Employee Presentation

Imagine What Down Payment Assistance Can Do for YOU!

Kings County "Assist-to-Own" Down Payment Assistance Program

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)

FHA, VA, USDA and Conventional Mortgage Loan Financing

$651 Million in Down Payment Assistance Provided

84,700+ 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

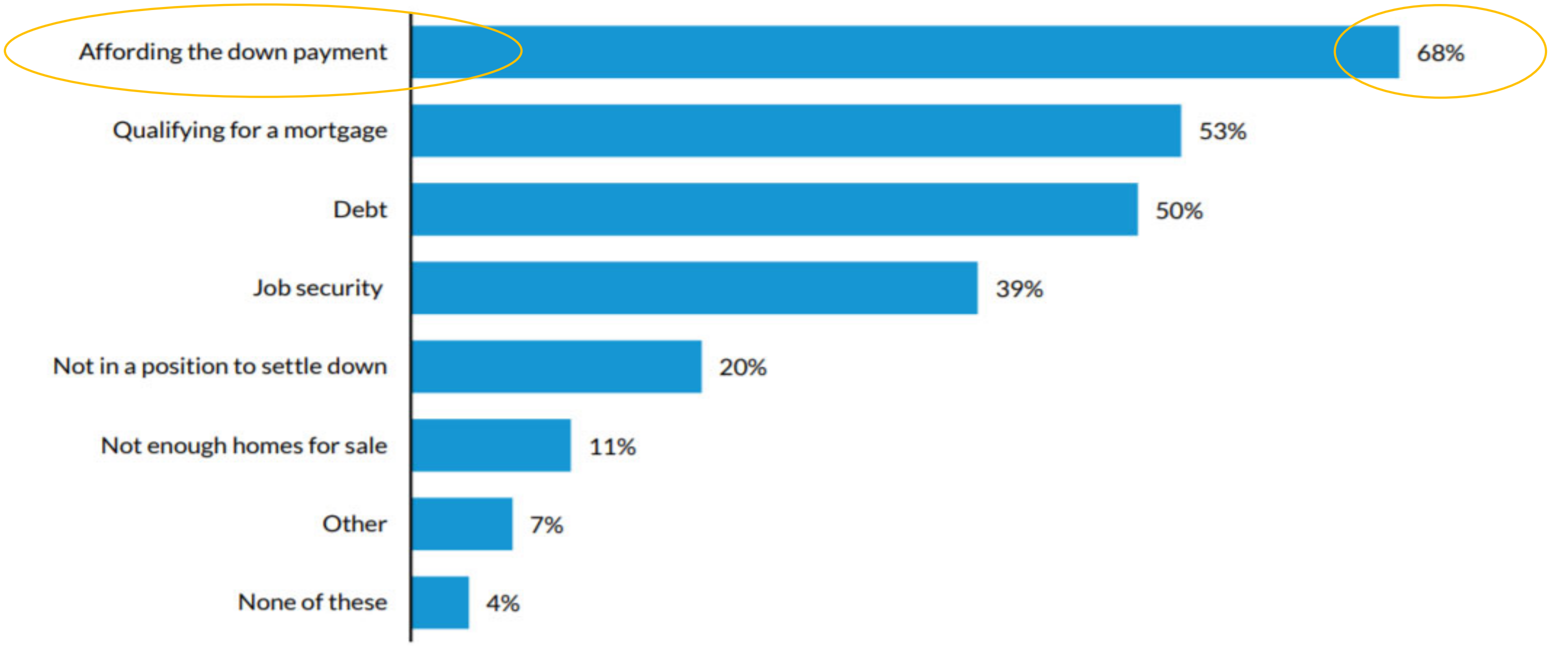
- Real estate is a large factor in net worth
- Median Homeowner 40X more net worth

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*

Barriers to Homeownership

What Are the Major Barriers to Homeownership?



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

Kings County "Assist-to-Own" Program

- For Employees of County of Kings
- 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 Kings, a GSFA Member County

Down Payment Assistance (DPA) – Amount & Terms

Primary Assistance (3.5%)

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

- 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

Additional Assistance (Up to 2%)

(Additional money, usually to help with closing costs)

- Up to 2% of 1st Mortgage Loan Amount
- 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.*

See the Impact of Down Payment Assistance

$751,617
Purchase Price

$738,909*
FHA 1st Mortgage Loan (96.5% LTV) + UFMI

$39,941
GSFA DPA
(5.5% of the Loan Amount)

$25,417
to Cover 3.5% Down Payment Requirement

$14,524
remaining to put towards Closing Costs

For example purposes only.

