

*We'll be getting started
shortly!*

Find meeting link AND power point copies online here:

<https://rivcohws.org/community-and-housing-development/housing-programs/resources#2741959481-4209404109>



HWS HOUSING AND
WORKFORCE
SOLUTIONS
ENGAGE. ENCOURAGE. EQUIP.

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2023-2026 Riverside County First Time Home Buyer (ARPA, HOME, PLHA) Programs

County of Riverside
Housing & Workforce Solutions (HWS)
3403 Tenth Street, Suite 300
Riverside, CA 92501

New Website:
<https://rivcohws.org/community-and-housing-development/housing-programs>



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Before We Begin

- Chat will not be monitored
- Find power point copies online here:
 - <https://rivcohws.org/community-and-housing-development/housing-programs/resources#2741959481-4209404109>
- Technical Difficulties? Don't worry – we'll work w/ you.
- Hold off on any questions until the end of the training
- Must stay for the entire session
- Remember to collect and turn in required documents at the end of class... or we won't consider you as here 😊



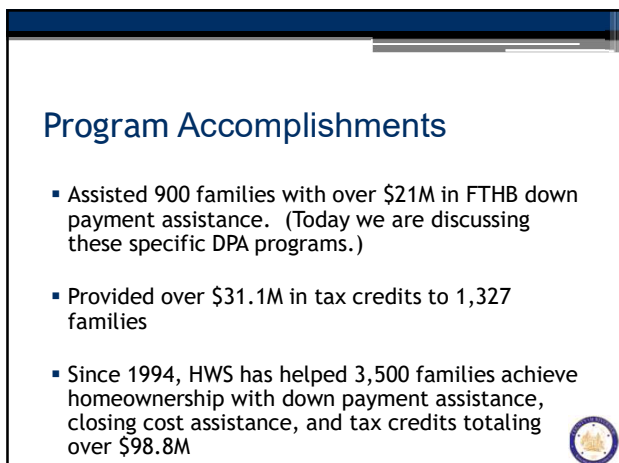
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Fund Sources - ARPA

- The American Rescue Plan Act was signed into law by President Biden on March 11, 2021; it guaranteed direct funding to all cities, towns and villages in the United States.
- **5th District Supervisor Gutierrez**, along with the rest of the Riverside County Board of Supervisors, allocated \$1M of Supervisor's own assigned ARPA funds to create our ARPA First Time Homebuyer Program for 5th District first time homebuyers.
- To increase affordability opportunities of lower income households, we are giving preference to homebuyers at or below 80% AMI. Approved lenders are able to combine HOME FTHB with ARPA FTHB participating areas.



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Fund Sources - HOME

- HOME Investment Partnerships Program (HOME) funds are also federally funded;
- RivCo has been a designated participating jurisdiction since the 1990s.
- From HUD we receive (a.) an annual formula allocation as a county and (b.) additional pooled resources from the participating cities.
- Being HUD funded, HOME FTHB is the most conservative of the 3 programs.



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Fund Sources - PLHA

- Funded by the Permanent Local Housing Allocation through California Housing and Community Development;
- RivCo has been a designated participating jurisdiction since 2021.
- From HCD, we receive (a.) an annual formula allocation as a county and (b.) additional resources from the participating cities.
- PLHA FTHB is probably the most flexible of the 3 programs, which is why exceptions are sometimes allowed in certain aspects, which we'll touch on later.



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General Eligibility Requirements



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Type & Amount of Assistance


- ☐ Silent 2nd mortgage
 - ☐ No monthly payments
 - ☐ 0% interest
 - ☐ Forgiven after the affordability period ends
 - ☐ No resale restrictions or equity share component
- ☐ Maximum of up to 20% of the purchase price for down-payment assistance (subject to RivCo loan amount caps)
- ☐ Closing cost assistance available with ARPA FTHB (max \$10,00.00)
- ☐ Minimum \$1,500
- ☐ May be combined with Calhfa.



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Program Loan Ceilings



ARPA FTHB	HOME FTHB	PLHA FTHB
<ul style="list-style-type: none">RivCo provides 20% of the Purchase Price for Down Payment<ul style="list-style-type: none">RivCo Loan Amount not to exceed \$100,000.00ARPA FTHB closing cost not to exceed \$10,000. (Example if using closing costs: \$100k - \$10k = \$90k remaining ARPA FTHB loan amount)		



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Affordability Periods

ARPA FTHB	HOME FTHB	PLHA FTHB
15-year affordability / forgiveness period	15-year affordability / forgiveness period	30-year affordability forgiveness period




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Sales Price Ceilings

Effective July 1, 2024


New Construction SFR	\$527,193
Existing SFR	\$527,193
New/Existing Condo or Townhome	\$536,750
Manufactured Home	\$306,850



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ELIGIBLE LOCATIONS



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ARPA FTHB Cities		
Participating		Non-Participating
<ul style="list-style-type: none"> • Banning • Beaumont • Calimesa • Hemet • Moreno Valley • San Jacinto 	<ul style="list-style-type: none"> • All unincorporated areas located in Supervisorial District 5 • https://rivco.org/district-5-map 	<ul style="list-style-type: none"> • All cities and unincorporated areas that are NOT included on Supervisorial District 5 map

Preference will be given to applicants buying a home in the unincorporated 5th District.

