



CITY OF CHULA VISTA

NEIGHBORHOOD STABILIZATION FIRST-TIME HOMEBUYER (NS FTHB) PROGRAM



REALTOR FACTS

(3/27/09)

WHAT IS THE NS FTHP?

On January 13, 2009 the City of Chula Vista was approved to receive \$2.8M in funds from the U.S. Department of Housing & Development (HUD) through a new Neighborhood Stabilization Program to assist areas most severely affected by foreclosures. A large portion of these funds have been identified to assist first-time low- and moderate-income homebuyers with up to \$70,000 in gap financing to purchase foreclosed upon properties, under the Neighborhood Stabilization First-Time Homebuyer (NS FTHB) Program. The City is contracted with Community HousingWorks (CHW) to administer the NS FTHB Program.

WHO IS ELIGIBLE?

Households seeking assistance must meet all of the following criteria to be eligible:

1. All household members must be first-time homebuyers (have not held an ownership interest in residential property within the past three years).
2. Total household annual income may not exceed the following limits, as of March 19, 2009:

| Area Median Income (Loan threshold) | 1 person | 2 people | 3 people | 4 people | 5 people | 6 people | 7 people | 8 people |
|-------------------------------------|----------|----------|----------|----------|----------|-----------|-----------|-----------|
| 120% AMI (up to \$40,000) | \$62,950 | \$71,900 | \$80,900 | \$89,900 | \$97,100 | \$104,300 | \$111,500 | \$118,650 |
| 80% AMI (up to \$70,000) | \$46,250 | \$52,900 | \$59,500 | \$66,100 | \$71,400 | \$76,700 | \$81,950 | \$87,250 |

3. Upon close of escrow, the buyer must occupy the home as their Principal Residence.
4. Buyer must be a U.S. citizen or eligible immigrant. Legal resident aliens are eligible to apply but must show proof of status.
5. The household shall have sufficient income and credit-worthiness to qualify for primary financing from a participating lender.
6. The buyer must contribute a minimum of 3% of the total purchase price of the property.
7. Maximum liquid assets after down payment and closing cost contribution may not exceed \$25,000 (not including retirement accounts, i.e. IRA's, 401(k), etc).

WHAT IS THE PROCESS?





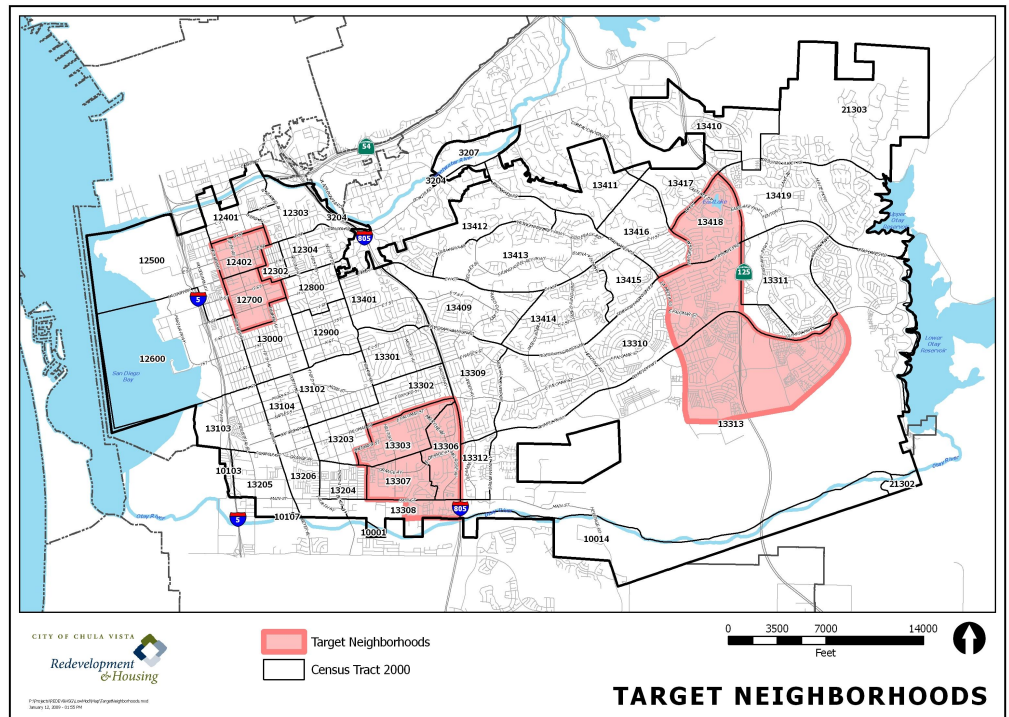
CHULA VISTA NEIGHBORHOOD STABILIZATION FIRST-TIME HOME BUYER (NS FT HB) PROGRAM



1. Homebuyer attends an 8-hour HUD certified homebuyer education class and pre-qualifies for primary financing with a certified CHW lender.
2. Lender and homebuyer complete the City NS FT HB application and submit it to Community HousingWorks.
 - a. If deemed eligible, the City will issue a 60 day pre-commitment of funds letter.
3. Realtor assists homebuyer to find an eligible property.
 - a. Submit an initial offer to the seller estimating 15% below market value and contingent on a certified appraisal, provide a copy to CHW.
 - b. Receive an appraisal from a CHW certified appraiser.
 - c. Provide the City with a Request to Issue a Voluntary Acquisition form, the initial offer, and certified appraisal.
 - d. City will issue a "Voluntary Acquisition" form to be submitted with the final purchase offer.
 - e. Submit final purchase offer and voluntary acquisition form to seller.
4. Homebuyer works with their lender and CHW to move through the escrow process.

WHAT PROPERTIES ARE ELIGIBLE UNDER THE PROGRAM?

1. Properties must be located within specified NSP Target Neighborhoods, in the City of Chula Vista.
2. Properties must be foreclosed upon single-family homes. Manufactured/mobile homes, duplexes, triplexes or fourplexes do not qualify as eligible properties.
3. Preference is given to properties that are less than 45 years old and may not need health & safety repairs that exceed \$24,999.
4. The maximum purchase price cannot exceed \$451,250 (effective 3/09).
5. Property may not have outstanding civil penalties.
6. The property owner must agree to sell the property at a discount of at least 15% below appraised property value.



For additional program information, for homebuyer education class information, and/or to receive a list of certified lenders and appraisers, please contact Community HousingWorks at www.chworks.org or call (619) 282-6647.



For the full program manual and/or additional information, visit the City of Chula Vista's Redevelopment & Housing Division web page at: www.chulavistaca.gov/cvrh.

