



Imagine What Down Payment Assistance Can Do for YOU!

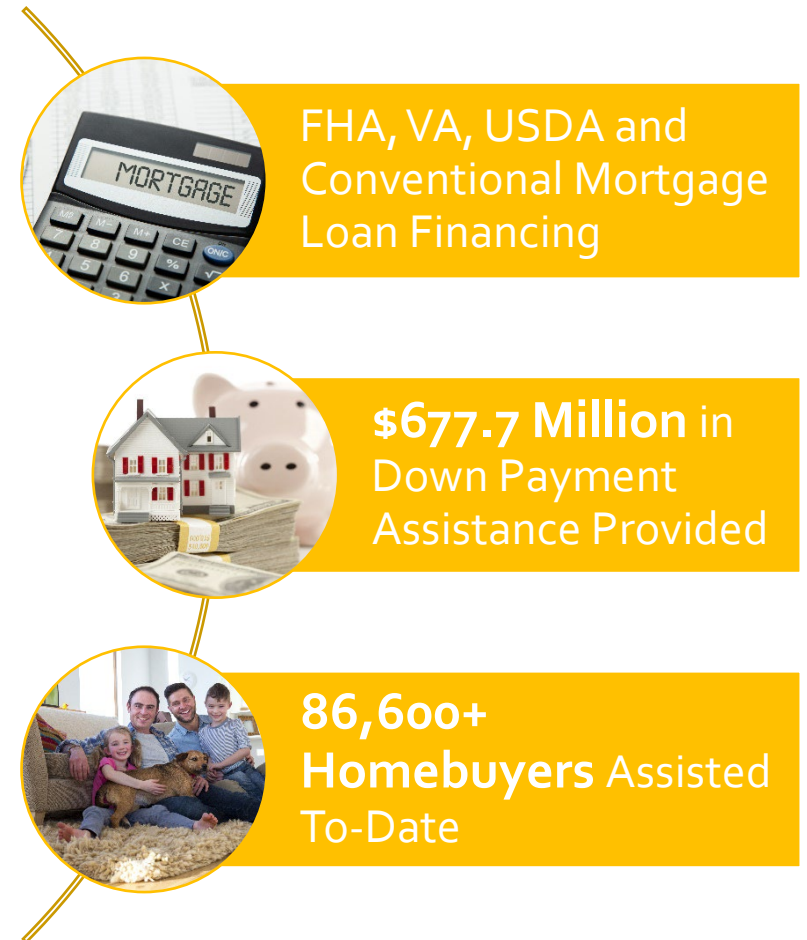
GSFA "Assist-to-Own" Down
Payment Assistance Program
For Employees of Tehama County



Relationship of County to GSFA



- California Joint Powers Authority (Public Entity)
 - Formed in 1993
 - Consists of 40-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)



Benefits of Homeownership



- Impact on Families/Communities⁽¹⁾
 - Improves stability in neighborhoods
 - Increases educational achievement
 - Increases civic engagement
 - Improves physical and psychological health
 - Correlates to crime reduction

