

**The City of Turlock's
First Time Home Buyers Program Requirements**

1. You must be below 80% of Stanislaus County's median income for the number of people in your household (Based on combined household gross income before taxes and deductions). See the following income limits table.

Number in Household	80% of Median Income for Stanislaus County
1	\$55,200
2	\$63,050
3	\$70,950
4	\$78,800
5	\$85,150
6	\$91,450
7	\$97,750
8	\$104,050

2. Have the capacity to obtain a primary mortgage whom is willing to work with the City of Turlock First Time Home Buyer program. You must qualify for a new current market rate first mortgage with a lender of your choice that accepts our First Time Homebuyer Program. Primary mortgage must be:
- Primary Loan term must be 30 year
 - Primary Loan rate must be fixed
 - Primary Loan amount must cover at least of 60% or higher of the property value.
 - Primary loan must follow the First Time Home Buyers Debt to Income Ratio (DIR) from minimum of 35% to maximum of 46%.
3. The City of Turlock's First Time Home Buyers (FTHB) Program down payment assistance (considered secondary loan) is limited to provide "gap" financing up to \$100,000 the purchase price of a home.
4. Applicant must have minimum contribute a of \$5,000.00 to be used toward the purchase of the home.
- Funds must be available at time of the application and have been seasoned for a minimum of 3 months.
 - Applicant's contribution cannot be borrowed, gifted or granted by seller or any other party. However, additional funding such as gift contributions are permissible. Gifted funds can be up to \$5,000 and must have a notarized Gift Letter. This must be provided with qualification application.
5. You must have good credit with no outstanding collections, judgments, liens or any other negative debt. A credit report must be submitted with the Application. A report from a primary lender is acceptable, but it must be dated within the last 30 days.
6. You must **not have owned** any property within the last three years.
7. You must occupy the purchased property as your primary residence for the life of loan.
8. You must submit a certificate for completion of First Time Home Buyer counseling course by a HUD certified housing counseling agency.
9. Repayment of the Loan:
- City loan will be deferred for 30 years; therefore, no monthly payments are required.
 - Loan term is zero (0%) percent interest for the initial fifteen (15) years followed by a 15-year period with a two (2%) simple interest.
 - Upon maturity date, loan will be due and payable in full (original loan plus simple interest earned).
 - Loan does not have prepayment penalties
 - Loan will reach early maturity due to sale of property, rented, transfer of title, no longer occupied by the property or violation of loan documents.
10. If selected the following documents will need to be provide:

1. Primary Mortgage Lender Preapproval Letter and supported documents
 - o Lender 1003 Uniform Residential Loan Application (URLA) form-signed by borrower
 - o Lender 1008 Uniform Underwriting and Transmittal Summary form-signed by borrower
 - o Current credit report
2. California Identification Card or Driver's license and Social Security Card
3. Last three years tax returns-must be signed or IRS Transcript or IRS exception of filing document.
4. Proof of income for all household members over age of 18 yrs.
 - o Pay stub for the two most recent months.
 - o Any and/or all additional documents verifying other sources of income (e.g. self-employment, Social Security, EDD, Child Support, Alimony)
5. Bank statements for the last three months from all open bank accounts and Assets.
6. Written list of all your creditors showing the balance due and monthly payments to each account
7. Housing counseling certificate