Scenario is based on a GSFA Platinum FHA 1st Mortgage at 96.5% Loan-to-Value combined with DPA Assistance from GSFA, sized at 5.5% of the Total Loan Amount.

**Max Loan Amount for an FHA Loan under Assist-to-Own Program. (726,200 + 12,709 Upfront MI (UFMI) = $738,909*

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/friend
  - Other programs (subject to guidelines)

EXAMPLE ONLY	
Sales Price	$752,539
Gift from family	$5,000
Borrower's Cash	10,000
GSFA DPA	26,000
Total Down	$41,000
1st Mortgage Loan	$711,539

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

Guidelines: Mortgage Loans / FICO & DTI

- 30-Year fixed rate 1st Mortgage Loans
  - FHA, VA, USDA
    - Purchases only
  - Conventional Freddie Mac HFA Advantage
    - Purchase or refinance
- Maximum 1st Mortgage Amount
  - $726,200
  - No purchase price limits

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

Occupancy and Property Guidelines

- Occupancy
  - Owner-occupied only
  - No second homes or rentals
  - Non-occupant co-borrowers allowed
- Eligible Properties
  - 1-4 units, townhomes, condos
  - Manufactured homes
- Eligible Jurisdiction
  - Anywhere in California

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

Guidelines: Mortgage Loans / FICO & DTI

- FICO Score Requirement
  - All Loan Types = 640 minimum
- Maximum Debt-to-Income (DTI) Ratios
  - FHA
    - 45% maximum for FICOs below 680
    - Up to 50% for FICOs 680 and higher
  - VA/USDA
    - 45% maximum
  - Conventional
    - 1-2 Unit Properties = 50% maximum
    - 3-4 Unit Properties
      - 45% maximum for FICOs below 680
      - Up to 50% for FICOs 680 and higher

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

Guidelines: Income Limits

Mortgage Type	Limit/Info
FHA, VA loans	GSFA has no income limits
USDA Loans	GSFA follows Loan Agency guidelines
Conventional Loans Based on qualifying income only. Based on where the Property is located.	Income Limits are VERY flexible (Low-to-moderate) Examples: Kings, Fresno, Tulare, Kern = $182,880 Note: Borrowers with income ≤ 80% AMI • More attractive pricing • Lower Mortgage Insurance Requirements/Cost

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

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?

GSFA DPA Example *(from slide 7)*	
Sales Price	$752,539
3% Down Required on a Conventional Loan	**$25,417**
If you saved $500 per month… length of time to save $25,417 =	50 months or 4.2 Years
Estimated Equity Increase(1) for 4 years	**$150,507**

(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.

Don’t Just Take Our Word…

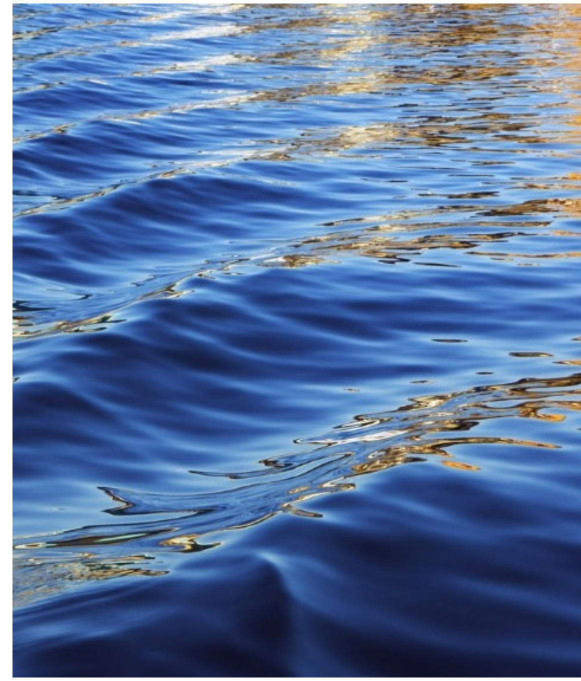
“Journey To Homeownership” Video Series

Meet Christian Park, a Prosecutor for the County of Tulare District Attorney’s Office, who just bought his first home with down payment and closing cost assistance from Golden State Finance Authority (GSFA).

“It means having the American Dream. To own a piece of property, have a backyard, something that you can call your own,” Christian said of how this recent experience has impacted him.

Christian Park, new homeowner with the help of the “Assist-to-Own” Program, 2023

We Hope You've Enjoyed this Presentation



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 "Assist-to-Own" Down Payment Assistance 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.

3005ATO- Kings County

Golden State Finance Authority®
1215 K Street, Suite 1650
Sacramento, CA 95814
(855) 740-8422
www.gsfahome.org