household member(s) before death.**
It would not include a value for term insurance, which has not cash value to the individual before death (Example: The surrender value of a whole life policy or a universal life policy).
 - **Personal property held as an investment.** Include gems, jewelry, coin collections, or antique cars held as an investment. Personal jewelry is NOT considered an asset.
 - **Lump-sum receipts or one-time receipts.** These include inheritances, capital gains, one-time lottery winnings, victim's restitution, settlements on insurance claims (including health and accident insurance, worker's compensation, and personal or property losses), and any other amounts that are not intended as periodic payments.
 - **Assets Disposed of for Less than Fair Market Value.** Include the value of any business or family asset that you dispose of for less than fair market value (include a disposition in trust but not a foreclosure or bankruptcy sale) during the 2 years that precede the effective date of action.

What items are not considered assets?

- **Personal property.** Clothing, furniture, cars, wedding ring, other jewelry that is not held as an investment, vehicles specially equipped for persons with disabilities.
- **Interests in Indian trust land.**
- **Term life insurance policies.** Where there is no cash value.
- **Equity in the cooperative unit in which the family lives.**
- **Assets that are part of an active business.** "Business" does NOT include rental of properties that are held as investments unless such properties are the applicant's main occupation.
- **Assets that are NOT effectively owned by the applicant.**
Assets are not effectively owned when they are held in an individual's name, but (a) the assets and any income they earn accrue to the benefit of someone else who is not a member of the family, and (b) that other person is responsible for income taxes incurred on income generated by the assets.
- **Assets that are not accessible to the applicant and provide no income to the applicant.**
A battered spouse owns a house with her husband. Because of the domestic situation, she receives no income from the asset and cannot convert the asset to cash.

Please complete the attached Assets form.

ASSETS

***Mandatory information. Please check "Yes" or "No"**

Note: If additional space is needed, please use a separate sheet of paper and attach.

ASSET TYPE	YES or NO	IF YES, LIST HOUSEHOLD MEMBER NAME(S)	ASSET DESCRIPTION	INTEREST RATE	CASH VALUE
*Checking Account(s)	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
*Savings Account(s)	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
*Cash held in Safe Deposit Boxes, Homes, etc.	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list source(s) 1) _____ 2) _____		\$ _____ \$ _____
*Revocable Trust(s)	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
*Stocks, bonds, or Treasury Bills	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list sources/bank names 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
*Certificates of Deposit (CD) or Money Market Account(s)	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list sources/bank names 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____
*IRA/Lump Sum Pension/Keogh Account/ 401K	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list bank(s) 1) _____ 2) _____	_____% _____%	\$ _____ \$ _____

*Retirement and Pension Funds	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list source(s) 1) _____ 2) _____	\$ _____ \$ _____
*Whole Life Insurance Policy	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list policy(s) 1) _____ 2) _____	\$ _____ \$ _____
*Personal Property held as an Investment	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____ 3) _____ 4) _____	If yes, list property(s) 1) _____ 2) _____ 3) _____ 4) _____	\$ _____ \$ _____ \$ _____ \$ _____
*Lump-Sum Receipts or One-time Receipts	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list source(s) 1) _____ 2) _____	\$ _____ \$ _____
*Assets Disposed of for Less than Fair Market Value	<input type="checkbox"/> YES <input type="checkbox"/> NO	1) _____ 2) _____	If yes, list asset(s) 1) _____ 2) _____	\$ _____ \$ _____

I/we do not have any assets at this time.

UNDER PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PRESENTED ON THIS FORM IS TRUE AND ACCURATE TO THE BEST OF MY/OUR KNOWLEDGE. THE UNDERSIGNED FURTHER UNDERSTANDS THAT PROVIDING FALSE REPRESENTATIONS HEREIN CONSTITUTES AN ACT OF FRAUD. FALSE, MISLEADING OR INCOMPLETE INFORMATION WILL RESULT IN THE DENIAL OF YOUR APPLICATION.

PRINTED NAME OF APPLICANT _____

SIGNATURE OF APPLICANT _____

DATE _____

PRINTED NAME OF CO-APPLICANT _____

SIGNATURE OF CO-APPLICANT _____

DATE _____

THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

FAIR LENDING NOTICE

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice; or
2. Race, color, religion, sex, marital status, national origin or ancestry.

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one- to four-unit family residences occupied by the owner and for the purpose of the home improvement of any one- to four-unit family residence.

If you have any questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or the Department of Real Estate at one of the following locations:

2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273

320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105

1515 Clay Street, Suite 702
Oakland, CA 94612-1462

2201 Broadway
P.O. Box 187000 (mailing address)
Sacramento, CA 95818-7000

1350 Front Street, Suite 3064
San Diego, CA 92101-3687

ACKNOWLEDGMENT OF RECEIPT

I (we) received a copy of this notice.

Signature of Applicant

Date

Signature of Applicant

Date

THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

FAIR LENDING NOTICE

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

- 1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice: or**
- 2. Race, color, religion, sex, marital status, national origin or ancestry.**

It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one- to four-unit family residences occupied by the owner and for the purpose of the home improvement of any one- to four-unit family residence.

If you have any questions about your rights, or if you wish to file a complaint, contact the management of this financial institution or the Department of Real Estate at one of the following locations:

2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273

320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105

1515 Clay Street, Suite 702
Oakland, CA 94612-1462

2201 Broadway
P.O. Box 187000 (*mailing address*)
Sacramento, CA 95818-7000

1350 Front Street, Suite 3064
San Diego, CA 92101-3687