

City Of Camarillo

Camarillo Workforce Housing Down Payment Assistance Program

“Camarillo Workforce Housing DAP”



UPDATED ~~4/19/2024~~ 12/11/2024

CITY OF CAMARILLO
601 CARMEN DR.
CAMARILLO, CA 93010

TABLE OF CONTENTS

PROGRAM SUMMARY	4
1. PURPOSE	4
2. AUTHORITY	4
3. REUSE PLAN	5
4. CONFLICT OF INTEREST	5
5. FAIR HOUSING POLICY	5
6. PROGRAM OUTREACH AND MARKETING	6
7. MONITORING	6
PROPERTY REQUIREMENTS	6
8. PROPERTY LOCATION	6
9. PROPERTY TYPES AND CONDITION	6
10. OCCUPANCY REQUIREMENTS	7
11. MAXIMUM PURCHASE PRICE	7
12. HOMEOWNER'S INSURANCE AND PROPERTY TAXES	7
APPLICANT REQUIREMENTS	7
13. FIRST TIME HOMEBUYER REQUIREMENT	7
14. PRIORITY CRITERIA AND WAIT LIST	8
15. INCOME REQUIREMENTS	8
16. HOMEBUYER DOWN PAYMENT REQUIREMENT	8
17. PRINCIPAL RESIDENCE REQUIREMENTS	8
18. FIRST TIME HOMEBUYER EDUCATION	9
INCOME QUALIFICATION	9
19. CALCULATION AND VERIFICATION OF INCOME	9
20. DEFINITION OF HOUSEHOLD INCOME	10
21. DETERMINATION OF HOUSEHOLD SIZE	10
22. PERSONAL ASSETS	11
23. MONETARY GIFTS	11
UNDERWRITING REQUIREMENTS	11
24. HOMEBUYER DOWN PAYMENT REQUIREMENT	11
25. CREDIT HISTORY	12
26. DETERMINING HOUSING EXPENSES	12
27. FRONT END AND BACK END RATIOS	13
28. PRIMARY LOAN REQUIREMENTS	13
PROGRAM LOAN TERMS AND CONDITIONS	14
29. AVAILABILITY OF LOAN FUNDS	14
30. HOMEBUYER ASSISTANCE AMOUNT	14

31. LOAN SECURITY	14
32. VOLUNTARY PAYMENTS	15
33. LOAN REPAYMENT	15
34. ABILITY TO REFINANCE	16
35. PAYOFF DEMAND REQUEST	16
36. DEFAULT AND FORECLOSURE	16
37. APPEALS PROCESS	17
<u>LOAN PROCESS AND CLOSING PROCEDURES</u>	17
38. APPLICATION PROCESS AND SELECTION	17
39. HOME PURCHASE PROCESS	19
40. SELECTING THE PROPERTY	20
41. FINAL DOCUMENT REVIEW REQUIREMENTS	20
42. PREPARATION OF CLOSING DOCUMENTS	21
<u>PROGRAM MONITORING AND REPORTING</u>	22
43. PROGRAM MONITORING	22
44. ANNUAL HOMEOWNER OCCUPANCY CERTIFICATION	23
45. PROGRAM DEFINITIONS	23
<u>ATTACHMENTS</u>	26
ATTACHMENT 1: CITY OF CAMARILLO CITY LIMITS WITH DESIGNATED CENSUS TRACT AREAS FOR AFFIRMATIVELY FURTHERING FAIR HOUSING	
ATTACHMENT 2: CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT INCOME ELIGIBILITY FOR VENTURA COUNTY	
ATTACHMENT 3: CAMARILLO WORKFORCE HOUSING DAP APPLICATION	
ATTACHMENT 4: CAMARILLO WORKFORCE HOUSING DAP GROSS INCOME WORKSHEET	
ATTACHMENT 5: CAMARILLO WORKFORCE HOUSING DAP SUBSIDY CALCULATION WORKSHEET	
ATTACHMENT 6: CAMARILLO WORKFORCE HOUSING DAP ANNUAL HOMEOWNER CERTIFICATION	
ATTACHMENT 7: CAMARILLO WORKFORCE HOUSING DAP LOAN AGREEMENT	
ATTACHMENT 8: CAMARILLO WORKFORCE HOUSING DAP PROMISSORY NOTE	
ATTACHMENT 9: CAMARILLO WORKFORCE HOUSING DAP DEED OF TRUST FORMS	

PROGRAM SUMMARY

1. PURPOSE

The City of Camarillo (“City”) has established the Camarillo Workforce Housing Down Payment Assistance Program (“Camarillo Workforce Housing DAP”) to support workforce housing affordability and assist eligible low- to moderate-income households in the purchase of an eligible housing unit within the City of Camarillo.

The primary purpose of the Camarillo Workforce Housing DAP is to assist eligible first-time homebuyers with the down payment and closing costs of the purchase of a home. This reduces the amount of the loan needed from the primary lender, thereby reducing the monthly cost of housing.

The subsidy, which may be provided to eligible homebuyers, hereinafter called “Applicant(s)” will be made as a deferred low-interest loan. The maximum loan amount an eligible Applicant can receive is Fifty Thousand dollars (\$50,000). The Camarillo Workforce Housing DAP is available both to Camarillo residents and employees of Camarillo businesses who are ready to become homeowners in the City. The City will advertise the program and accept applications in accordance with the Camarillo Workforce Housing DAP guidelines.

Applicants will be required to contribute at least Three percent (3%) of the purchase price of the home for down payment and/or closing costs and must complete a city approved homebuyer education course. Each approved Applicant will be required to sign a Loan Agreement, Promissory Note, and a Deed of Trust, which will be recorded to the title of the property. In exchange the loan will be deferred for a ~~Ten-fifteen~~ (1015)-year period, unless the Applicant sells, transfers, cash refinances, or rents the home before the end of the term. In addition, the City will require an annual homeowner certification from all Applicants indicating continued satisfaction of occupancy, property insurance, and property tax requirements.

2. AUTHORITY

The Camarillo Workforce Housing DAP is established pursuant to applicable provisions of the California Building Homes and Jobs Trust Fund for Assistance to Cities and Counties as described in Health and Safety Code Section 50470 (“SB 2”); the Economic Development Strategic Plan (EDSP); and the 2021-2029 City of Camarillo Housing Element (“Housing Element”).

SB 2 established the Permanent Local Housing Allocation (“PLHA”) Program. The City, an eligible local government, agreed to use PLHA funds for eligible activities as approved by the California Department of Housing Community Development. The Camarillo Workforce Housing DAP has been established pursuant to SB 2.

The adopted EDSP provides the strategic framework for the City's economic development programs to support expediting economic development, which impacts the quality of life; and define proactive economic development implementation steps within the City. The creation of residential workforce housing options supports the retention and recruitment of local professionals and technology workers. The Camarillo Workforce Housing DAP has been established pursuant to the EDSP.

The adopted Housing Element includes Policy 3, which promotes accessibility to housing opportunities by all households, regardless of income, race, color, religion, national origin, ancestry, sex, and marital status, age, familial status, disabilities/medical conditions, source of income, sexual orientation, or any other arbitrary factors. Assembly Bill 686 provides that the City must affirmatively further fair housing by taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity for persons of color, persons with disabilities, and other protected classes. The Housing Element provides for affirmatively furthering fair housing through the analysis of fair housing issues and trends in Camarillo. The Camarillo Workforce Housing DAP has been established pursuant to the Housing Element.

3. REUSE PLAN

The City will use at least Ninety-Five percent (95%) of PLHA funds to fund and issue Camarillo Workforce Housing DAP loans to households of low- to moderate-income levels. Any program income received from the repayment of the loans and earned interest will be used to issue additional loans.

4. CONFLICT OF INTEREST

No members of the Camarillo City Council and no other official, employee, or agent of the City government who exercises policy, decision-making functions, or responsibilities in connection with the planning and implementation of the Camarillo Workforce Housing DAP shall directly or indirectly be eligible for this Camarillo Workforce Housing DAP. Exceptions to this policy can be made only after public disclosure and formal approval by the Camarillo City Council.