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HOME FTHB Cities			
Participating		Non-Participating	
<ul style="list-style-type: none"> • Banning • Beaumont • Blythe • Canyon Lake • Eastvale • Indian Wells • La Quinta 	<ul style="list-style-type: none"> • Norco • San Jacinto • Wildomar • Unincorporated areas in Riverside County 	<ul style="list-style-type: none"> • Calimesa • Cathedral City • Corona • Hemet • Indio • Jurupa Valley • Lake Elsinore • Menifee 	<ul style="list-style-type: none"> • Moreno Valley • Murrieta • Palm Desert • Palm Springs • Perris • Rancho Mirage • City of Riverside • Temecula

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PLHA FTHB Cities			
Participating		Non-Participating	
<ul style="list-style-type: none"> • Banning • Beaumont • Blythe • Canyon Lake • Cathedral City • Coachella • Desert Hot Spring • Eastvale • Hemet • Indio • Jurupa Valley • La Quinta 	<ul style="list-style-type: none"> • Lake Elsinore • Moreno Valley • Murrieta • Norco • Palm Springs • San Jacinto • Temecula • Wildomar • Unincorporated area of Riverside County 	<ul style="list-style-type: none"> • Calimesa • Corona • Menifee • Palm Desert • Perris • Rancho Mirage • City of Riverside 	



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Determining Location Eligibility



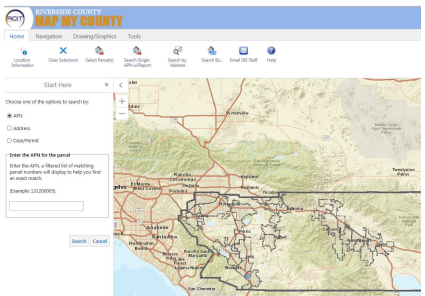

Use the Riverside Transportation Land Management Agency (TLMA) **Map My County**

- **Direct:**
https://gis1.countyofriverside.us/Html5Viewer/?viewer=MMC_Public
- **On our website:**
<https://rivcohws.org/community-and-housing-development/housing-programs>
- Determine if property is
 - unincorporated or is within a city
 - Bedrooms and bathrooms
 - Year built
 - Square footage
 - Census tract number

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https://gis1.countyofriverside.us/Html5Viewer/?viewer=MMC_Public

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PROPERTY ELIGIBILITY



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Property Eligibility Specifications

- Location:
 - Inside Participating Cities or
 - Unincorporated address - located outside of city limits
- Must be at least 2 bedrooms
- No inground pool or spa - cannot be removed during escrow or prior to closing



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Eligible Property Types

- New or Existing
 - SFR
 - Condo
 - Townhouse
 - *Manufactured Home on a permanent foundation (see next slide for policies)
- *Should NOT have an existing tenant living in it -- unless the tenant is buying the unit they are already living in*
- Type of Home
 - Traditional, FSBO, REO, Short Sale
 - Fixed or permanent foundation
 - Currently seller occupied or vacant



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Manufactured Home Eligibility

ARPA FTHB	HOME FTHB	PLHA FTHB
Property can be 10 years old or less	Brand New, never before lived in.	Property can be 10 years old or less

****Manufactured homes in a mobile home park, must meet the Riverside County permit standards and have received an installation acceptance permit. The lease must be for a minimum term of the affordability period.**



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Tenant Occupied Props

RED FLAG FOR PROPERTIES THAT WERE OR ARE TENANT OCCUPIED

TENANT OCCUPIED. (either by a renter or if a lease agreement was executed with an owner occupant after foreclosure):

1. Seller must certify and document that 90 days written notice to vacate was given at least 90 days prior to buyer's initial offer to purchase; and
2. Seller must provide copy of lease; and
3. Section 8 rental leases may not be broken

**Cash for keys does not constitute notice to vacate*

**FEDERAL
LAW**

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Property Physical Condition Review

- Turn in appraisal and Home Inspection with application.
- RivCo will review subject through home inspection and appraisal and compare against HUD NSPIRE requirements. https://www.hud.gov/sites/dfiles/PIH/documents/NSPIRE_Checklist.pdf
- Required repairs letter then sent to lender, entailing our review and repairs required to complete.
- Completed RivCo Required Repairs Lenders Cert is prior to funding condition.
- For HOME FTHB, **HWS site inspection is required.**
- For new construction, occupancy cert is a prior to funding condition item



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BUYER QUALIFICATIONS



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Buyer Eligibility

- Must be a first-time homebuyer: see next slide for program definitions
- “Household” income within limits
- Must occupy subject property as primary residence
- Has attended “official HUD-certified” counselor-led homebuyer education course from provider listed on HUD required database:
https://hud4.my.site.com/housingcounseling/s/?language=en_US.
- Riverside County Programs have NO minimum credit score requirement
- Buyer must qualify for eligible 1st mortgage (30-year term, fixed rate fully amortized) through participating RivCo approved lender



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First Time HomeBuyer Definitions

ARPA FTHB	HOME FTHB	PLHA FTHB
Applicant & Spouse must never have owned a home	Must not have owned a home in the past 3 years	Must not have owned a home in the past 3 years



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Buyer Eligibility

- Non occupying co-owners are not permitted.
- No minimum buyer down payment requirement.
- Buyer max dollar contribution cannot exceed HWS loan amount
- If living in a current mobile home not permanently affixed is allowed to be considered a FTHB
- Check program-specific citizenship requirements, which apply to entire household.



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Citizenship - applies to all Household Members

ARPA FTHB	HOME FTHB	PLHA FTHB
US Citizen, qualified PRWORA alien, or recipient of ITIN or DACA card	Must be US Citizen or a qualified alien as per section 431 of PRWORA PRWORA link: https://aspe.hhs.gov/reports/summary-immigrant-eligibility-restrictions-under-current-law#sect	US Citizen, qualified PRWORA alien, or a recipient of ITIN or DACA card.