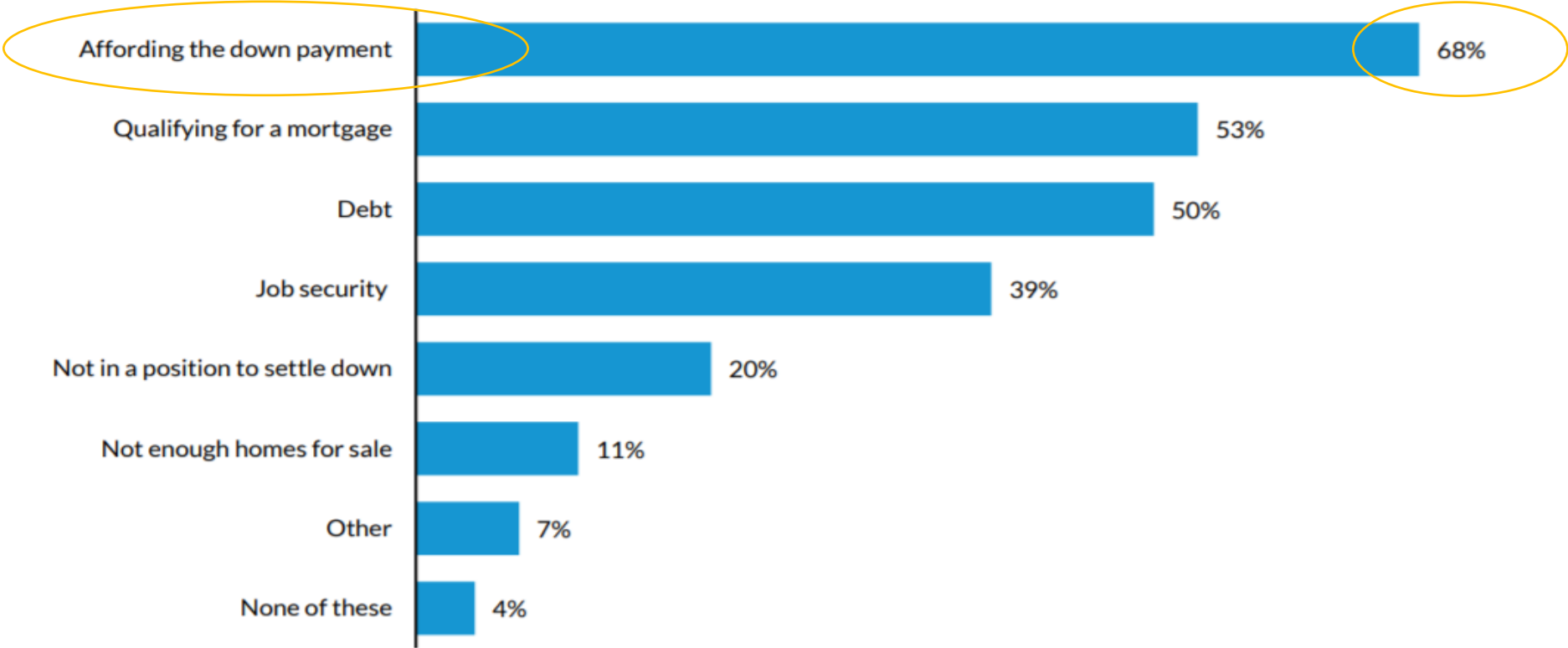
- Financial Impact on Individuals
 - Median Homeowner 38X more net worth

Homeownership Status	Median Net Worth ⁽²⁾
Owens a home	\$396,200
Doesn't own a home	\$10,400

(1) 2016 study by the National Association of Realtors®
(2) Federal Reserve 2022 Survey of Consumer Finances

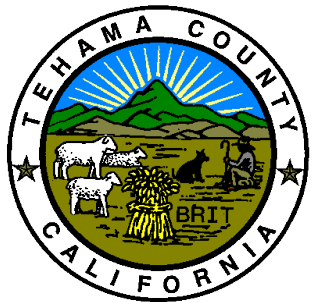
Barriers to Homeownership

What Are the Major Barriers to Homeownership?



Sources: 2018 Zillow Housing Aspirations Survey and the Urban Institute.