5. FAIR HOUSING POLICY

The Camarillo Workforce Housing DAP will not discriminate against any Applicant for a loan on the basis of age, sex/gender identity, race, color, creed, ancestry, national origin, religion or religious affiliation, marital status, familial status (children), physical disability (including testing HIV-positive or contracting AIDS), mental disability or handicap, medical condition (including cancer), sexual orientation, source of income, or other arbitrary cause. The Camarillo Workforce Housing DAP will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act and implementing regulations.

In addition, the Camarillo Workforce Housing DAP will affirmatively further fair housing and take actions to overcome the effects of any impediments to fair housing.

6. PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach, and access to the Camarillo Workforce Housing DAP. Outreach and marketing for the Camarillo Workforce Housing DAP may include:

- Placement of the Fair Housing Lender Logo on all outreach materials;
- Education of the local real estate agent and primary lender community, explaining the Camarillo Workforce Housing DAP processes and requirements for eligible homebuyers;
- Placement of flyers and program information on the City website, local government channel, and City public counter areas; and
- Camarillo Workforce Housing DAP public workshops within the community.

7. MONITORING

Designated City staff will review the Camarillo Workforce Housing DAP files once a year to monitor continued homeownership compliance. An annual self-certification will be mailed out to homeowners to submit verification of continued occupancy and current payments of home insurance and property taxes.

PROPERTY REQUIREMENTS

The approved Applicant(s) may select any property for purchase through the Camarillo Workforce Housing DAP as long as such property meets the following requirements:

8. PROPERTY LOCATION

The property must be located within the City of Camarillo city limits as described in ATTACHMENT 1.

9. PROPERTY TYPES AND CONDITION

Under the Camarillo Workforce Housing DAP the following types of properties are eligible for funding:

- Manufactured or modular homes permanently attached to a permanent foundation;
- Condominiums or Planned Unit Developments;
- Single family detached homes; and
- Duplexes, if purchased by two qualified families simultaneously.

Please note, manufactured units sitting on piers are not permitted under the program.

The property must be in compliance with all applicable Uniform Building Codes, Uniform Plumbing Codes, National Electrical Codes, and additional City local codes, as applicable, prior to close of escrow. The cost of repairs required to bring the property into compliance with applicable codes will be paid by the seller or buyer. In no case may Camarillo Workforce Housing DAP funds be used to make any of the necessary repairs.

10. OCCUPANCY REQUIREMENTS

All properties must comply with State of California Health & Safety Codes regarding occupancy, and shall be sufficient to meet the needs of the homebuyer household, without overcrowding. Generally, this means not more than two persons per bedroom. Exceptions may be made to accommodate large households.

11. MAXIMUM PURCHASE PRICE

The maximum allowable purchase price of a property assisted with a Camarillo Workforce Housing DAP loan is set at One Hundred percent (100%) of the current median sales price of a single family home located in the County of Ventura. Purchase price limits may also be defined by CalHFA and FHA loans when these products are selected by the buyers. The Camarillo Workforce Housing DAP does not allow a purchase price that exceeds the appraised value.

12. HOMEOWNER'S INSURANCE AND PROPERTY TAXES

Approved Applicants must as a condition of the loan, maintain homeowner's insurance on the property and, if required, flood insurance during the term of the loan agreement. Applicants must annually submit certificates of insurance to the Camarillo Workforce Housing DAP for review. Applicants must also maintain current payments on all annual property taxes during the term of the loan agreement.

APPLICANT REQUIREMENTS

13. FIRST TIME HOMEBUYER REQUIREMENT

Applicants must be a "first-time homebuyer", which is defined as an individual(s) and spouse(s) who have not owned a home during the past Three (3) year period.

Applicants shall be required to provide federal income tax returns for the prior Three (3) years and documents verifying current income eligibility for the Camarillo Workforce Housing DAP. If the deduction of mortgage interest is shown in any of the last Three (3) years, the Applicant(s) will not be eligible for assistance unless special circumstances can be documented: dissolution of marriage, sold or transferred an ownership interest because of death or illness of spouse, job-related relocation, or other significant reasons.

14. PRIORITY CRITERIA AND WAIT LIST

All complete application submissions will be received on a first-come, first-served basis while Camarillo Workforce Housing DAP funds are available and will be separated by the waitlist preference in the order below:

- If multiple applications are under review at the same time, and the City does not have enough funding for all eligible applicants, those who are within the lower income categories will receive priority;
- City of Camarillo residents who live within the designated Census Tracts as described in ATTACHMENT 1;
- Individuals who are residents of the City of Camarillo or work for an employer within the City of Camarillo city limits;
- All other Applicants.

Residents are defined as persons that have lived in the City of Camarillo continuously for the past One (1) year. This will be verified by income tax returns, W-2s, and utility bills.

Employees are defined as persons that have been employed by local businesses within the Camarillo city limits during the past One (1) year. This will be verified by tax returns, W-2s, and current pay stubs.

15. INCOME REQUIREMENTS

The Applicant's household members must have a gross annual income that does not exceed One Hundred and Fifty percent (150%) of the Ventura County Area Median Income, adjusted for household size, as established by the California Department of Housing and Community Development ("HCD") as described in ATTACHMENT 2.

16. HOMEBUYER DOWN PAYMENT REQUIREMENT

Applicants must have the ability to contribute the required down payment amount and show proof of having sufficient resources or assets to provide a minimum down payment of at least Three percent (3%) of the purchase price. The required Three percent (3%) cash contribution can be a gift if the donor is a relative of the borrower or a non-profit organization. A signed gift letter must be included with submission of the application package. The letter must specifically state that there are no expectations that the gift amount is to be returned or paid back.

17. PRINCIPAL RESIDENCE REQUIREMENTS

Applicants must occupy the property as a principal residence. A Loan Agreement recorded as a second trust deed will require that the purchased property remain as the Applicant's principal residence. The loan documents (Loan Agreement and Promissory Note) between the City of Camarillo and the Applicants will also incorporate this requirement. The Applicants

must continue to provide annual verification documenting principal residency of the purchased property during the term of the loan.

18. FIRST TIME HOMEBUYER EDUCATION

All Applicants to the Camarillo Workforce Housing DAP are required to attend a City approved first time homebuyer education class and provide certification of completion within the last Twelve (12) months from the date of the submitted application.

Approved free first time homebuyer education courses for the Camarillo Workforce Housing DAP include:

- Fannie Mae HomeView (www.fanniemae.com/education) or
- Ventura County Community Development Corporation (www.vccdc.org).

A first time homebuyer class may cover the following topics:

- Preparing for Homeownership: Identifying what the Applicant wants and needs in a home, and determining what housing and debt costs the Applicant can afford;
- Saving for Homeownership: Planning tips and tools to get financially ready for a purchase of a home;
- Obtaining a Mortgage: Mortgage process and terms, choosing the right mortgage and finding a lender;
- Shopping for a Home: Size requirements, how a real estate agent can help, house evaluation, submitting an offer, professional home inspection process;
- Making an Offer: Success for putting in an offer on a home;
- Closing the Loan: Title insurance, termite inspection, estimate of closing costs, advance payments, understanding the loan obligation, and procedures for formal loan closing; and
- Life as a Homeowner: Tips on homeownership responsibilities, including mortgage payments, budgeting for expenses, and home maintenance.

INCOME QUALIFICATION

19. CALCULATION AND VERIFICATION OF INCOME

All the projected annual gross income of the Applicants and other household members who will live in the property will be used to determine whether they are above or below the published HCD income limits. The qualified household served will be a first time home buyer purchasing a home within the Camarillo City limits, who has permitted gross income at or below One Hundred and Fifty percent (150%) of the Ventura County Area Median Income, adjusted for household size, as established annually by HCD as described in ATTACHMENT 2.

Designated City staff will compare the annual gross income to the income the primary lender used when qualifying the Applicants. Income will be verified by reviewing and documenting tax returns, copies of wage receipts/other income, bank statements, other liquid asset statements, and third party verification of employment forms sent to employers. All documentation shall be dated within Three (3) months prior to loan closing and kept in the Applicant's file and held in strict confidence. When the household income has been verified, the Applicant's Gross Income Worksheet will be completed as described in ATTACHMENT 4.