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Credit Scores

- Defer to credit score guidelines of the 1st lender.
- Approved lender should help “counsel” buyer in credit & asset management “pre-purchase” to get buyer in best possible condition to purchase.
- Fair Housing offers these services also <https://fairhousing.net/services/credit-counseling/>



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Income Limits

Maximum Annual Household Income

Adjusted for Household Size

Effective July 1, 2024

Household Size	HOME FTHB (80% AMI)	ARPA FTHB & PLHA FTHB (120% AMI)
1	\$57,400	\$81,960
2	\$65,600	\$93,600
3	\$73,800	\$105,360
4	\$82,000	\$117,000
5	\$88,600	\$126,360
6	\$95,150	\$135,720
7	\$101,650	\$145,080
8	\$108,250	\$154,440

Preference will be given to applicants at 80% AMI & Below



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HOW TO QUALIFY



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First Loan Requirements

- From a participating lender
 - * Fully amortized
 - * Fixed rate
 - * 30 year term
- FHA 203(b), Fannie Mae, Freddie Mac, VA or USDA
- Highest amount that borrower qualifies for – the Sweet Spot
- 203K Rehab loan for PLHA (exception basis)



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The “Sweet Spot”

- Perimeters we define as what makes a home “affordable” for a buyer.
- **Debt Ratio (Front-End).** 25%-35%
 * PITIA calculations must include accurate property tax amount (add in special assessments & mello-roos), flood insurance, HOA dues, etc. Please use property taxes as per tax rolls or if new construction, use tax worksheet from sales contract.



- **Debt Ratio (back-end).** 45% maximum



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PLHA or ARPA (standalone) FTHB Exceptions... Ask in Advance

- With sufficient compensating factors on a case-by-case basis...
 - Like Calhfa, can allow up to 50% ratio
 - Allow displaced homemakers/single parents with additional hardships to buy within the 3 year no ownership timeline.
 - FHA 203k limited



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Calculating Income

FTHB qualifying income is often different from the 1st TD underwriting income

- In general, use current earnings and annualize forward
- Self Employed borrowers use Net Income from most recent year's tax return
- An allowance for depreciation of assets used in a business may be deducted based on straight-line depreciation
- Fluctuating income: average the most recent 3-12 months as appropriate
- Household income must include income from assets
- Do NOT gross up non-taxable income
- Do NOT deduct 2106 expenses (Employee Business Expenses for employees to deduct ordinary and necessary expenses related to their jobs)
- Do NOT use a 24 month average



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Calculating Income

- Include income from all household members 18 years old or older, even those not going on the loan
- Full time students 18 or older: exclude earnings in excess of \$480/year. *Please note: This does not apply when the student is the Head of Household or the Head of Household's spouse.*
- Estranged spouse income must be included
- Not counted in income: one-time gifts, student financial aid, hostile fire pay



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RIVERSIDE COUNTY SECURED PROPERTY TAX DETAILS
FISCAL YEAR JULY 1, 2009 - JUNE 30, 2010

Assessment Number		Bill Number	
[REDACTED]		[REDACTED]	
LAND	STRUCTURE	Total Assessment	
\$48,000.00	\$164,000.00	\$212,000.00	
Tax Rate Area		Property Data	
002-012	1.32251%	[REDACTED]	
Mailing Address		Site Address	
[REDACTED]		[REDACTED]	

Tax Payment Distribution (For information regarding these charges please contact the Taxing Agency directly at the number listed below)

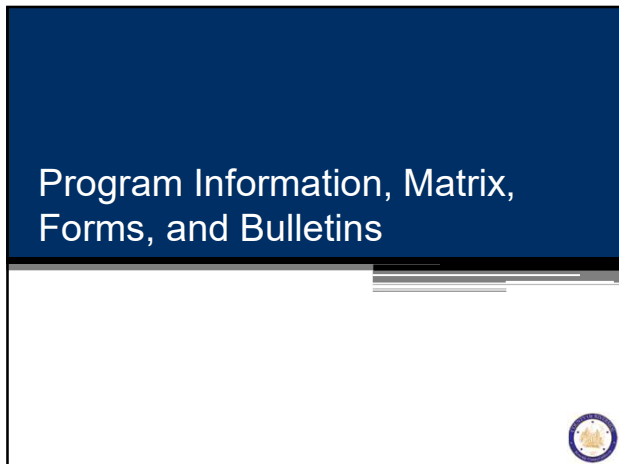
Taxing Agency	Phone Number	Inst 1	Inst 2
GENERAL PURPOSE - <i>current owners - Dis Regard</i>		\$1,402.17	\$1,402.17
FLD CNTL STORMWATER/CLEANWATER	(800) 439-4553	\$1.68	\$1.68
CITY OF BEAUMONT CFD-RL 1 06A	(951) 769-8570	\$1,558.40	\$1,558.40
SAN GORGONIO HOSPITAL MEASURE D	(951) 845-1121	\$23.19	\$23.19

1583.45 every 6 months

1st Installment		2nd Installment	
Due Date	12-10-2009	Due Date	04-12-2010
Status	Paid	Status	Due
Taxes Due	\$2,985.60	Taxes Due	\$2,985.60
Penalties Due	\$0.00	Penalties Due	\$0.00
Additional Fees Due	\$0.00	Additional Fees Due	\$0.00
Total Due	\$2,985.60	Total Due	\$2,985.60

Hypothetical Sales Price \$ 150,000
Base tax Amount = Sales Price x Tax Rate %
 $= 150,000 \times 1.32251\% = \$1984.22/yr$
Special Assessments = \$1583.45 x 2 = \$3166.90/yr
Total Annual Taxes = \$5151.08

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New HWS website:
<https://rivcohws.org/community-and-housing-development/housing-programs>

Check the website for **BULLETINS** regarding changes to funding levels or guidelines.

