



BMR Application Package

The following Application Package is for the Below Market Rate (“BMR”) homes developed by New America Homes, and provided in cooperation with the City of Concord Inclusionary Program. These homes are available to qualified moderate-income households. Details on the layout, location, pricing, qualification requirements, restrictions and application process are available on the Hello Housing website at www.hellohousing.org/stewardship/cityofconcord/wisteria.

Please send your completed Application Package, including **all required supporting documentation**:

1) Mail:

Hello Stewardship - Wisteria
1230 Market Street #309
San Francisco, CA 94102

2) At the Wisteria Sales Office:

2611 Willow Pass Road
Concord, CA 94519
By appointment: (925) 285-1093

All applications will be processed on a first-completed, first-served basis. The homes will be offered for purchase on a first-qualified, first-served basis.

The prices of the homes available are:

Lot 18	3 Bedroom, 3.5 Bath	\$315,000
Lot 2	3 Bedroom, 3.5 Bath	\$315,000

If you have any questions concerning this application, please feel free to contact Matt Warner with Hello Stewardship at (415) 689-7746 or by email at matt@hellohousing.org.

Guidelines to be Qualified for the City of Concord Below-Market Rate (BMR) Homebuyer Program

- Property **must** be purchased as a principal, owner-occupied residence.
- Buyer **must** be a first time homebuyer.
- Buyer's annual income **must not** exceed the household income limits as shown in the table below and is based on the Contra Costa County Income Limits for 2012. <http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html>
- Buyer **must** attend a 6-hour City sponsored HUD-certified Homebuyer Education class. Sign up for the First Time Homebuyer class online at <http://www.crediteducation.org/Education-Workshops/Workshop-Calendar.aspx>.
- Buyer's first loan **must not** exceed 97% of the purchase price.
- Buyer's monthly debt, including the first loan, **must not** exceed 45% of the gross income.

Size of Household	Maximum Income*
3	\$101,000
4	\$112,200
5	\$121,200
6	\$130,150

Please Print

Applicant Name _____ Present Address _____ City _____ State _____ Zip Code _____ Mailing Address if different from Present Address _____ _____ Phone (_____) _____ Email _____ Employer _____ Work Phone (____) _____ Employer Address _____ City _____ State _____ Zip Code _____ Position/Title/Type of Business _____	Co-Applicant Name _____ Present Address _____ City _____ State _____ Zip Code _____ Mailing Address if different from Present Address _____ _____ Phone (_____) _____ Email _____ Employer _____ Work Phone (____) _____ Employer Address _____ City _____ State _____ Zip Code _____ Position/Title/Type of Business _____
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Please attach an additional page if there are more than 2 adult household members.

Number of adults (18 yrs. and older) in household Number of children (0-17 yrs.) in the household

To be completed by all applicants					
Gross Income	Borrower	Co-Borrower	Unsecured monthly debt	Amount	Source
Base Employment Income* ___ Annual ___ Monthly ___ Weekly ___ Bi-weekly ___ Bi-monthly	\$	\$	Example: car, credit card, and/or loan payments		
			Monthly payment	\$	
Overtime	\$	\$	Monthly payment	\$	
Other – Please describe (before completing see the notice below)**	\$	\$	Monthly payment	\$	
Total	\$	\$	<input type="checkbox"/> I/we do not have any monthly debt		
			Down Payment /Closing Costs	Amount	Source
* Hello Housing may request additional documentation necessary for the verification of a household's income and assets.			Amount available for Down Payment (buyers own funds)	\$	
			Additional amount available for down payment (may be gifted)	\$	
			Funds available for closing costs (may be gifted)	\$	

For a complete application, you must attach the **REQUIRED DOCUMENTATION** for **ALL** adult household members.

<input type="checkbox"/>	I / We have attached <u>copies</u> of my/our 2 most recent paystubs that cover at least a one month period
<input type="checkbox"/>	I / We have attached a <u>copy</u> of my/our most recent financial statement(s) for all accounts (checking, savings, certificates of deposits, stocks, bonds, mutual funds, and retirement accounts
<input type="checkbox"/>	I/We have attached <u>copies</u> of my/our 3 years most recent W-2s
<input type="checkbox"/>	I/We have attached <u>copies</u> of my/our 3 years most recent tax returns
<input type="checkbox"/>	I/We have attached a letter from my first lender stating that I/We are approved for \$315,000
<input type="checkbox"/>	I/We have attached proof of legal residence(CA Drivers License (required), Social Security Card (required), Green Card (if applicable), Passport with I55-I Stamp (if applicable), INS Form I-94 (if applicable)
<input type="checkbox"/>	I/We have attached <u>copies</u> for any other sources of income, including unemployment, social security, disability, annuities, pension, retirement, child support
<input type="checkbox"/>	I/We have read and signed the Borrower Disclosure Statement for Inclusionary Housing Unit and BEGIN Loan.

Preference Point Questionnaire

All applications received by October 22, 2011 for households of 3 or more will be given one preference point in the processing order of complete applications.

YES	NO	
<input type="checkbox"/>	<input type="checkbox"/>	Are there 3 or more people in your household?