GSFA "Assist-to-Own" Program

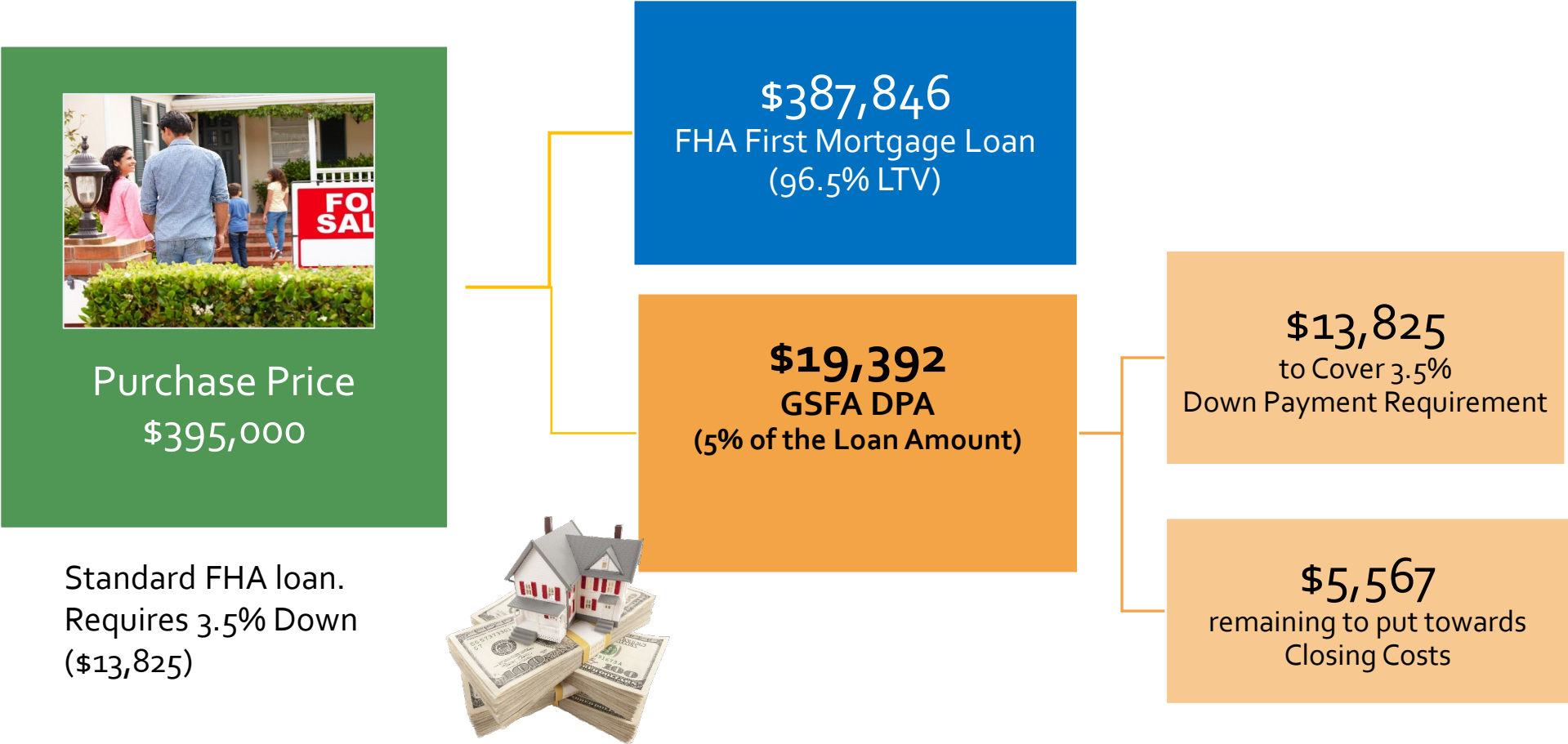


- For Employees of Tehama County
- Provides DPA up to 5.5%
- Qualifying is easy
 - Don't have to have perfect credit
 - Don't have to be a first-time homebuyer
- Purchase or refinance anywhere in California



Program Sponsored by:
GSFA and
County of Tehama, a GSFA Member County

Down Payment Assistance (DPA) – Bridging the Affordability Gap



**For example purposes only. Scenario is based on a GSFA Assist-to-Own Program FHA First Mortgage at 96.5% Loan-to-Value with upfront MI of 1.75% combined with DPA Assistance from GSFA, sized at 5% of the Total Loan Amount. The 5%-sized DPA = A 3.5%-sized Deferred Second Loan with a 0% interest rate + a 1.5%-sized gift.*

Use of DPA - Guidelines



- Eligible Uses for DPA Funds
 - Down Payment
 - Closing Cost
 - Applied toward the 1st Mortgage
- DPA can be combined with
 - Homebuyer's cash
 - Gift funds from family
 - Other programs (subject to guidelines)

EXAMPLE ONLY

Sales Price	\$395,000
Gift from family	\$5,000
Borrower's Cash	\$10,000
GSFA DPA	\$19,392
Total Down	\$34,392
1 st Mortgage Loan	\$360,608

Down Payment Assistance (DPA) – Amount & Terms*

Primary Assistance (3.0% or 3.5%)

(To cover most, if not all, of the required down payment)

- 3.5% of 1st Mortgage Loan Amount
 - **Conventional Loans = 3% of 1st Mortgage**
- Deferred 2nd Mortgage Loan
 - No monthly payments
 - 0% interest rate (accrues no interest)
 - Repaid upon sale, refinance or at end of 30-year 1st Mortgage Loan term

Additional Assistance (Up to 2%)

(Additional money, usually to help with closing costs)

- Up to 2% of 1st Mortgage Loan Amount
- In the form of a Gift
 - This portion does not have to be repaid
 - Subject to market availability
 - Factored into rate of the 1st Mortgage Loan

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

Occupancy and Property Guidelines



- Eligible Jurisdiction

- Anywhere in California

- Eligible Properties

- Owner Occupied, Single-Family, 1-4 Unit Residences only, including
 - Agency approved condominiums
 - Planned unit developments (PUDs)
 - Manufactured housing

- Properties NOT Allowed

- NO co-ops
- NO investment properties
- NO recreational, vacation, nor second homes