Forms, guidelines, lender lists and the matrix are also found on the website

45

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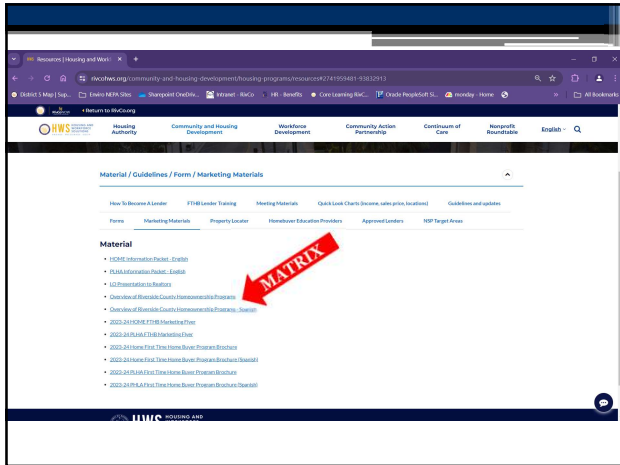
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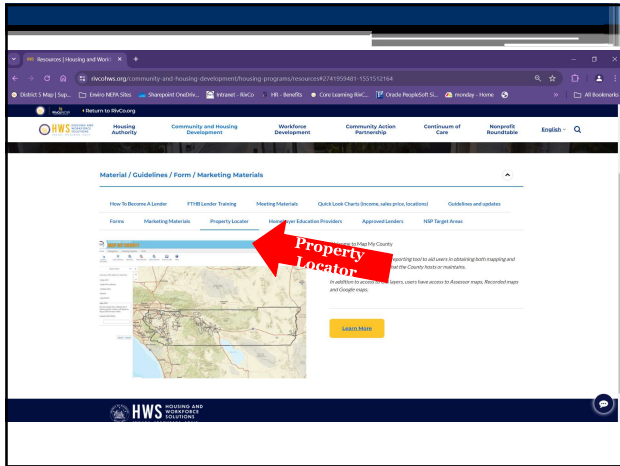
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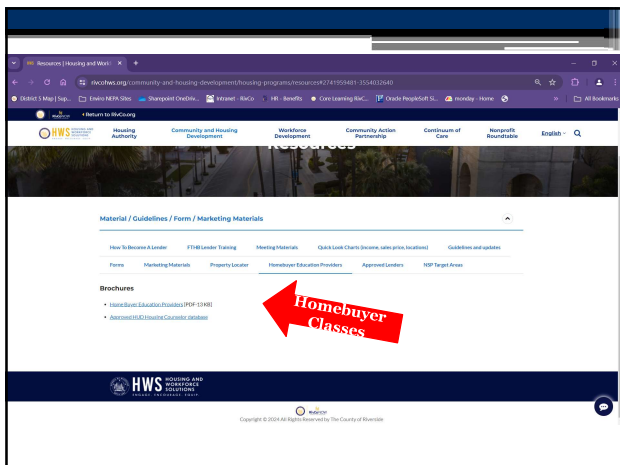
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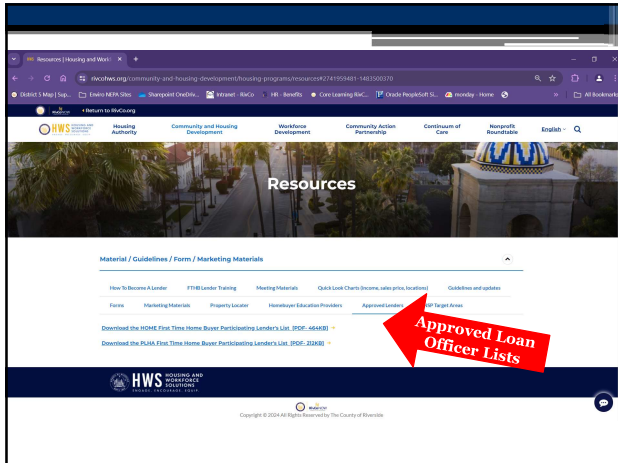
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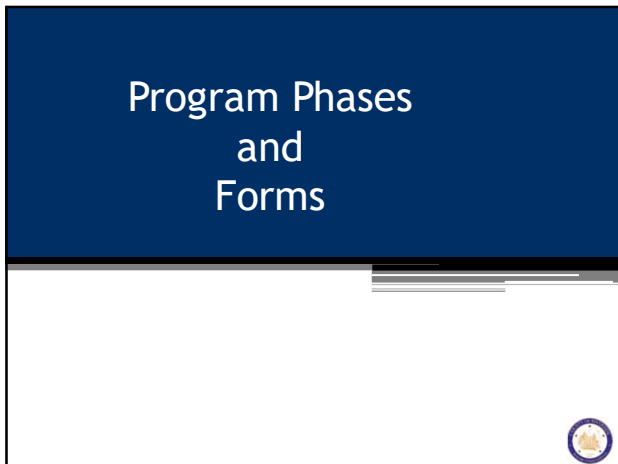
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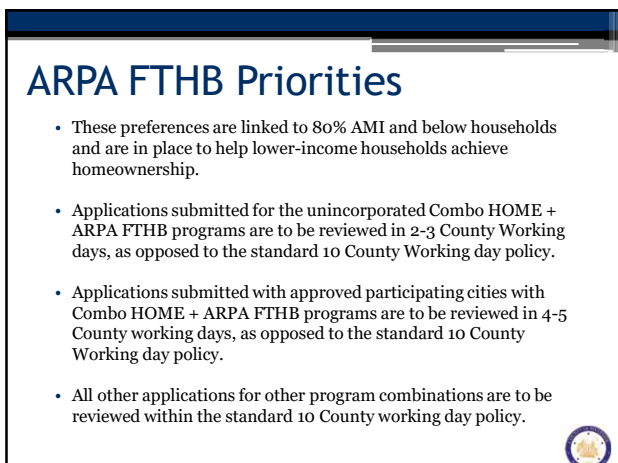
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Turn Times & Receiving Procedures

- COMPLETE File is submitted via email AND hardcopy is sent to HWS
- Email will hold place in line but will not be reviewed until hardcopy is received. Email is sent to advise place is being held.
- File to be reviewed within 10 county working days, unless ARPA/HOME program combo application. Then we review those first.
- Do not email any missing items not included in initial submission email.
- Upon reviewing file, if 10 or more errors or items are missing, needs list will be sent but file will be considered incomplete, and timeline starts again when items are received. **No piece mail, please.**
- If file has less than 10 errors or missing items, confirmation email will be sent and file is received, officially.
- Please refer to our website as much as possible for guidelines and forms before reaching out regarding eligibility, income or property questions or scenarios.



