

*We'll be getting started
shortly!*

Find meeting link AND power point copies online here:
<https://rivcoeda.org/First-Time-Home-Buyer-Program/Resources/Meeting-Materials>



HWS HOUSING AND
WORKFORCE
SOLUTIONS
ENGAGE. ENCOURAGE. EQUIP.

2023-2026 Riverside County First Time Home Buyer Programs

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

www.rchomelink.com

<https://rivcoeda.org/First-Time-Home-Buyer-Program/First-Time-Home-Buyer-Program>



Before We Begin

- Chat will not be monitored
- Find power point copies online here:
 - <https://rivcoeda.org/First-Time-Home-Buyer-Program/Resources/Meeting-Materials>
- 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 here 😊



Introduction



Contact Info

- Susan Guarino sguarino@rivco.org
- Deysi Salazar Sanchez dssanchez@rivco.org



951-955-0784
3403 Tenth Street, Suite 300
Riverside, CA 92501



Program Accomplishments

- Assisted 900 families with over \$21M in FTHB down payment assistance. (Today we are discussing these specific DPA programs.)
- Provided over \$31.1M in tax credits to 1,327 families
- Since 1994, HWS has helped 3,500 families achieve homeownership with down payment assistance, closing cost assistance, and tax credits totaling over \$98.8M



Source of Funds

HOME FTHB

- Federally funded grant program for housing
- Riverside County is designated participating jurisdiction

PLHA FTHB

- California state funded grant program for housing
- Riverside County is designated participating jurisdiction



General Eligibility Requirements



Type & Amount of Assistance

- Maximum of up to 20% of the purchase price for down-payment assistance (note loan amount caps)
- Closing cost assistance is not available at this time
- Minimum \$1,500
- Silent 2nd mortgage
 - * no monthly payments
 - * 0% interest
 - * Forgiven after affordability period ends
 - * No resale restrictions or equity share component
- May be combined with Calhfa.



Program Loan Ceilings

HOME FT HB

20% of the purchase price for down payment not to exceed **\$75,000**

PLHA FT HB

20% of the purchase price for down payment not to exceed **\$100,000**



HOME FTHB vs. PLHA FTHB

Affordability Periods



<u>HOME FTHB</u>	<u>PLHA FTHB</u>
<ul style="list-style-type: none">15- year affordability period	<ul style="list-style-type: none">30-year affordability period



Sales Price Ceilings

Effective July 1, 2022

**New Construction
SFR**

\$551,000

Existing SFR

\$551,000

**New/Existing
Condo or
Townhome**

\$494,000

**Manufactured
Home**

\$322,500



ELIGIBLE LOCATIONS



Eligible Property Types

HOME FTTHB

- New or Existing
- SFR
- Condo
- Townhouse
- *Manufactured Home on a permanent foundation
 - must be brand new, never before lived in

PLHA FTTHB

- New or Existing
- SFR
- Condo
- Townhouse
- *Manufactured Home on a permanent foundation
 - must be 10 yrs. or newer



Property Home Type

- Type of home
 - Traditional, FSBO, REO, or Short Sale
 - Fixed to a permanent foundation
 - Currently seller occupied or vacant
- *Cannot have an existing tenant living in it -- unless the tenant is buying the unit they are already living in*



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**

Property Eligibility Specifications

- Location:
 - Inside Participating Cities or
 - “County” address - located outside of city limits
- Must be at least 2 bedrooms
- No pool or spa



Property Physical Condition

- Inspection report by qualified home inspector (application)
 - Unless New Construction
- Housing Quality Standards (HQS) vs. Uniform Physical Condition Standards (UPCS)
- Certificate of Occupancy for new construction homes (funding)



Eligible Property Repair Requirements

- Occupancy Standard to address overcrowding
 - * 2 persons per room +1
 - (family of 4 = 2 bedroom / family of 5 = 2+ bedrooms)
- Any health and safety issues flagged by HWS on the home inspection report must be completed prior to final funds release.