20. DEFINITION OF HOUSEHOLD INCOME

Income is defined as monetary benefits from any source whatsoever, before deductions or exemptions, according to the most recent federal income tax return or other documents, which most accurately reflect the Applicant's current income. The income of an Applicant includes the income of any other person(s) who will live in the home.

Gross income may include:

- The Applicant's gross income before any payroll deductions of wages and salaries. (Regularly documented overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services will also be included as gross income);
- Regular contributions from persons sharing the household who do not have any ownership interest in the home;
- Net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine net income from a business;
- Annuities, retirement income, pensions, unemployment and disability compensations, social security benefits, and worker's compensation; and
- Alimony, welfare, and similar income.

Gross income excludes:

- Sporadic and irregular gifts, and amounts which are specifically received for or are a reimbursement of the cost of illness or medical care;
- Lump sum additions to family assets, such as inheritances, insurance payments, capital gains, and settlements for personal or property losses;
- Earnings of minors under Eighteen (18) years of age;
- Education grants or scholarships including V.A. benefits for education and compensation for enrollment in vocational or training courses; and
- Child support payments.

21. DETERMINATION OF HOUSEHOLD SIZE

Household size shall not include the following individuals:

- Foster children;
- Unborn children;
- Children being pursued for legal custody or adoption who are not living at home;
- Shared custody children residing with the household Fifty percent (50%) of the time.

22. PERSONAL ASSETS

Applicants may not retain liquid assets with aggregate value exceeding Fifty Thousand dollars (\$50,000) after concluding the purchase of a property. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. An asset's cash value is the market value, less reasonable expenses required to convert the asset to cash, including: penalties or fees for converting financial holdings and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset.

Income from assets is also recognized as part of annual income. (Note: The income earned (interest on a saving's account), not the asset value is counted in annual income).

23. MONETARY GIFTS

Applicants may receive monetary gifts (cash) from a relative or non-profit organization to cover the required personal down payment costs. A signed gift letter must be included with submission of the application package. The letter must specifically state that there are no expectations that the gift amount is to be returned or paid back.

UNDERWRITING REQUIREMENTS

24. HOMEBUYER DOWN PAYMENT REQUIREMENT

Eligible Applicants must document that they have the funds necessary for down payment and closing costs as required by the primary lender and the City. The Camarillo Workforce Housing DAP's down payment requirement of Three percent (3%) of the purchase price is in place even if the primary lender has a lower down payment requirement. Down payment funds must be in the name and possession of a household member for at least Thirty (30) days prior to the application submission.

Applicant funds shall be used in the following order:

- To the extent possible satisfy the appraisal fee; cost of credit report; the loan origination fee; discount points; customary homebuyer closing costs; homebuyer's customary portion of the escrow fees; title insurance; and, the establishment of impound accounts for property taxes and insurance.
- After all the above are satisfied, any balance of homebuyer funds may be applied

either to the purchase price or to reduce the interest rate of the primary loan as necessary.

- If all the items above cannot be satisfied with homebuyer funds, City staff may then determine and provide the Camarillo Workforce Housing DAP loan assistance to cover the remaining balance.

25. CREDIT HISTORY

Credit reports for all Applicants older than Eighteen (18) years of age will be required. The Applicants FICO (Fair Isaac Corporation) score must be a minimum of Six Hundred and Sixty (660). The credit report should be dated within Forty-Five (45) days of application submittal. The ultimate credit decision to approve the Applicant's mortgage loan rests with their primary lender. The purpose of reviewing the credit report is to project the likelihood of future loan repayment.

Applicants shall have sufficient income and credit worthiness to qualify for primary mortgage financing. A bankruptcy that is less than Three (3) years old, a short sale or a foreclosure that is less than Four (4) years old will automatically disqualify the applicant. On a case by case basis, the Camarillo Workforce Housing DAP may consider exceptions for extreme extenuating circumstances (including, but not limited to, divorce or death of a spouse).

When both income and debt have been established, the Applicant's Subsidy Calculation Worksheet will be completed as described in ATTACHMENT 5. The worksheet will determine the amount of subsidy the homebuyer is eligible to receive. The maximum Camarillo Workforce Housing DAP loan is Fifty Thousand dollars (\$50,000).

Below is a credit score scale that ranges from 400 to 800; the higher the range, the lower the risk. This credit range will be used in reviewing the credit profile of the Applicants.

- Credit Score Range: 400 – 800
 - 720 and Above Very Low Risk
 - 659 – 719 Low Risk
 - 620 – 659 Begins to Represent Risk
 - 620 and Below High Risk

26. DETERMINING HOUSING EXPENSES

In calculating the monthly mortgage payment, the following should be included:

- Principal mortgage and interest payment;
- Property taxes and assessments;
- Property insurance (i.e. fire, flood or earthquake – if applicable);
- Homeowners Association dues (if applicable);
- Mortgage insurance (if applicable).

27. FRONT END AND BACK END RATIOS

Front-End Ratio: An acceptable front-end Debt to Income (DTI) ratio should not exceed approximately Thirty-Five (35%). The front-end ratio is the gross income divided by the new PITI payment (principal mortgage payment, interest, taxes, property insurance, mortgage insurance, and Homeowners Association fees). The Camarillo Workforce Housing DAP will use this ratio as a guideline, and it recognizes that debt is one of the definitive factors in determining mortgage payment affordability.

Back-end Ratio: The Applicant's back-end DTI ratio should not exceed approximately Forty-Five (45%). The back-end ratio is the gross income divided by the new PITI payment, plus all other revolving monthly debt. Higher DTI ratios may be approved with strong credit scores or extra cash reserves not to exceed Forty-Eight (48%). The ultimate decision to exceed the Forty-Five (45%) back-end debt ratio lies with the primary lender. The Camarillo Workforce Housing DAP will only be confirming the results. The Camarillo Workforce Housing DAP is primarily concerned with the borrower's back end debt ratio. If there is a disagreement, the Camarillo Workforce Housing DAP retains the right not to allocate funds to the borrower.

The typical debts used to determine the qualifying back-end ratios are the minimum required monthly payments on all the following:

- Auto loans
- Student loans
- Personal loans
- Charge cards
- Child Support
- Alimony
- Federal Tax Lien Repayment Schedules

28. PRIMARY LOAN REQUIREMENTS

The Camarillo Workforce Housing DAP will review the primary lender loan conditions. The Applicant will be required to secure financing for a primary mortgage loan from a mortgage lender. Co-signers who do not have ownership interest in the property are prohibited.

The primary mortgage loan interest rate shall be a competitively priced fixed rate (not an adjustable rate mortgage, ARM) that does not exceed the current market rate as established by the last Sixty (60)-day "posted yield" by the Federal Housing Administration (FHA) for Thirty (30)-year and Fifteen (15)-year fixed rate loans. Loans that have an "interest only" period are not eligible even if they convert to a fully-amortized loan at some point in the loan term. All loans must be fully amortized and must include impounds of property taxes, insurance, and if applicable: mortgage insurance, homeowners association dues, and any other assessments.

PROGRAM LOAN TERMS AND CONDITIONS

29. AVAILABILITY OF LOAN FUNDS

Loan funds shall be available on a first-come, first-served basis, within budget limitations. All applications will be processed according to the date of receipt. Once Camarillo Workforce Housing DAP funds are exhausted, applications will not be available until additional funds are secured.

30. HOMEBUYER ASSISTANCE AMOUNT

The Applicants will be eligible for up to a one-time maximum loan of Fifty Thousand dollars (\$50,000), to be used towards the purchase price of a qualified property including closing costs. The Camarillo Workforce Housing DAP loan assistance aims to lower the household's monthly housing cost by providing down payment funds for the purchase price, in addition to the primary lender's maximum loan amount, and the homebuyer's personal down payment contribution. Each borrower will receive Camarillo Workforce Housing DAP funds as available to allow them to become homeowners and make their housing costs more affordable.

The Camarillo Workforce Housing DAP assistance to Applicants shall be made in the form of a deferred payment (principal and accumulated interest) loan. The down payment loan subsidy provided to eligible Applicants will be made as a ~~Ten-fifteen~~ (1015)-year loan with a deferred simple Three percent (3%) interest rate accrued annually in accordance to the terms of the Loan Agreement. The original loan amount and accrued interest is paid in a contingent, deferred form to the City on the ~~Ten-fifteen~~ (1510)-year anniversary date, if the Applicant has maintained the home as the primary residence and has not cash refinanced, transferred, rented, leased, or sold the home during the ~~Ten-fifteen~~ (1015)-year period in accordance to the Loan Agreement.