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Turn Times & Receiving Procedures

- Please refer to our website as much as possible for guidelines and forms before reaching out regarding eligibility, income or property questions or scenarios.
- For exceptions, please send email with subject line EXCEPTION REQUESTED
- All submissions and questions should be sent to FTHB-PROGRAMS@RIVCO.ORG
- We kindly request that you assist us in improving our processing times by eliminating unnecessary or redundant inquiries as this causes delays to the processing of all files, including any which you've submitted.
- Please select one (1) person from your company to be the County's contact person for all incoming and outgoing communications in order to ensure the clearest lines of communications and reduce redundancies.



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Reservation Forms Application Phase

10 County working days to review

- ☐ **Reservation Form** FTHB-1
(digital signature)
- ☐ **Certification of Applicant Form** FTHB-2
(digital signature)
- ☐ **Homeownership Notice to Sellers** FTHB-3
(digital signature)
- ☐ **Financing Worksheet** FTHB-4
(digital signature)
- ☐ **Income Affidavit** FTHB-5 (fill out – use N/A where applicable)
unemployment, resigned, no taxes filed – (digital signature)
- ☐ **Voluntary Acquisition Notice** FTHB-6 (digital signature)



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Form 3 & Form 6 - Required

There are no exemptions to this requirement, regardless of who the property seller is (HUD, FNMA, FHLMC, etc.)

- **Homeownership Notice to Sellers (FTHB-3)** form outlines occupancy/tenant certifications and requirements. This form is mandatory. FTHB-3 must be presented to the seller along with the initial offer to purchase and it must be completed and signed by the seller and included with the initial file submission. File submissions will not be processed without the completed and signed FTHB3 form.
- **Voluntary Acquisition Notice (FTHB-6)** – Informational Notice. This form is the notice to the buyer regarding the County has the authority for eminent domain authority, but the County is only providing down payment.



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ARPA Reservation Phase Checklist (Part 1)

In addition to the RivCo forms above, please submit these non-county forms:

- o Shipping account information or preprinted label(s) for delivery of HWS loan docs to escrow.
- o Realtor/agent contact information for HWS to reach out to schedule HQS inspection of completed required repairs. (Note: HWS inspection will be a funding condition.)
- o Copy of 1008 or FLUTS (FHA Loan Underwriting Transmittal Summary) signed and dated by the underwriter
- o Copy of Completed 1003 Loan Application signed by lender and borrower
- o Copy of the Loan Estimate/Closing Disclosure signed by Borrower(s)
- o Copy of the Estimated Settlement Statement from Escrow with Escrow letterhead.
- o Homebuyer Education Certificate – Copy of Certificate of Completion of Home Buyer Education Class from "HUD-certified" counselor (Certificates expire after 1 year)
- o Two (2) months proof of income with the most current paystubs (or alternative income documentation).
- o Legal status for each household member. Acceptable documentation includes high certificates and valid, unexpired U.S. Passports. Also, legible copy (front & back) of valid unexpired card for one of these: Permanent Resident Alien card (green card), Deferred Action for Childhood Arrival card, (DACA), or Individual Taxpayer Identification Number (ITIN) cards.
- o Copy of legible Residential Mortgage Credit Report (RMCR), showing appropriate lack of homeownership evidence.
- o Legible AUS printout with matching loan terms to 1st loan.
- o Last year federal tax returns (all pages and schedules) must include the verbiage and applicant digital signature added to the bottom of page 1 or page 2. ***This is a true and exact copy of the tax return submitted to the IRS.***



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ARPA Reservation Phase Checklist (Part 2)

- o Copy of Signed Sales Agreement, including all counter offers and Transfer Disclosure Statements
 - (Do not submit the FTHB file for a short sale until seller's lender has fully accepted the offer)
- o Wire Instructions – Written request from the escrow officer for deposit of HOME FTHB funds in a font size 10 or larger. The County requires a minimum of ten (10) working days, excluding holidays, to process a claim and wire funds to escrow. This time period begins when the Confirmation letter is issued.
 - **To process this funding request, the wire instructions must include all of the following or the wire request will be rejected:
 - 1. On Escrow Company letterhead.
 - 2. Bank name
 - 3. ABA/routing number
 - 4. Dollar amount of wire
 - 5. Title number
 - 6. No handwritten information
 - 7. Signature of authorized person to approve wire Instructions
 - 8. Bank address
 - 9. Account number
 - 10. Escrow number
 - 11. Client name and vesting (or copy of vesting amendment)
- o Vesting Amendment from escrow – Current amendments signed by the borrower(s).
- o Copy of Escrow Instructions.
- o Copy of Complete Preliminary Report less than 90 days old including Plat Map
- o Copy of the Standard Flood Hazard Determination (FEMA Form 81-93) or copy of FEMA website determination.
- o Termite Report
- o Copy of Home Inspection for existing homes. Please email a copy also - (Home Inspector must be a member of either the California Real Estate Inspectors Association, the American Society of Home Inspectors or the International Conference of Building Officials)
- o Appraisal – Copy of Appraisal establishing property Value
- o Copy of Certificate of Occupancy for new construction properties (if applicable)
- o HCD form 433 (a) for Manufactured homes (if applicable-- new manufactured homes on permanent foundation)
- o Lead-Based Paint Inspection report for homes built prior to 1978 with Wet Signature(s)

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HOME Reservation Phase Checklist (Part 1)

In addition to the RivCo forms above, please submit these non-county forms:

- o Shipping account information or preprinted label(s) for delivery of HWS loan docs to escrow.
- o Realtor/agent contact information for HWS to reach out to schedule HQS inspection of completed required repairs. (Note: HWS inspection will be a funding condition.)
- o Copy of 1008 or FLUTS (FHA Loan Underwriting Transmittal Summary) signed and dated by the underwriter
- o Copy of Completed 1003 Loan Application signed by lender and borrower
- o Copy of the Loan Estimate/Closing Disclosure signed by Borrower(s)
- o Copy of the Estimated Settlement Statement from Escrow with Escrow letterhead.
- o Homebuyer Education Certificate – Copy of Certificate of Completion of Home Buyer Education Class from “HUD-certified” counselor (Certificates expire after 1 year)
- o Two (2) months proof of income with the most current paystubs (or alternative income documentation).
- o Proof of citizenship for each household member. Acceptable documentation includes birth certificates, valid and unexpired US Passports and Permanent Resident Alien cards (legible copy of the front and back) cards.
- o Copy of legible Residential Mortgage Credit Report (RMCR), showing appropriate lack of homeownership evidence.
- o Legible AUS printout with matching loan terms to 1st loan.
- o Last year federal tax returns (all pages and schedules) must include the verbiage and applicant digital signature added to the bottom of page 1 or page 2. **“This is a true and exact copy of the tax return submitted to the IRS”.**

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HOME Reservation Phase Checklist (Part 2)

- o Copy of Signed Sales Agreement, including all counter offers and Transfer Disclosure Statements
 - o (Do not submit the FTHB file for a short sale until seller's lender has fully accepted the offer)
- o Wire Instructions. – Written request from the escrow officer for deposit of HOME FTHB funds in a font size 10 or larger. The County requires a minimum of ten (10) working days, excluding holidays, to process a claim and wire funds to escrow. This time period begins when the Confirmation letter is issued.
- o ** To process this funding request, the wire instructions must include all of the following or the wire request will be rejected:

1. On Escrow Company letterhead.	7. Signature of authorized person to approve wire Instructions
2. Bank name	8. Bank address
3. ABA/routing number	9. Account number
4. Dollar amount of wire	10. Escrow number
5. Title number	11. Client name and vesting (or copy of vesting amendment)
- o 6. No handwritten information
- o Vesting Amendment from escrow – Current amendment signed by the borrower(s).
- o Copy of Escrow Instructions.
- o Copy of Complete Preliminary Report less than 90 days old including Plat Map
- o Copy of the Standard Flood Hazard Determination (FEMA Form 81-g3) or copy of FEMA website determination.
- o Termite Report
- o Copy of Home Inspection for existing homes. Please email a copy also - (Home Inspector must be a member of either the California Real Estate Inspectors Association, the American Society of Home Inspectors or the International Conference of Building Officials)
- o Appraisal – Copy of Appraisal establishing property Value
- o Copy of Certificate of Occupancy for new construction properties (if applicable)
- o HCD form 433 (a) for Manufactured homes (if applicable) – new manufactured homes on permanent foundation)
- o Lead-Based Paint Inspection report for homes built prior to 1978 with Wet Signature(s)

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PLHA Reservation Phase Checklist (Part 1)

In addition to the RivCo forms above, please submit these non-county forms:

- o Shipping account information or preprinted label(s) for delivery of HWS loan docs to escrow.
- o Realtor/agent contact information for HWS to reach out to schedule HQS inspection of completed required repairs. (Note: HWS inspection will be a funding condition.)
- o Copy of 1008 or FLUTS (FHA Loan Underwriting Transmittal Summary) signed and dated by the underwriter
- o Copy of Completed 1003 Loan Application signed by lender and borrower
- o Copy of the Loan Estimate/Closing Disclosure signed by Borrower(s)
- o Copy of the Estimated Settlement Statement from Escrow with Escrow letterhead.
- o Homebuyer Education Certificate – Copy of Certificate of Completion of Home Buyer Education Class from “HUD-certified” counselor (Certificates expire after 1 year)
- o Two (2) months proof of income with the most current paystubs (or alternative income documentation).
- o Legal status for each household member. Acceptable documentation includes birth certificates and valid, unexpired US Passports. Also, legible copy (front & back) of valid unexpired card for one of these: Permanent Resident Alien card (green card), Deferred Action for Childhood Arrival card, (DACA), or Individual Taxpayer Identification Number (ITIN) cards.
- o Copy of legible Residential Mortgage Credit Report (RMCR), showing appropriate lack of homeownership evidence.
- o Legible AUS printout with matching loan terms to 1st loan.
- o Last year federal tax returns (all pages and schedules) must include the verbiage and applicant digital signature added to the bottom of page 1 or page 2. **“This is a true and exact copy of the tax return submitted to the IRS”.**



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PLHA Reservation Phase Checklist (Part 2)

- o Copy of Signed Sales Agreement, including all counter offers and Transfer Disclosure Statements
 - (Do not submit the FTHB file for a short sale until seller's lender has fully accepted the offer)
- o Wire Instructions. – Written request from the escrow officer for deposit of HOME FTHB funds in a font size 10 or larger. The County requires a minimum of ten (10) working days, excluding holidays, to process a claim and wire funds to escrow. This time period begins when the Confirmation letter is issued.
- To process this funding request, the wire instructions must include all of the following or the wire request will be rejected:
 - 1. On Escrow Company letterhead. 7. Signature of authorized person to approve wire Instructions
 - 2. Bank name 8. Bank address
 - 3. ABA routing number 9. Account number
 - 4. Dollar amount of wire 10. Escrow number
 - 5. Title number 11. Client name and vesting (or copy of vesting amendment)
 - 6. No handwritten information
- o Vesting Amendment from escrow – Current amendment signed by the borrower(s).
- o Copy of Escrow Instructions.
- o Copy of Complete Preliminary Report less than 90 days old including Plat Map
- o Copy of the Standard Flood Hazard Determination (FEMA Form 81-93) or copy of FEMA website determination.
- o Termite Report
- o Copy of Home Inspection for existing homes. Please email a copy also - (Home Inspector must be a member of either the California Real Estate Inspectors Association, the American Society of Home Inspectors or the International Conference of Building Officials)
- o Appraisal – Copy of Appraisal establishing property Value
- o Copy of Certificate of Occupancy for new construction properties (if applicable)
- o HCD form 433 (a) for Manufactured homes (if applicable – new manufactured homes on permanent foundation)
- o Lead-Based Paint Inspection report for homes built prior to 1978 with Wet Signature(s)