WE HEREBY CERTIFY THAT THE INFORMATION ON THIS BMR APPLICATION SIGNED BY US IS TRUE AND CORRECT; WE HAVE NOT OMITTED ANY ASSETS, IMPORTANT CREDIT INFORMATION AND/OR INFORMATION REGARDING CURRENT AND/OR CLOSED ACCOUNTS, LIENS, AND/OR COURT-ORDERED OBLIGATIONS. WE UNDERSTAND THAT THE SELLER WILL RELY UPON THIS QUALIFICATION QUESTIONNAIRE IN SELLING US A BMR HOME AND WE AUTHORIZE THE SELLER OR SELLER'S AFFILIATE TO ORDER A CREDIT REPORT(S) TO DETERMINE OUR CURRENT CREDIT WORTHINESS. WE UNDERSTAND THIS INFORMATION MAY BE VERIFIED BY THE CITY OF CONCORD IN QUALIFYING US AS THE BUYER OF A BELOW MARKET RATE HOME.

Print Name (Applicant 1)

SSN

Signature

Date

Print Name (Applicant 3)

SSN

Signature

Date

Print Name (Applicant 2)

SSN

Signature

Date

Print Name (Applicant 4)

SSN

Signature

Date

City of Concord Inclusionary Housing Lending Policy

An application will not be considered complete without a pre-qualification letter from a lender. You may submit a pre-qualification letter from any lender you choose. However, there are documents in the City of Concord Inclusionary program that must be approved by your lender. If your lender does not obtain approval of these documents, a City of Concord Inclusionary home purchase will not be possible. The City of Concord Inclusionary Program documents your lender must approve are available upon request to matt@hellohousing.org

If your file is conditionally approved by the City of Concord and you are invited to enter into contract on a City of Concord Inclusionary Housing Unit. The purchase will be contingent upon your lender providing written proof of approval of the City of Concord Inclusionary Housing program documents within 24 hours. If your lender is unable to perform by the deadline, we can offer you the option of using a lender who already has City of Concord Inclusionary program document approval.

If you or your lender has any questions about the program or what is required, please contact:

Hello Stewardship, a program of Hello Housing
(415) 689-7746
matt@hellohousing.org

Disclaimer for Application for BMR Unit

As part of the review process, Applicant(s) will be contacted directly to provide verification of their residence and employment history; and evidence supporting any or all of the status items checked above.

The undersigned acknowledge that reasonable efforts may be made to verify employment, residence and other information provided in the application, including, without limitation, contacting the Applicant's employers or other sources of income to confirm the income information provided.

The undersigned hereby acknowledge that they have read the enclosed information and understand that neither acceptance as a participant in the application process, nor the receipt of any particular application number, constitutes a guarantee that the undersigned will be able to purchase a home at Wisteria.

The undersigned hereby represent and warrant that the information provided in this application is true, complete and correct, and the undersigned fully understand that to knowingly make a false or misleading statement or to knowingly fail to disclose material information in or concerning this application, will result in the City's denial of this application, the Applicant's disqualification from eligibility for the program, and the possibility of an action for fraud.

The undersigned acknowledge that the Seller and the City will rely upon this application in evaluating their eligibility for the purchase of a BMR home, and the undersigned authorize the Seller, the Seller's affiliate, and/or the City of Concord to order credit report(s) to evaluate their current credit worthiness and to verify the Information requested in the application.

APPLICANT(S) Signatures are required for any household members age 18 or over. Please attach an additional signature page if household has more than 4 adults.

Print Name (Applicant 1)

SSN

Signature

Date

Print Name (Applicant 3)

SSN

Signature

Date

Print Name (Applicant 2)

SSN

Signature

Date

Print Name (Applicant 4)

SSN

Signature

Date

Credit Report Authorization and Release

The Applicant(s) identified below hereby authorize the City of Concord (the "City") to obtain from any credit reporting agency selected by the City, a standard credit report and such financial and other information the City considers appropriate to evaluate the undersigned's application for participation in the City's home purchase and/or home financing programs (the "Programs").

The undersigned also:

(i) Authorize the City to release to credit reporting agencies a copy of the undersigned's application, including financial information, income, assets, liabilities, employment, and other information that the Applicant(s) have provided to the City in connection with their application to participate in the Programs.

(ii) Authorize the City and credit reporting agencies to verify information contained in the undersigned's application to the City and in other documents provided in connection with the undersigned's application to participate in the Programs, and to verify and obtain such information necessary to complete the Applicant's credit report, including without limitation, verification of past and present employment, earnings, rents, mortgages, savings, and other bank accounts; income tax returns, stock holdings and other assets; and liabilities, including without limitation, mortgages, auto loans, personal loans, credit cards, and lines of credit as the City deems necessary to process the undersigned's application.

The Applicant(s) agree that a photocopy of this form will also serve as authorization, and that the City may undertake the actions hereby authorized both prior to providing approval for participation in the Programs and as part of subsequent eligibility and compliance monitoring.