Eligible Cities (YES)

HOME FT HB		PLHA FT HB	
<ul style="list-style-type: none"> • Banning • Beaumont • Blythe • Canyon Lake • Coachella • Desert Hot Springs 	<ul style="list-style-type: none"> • Eastvale • Indian Wells • La Quinta • Norco • San Jacinto • Wildomar 	<ul style="list-style-type: none"> • Banning • Beaumont • Blythe • Canyon Lake • Cathedral City • Coachella • Desert Hot Spring • Eastvale • Hemet • Indio 	<ul style="list-style-type: none"> • Jurupa Valley • La Quinta • Lake Elsinore • Moreno Valley • Murrieta • Norco • Palm Springs • San Jacinto • Temecula • Wildomar



NON-Eligible Cities (NO)

HOME FTHB

- **Calimesa**
- **Cathedral City**
- **Corona**
- **Hemet**
- **Indio**
- **Jurupa Valley**
- **Lake Elsinore**
- **Menifee**

- **Moreno Valley**
- **Murrieta**
- **Palm Desert**
- **Palm Springs**
- **Perris**
- **Rancho Mirage**
- **City of Riverside**
- **Temecula**

PLHA FTHB

- **Calimesa**
- **Corona**
- **Menifee**
- **Palm Desert**
- **Perris**
- **Rancho Mirage**
- **City of Riverside**



Determining Location Eligibility



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



- https://gis1.countyofriverside.us/Html5Viewer/?viewer=MMC_Public
- Determine if property is
 - unincorporated or is within a city
 - Bedrooms and bathrooms
 - Year built
 - Square footage
 - Census tract number



https://gis1.countyofriverside.us/HtmL5Viewer/?viewer=MMC_Public

The screenshot displays the 'RIVERSIDE COUNTY MAP MY COUNTY' web application. The header includes the ACIT logo and navigation tabs for Home, Navigation, Drawing/Graphics, and Tools. A toolbar below the header contains icons for Location Information, Clear Selections, Select Parcel(s), Search Single APN w/Report, Search by Address, Search By..., Email GIS Staff, and Help.

A search panel titled 'Start Here' is open on the left side of the map. It contains the following elements:

- Text: 'Choose one of the options to search by.'
- Radio buttons for search criteria:
 - APN
 - Address
 - Case/Permit
- Text: 'Enter the APN for the parcel'
- Text: 'Enter the APN, a filtered list of matching parcel numbers will display to help you find an exact match.'
- Text: '(Example: 131200005).'
- A text input field.
- Buttons for 'Search' and 'Cancel'.

The background is a topographic map of Riverside County, California, showing major cities like Anaheim, Santa Ana, and Riverside, as well as geographical features like the San Bernardino National Forest and Marine Corps Air Station Twentynine Palms.



BUYER QUALIFICATIONS



Buyer Eligibility

- Must be a first-time homebuyer: no ownership interest in real estate in the past 3 years
- Household income within limits
- Will occupy subject property as primary residence
- Has attended “official HUD-certified” counselor-led homebuyer education course from HUD approved provider. Website to follow.
- 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



Buyer Eligibility

- Non occupying co-owners are not permitted.
- No minimum buyer down payment
- Buyer max contribution cannot exceed HWS loan amount
- Current Mobile home not permanently affixed is allowed
- Check program-specific citizenship requirements, which apply to entire household.



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/>



Income Limits

Maximum Annual Household Income

Adjusted for Household Size

Effective July 1, 2022

Household Size	HOME FTHB (80% AMI)	PLHA FTHB (120% AMI)
1	\$49,300	\$73,920
2	\$56,350	\$84,480
3	\$63,400	\$95,040
4	\$70,400	\$105,600
5	\$76,050	\$114,120
6	\$81,700	\$122,520
7	\$87,300	\$131,040
8	\$92,950	\$139,440



Citizenship Requirements

US citizen or...



<u>HOME FTHB</u>	<u>PLHA FTHB</u>
<ul style="list-style-type: none">▪ Qualified Aliens Only are Eligible (PRWORA Section 431)	<ul style="list-style-type: none">▪ Does NOT have to be a Qualified Alien (PRWORA Section 431)

- Definition of Qualified Alien (PRWORA Section 431) <https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law#sec1>



Buyer Eligibility

HOME FTHB

- ITIN borrowers **not** allowed

PLHA FTHB

- ITIN borrowers allowed



HOW TO QUALIFY



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)



The Sweet Spot

- Perimeters we define as what makes a home “affordable” for a buyer.
- **Debt Ratio (Front-End).** 25%-35%
*PITI 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
- **Debt Ratio (back-end).** 45% maximum



PLHA 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



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



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



Asset Income

- Asset “income”: when borrower has greater than \$5,000 in assets after close of escrow
- Annual asset “income” = assets remaining after COE x 0.09% (HUD Passbook rate)
- Add this into FTHB qualifying income
- *See Appendix C of FTHB guidelines for more information on income inclusions and exclusions*