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Phase 2 Loan Docs

- HWS application review is completed
- Reservation/commitment/approval letter issued to loan officer and escrow
- Repair letter issued to loan officer (or sooner)
- Before ordering docs on HOME FTHB, must sign Loan Agreement on or after Reservation Date but before Doc date.
- HWS orders its loan docs AND loan funds simultaneously, since it can take up to 10 county working days to receive funds in escrow from RivCo order date. At least loan docs can be signed during this waiting period.
- Confirmation Letter is issued when docs & funds are ordered



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Request for Funding ARPA Phase II

- Technically - 5 County working days to review
- Lender to submit the following items to Riverside County HWS.
 - Outstanding items noted in written Funding Reservation Letter
 - Final 1003 & CD signed
 - Repair Certification – Written Proof that items listed on the HWS repair request letter have been repaired or replaced as requested (This must be in the form of a signed letter by a licensed contractor or the original inspector, itemizing the items which were repaired)
- Escrow to submit the following items to Riverside County HWS.
 - o ARPA FTHB Escrow Officer Checklist (signed by the Escrow Officer)
 - o ARPA FTHB Disclosure Statement (signed original)
 - o PLHA FTHB Itemization of amount financed (signed original)
 - o PLHA FTHB Promissory Note (signed original)
 - o PLHA FTHB Subordinate Deed of Trust (certified copy)
 - o PLHA FTHB Request for Notice (certified copy)
 - o Proof of Property Insurance listing Riverside County as additional insured, as per lender instructions.
- Evidence one-year Home Warranty to include coverage for all major components, as per lender instructions.
 - Estimated Settlement Statement on Escrow Letterhead, showing home warranty & All A and lenders title policy premium.
 - Certified copy of fully executed escrow instructions & amendments (i.e., vesting, LRT, etc.)
 - Termite clearance
 - 1004D for appraisal repairs



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Request for Funding HOME Phase II

- Technically - 5 County working days to review
- ☐ Lender to submit the following items to Riverside County HWS.
 - ☐ Outstanding items noted in written Funding Reservation Letter: Final lender 1003 & Closing Disclosure
 - ☐ Final lender 1003 / CD signed
 - ☐ Repair Certification – Written Proof that items listed on the HWS repair request letter have been repaired or replaced as requested (This must be in the form of a signed letter by a licensed contractor or the original inspector, itemizing the items which were repaired – **HWS site inspection will be conducted prior to funding.**)
- ☐ Escrow to submit the following items to Riverside County HWS.
 - ☐ o HOME FTHB Escrow Officer Checklist (signed by the Escrow Officer))
 - ☐ o HOME FTHB Disclosure Statement (signed original)
 - ☐ o HOME FTHB Itemization of amount financed (signed original)
 - ☐ o HOME FTHB Promissory Note (signed original)
 - ☐ o HOME FTHB Subordinate Deed of Trust (certified copy)
 - ☐ o HOME FTHB Request for Notice (certified copy)
 - ☐ Proof of Property Insurance listing Riverside County as additional insured, as per lender instructions.
- ☐ Evidence one-year Home Warranty to include coverage for all major components, as per lender instructions.
- ☐ Estimated Settlement Statement on Escrow Letterhead, showing home warranty & Alt A 2nd lenders title policy premium.
- ☐ Certified copy of fully executed escrow instructions & amendments (i.e., vesting, LRT, etc.)
- ☐ Termite clearance
- ☐ 1004D for appraisal repairs



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Request for Funding PLHA Phase II

- Technically - 5 County working days to review
- ☐ Lender to submit the following items to Riverside County HWS.
 - ☐ Outstanding items noted in written Funding Reservation Letter
 - ☐ Final 1003 & CD signed
 - ☐ Repair Certification – Written Proof that items listed on the HWS repair request letter have been repaired or replaced as requested (This must be in the form of a signed letter by a licensed contractor or the original inspector, itemizing the items which were repaired)
- ☐ Escrow to submit the following items to Riverside County HWS.
 - ☐ o PLHA FTHB Escrow Officer Checklist (signed by the Escrow Officer))
 - ☐ o PLHA FTHB Disclosure Statement (signed original)
 - ☐ o PLHA FTHB Itemization of amount financed (signed original)
 - ☐ o PLHA FTHB Promissory Note (signed original)
 - ☐ o PLHA FTHB Subordinate Deed of Trust (certified copy)
 - ☐ o PLHA FTHB Request for Notice (certified copy)
 - ☐ o Proof of Property Insurance listing Riverside County as additional insured, as per lender instructions.
- ☐ Evidence one-year Home Warranty to include coverage for all major components, as per lender instructions.
- ☐ Estimated Settlement Statement on Escrow Letterhead, showing home warranty & Alt A 2nd lenders title policy premium.
- ☐ Certified copy of fully executed escrow instructions & amendments (i.e., vesting, LRT, etc.)
- ☐ Termite clearance
- ☐ 1004D for appraisal repairs



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Phase 3 - Funding & Post Close