31. LOAN SECURITY

All Camarillo Workforce Housing DAP loans shall be made pursuant to a Loan Agreement, Promissory Note, and Deed of Trust that the home was sold to a low- to moderate-income household. The Loan Agreement shall contain default provisions in the event of cessation of owner-occupancy, sale or transfer of property, or cash refinance. The Camarillo Workforce Housing DAP loan is not assumable.

The City will enter into a Loan Agreement with the Applicant(s) prior to disbursing the loan as described in ATTACHMENT 7. The Loan Agreement will also be secured by a Promissory Note as described in ATTACHMENT 8 and Deed of Trust as described in ATTACHMENT 9, which will be recorded against the newly purchased property during the ~~Ten-fifteen~~ (1015)-year regulatory period. The Promissory Note shall be superior to all subsequently filed liens against the property except tax liens and deeds of trust as approved by the Camarillo Workforce Housing DAP.

32. VOLUNTARY PAYMENTS

Borrowers may begin making voluntary payments at any time, upon notification to and approval of the City.

Program loan payments will be made to:

CITY OF CAMARILLO
Attention: Camarillo Workforce Housing DAP
970 Ventura Street
P.O. Box 569
Camarillo, CA 93010

The City will be the receiver of loan payments or recapture funds and will maintain a financial record keeping system to record payments and file statements on payment status. Payments shall be deposited and accounted for in a City of Camarillo account. The City will accept loan payments from borrowers prepaying deferred loans, and from borrowers making payments in full upon sale or transfer of the property. All loan payments are payable to the City. The City may at its discretion, enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Camarillo Workforce Housing DAP.

33. LOAN REPAYMENT

The original loan amount and any accrued interest is paid to the City on the ~~Ten-fifteen~~ (1015)-year anniversary date, if the Applicant has maintained the home as the primary residence and has not cash refinanced, transferred, rented, leased, or sold the home during the ~~Ten-fifteen~~ (1015)-year period in accordance to the Loan Agreement.

Repayment of the Camarillo Workforce Housing DAP loan and any accrued interest is due and payable immediately upon occurrence of any of the following events prior to expiration of the loan term:

- If the owner no longer occupies the residence or is renting or leasing the property to others;
- Transfer of title, excluding those related to marriage or its dissolution;
- Sale of the property (including short sale);
- Unauthorized refinancing (cash out refinance) or home equity loan;
- An uncured default by borrower under the Loan Agreement, the Promissory Note, or the Deed of Trust.

During the term of the loan, the acceleration clause will be in effect. Upon triggering the acceleration clause, the full balance of the loan (principal and accrued interest) is due and payable to the City. The City will calculate the total loan balance due (principal and accrued interest).

34. ABILITY TO REFINANCE

Refinance of any outstanding first mortgage debt will be permitted only to reduce the borrower's overall housing costs, ie: reduction of the interest rate. Equity Lines of Credit will not be allowed by the City. When a borrower wishes to refinance the property, a subordination request must be submitted to the City. The City will only subordinate their loan when there is no "cash out" as part of the refinance. Cash out means there are no additional charges on the transaction above loan and escrow closing fees. There can be no third party debt payoffs or additional encumbrance on the property above traditional refinance transaction costs. Furthermore, the refinance should lower the housing cost of the household with a lower interest rate and the total indebtedness on the property should not exceed the current market value.

A request for subordination to the City must be made in writing. The requesting lender must submit:

- Letter from borrower requesting subordination;
- Property appraisal report;
- Estimated Closing Statement; and
- Preliminary Report.

Once the above documents are received by City staff, the following items are reviewed to verify the new loan meets the Camarillo Workforce Housing DAP requirements:

- Property value
- New loan amount
- Interest rate
- Purpose of loan

If the information received meets the City's requirements, the subordination request will be approved by the City and an approval letter will be issued to the requesting lender. Upon approval, the City will provide the proper subordination document for execution and recordation by the escrow company.

35. PAYOFF DEMAND REQUEST

A request for payoff of the Camarillo Workforce Housing DAP must be made in writing to the City. City will review the file and issue a demand for final payment to the borrower/requesting entity. Once City receives the payoff amount, City shall reconvey the loan and send the necessary documents to the requesting entity.

36. DEFAULT AND FORECLOSURE

Default of the Camarillo Workforce Housing DAP loan shall be invoked if the borrower willfully and knowingly makes any false statement and/or representation, knowingly fails to disclose a

material fact for the purpose of qualifying for the program, or fails to complete annual certification documents.

A foreclosure proceeding shall cause the Camarillo Workforce Housing DAP loan to become due and payable, subject to any prior mortgage loan secured by the property.

37. APPEALS PROCESS

The City will review any appeals of rejected Camarillo Workforce Housing DAP loans only in writing by the Applicant and received within Ten (10) business days from the date of the denial letter. The appeal must state that the guidelines, rules, and regulations of the Camarillo Workforce Housing DAP are not properly applied, or are arbitrary or capricious.

The City's determination shall be in writing. The City's determination shall be consistent with the purpose and intent of the program guidelines, rules, and regulations. The decision of the Community Development Director [or City staff Loan Committee] is final.

LOAN PROCESS AND CLOSING PROCEDURES

38. APPLICATION PROCESS AND SELECTION

Prospective Applicants should contact the City to obtain an application package as described in ATTACHMENT 3. Complete application submissions will be date and time stamped as they are received on a first-come, first-served basis while the Camarillo Workforce Housing DAP funds are available.

Complete applications will be ranked according to the preference below:

- City of Camarillo residents who live within the designated Census Tracts as described in ATTACHMENT 1;
- Individuals who are residents of the City of Camarillo or work for an employer within the City of Camarillo city limits;
- All other Applicants.

If the number of applications received exceeds the available funding for the year, and the City is reviewing multiple applications at one time, priority will be given to households within the lower-income categories. The remaining eligible applicants may be placed on a waiting list until more funding is available. A wait list will be created and maintained by the City until all Camarillo Workforce Housing DAP funds have been disbursed.

Applicants must provide the following for each wage earner in the family who will occupy the property and regularly contribute to the financial maintenance of the household:

- Current California form of picture identification;

- Federal and state income tax returns and W-2 earning statements for the preceding Two (2) years;
- Verification of current income, Two (2) months of most recent payroll stubs or other proof of income;
- Last Three (3) months of bank and all other liquid asset statements.

Applicants must also include the following as part of the application:

- Certification of completion for approved homebuyer education course for each Applicant, dated within Twelve (12) months of the application;
- Proof of Camarillo residency or employment by Camarillo business during the past One (1) year;
- Credit report for each Applicant, dated within Forty-Five (45) days of the application;
- Proof of pre-approval of a first mortgage loan showing maximum loan amount and fixed interest rate, dated prior or concurrently with submitting an application;
- Proof of documentation for Applicant's required Three percent (3%) cash contribution (based on the purchase price)
- Signed letter if down payment funds are gifted or granted to Applicant, indicating no future repayment of funds.

Applications will only be deemed complete if all requested information is submitted (including signatures) and all required documents are attached to the application. Applicants unable to provide satisfactory evidence of income, assets, down payment funds, or other qualifying criteria will not be considered eligible purchasers and their application will be deemed incomplete. Only complete applications will be accepted for processing. Failure to submit a complete application in a timely manner shall cause the Applicants to be excluded from consideration.

City staff shall review the applications to ensure that all eligibility requirements have been met, as per Sections 13-28 "Applicant Requirements, Income Requirements, and Underwriting Requirements". Eligible applications will be referred to a City Staff Loan Committee according to the date of receipt for preliminary approval or denial. Applications with a preliminary approval will be recommended for City Council approval.

