



Homebuyer Education & Downpayment Assistance Program



Hybrid (Zoom and in person)

Interpretation

Everyone must use this feature-Please select the language you would like to hear the presentation in.

How to:

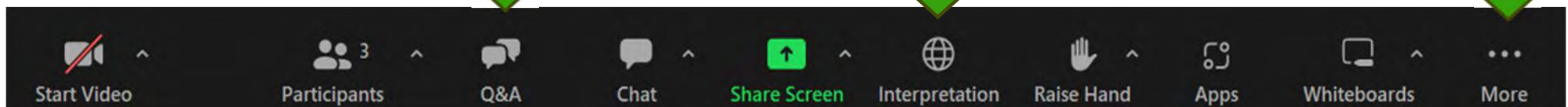
1. Select upward arrow next to the globe
2. Select Language of your choice
3. From a phone-Press the 3 dots on the right
4. Suggestion: Mute original language to not hear English and spanish

Mute

- During presentation, all participants will be muted
- Use Question and Answer feature to ask questions – please don't use chat
- If you have specific questions unique to your situation, please contact Burbank.

Questions

1. Will answer ongoing or at the end of the module.
2. Q and A at end of presentation
3. In person write questions down and raise hand to get questions to presenter.



Welcome! Bienvenidos!

**IF YOU ARE GOING TO APPLY FOR FUNDING,
PLEASE YOU STAY LOGGED ON FOR THIS ENTIRE
WEBINAR. ATTENDANCE IS MANDATORY.**

1. Welcome
2. Introductions / Burbank Mission
3. The Home Buying Process
4. Burbank's Downpayment Assistance Program
5. How to Apply
6. Questions



Introductions

Website: www.burbankhousing.org/homeownership/downpayment

Email: dpa@burbankhousing.org

(707) 890-6383

Robyn van Ekelenburg

Broker-Officer, Director of Homeownership and Downpayment Assistance Programs
DRE# 01336834, NMLS# 334668, Burbank Housing Licensed by DRE # 01154604, NMLS 367236

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OUR MISSION

Opening Doors. Changing Lives.

Burbank Housing is a local nonprofit dedicated to building quality affordable housing in the North Bay. For over 40 years, Burbank Housing has helped shape affordable housing in the North Bay.

We've built over 2,800 affordable rental units in over 60 properties and since 1980, we have built over 1,000 homes for first-time homebuyers.

Burbank is a steward of tens of millions of dollars of downpayment assistance loans and we manage an active for-sale resale program!



The Home Buying Process – Where do you start?

Contact a lender to get pre-qualified

- Getting pre-qualified is the first step in the process.
- The lender wants an overall financial picture to determine if you can qualify for a loan.
- Pre-approval is generally free of charge.
- The lender will look at your credit and existing revolving debt as part of the process to determine how much you can qualify for.
- During this process ask your lender if:
 - If they have approved the Burbank Housing downpayment assistance program
 - Lender can help determine if you meet the minimum program requirements for Burbank's loan
- Borrowers with better credit scores may receive a lower interest rate, because the more likely you are to repay the lenders loan.



Credit Scores

620+ minimum for Burbank

Know Your Credit Score:
Consumers are entitled to 2 free credit reports annually.

Go to: annualcreditreport.com
or call 1-877-322-8228

Steps to Good credit

Balances lower than 50%
Loans that are paid on time



Bad Credit=

late charges, bankruptcy,
collection for unpaid debts

No credit?

There are ways to establish credit, like a prepaid or secured credit card, but this can take time

Income

- Income that can be used for loan approval include:
 - Employment income (including Self-Employment)
 - Spousal support
 - Child support
 - SSI
 - Permanent disability
- Primary lenders use the income of the borrowers who will be on the loan.
- Down payment programs use the total household income for all adult members of the household.



Lender Determination

- After the lender reviews your income, credit and debt, they will issue a pre-qualification letter or a denial letter.
- IF YOU ARE DENIED**, don't get discouraged this is a journey and you can get there.
- Lender will outline reasons for denial. Examples of denials include:
 - Credit history/score
 - Revolving debt/balances
 - Lack of work history
- IF YOU ARE APPROVED**, congratulations!
 - The lender will issue a letter of pre-qualification that will outline the loan and sales price you have been qualified for.
- This letter is needed in order to make offers on homes and to apply for the Burbank funding.