The Applicant(s) authorize the City to share with potential mortgage lenders and/or home loan counseling agencies the information provided in connection with the undersigned's application for participation in the Programs and the credit report that the City obtains in connection therewith. Such lenders and counseling agencies may contact the undersigned to discuss home loans and counseling services for which the undersigned may be eligible. This consent to disclosure may be revoked by delivery of written notice to the City.

The Applicant(s) Signatures are required for any household members age 18 or over. Please attach an additional signature page if household has more than 4 adults.

_____ Print Name (Applicant 1)	_____ Print Name (Applicant 2)
_____ SSN	_____ SSN
_____ Signature	_____ Signature
_____ Date	_____ Date
_____ Print Name (Applicant 3)	_____ Print Name (Applicant 4)
_____ SSN	_____ SSN
_____ Signature	_____ Signature
_____ Date	_____ Date

Frequently Asked Questions for BMR Applicants Regarding Applicant Selection at Wisteria

1) What is considered a Household?

- A household is defined as a family living in the same residence at the time of application.
- All members of the household are either:
 - a) persons who will hold title to the BMR Unit, appear on the mortgage, and have executed a Resale Restriction Agreement and Performance Deed of Trust for the unit; or
 - b) persons who are claimed as a dependent on the tax returns of a household member who satisfies the requirements in subsection (a) above.

2) What is the maximum eligible Income?

The 2012 Official State Income Limits for Contra Costa County are established by the State. Hello Stewardship is accepting applications for MODERATE INCOME (120% of median income levels) households.

Size of Household	Maximum Income*
3	\$101,000
4	\$112,200
5	\$121,200
6	\$130,150

*Based on the Contra Costa County Income Limits for 2012. <http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html>

3) What are acceptable Home Loan Products for BMR Units?

The City reserves the right to reject certain mortgage products because of the stronger likelihood that some products could result in loss of the inclusionary unit due to a foreclosure.

- The only acceptable loan products for this program are fully amortizing 20 or 30 year fixed rate loans
- The above requirements apply to all refinancing as well as original purchase financing.

4) What are the Down Payment requirements?

- Applicants must provide a minimum buyer contribution equal to three percent (3%) of the purchase price from their own funds.
- The remainder of funds needed to close may be in the form of a gift, loan, or down payment assistance program if eligible. All loans must conform to the City of Concord FTHB Loan Guidelines.

Down Payment Assistance

Buyers of the inclusionary BMR loans are eligible for the BEGIN Loan. This is a \$30,000 30 year deferred 3% interest loan.

- **Deferred Loan.** The BEGIN Loan is a “deferred” loan. This means that you do not have to pay it back during its thirty (30) year term so long as you own the home and you do not violate any of the terms of the BEGIN Promissory Note and the Deed of Trust. As soon as you sell the home, though, or if you break the terms of the BEGIN Promissory Note or the Deed of Trust, the BEGIN Loan will be due and you will have to pay it back.
- **Interest.** The principal amount of the BEGIN Loan will accrue three percent (3%) simple interest \$900/yr.
- **Prepayment of the BEGIN Loan.** You have the right to prepay part or all of the BEGIN Loan. If you prepay all of the principal balance of the BEGIN Loan, the payment that you make will be applied first toward the repayment of interest accrued and next to the outstanding principal amount of the BEGIN Loan.

5) How are Preference Points used in the selection of a household for a BMR Unit?

You can receive a processing preference point if you are a household of 3 or more and you submit your application by October 22, 2011.

- All applications for households of 3 or more received by October 22, 2011 will be processed before households with only 2 members, or those submitted after that date.
- Complete applications received after October 22, 2011 will simply be processed on a first completed-first served basis.

6) What does a Gross Household Income include?

Income is defined as your anticipated household income for the next 12 months, and reviewed in consideration of your income history. Income includes, but is not limited to:

- Gross earnings from all household members over age 18, including overtime and bonuses, commission and tips
- Alimony, spousal and child support
- Cash
- Pensions, if at an age where pension is being received as income
- Public benefits including, but not limited to, CalWorks, SSI, and disability income
- All interest, dividends, and royalties
- Net income from operation of a business or profession
- Income from pensions
- Compensation for services rendered including fees, fringe benefits, commissions, tips, and bonuses
- Stipend received for participation in a mentor, learning or education opportunity
- Gambling winnings
- Annuities, life insurance, and endowment contracts
- Income from discharge of indebtedness
- Gross partnership contributions or distributions
- Income from an interest in an estate or trust

Asset Test for BMR Buyers

An asset test will be applied to all Applicants to determine whether they satisfy the income requirements. For net assets in excess of \$5,000, actual asset income, or 2.5% of the value (whichever is greater), will be added on top of the Applicant's income after the buyer's down payment contribution and closing costs have been excluded.

For example:

\$26,000 Assets
-\$ 9,450 (3% down payment)
<u>-\$ 6,550 (closing costs)</u>
\$10,000
x 2.5%
\$ 250 will be added to income.

Assets include, but are not limited to, cash, all savings and checking accounts, stocks, bonds, gifts and other sources of money. Pensions and federally approved retirement savings accounts, such as IRA's, Roth IRA's and 401K's, are excluded; however, retired Applicants who receive income from their retirement account must include such income as Gross Household Income on their application.