Upon notification of approval by the Camarillo City Council, staff will notify the Applicant(s) in writing of the maximum loan amount that is secured for them. The Applicant(s) will have Ninety (90)-days from the date of notification to make an application to a lender for the first mortgage, select an eligible property and open escrow. Escrow must be closed within Ninety (90)-days of the opening of escrow. If during the ninety (90)-day time frame, the potential homebuyer is unable to purchase a home, an extension may be given. However, if it appears the Applicants cannot participate in the Camarillo Workforce Housing DAP, they will be excluded from consideration.

The Camarillo Workforce Housing DAP will require all approved Applicants to sign a Loan Agreement, Promissory note, and a Deed of Trust as part of the property purchase process. These documents will be recorded against the newly purchased property securing the Camarillo Workforce Housing DAP loan to the title of the property.

39. HOME PURCHASE PROCESS

Upon approval of the application by the Camarillo City Council, an approval letter shall be submitted to the Applicant(s) and the primary mortgage lender. The primary lender will be responsible for funding the first mortgage.

40. SELECTING THE PROPERTY

Upon approval of a Camarillo Workforce Housing DAP loan, the Applicant(s) will be responsible for locating an eligible property, which is for sale, as per Sections 8-12.

The selected property's monthly housing expenses shall not exceed the acceptable back-end Debt to Income ratio limits, as per Section 26-27. Monthly housing cost of a purchaser shall be an average of estimated costs for the next twelve months. All of the following shall be considered in calculating housing costs:

- Principal and interest on a mortgage loan, including any rehabilitation loans, and any loan insurance fees associated therewith;
- Property tax and assessments;
- Fire and casualty insurance covering replacement value of the property improvements;
- A reasonable allowance for utilities, including garbage collection, sewer, water, electricity, gas, and other heating, cooking, and refrigeration fuels. Utilities does not include telephone service. Such allowance shall take into consideration the cost of an adequate level of service;
- Homeowner association fees;
- Space rent, if the housing unit is situation on rented land.

The Applicant may retain a real estate agent for locating a property, and for submitting an offer on the selected property, or the Applicant may elect to negotiate directly with the homeowner. The Applicant shall inform the City of the selection of the property and submit an executed standard form purchase and sale agreement. Upon acceptance of the offer to purchase, the Applicant shall notify City staff within Three (3) calendar days. The purchase and sale agreement will be contingent on the household and property meeting Camarillo Workforce Housing DAP eligibility requirements. City staff will approve the selected property in writing and will notify the Applicant(s) and/or agent.

41. FINAL DOCUMENT REVIEW REQUIREMENTS

City staff will coordinate with the primary lender and escrow company to request the necessary information to complete the property purchase and obtain the required property documentation. Information shall include an appraisal, inspection report, sales price, address of property, escrow instructions, a copy of the preliminary title report, and closing date that does not exceed Ninety (90)-days from the date of opening of escrow.

City staff should review the following items:

- Confirm that the borrower has obtained the maximum primary loan with a term and interest rate consistent with the Camarillo Workforce Housing DAP guidelines and defined affordable housing costs.
- Confirm that fees and charges for financing are consistent with usual and customary market fees.
- The preliminary title report should be reviewed for correct property address and legal description. It should be reviewed for unallowable exceptions, exceptions requiring an endorsement and proposed vesting of the borrower.
- Review the primary lender's escrow instructions for their requirements with regard to what exceptions may show on the California Land Title Association (CLTA) and American Land Title Association (ALTA) policies or any endorsements they are requesting. In California, there are two types of title insurance policies. The CLTA policy insures the property owner and the ALTA is an extended coverage policy that insures the lender against possible unrecorded risks excluded in the CLTA policy.
- Property taxes and insurance amounts should be reviewed for accuracy. The primary lender shall be required to collect and manage impound accounts for payment of taxes, assessments and hazard insurance for the term of the primary loan.
- The homebuyers should be vested the same on the Camarillo Workforce Housing DAP's loan documents as the primary lender's documents.

42. PREPARATION OF CLOSING DOCUMENTS

Once the Camarillo Workforce Housing DAP has reviewed the escrow instructions and the preliminary title report, it will draw the Camarillo Workforce Housing DAP loan closing documents and the escrow instructions. The following documents must be prepared and sent to the designated escrow company:

- Camarillo Workforce Housing DAP Loan Agreement as described in ATTACHMENT 7.
- Promissory Note as described in ATTACHMENT 8 secured by a deed of trust evidencing the loan, payable to the City in the principal amount of the loan and stating the terms and rate of the interest of the loan consistent with the requirements of the Camarillo Workforce Housing DAP.

- Deed of Trust as described in ATTACHMENT 9 shall name the City as the beneficiary and shall be recorded in the required lien position.
- Escrow instructions with clear instructions to the escrow company. In the escrow instructions, the Camarillo Workforce Housing DAP should request an original ALTA Policy with the City listed as a lien holder and a copy of all hazard insurance(s) showing the City as additional loss payee.
- Request for Copy of Notice of Default or Sale to be recorded on behalf of the City.
- City will formally accept the Deed of Trust.

City staff will send all the above closing documents to escrow to be reviewed by the escrow officer and for collection of Applicant's signature. The Applicant(s) will sign a Camarillo Workforce Housing DAP Loan Agreement, Promissory note, and Deed of trust. The designated escrow company will coordinate the execution of such documents and recording with the Ventura County Recorder's Office.

City staff shall prepare an in-house check request to be forwarded to the escrow agent at the time of closing. A minimum of Five (5) working days shall be required for staff to prepare vesting documents and a check. The mortgage lender shall prepare all necessary documents relevant to their participation, and forward these to the designated escrow agent.

Once the Applicant(s) has signed, all the above original documents, along with certified copies, except for the original Deed of Trust and Notice of Default (these two items will be sent to the County Recorder's office for recording) must be returned to the Camarillo Workforce Housing DAP to be reviewed for completeness, accuracy, and conformance to the escrow instructions. After the closing documents have been reviewed for compliance, and funds have been disbursed from the Camarillo Workforce Housing DAP to escrow, escrow will be in a position to record the Camarillo Workforce Housing DAP lien on the newly purchased property.

After loan closing, the Camarillo Workforce Housing DAP should receive a certified Settlement Statement, the ALTA Policy and proof of insurance from the escrow company shortly after the loan documents are recorded. City staff must check the Settlement Statement for unallowable fees the homebuyer might have been charged and make sure the Applicant(s) did not receive any unallowable cash back. If the Applicant(s) received unallowable cash back, it must be collected from the borrower and credited as a principal reduction to the Camarillo Workforce Housing DAP loan. City staff must also review the ALTA Policy to make sure the Camarillo Workforce Housing DAP loan shows in the required program lien position and that all required endorsements have been provided. Once the City receives a copy of the recorded Deed of Trust, the City will execute the formal acceptance of the property's Deed of Trust.

PROGRAM MONITORING AND REPORTING

43. PROGRAM MONITORING

As part of the Camarillo Workforce Housing DAP monitoring process, City staff will review the Camarillo Workforce Housing DAP files once a year to monitor continued home ownership compliance and maintain current borrower's files.

Camarillo Workforce Housing DAP loans files should contain the following information:

- Complete application, including all attachments and signatures;
- Documentation of completion of the required Homebuyer Education course;
- Documentation of Three percent (3%) down payment cash contribution;
- Verification documentation of first-time homebuyer, household size, and Camarillo residency/ employment;
- Income and asset verification documentation with Gross Income Worksheet;
- Credit report and other documentation required to show a good credit history;
- Subsidy Loan Calculation Worksheet;
- Property sales contract, appraisal, and preliminary title report;
- From the primary lender:
 - The primary loan application;
 - The conditional pre-approval;
 - Loan documents.
- From the escrow and title company:
 - Executed Loan Agreement;
 - Executed Promissory Note;
 - Recordable Deed of Trust;
 - Title insurance naming the City of Camarillo as the insured;
 - Certified copy of settlement statement;
 - Recordable notice of default or sale provided by the City of Camarillo.
- Loan disbursement forms including Borrower Summary Sheets;
- City loan disbursement check;
- Annual Certification of Owner-Occupancy.
- Correspondence or notes between all parties.

44. ANNUAL HOMEOWNER OCCUPANCY CERTIFICATION

An annual self certification will be mailed out to homeowners to submit verification of continued occupancy, and current payments of home insurance and property taxes as described in ATTACHMENT 6.