Additional Resources

1. CalHFA

<https://www.calhfa.ca.gov/homeownership/programs/>

MyHOME

- CalHFA FHA or CalPLUS FHA 3.50% of the sales price or appraised value, whichever is less
- CalPLUS Conventional, CalHFA
- Conventional, CalHFA USDA, or CalHFA VA
- Income and sales and loan limits apply

Dream For All Shared Appreciation Loan Program

- The Dream For All application window is now closed for new applications. (Continue to check back as this opens occasionally)
- Shared appreciation loan up to \$150,000
- Income limits apply
- Repayment is a share of appreciation at resale

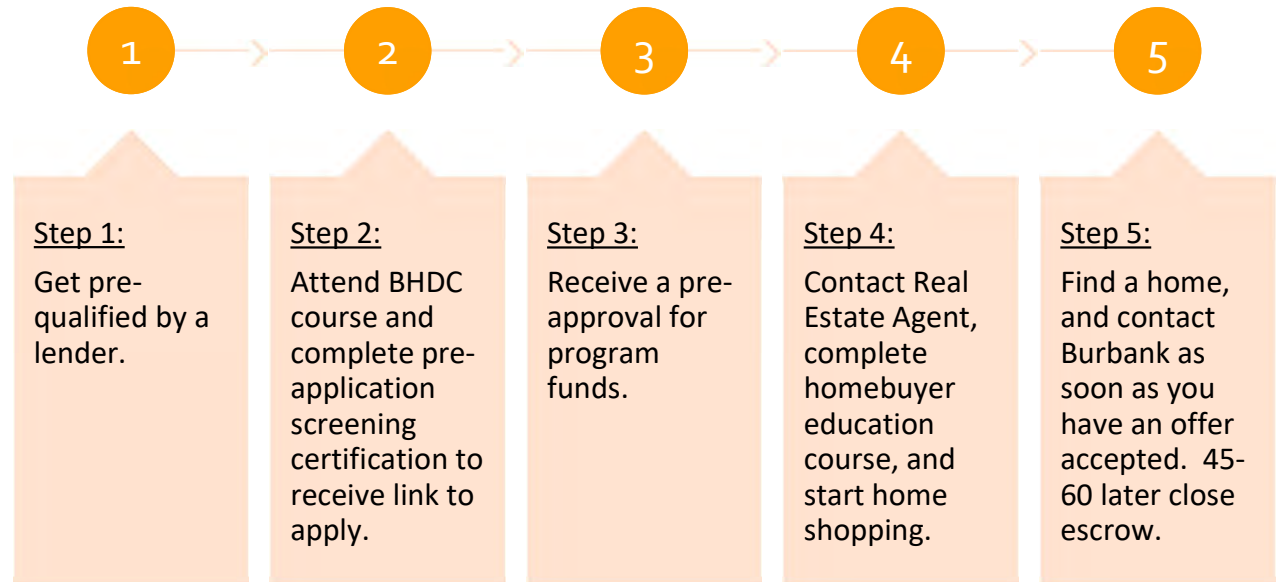
2. County and City programs

3. Employer programs

4. Burbank Resale Program



Steps to apply for Burbank's Downpayment Assistance Funds



Background of Program Funds

Burbank Housing was awarded over \$14 million from the State of California Department of Housing and Community Development (HCD). Funds shall be used as downpayment assistance to eligible homebuyers. All program funds must be expended by November 2025. All funds will be available on a first come first serve basis to eligible buyers.

Burbank has previously committed nearly \$5 million of funds for this program, so approximately \$9 million remain uncommitted and on a first come first serve basis.



**BURBANK
HOUSING**

Downpayment Assistance Program Overview

- Downpayment assistance is gap financing to help you qualify for a higher sales price.
- Downpayment assistance loans are “silent seconds” does not require a monthly payment.
- Downpayment assistance loans are designed for first time homebuyers (not having owned a home or had interest in a property for the three last years).
- **Your lender must approve the loan programs & you must be pre-qualified for a loan before applying for the downpayment assistance program. Incomplete applications will be rejected.**
- Burbank can provide a list of lenders upon request.

Homebuyer Requirements

Category	Burbank Housing DPA
First Time Homebuyer	Yes
Household Income Requirements	Low-income buyers, up to 80% AMI, up to 120% for fire victims only
Residency at Time of Application	None
Owner-Occupancy Requirement	Yes (verified annually)
Minimum Buyer Contribution	1% (Minimum \$5,000)
Minimum FICO Scores	620
Homebuyer Education	Yes, any HUD approved counseling agency (all borrowers) and all buyers must attend a Burbank Housing course as well.