- Escrow returns loan docs & supplemental forms
- If all docs in & correct, HWS issues the Authorization to Close/Release Funds letter
- Escrow records the Covenant, DOT, RFN
 - Note: our required recording order:
 - Grant Deed, RivCo Covenant Agreement, 1st Lender DOT, RivCo DOT, RivCo Request for Notice.
- Loan closes
- Escrow submits Final Closing Settlement Statement to HWS, then
- Post close:
 - Escrow/title submit conformed copies, and RivCo Alta 2nd lender final title policy,
 - Lender to retain a copy of the loan file for 5 years



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Resale, Subordination & Refinancing

- **Repayment.** Sale, transfer and/or conveyance of the property during the Affordability Period shall trigger repayment of FTHB in full
- **Subordination.** Requires prior authorization from HWS - Must reduce borrower's carrying cost (interest rate and monthly payment for example)
 - No cash-out refinances
 - 1% or more interest rate reduction
 - Some exceptions allowed in advance



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RESOURCES & TIPS



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Common Mistakes

- Incomplete forms!
- Form 2
 - Page 2 and 3 should include asset amounts sourced from underwriter verified "required funds to close" on 1008 / 92900-LT
- Form 4
 - Page 3 Line 7 includes monthly asset income from Form 2
 - Page 3 Lines 10-20 (PITIMI) should source from underwriter verified PITIMI on 1008/92900-LT
- Vesting not match 1st deed of trust
- Recording order of loan documents, specified on RivCo lender's instructions

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Income Qualification Form

Applicant 1		Standard Month & Monthly		Total Monthly pay		Overlapping Income	
Income Type	Amount	Frequency	Monthly	Frequency	Monthly	Frequency	Monthly
Hourly Income	\$10.00	Hourly	\$10.00	Hourly	\$10.00	Hourly	\$10.00
Monthly Income	\$10.00	Monthly	\$10.00	Monthly	\$10.00	Monthly	\$10.00
Quarterly Income	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00
Annual Income	\$10.00	Annual	\$10.00	Annual	\$10.00	Annual	\$10.00
Applicant 2		Standard Month & Monthly		Total Monthly pay		Overlapping Income	
Income Type	Amount	Frequency	Monthly	Frequency	Monthly	Frequency	Monthly
Hourly Income	\$10.00	Hourly	\$10.00	Hourly	\$10.00	Hourly	\$10.00
Monthly Income	\$10.00	Monthly	\$10.00	Monthly	\$10.00	Monthly	\$10.00
Quarterly Income	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00
Annual Income	\$10.00	Annual	\$10.00	Annual	\$10.00	Annual	\$10.00

List other income & calculations:

Income Type	Amount	Frequency	Monthly	Frequency	Monthly	Frequency	Monthly
Hourly Income	\$10.00	Hourly	\$10.00	Hourly	\$10.00	Hourly	\$10.00
Monthly Income	\$10.00	Monthly	\$10.00	Monthly	\$10.00	Monthly	\$10.00
Quarterly Income	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00	Quarterly	\$10.00
Annual Income	\$10.00	Annual	\$10.00	Annual	\$10.00	Annual	\$10.00

INCOME RATIO: 0.0000%

DTI: 0.0000%

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Tips To Avoid Delays

1. Use updated application forms from the website
2. Utilize the checklists for complete packages
3. Fill out ALL questions and fields on ALL forms
4. No White Out
5. Borrowers and lender to sign the 1003
6. Underwriter must sign and date the FHA 92900-LT or Conv 1008



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Tips To Avoid Delays, Cont'd

7. Add asset income if >\$5,000 in assets after the COE (remaining assets x 0.09% = annual asset income)
8. Certified digital signatures now allowed on all County application forms. Changes made or requested must be initialed by the lender.
9. Income should be consistent throughout file (Lower income on 92900-LT/FLUTS/1008 is ok if due to averaging)
10. Loan amount, loan type and interest rate should correspond throughout file



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Tips To Avoid Delays

11. Do not submit State Income Tax returns
12. W2's, VOE's, and bank statements are not necessary unless we request them specifically
13. Borrower's spouse & all household members 18 or older must include their income into the household's qualifying income & and be listed on Form 2 page 2



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Tips To Avoid Delays

14. Borrower's spouse & all household members 18 or older must submit last year's federal tax returns with digital signature and certification
15. Household size should be consistent through file
16. Fully and clearly explain the County financing terms and timeframes to buyers and realtors
17. Keep a copy of the forms you send us
18. Any additional documentation should match what is already in file or previously submitted forms will need to be corrected correspondingly



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Resources



- ☐ HUD approved homebuyer education providers: https://hudgov-answers.force.com/housingcounseling/s/?language=en_US
- ☐ Contractor's License Check: <https://www.cslb.ca.gov/onlineservices/checklicenseII/checklicense.aspx>
- ☐ Property Tax Information: <https://ca-riverside-ftc.publicaccessnow.com/PropertySearch.aspx>
- ☐ Definition of Qualified Alien (PRWORA Section 431) <https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law#sect1>
- ☐ Map My Riverside County (to verify city limits etc.):
 - ☐ https://gis1.countyofriverside.us/Html5Viewer/?viewer=MMC_Public
- ☐ HWS Website: <https://rivcohws.org/community-and-housing-development/housing-programs>





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MUST TURN IN ASAP


- To be complete and finalize loan officer approval these forms **MUST** be completed and received by HWS, or your name will not appear as an approved L.O.
 - Go to: <https://rivcohws.org/community-and-housing-development/housing-programs/resources#2741959481-4209404109>
 - Pull Statement of Information form ARPA FTHB program
 - Pull Exhibit A for ARPA FTHB program
 - Pull Statement of Information form HOME FTHB program
 - Pull Exhibit A for HOME FTHB program
 - Pull Statement of Information for PLHA program
 - Pull Exhibit A for PLHA FTHB program
 - Download
 - Complete
 - Sign in wet ink
 - Return
 - Password Protected: FTHB2023**

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Questions & Answers



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