45. PROGRAM DEFINITIONS

- **APPLICANT:** Any person who applies for a loan with the Camarillo Workforce Housing Down Payment Assistance Program.
- **AREA MEDIAN INCOME (AMI):** The median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937; California Health & Safety Code 50093(c); and the median income for the Ventura County.
- **ASSETS:** Cash or non-cash items that can be converted to cash. Assets exclude necessary personal property. These include: savings, checking, money market or stock accounts that are non-retirement, life insurance, non-loan or gift related.
- **BORROWER:** An applicant who has been approved for and accepted a Camarillo Workforce Housing Down Payment Assistance Program loan.
- **CITY:** The City of Camarillo.
- **COMPLETE APPLICATION:** A fully executed (completely filled out and having all required signatures) application with all supporting documents requested on the application.
- **ELIGIBLE APPLICANT:** a Lower to Moderate-Income Household with a gross annual income that does not exceed one-hundred and fifty percent (150%) of the Ventura County Area Median Income, adjusted for household size, as established by the California Department of Housing and Community Development (“HCD”).
- **ELIGIBLE PROPERTY:** Any single-family residence or condominium unit that meet the property requirements set forth in these guidelines. The assisted property must be located in the City of Camarillo (as defined by the Camarillo City Boundaries).
- **EMPLOYEE:** Persons that have been employed by local businesses within the Camarillo city limits during the past one (1) year.
- **FIRST TIME HOMEBUYER:** An eligible homebuyer as defined by 8201(l) Title 25 California Code of Regulations; an individual or individuals or an individual and his or her spouse who have not owned a home during the three-year period before the purchase of a home with subsidy assistance, except that the following individual or individuals may not be excluded from consideration as a first-time homebuyer under this definition; A displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family; A single parent who, while married, owned a home with his or her spouse or resided in a home owned by

the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant.

- **FIRST QUALIFIED- FIRST SERVED:** Complete applications will be processed prior to incomplete applications to determine program eligibility and upon pre-approval, funds will be reserved.
- **HOME VALUE:** The value of the eligible property as determined by sales price and/or a certified appraisal.
- **HOUSEHOLD:** One or more persons occupying the same housing unit (including foster care children).
- **INCOME:** Monetary benefits from any source whatsoever, before deductions or exemptions, according to the most recent federal income tax return or other documents, which most accurately reflect the Applicant's current income.
- **INCOME CALCULATION:** Annual income is calculated using the gross amount of income of all adult household members that is anticipated to be received during the coming Twelve (12)-month period.
- **LOAN:** The loan given by City to Borrower for purchasing the property.
- **LOW-INCOME:** A household with income up to Eighty percent (80%) of the Area Median Incomes (AMI), as defined by California State Law.
- **MODERATE-INCOME:** A household with income up to One Hundred and Twenty percent (120%) of the Area Median Incomes (AMI), as defined by California State Law.
- **OWNERSHIP:** Any of the following interests in residential property: fee simple interest; joint tenancy; tenancy in common; interest of a tenant-shareholder in a cooperative; life estate; interest held in trust for the Applicant that would constitute a present ownership interest if held by the Applicant.
- **PRIMARY RESIDENCE:** The property continuously occupied by the approved borrower.
- **RESIDENTS:** Persons that have lived in the City of Camarillo continuously for the past One (1) year.

ATTACHMENTS

ATTACHMENT 1: CITY OF CAMARILLO CITY LIMITS WITH DESIGNATED CENSUS TRACT AREAS FOR AFFIRMATIVELY FURTHERING FAIR HOUSING

ATTACHMENT 2: CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT INCOME ELIGIBILITY FOR VENTURA COUNTY

ATTACHMENT 3: CAMARILLO WORKFORCE HOUSING DAP APPLICATION

ATTACHMENT 4: CAMARILLO WORKFORCE HOUSING DAP GROSS INCOME WORKSHEET

ATTACHMENT 5: CAMARILLO WORKFORCE HOUSING DAP SUBSIDY CALCULATION WORKSHEET

ATTACHMENT 6: CAMARILLO WORKFORCE HOUSING DAP ANNUAL HOMEOWNER CERTIFICATION

ATTACHMENT 7: CAMARILLO WORKFORCE HOUSING DAP LOAN AGREEMENT

ATTACHMENT 8: CAMARILLO WORKFORCE HOUSING DAP PROMISSORY NOTE

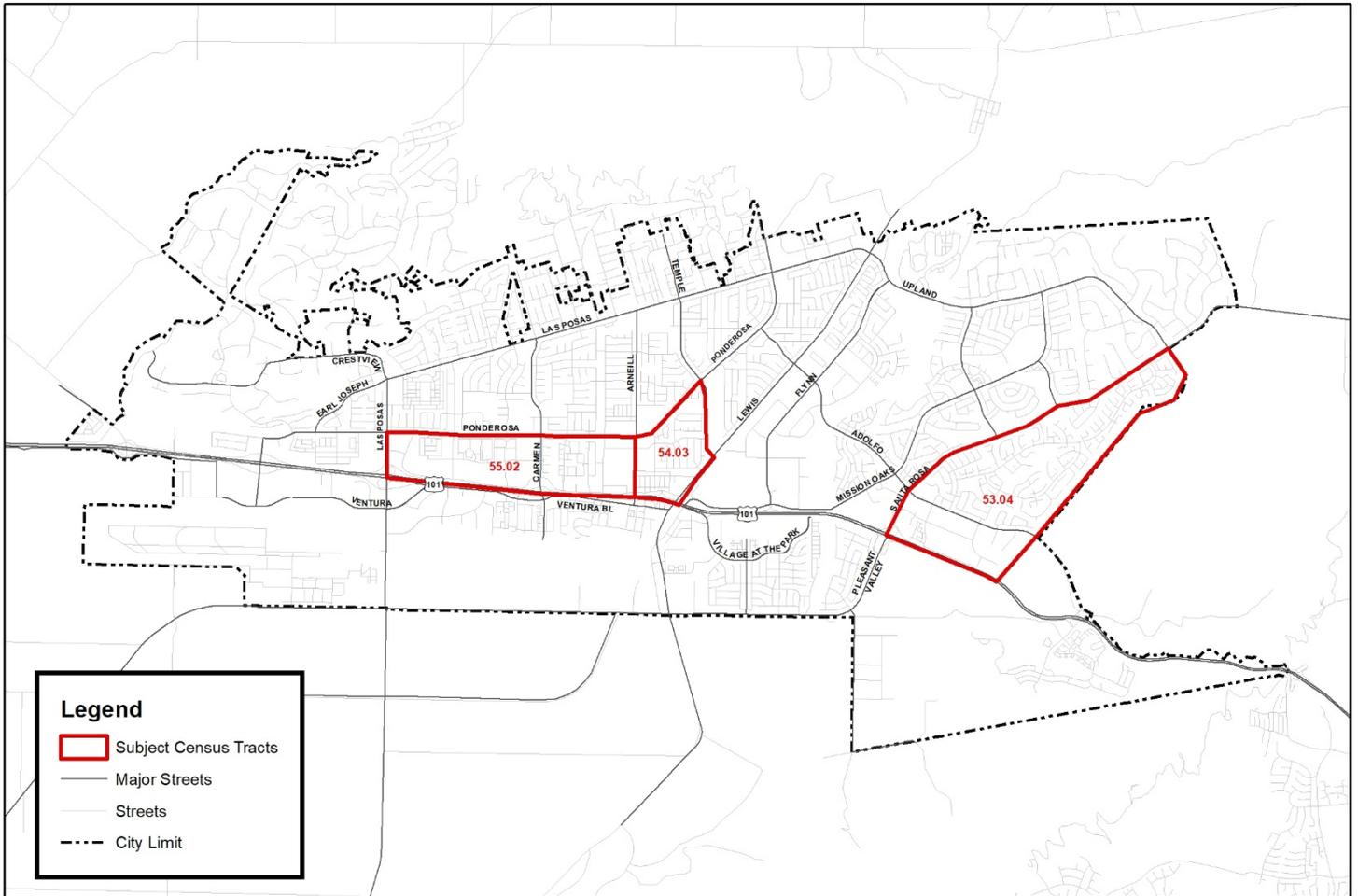
ATTACHMENT 9: CAMARILLO WORKFORCE HOUSING DAP DEED OF TRUST FORMS

ATTACHMENT 1:

**CITY OF CAMARILLO CITY LIMITS
WITH DESIGNATED CENSUS TRACT AREAS
FOR AFFIRMATIVELY FURTHERING FAIR HOUSING**

**CITY OF CAMARILLO CITY LIMITS
WITH DESIGNATED CENSUS TRACT AREAS
FOR AFFIRMATIVELY FURTHERING FAIR HOUSING**

Camarillo Workforce Housing DAP priority for
Residents currently in Census Tract 54.03, Census Tract 53.04, and Census Tract 55.02.