Income Limits

2024 Income Limits for Sonoma County		
Household Size	Low Income 80% AMI	Moderate Income 120% AMI
1 person	\$77,500	\$107,850
2 persons	\$88,600	\$123,300
3 persons	\$99,650	\$138,700
4 persons	\$110,700	\$154,100
5 persons	\$119,600	\$166,450
6 persons	\$128,450	\$178,750
7 persons	\$137,300	\$191,100
8 persons	\$146,150	\$203,400

Fire Victims

- Household incomes for fire victims can go up to 120% of AMI, adjusted for household size.
- Fire victims can be victims impacted by any of the federally declared fire disasters in Sonoma County.
- Fire victims are:
 1. Buyers who lost a home in a wildfire,
 2. Buyers who were displaced as a result of a wildfire
 3. Buyers who lost employment as a result of a wildfire
 4. Buyers who experienced rent increases of 10% or greater 12-months post fire
- In order to determine a buyer's eligibility, buyers must submit proof of disaster impact.
Ex: FEMA # and property address, proof of displacement, lease agreements or cancelled checks showing pre-fire rent expenses and post-fire rent expenses.

Program and Loan Terms

Category	Burbank Housing DPA
Maximum Program Loan Limits	40% down, up to \$200,000
Interest Rate and Term	Fixed rate Accrues 2% simple interest per year Fully deferred principal and interest 30-year term Ex: \$200,000 Loan accrues \$4,000 interest per year and is due and payable upon resale or at the end of 30-years.
HELOC's	Not permitted
Sales Price Limits	\$800,000 or the current median price by area as published by CAR, whichever is less.
Use of Funds	Gap financing
Loan Repayment	Due upon the earlier of; 30 years, sale, refinancing, default
Borrower Housing Ratio's	Maximum of 40/45 (minimum 20%-25%)

Property/Purchase Requirements

Category	Burbank Housing DPA
Property Location	Sonoma County
Home Inspection	Not required but encouraged
Property Types	SFR, Condo, TH, Duplexes (New and Existing)
COE	Appx. 45-60 days from date of full application submission for property purchase (upon acceptance of offer to purchase)

**How much
can I
afford?**

Estimate only (7% interest rate)				
Buyers Down Payment	Sales Price	Less Down Payment Assistance	Loan Amount	Total Monthly Payment (Estimate)
\$5,000	\$400,000	\$160,000- BH	\$240,000	\$2,054
\$5,000	\$500,000	\$200,000- BH	\$300,000	\$2,568
\$6,000	\$600,000	\$200,000- BH	\$400,000	\$3,352
\$7,000	\$700,000	\$200,000- BH	\$500,000	\$4,140

Structuring an offer

- Burbank Housing will issue a loan pre-approval good for 90-days.
- Pre-approval can be extended upon request from borrower.
- Negotiate a close of escrow of at least 45-60 days to allow for funding draw from the state.
- Realtors should include Burbank financing as a source of funds on purchase agreement.
- Have your realtor educate the listing agent about the program when submitting offers.
- Burbank will provide final approval following receipt of all requested property information and request funding from the state.
- You must notify Burbank within 24 hours of an accepted offer.

How to apply for funding

- ❑ Complete Burbank's pre-application screening certification form and submit to dpa@burbankhousing.org (this will be sent over via email and handed out if in person)
- ❑ **YOU MUST BE PRE-QUALIFIED TO APPLY FOR FUNDING.**
- ❑ ***YOU HAVE 90-DAYS TO COMPLETE THE APPLICATION. ANY UNSUBMITTED APPLICATIONS WILL BE DELETED.***
- ❑ Submitting required documents:
 - Paystubs
 - Bank Statements
 - Tax Returns
 - Loan Prequal

Burbank will issue a pre-qualification letter which will be good for 90 days. This can be updated upon request.*

After Burbank pre-approval

- ❑ Stay in contact with Burbank and update us on your for sale journey.
- ❑ Within 24 hours of accepted offer to purchase, buyer must upload remaining required documents
- ❑ List of documents available on portal
- ❑ You must remain qualified for program through close of escrow.
- ❑ FUNDS ARE AVAILABLE ON A FIRST COME FIRST SERVE BASIS AND FUNDS CAN NOT BE RESERVED UNTIL ALL REQUIRED DOCUMENTS ARE SUBMITTED.



Preferred lenders

Website: www.burbankhousing.org/homeownership/downpayment

Email: dpa@burbankhousing.org

(707) 890-6383

If you are working with a lender, make sure they have approved the program.

If you aren't working with a lender, here are a few we work with:

Christine Doolittle - Chris.Doolittle@newrez.com

Mary Kennaugh - mkennaugh@changemtg.com

Suzanne Martindale - smartindale@guildmortgage.net

Questions





How to contact us

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