



## County of San Joaquin

# GAP Loan Program

## Downpayment Assistance Program For Home Purchases

### ✓ WHAT IS THE GAP LOAN PROGRAM?

The San Joaquin County GAP Loan Program provides deferred downpayment assistance loans, 10% of the sales price up to \$15,000 (whichever is the lesser), to low income, first-time homebuyers for the purchase of homes in unincorporated county areas. The loans are intended to bridge the "GAP" between the cost of a home and what a low-income household can afford.

### ✓ WHAT ARE THE QUALIFICATION REQUIREMENTS?

- ! You may not have owned a home during the past three (3) years;
- ! You must obtain a certificate from a first time homebuyers class;

COUNTY-APPROVED HOMEBUYER'S CLASS	CONTACT NUMBER
Visionary Home Builders of California	(209) 466-6811
NID-HCA	(209) 952-8806
S.T.A.N.D. Affordable Housing Program	(209) 937-7625
Neighbor Works	(209) 473-4363

- ! Your house payment cannot be greater than 38% of your gross monthly income;
- ! Your total debt cannot be greater than 41% of your gross monthly income;
- ! You must have income and credit worthiness to qualify for primary financing, from a lender of your choice;
- ! You must qualify for a 30 year, fixed rate loan (No co-signers accepted);
- ! You must currently either reside or work in San Joaquin County for a minimum of twelve months prior to application; and
- ! You must provide 1% of the purchase price as a downpayment.

### ✓ ELIGIBLE PROPERTIES

- ! Home must be built in 1978 or later or you must provide a certificate complying with HUD lead based paint standards;
- ! Home must pass a HUD Section 8 standard inspection. (This is conducted by a County inspector at no charge);
- ! Property must have front yard landscaping;
- ! Properties that are tenant-occupied as of the date of purchase offer are not eligible; and
- ! The maximum allowable cost of a home is \$488,750.

#### HOUSEHOLD

Family Size	Maximum Income
1	\$ 35,350
2	40,400
3	45,450
4	50,500
5	54,550
6	58,600

✓ **SPECIFICS ABOUT THE COUNTY LOAN**

- ! Secured by a second deed of trust;
- ! Down payment assistance is 10% of the sales price up to \$15,000;
- ! Payments may be deferred over a 30-year period at 2% interest;
- ! Loans are processed on a first come, first served basis;
- ! Includes a provision for shared equity upon resale or refinance;
- ! Purchased home must be located in the unincorporated county area;
- ! The buyer must occupy the home as their principal residence; and
- ! Once the home is purchased, there are no further income restrictions.

✓ **HOW TO PROCEED**

Call (209) 468-3175 or (209) 468-3157 to apply, after you have been pre-qualified by a lender for a primary loan.

To begin the pre-qualification process with San Joaquin County please provide the following documents:

1. Two (2) months pay stubs for each applicant as well as any other income.
2. Six (6) months most-recent bank statements.
3. Three (3) years tax returns and W-2's.
4. Lender approval letter.
5. Lender loan application (Form 1003).
6. Credit report.

Additional documentation will be required from the borrower and the first mortgage lender. See GAP Handout and Lender Information for more details @ [www.sjgov.org/commdev](http://www.sjgov.org/commdev).