ATTACHMENT 2:

**CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
INCOME ELIGIBILITY FOR VENTURA COUNTY**

**CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
INCOME ELIGIBILITY FOR VENTURA COUNTY**

VENTURA COUNTY AREA MEDIAN INCOME \$115,400								
INCOME CATEGORY	NUMBER OF PERSONS IN HOUSEHOLD							
	1	2	3	4	5	6	7	8
VERY LOW INCOME >50% AMI	\$43,900	\$50,200	\$56,450	\$62,700	\$67,750	\$72,750	\$77,750	\$82,800
LOW INCOME >80% AMI	\$70,250	\$80,300	\$90,350	\$100,350	\$108,400	\$116,450	\$124,450	\$132,500
MEDIAN INCOME	\$80,800	\$92,300	\$103,850	\$115,400	\$124,650	\$133,850	\$143,100	\$152,350
MODERAT E INCOME >120% AMI	\$96,950	\$110,800	\$124,650	\$138,500	\$149,600	\$160,650	\$171,750	\$182,800
MODERAT E INCOME >150% AMI	\$121,200	\$138,500	\$155,800	\$173,100	\$186,948	\$200,796	\$214,644	\$228,492

* Income limits effective 4/19/2022 as issued by the California Department of Housing and Community Development per California Code of Regulations, Title 25, Section 6932.

** PLHA program income limits for moderate-income households is increased from 120% to 150% of area median income because Ventura County is designated as a high-cost area pursuant to Federal Housing Finance Agency's Maximum Loan Limits for Mortgages Acquired in Calendar Year 2020.

*** Determination of Income Limit for Households Larger than 8 Persons:

- (1) multiply 4-person income limit by eight percent (8%);
- (2) multiply result by number of persons in excess of 8;
- (3) add the amount to the 8-person income limit; and
- (4) round to the nearest \$50.

ATTACHMENT 3:

CAMARILLO WORKFORCE HOUSING DAP APPLICATION

CAMARILLO WORKFORCE HOUSING DAP APPLICATION



Dear Applicants:

Thank you for your interest in the Camarillo Workforce Housing Down Payment Assistance Program, also known as the “Camarillo Workforce Housing DAP”.

The City of Camarillo approved the Camarillo Workforce Housing DAP with the purpose of assisting eligible first time homebuyers with a maximum of \$50,000 in down payment/ closing costs for the purchase of an eligible property within the City of Camarillo. Both Camarillo residents and employees of Camarillo businesses are eligible to apply. Complete application submissions will be received on a first-come, first-served basis while the Camarillo Workforce Housing DAP funds are available.

Applicant Eligibility Requirements:

- First Time Homeowner- not owned a home during the past three years.
- Priority given to qualified lower-income applicants, Camarillo Residents and employees of Camarillo Businesses (see attached City of Camarillo map).
- Qualify as a low- to moderate-income household with gross income below 150% of the Ventura County Area Median Income (see attached income limits).
- Contribute a minimum down payment of at least 3% of the property purchase price.
- Complete a city approved homebuyer education course (Fannie Mae HomeView or Ventura County Community Development Corporation).
- Must be pre-approved by a mortgage lender for a fixed-interest mortgage loan to secure financing for a primary mortgage loan (no adjustable rates permitted).
- Eligible properties include, single family detached homes, condos, and homes on permanent foundation (no mobilehome units allowed).

Camarillo Workforce Housing DAP Loan Features:

- Deferred ~~40~~15-year loan with simple 3% annual interest rate.
- No payments during the ~~40~~15-year period, if the applicant has maintained the home as the primary residence and has not cash refinanced, transferred, rented, leased or sold the home.
- Required to sign a Loan Agreement, Promissory Note, and a Deed of Trust, which will be recorded securing the Promissory Note to the title of the property.
- Requires annual homeowner certification (compliance with occupancy, property insurance and property taxes).

CAMARILLO WORKFORCE HOUSING DAP APPLICATION

All information must be complete, signed by all applicants and all applicable required documents must be attached. The City of Camarillo reserves the right to request any additional documents needed to verify program eligibility. It is the applicant's responsibility to demonstrate eligibility to purchase a home located in the City of Camarillo. Applicants unable to provide satisfactory evidence of income, residency, or other qualifying criteria will not be considered. Your information will only be used for verification pertaining to this application.

1. APPLICANT INFORMATION		PAGE 1 OF 3
Name of Applicant (First) (M) (Last)		
Current Address	Number of Years at Address	Telephone No.
Previous Address (If above less than 1 Year)		E-mail:
Social Security	Date of Birth	Marital Status
Current Employer Name	Address and Telephone	No. Yrs.
Previous Employer Name (If less than 1 Year)	Address and Telephone	No. Yrs.
Race: White___ Asian___ American Indian/Alaska Native___ Black/African American___ Hispanic/Latino___ Other___		
Name of Co-Applicant (First) (M) (Last)		
Current Address	Number of Year at	Telephone No.
Previous Address (if above less than 1 Year)		E-mail:
Social Security	Date of Birth	Marital Status
Current Employer Name	Address and Telephone No.	No. Yrs.
Previous Employer Name (If less than 2 years)	Address and Telephone No.	No. Yrs.
Race: White___ Asian___ American Indian/Alaska Native___ Black/African American___ Hispanic/Latino___ Other___		
2. APPLICANT ELIGIBILITY REQUIREMENTS (Proof of Documentation <u>Required</u>)		
<i>(Both Required):</i>		
First Time Homebuyer (Verified by City) _____ Homebuyer Education Course (Certificate of Completion for all Applicants) _____		

(Select at least 1 Eligibility Priority- Verified by City):

City of Camarillo Resident ____ In Designated Camarillo Census Tract (See Map) ____ Employed by Camarillo Employer ____

3. HOUSEHOLD INFORMATION
3

PAGE 2 OF

Include ALL adults/ children who will live in the home AND include gross annual income of household members 18 years and older.

	NAME	DATE OF BIRTH	RELATIONSHIP TO APPLICANT	SOURCE OF INCOME	ESTIMATED ANNUAL INCOME
1			SELF		\$
2					\$
3					\$
4					\$
5					\$
6					\$
7					\$
8					\$

Total Household Annual Income (Add all income for adult members) \$

Gross Annual Income for Past Three Years

2022 \$ _____ 2021 \$ _____ 2020 \$ _____

4. PERSONAL FINANCES: ASSETS AND DEBT INFORMATION

List ALL personal assets for all Applicants

TYPE	CASH VALUE	TYPE	CASH VALUE
Checking Account	\$		\$
Savings Account	\$		\$
Stocks	\$		\$
Bonds	\$		\$
IRA/ 401K	\$		\$

List CURRENT debt obligations, including auto loans, credit cards, charge accounts, personal loans, and child support payments.

CREDITOR	ORIGINAL BALANCE	CURRENT BALANCE	MONTHLY PAYMENT	PAST DUE AMOUNT
Car Payment	\$	\$	\$	\$
Student Loans	\$	\$	\$	\$
Credit Cards	\$	\$	\$	\$
Credit Cards	\$	\$	\$	\$
	\$	\$	\$	\$

	\$ _____	\$ _____	\$ _____	\$ _____
--	----------	----------	----------	----------

Do you have any outstanding unpaid judgements? _____ Type: _____ Amount:\$ _____
 Have you (or co-applicant) ever declared bankruptcy? _____ Reason: _____

5. PURCHASE AND DOWNPAYMENT INFORMATION **PAGE 3 OF 3**

Pre-Approved Loan Est. Purchase Amount \$ _____	Estimated Applicant Downpayment (Minimum of 3% Required) \$ _____	City Downpayment Assistance Requested (\$50,000 Maximum) \$ _____
--	--	--

*List ALL funds intended to be used for down payment and closing costs needs.
 (3% OF TOTAL PURCHASE PRICE REQUIRED) (List any gift funds, including other grant sources)*

	AMOUNT TO BE USED FOR DOWN PAYMENT	SOURCE OF FUNDS
1	\$ _____	
2	\$ _____	
3	\$ _____	
4	\$ _____	

Real Estate Agent Name and Company	Address and Email	Telephone No.
Loan Officer Name and Mortgage Company	Address and Email	Telephone No.
Escrow Company	Address and Email	Telephone No.