Guidelines: Mortgage Loans / FICO & DTI

- 30-Year fixed rate 1st Mortgage Loans
 - FHA, VA, USDA, HUD-184 (tribal lands)
 - Purchases only
 - Conventional Freddie Mac HFA Advantage
 - Purchase or refinance
- Maximum 1st Mortgage Amount
 - \$806,500
 - Loan amount can include upfront MI on FHA transactions
 - No purchase price limits



Guidelines: Mortgage Loans / FICO & DTI



- FICO Score Requirement
 - All Loan Types = 640 minimum
 - HUD-184 = 660 FICO
- Maximum Debt-to-Income (DTI) Ratios
 - FHA/VA/USDA
 - HUD-184 = 43%
 - Manufactured home = 45% Max DTI
 - 660 Minimum FICO
 - Applies to Conventional Loans
 - 45% maximum for FICOs below 680
 - Conventional
 - Up to 50%
 - Manufactured Home = 45% Max DTI

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

Flexible Income Limits

Mortgage Type	Limit/Info
FHA, VA loans	GSFA has no income limits
USDA Loans	GSFA follows Loan Agency guidelines
Conventional Loans Income Limits are VERY flexible (Low-to-moderate)	Income Limits are VERY flexible (Low-to-moderate income) Examples: Tehama, Shasta, Trinity and Glenn County = \$196,560 Note: Borrowers with income \leq 80% AMI <ul style="list-style-type: none">• More attractive pricing• More DPA Options• Charter-level Coverage Mortgage Insurance (costs less)

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

- GSFA Client Relations
 - M-F 8:00 AM – 5:00 PM PT
 - Toll-free: (855) 740-8422
 - Email: info@gsfahome.org

Start Building Financial Security Now

Does Waiting Make Sense?

- 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?

GSFA DPA - FHA Loan Example (from earlier)	
Purchase Price	\$395,000
DPA Provided by GSFA	\$21,332 (5.5%-sized DPA)
If you saved \$300 per month... length of time to save \$21,332 =	5.9 Years
Estimated Equity Increase of 5% Annually⁽¹⁾ for 6 years	\$116,525

(1) According to the California Association of REALTORS®, California's median home price is forecasted to rise 6.2 percent to \$834,400 in 2024

Don't Just Take Our Word...



"Journey To Homeownership" Video Series

Meet Tia and Toulue Thao from Sacramento, California, who realized their dream of owning their own home during the global pandemic. Hear their incredible journey and what being homeowners means to them.

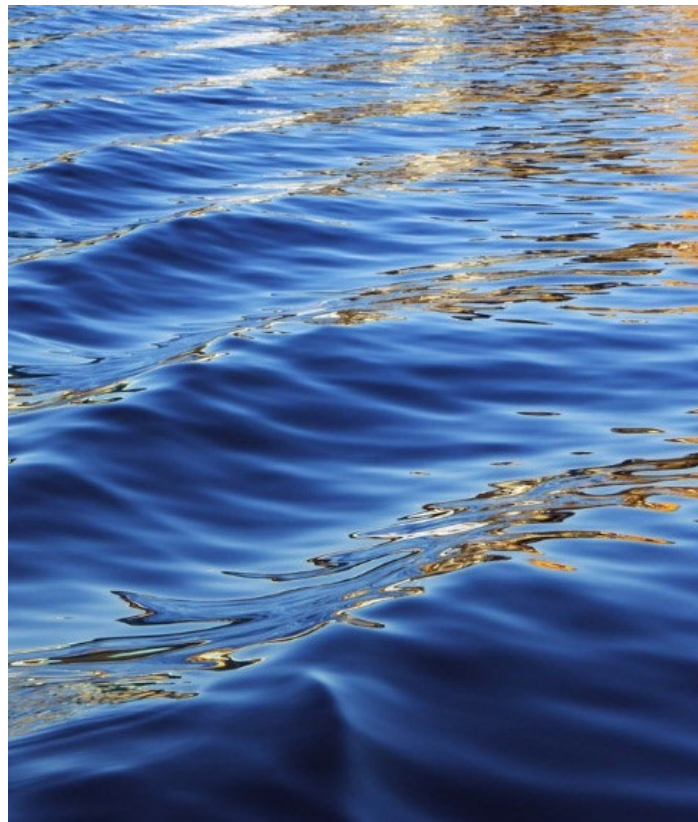
Learn about the ups and downs of their homeownership journey and how it has positively affected their lives, their family, and even their beloved dog.



Season 2 - Episode 3 | A Leap of Faith
Tia and Toulue Thao from Sacramento, CA.
October, 5, 2023.



We 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.

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