



Down Payment Assistance for Employees of Lake County

Lake County "Assist-to-Own" Program



Relationship of the County of Lake to GSFA



- California Joint Powers Authority (Public Entity)
 - Formed in 1993
 - Consists of 38-Member Counties
 - County Supervisor on Board of Directors
- Mission:
 - Support affordable housing and social and economic well-being of CA residents
- Provide financing for:
 - Residential home purchases & refinances
 - Combine standard Mortgage Loans w/ Down Payment Assistance (DPA)



FHA, VA, USDA and
Conventional Mortgage
Loan Financing



\$647.3 Million in
Down Payment
Assistance Provided



84,400+ Homebuyers
Assisted To-Date

The Benefits of Homeownership

Positive Impact on Families and Communities⁽¹⁾

- Improves stability in neighborhoods
- Increases educational achievement
- Increases civic engagement
- Improves physical and psychological health
- Correlates to crime reduction

Financial Impact on Individuals

- Real estate is a large factor in net worth
- Median Homeowner 40X more net worth

Homeownership Status	Median Net Worth ⁽²⁾
Owns a home	\$255,000
Doesn't own a home	\$6,300

(1) 2016 study by the National Association of Realtors®

(2) Federal Reserve 2019 Survey of Consumer Finances

County of Lake "Assist-to-Own" Down Payment Assistance Program

Eligibility Guidelines*



- Must be employed by County of Lake
- Must be purchasing or refinancing a Primary Residence in California
 - 1-4 unit residences
 - Townhomes, condos and manufactured homes
- Do NOT have to be a First-time Homebuyer
- Mortgage Loan Limit = 647,200
- FHA, VA, USDA and Conventional Loan Financing (30-yr fixed rate)
- Income Limits
 - FHA, VA Loans = No income limit
 - Conventional Loans:
 - Low-to-Moderate Income
 - Examples:
 - Lake, Tehama, Butte, Colusa & Mendocino Counties = \$182,880
- FICO Scores as low as 640
- Debt-to-Income Ratios up to 50%

**Contains program highlights only. See a Participating Lender for complete guidelines, interest rates and APRs.*

The Impact of Down Payment Assistance

DPA Form & Terms

1) Primary DPA

- 3.5% of 1st Mortgage Loan Amount
- Deferred 2nd Mortgage Loan
 - ✓ No monthly payments
 - ✓ 0% note rate (accrues no interest)
 - ✓ Repaid upon sale, refinance or at end of 30-year 1st Mortgage Loan term

2) Additional DPA

- Up to 2% of 1st Mortgage Loan Amount
- In the form of a Gift
- Subject to market availability; factored into rate of the 1st Mortgage Loan

Example (\$400,000 Sales Price)



\$400,000 Sales Price

\$14,000

Required Down (3.5%)

\$386,000

FHA First Mortgage
(96.5% Loan-to-value)

\$13,510

DPA from GSFA
(3.5% of Loan Amount)

**This presentation contains program highlights only. See GSFA or a GSFA Participating Lender for complete program guidelines, interest rates, APR and loan applications.*

Our Goal is to Help Employees Build Financial Security Now



DPA, a Tool to Buy Now

- 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?

(1) According to the California Association of REALTORS®, California's median home price is forecasted to rise 5.2 percent to \$834,400 in 2022, following a projected 20.3 percent increase to \$793,100 in 2021.

GSFA DPA - FHA Loan Example

Sales Price	\$400,000
DPA Provided by GSFA	\$13,510
If you saved \$300 per month... length of time to save \$13,510 =	3.75 Years
Estimated Equity Increase ⁽¹⁾ for 3.75 years	\$75,000

How to Get Started



Contact a GSFA Participating Lender

- Approved by GSFA
- Experienced in GSFA Programs
- Furnishes guidelines, interest rates and APRs
- Helps borrower determine which program/DPA is the best fit
- Processes applications
- Processes the loan

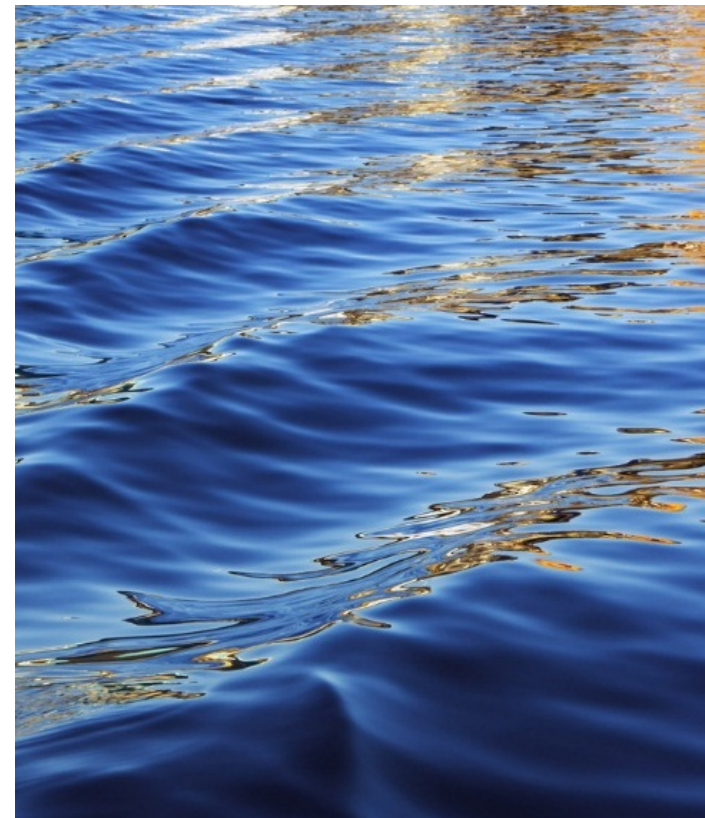


Additional Resources

- GSFA Website
www.gsfahome.org
 - Program Information
 - List of ALL Participating Lenders
 - Educational Videos
 - Educational Events (Virtual & Live)
- GSFA Client Relations
 - M-F 8:00 AM – 5:00 PM PT
 - Toll-free: (855) 740-8422
 - Email: info@gsfahome.org



I Hope You've Enjoyed this Presentation



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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.

The County of Lake Assist-to-Own Program is sponsored by GSFA, a duly constituted public entity and agency, and managed by National Homebuyers Fund, Inc., a non-profit public benefit corporation and Instrumentality of Government under Internal Revenue Service code section 115. The Program is made possible through a partnership with GSFA and County of Lake, a GSFA Member County.

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