6. REQUIRED DOCUMENTS

Annual Family Gross Income: Attach the following for EACH wage earner in the family who will occupy the property
 LAST (2) MONTHS OF RECENT PAY STUBS _____ LAST (3) YEARS OF INCOME TAX RETURNS, INCLUDING W-2 _____
 LAST (3) MONTHS OF BANK/LIQUID ASSET STATEMENTS _____ CURRENT CALIFORNIA FORM OF PICTURE ID _____

Justification of City of Camarillo Residency or Employment: Attach EITHER #1 or #2 below:

#1 LOCAL RESIDENCY- Last (1) year CANCELED RENT CHECKS WITH RENT RECEIPTS _____ UTILITY BILLS _____
 #2 LOCAL EMPLOYMENT- Last (1) year PROOF OF EMPLOYMENT BY CAMARILLO EMPLOYER _____

Also attach a copy of EACH of the following:

1. CREDIT REPORT FOR EACH APPLICANT (Dated within 45 days of application) _____
2. CERTIFICATE OF COMPLETED HOMEBUYER'S COURSE FOR EACH APPLICANT (www.fanniemae.com/education OR www.vccdc.org) (Dated within last 12 Months of application) _____
3. MORTGAGE PRE-APPROVAL LETTER SHOWING MAXIMUM LOAN AMOUNT AND FIXED INTEREST RATE (Dated prior/ concurrently to application) _____
4. PROOF OF MINIMUM OF 3% DOWN PAYMENT FUNDS - FINANCIAL ACCOUNT OR GRANT SUBSIDY _____
5. IF FUNDS ARE GIFT, INCLUDE SIGNED LETTER THAT NO REPAYMENT IS EXPECTED _____

I/We certify under penalty of perjury that the information in this application is true and correct to the best of my knowledge. I/We hereby authorize the City of Camarillo to verify all information provided using whatever verification methods and documentation as necessary. I/We understand that false or misleading information provided may cause this application to be denied and or legal action may be taken against me. I/We further understand that if any false or misleading information provided in this application is discovered after the loan is completed, I/We will be held personally and financially liable for the loan amount plus interest at three percent (3%) per annum plus any additional attorney's fees. In addition, I/We hereby certify that I have never received a Camarillo Workforce Housing Downpayment Assistance Program loan from the City of Camarillo..

Applicant's Signature

Date

Co-Applicant's Signature

Date

City Review

Date

City Approval

Date

ATTACHMENT 4:

**CAMARILLO WORKFORCE HOUSING DAP
GROSS INCOME WORKSHEET**

**CAMARILLO WORKFORCE HOUSING DAP
GROSS INCOME WORKSHEET**

1. <i>Applicant Name:</i> _____				
ASSETS				
Family Member	Assets Description	Current Cash Value of Assets	Actual Income from Assets	
3. <i>Net Cash Value of Assets:</i>		\$		
4. <i>Total Actual Income from Assets:</i> <i>*(Income earned (interest on an account) not the asset value is counted as annual income)</i>			\$	
ANTICIPATED ANNUAL INCOME				
Family Member	Wages/ Salaries	Benefits/ Pensions	Other Income	Asset Income
				Enter the line 4 above in e.
6. <i>Totals</i>	a.\$	b.\$	d.\$	e.\$
<i>Enter the total of items from 6a. through 6.e</i> <i>This is Annual Gross Income for the Household</i>				\$

Income of Household \$ _____

Household Size _____

Income Level Eligibility _____

City Reviewed by: _____

Date: _____

City Approved by: _____

Date: _____

ATTACHMENT 5:

**CAMARILLO WORKFORCE HOUSING DAP
SUBSIDY CALCULATION WORKSHEET**

**CAMARILLO WORKFORCE HOUSING DAP
SUBSIDY CALCULATION WORKSHEET**

FINANCING CALCULATION			
1	Total Sales Price		
2	Closing costs (0.8%)		
3	Total Cost of Sales Price plus closing costs		
4	Other Fee Paid Up Front		
5	Total Primary Lender Loan Amount (1st & 2nd Mortgage Loans)		
6	Cash Amount Needed to Cover Total Costs (Line 3)		
AVAILABLE FUNDS			
7	Buyer's Liquid Assets		
8	3 months mortgage payments as reserves		
9	Available Liquid Assets for Down Payment (min. 3%)		
10	Down Payment Gift		
11	Other Subsidies		
12	Other Subsidies		
13	City of Camarillo loan		
14	Remaining Amount Needed to Cover Total Costs (line 8 minus lines 11-15)		
15	Interest Rate		
16	Term		
17	Monthly Interest Rate		
18	Principal & Interest Payment		
19	Property Taxes (1.25%)		
20	Mortgage Insurance (1.25% of the loan amount)		
21	HOA		
22	Total PITI + Mortgage Insurance +HOA Payment		
23	Ventura County HH Size of 4 @ 150% AMI		
24	Household Income		
25	Targeted Monthly Income		
26	Front End Ratio (line 24 divided by line 27)		
27	Total Debt Obligations		
28	Back End Debt Ratio (line 24+line 29 / divided by line 27)		

City Reviewed by: _____

Date: _____

Approved by: _____

Date: _____

**CAMARILLO WORKFORCE HOUSING DAP
SUBSIDY CALCULATION WORKSHEET
(SAMPLE CALCULATION ONLY)**

FINANCING CALCULATION			
1	Total Sales Price		745,000
2	Closing costs (0.8%)		6,000
3	Total Cost of Sales Price plus closing costs		751000
4	Other Fee Paid Up Front		0
5	Total Primary Lender Loan Amount (1st & 2nd Mortgage Loans)	679,000	679,000
6	Cash Amount Needed to Cover Total Costs (Line 3)		72,000
AVAILABLE FUNDS			
7	Buyer's Liquid Assets	50,000	
8	3 months mortgage payments as reserves	-13,551	
9	Available Liquid Assets for Down Payment (min. 3%)	36,449	-22,000
10	Down Payment Gift		0
11	Other Subsidies		0
12	Other Subsidies		0
13	City of Camarillo loan		-50,000
14	Remaining Amount Needed to Cover Total Costs (line 8 minus lines 11-15)		0
RATIOS			
15	Interest Rate	7.00	
16	Term	30	
17	Monthly Interest Rate	0.007	
18	Principal & Interest Payment		4517.00
19	Property Taxes (1.25%)		730.00
20	Mortgage Insurance (1.25% of the loan amount)		250.00
21	HOA		0
22	Total PITI + Mortgage Insurance +HOA Payment		5580.00
23	Ventura County HH Size of 4 @ 150% AMI		173,100
24	Household Income		168,00
25	Targeted Monthly Income		14,000
26	Front End Ratio (line 24 divided by line 27)	35%	39.8%
27	Total Debt Obligations	350.00	
28	Back End Debt Ratio (line 24+line 29 / divided by line 27)	45%	42%

City Reviewed by: _____

Date: _____

Approved by: _____

Date: _____

ATTACHMENT 6:

**CAMARILLO WORKFORCE HOUSING DAP
ANNUAL HOMEOWNER CERTIFICATION**

ATTACHMENT 7:

**CAMARILLO WORKFORCE HOUSING DAP
LOAN AGREEMENT**

ATTACHMENT 8:

**CAMARILLO WORKFORCE HOUSING DAP
PROMISSORY NOTE**

ATTACHMENT 9:

**CAMARILLO WORKFORCE HOUSING DAP
DEED OF TRUST**