***Generally, 1st TD income is less than or equal to County qualifying income**



Asset Income

Debts & Obligations	Monthly	Unpaid Balance	Qualifying Ratios
Total Installment debt			LTV %
Child Support			CLTV (if 2nd permitted) %
Negative Rental Cash Flow			Mortgage Payment-to-Income %
All other monthly payments			Total Fixed Payment-to-Income %
Total Fixed Payment			
Borrower Funds to Close			
Required	\$ 2,000.00		
Verified Assets	\$ 10,000.00		
Closing Costs	\$		
Source of Funds		CAIVRS #	Borrower
No. of Months in Reserves		LDP/ SAM	Co-Borrower (s)
Seller Contribution	%	<input type="radio"/> yes <input type="radio"/> no	<input type="radio"/> yes <input type="radio"/> no
Underwriter Comments			
Underwriter's signature & date (if required)		CHUMS ID #	
X			
Risk Assessment			
Scored by TOTAL? <input type="checkbox"/> yes <input type="checkbox"/> no Risk Class <input type="checkbox"/> A/A or <input type="checkbox"/> Refer			
CHUMS ID # for Reviewer of appraisal			

form HUD-92900-LT (02/2020)

Total All Monthly Payments	\$ 0.00
Borrower Funds to Close	
Required	\$ 2,000.00
Verified Assets	\$ 10,000.00
Source of Funds	
Nb. of Months Reserves	
Interested Party Contributions	%
Yes <input type="checkbox"/> No <input type="checkbox"/>	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
ext	

\$10,000	Verified Assets Amount
<u>(\$2,000)</u>	Required Funds to Close
\$8,000	Reserves
\$8,000	Reserves
<u>(\$5,000)</u>	RivCo Cutoff
\$3,000	Remaining Reserves
\$3,000	Remaining Reserves
x 0.09 %	HUD Passbook Rate
\$2.70	Annual RivCo Asset Income
<u>/ 12 months</u>	
0.23	Monthly RivCo Asset Income



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

Assessment Number

Bill Number

LND	STRUCTURE	-	-	-	Total Assessment
\$48,000.00	\$164,000.00	-	-	-	\$212,000.00

Tax Rate Area	Tax Rate	Property Data
002-012	1.32281%	

Mailing Address	Situs Address

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 - disregard →</i>		\$1,402.17	\$1,402.17
FLD CNTL STORMWATER/CLEANWATER	(800) 439-6553	\$1.68	\$1.68
CITY OF BEALMONT CFD 93-1 #6A	(951) 769-8520	\$1,558.40	\$1,558.40
SAN GORGONIO HOSPITAL MEASURE D	(951) 845-1121	\$23.35	\$23.35

SA's
1583.43 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 %
 $= 150,000 \times 1.32281\% = \$1984.22/yr$
Special Assessments = \$1583.43 x 2 = + \$3166.86/yr
Total Annual Taxes = \$5151.08



Property Taxes and Special Assessments

RIVERSIDE COUNTY SECURED PROPERTY TAX DETAILS				Assessment Number	Bill Number
FISCAL YEAR JULY 1, 2009 - JUNE 30, 2010				[REDACTED]	[REDACTED]
LND	STRUCTURE	-	-	Total Assessment	
\$48,000.00	\$164,000.00	-	-	\$212,000.00	
Tax Rate Area	Tax Rate	Property Data			
002-012	1.32281%	[REDACTED]			
Mailing Address			Situs 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 - Disregard</i>		\$1,402.17	\$1,402.17
FLD CNTL STORMWATER/CLEANWATER	(800) 439-6553	\$1.68	\$1.68
CITY OF BEALMONT CFD 93-1 #6A	(951) 769-8520	\$1,558.40	\$1,558.40
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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 %

$$= 150,000 \times 1.32281\% = \$1984.22/\text{yr}$$

Special Assessments = \$1583.43 x 2 = + \$3166.86/yr

Total Annual Taxes = \$5151.08



Program Information, Matrix, Forms, and Bulletins



FTHB website: www.rchomelink.com

Bulletins, Guidelines, Forms & Tools

[Making Your Home Energy Efficient](#)
[How to Conserve Water & Lower Water Bill](#)
[Energy Efficient Homes - DoItYourself.com](#)

Managed By:



[Visit Us](#)

HOME FTHB Program (HOME FTHB)	PLHA FTHB Program (PLHA FTHB)	MCC Program (MCC)	NSHP Program(NSHP)
<p>HOME Investment Partnerships Program First Time Home Buyer Program provides down payment and closing cost assistance.</p> <p>The HOME FTHB Program has received its funding, and Applications will be accepted until funds are exhausted.</p>	<p>Permanent Local Housing Allocation First Time Home Buyer Program provides down payment assistance</p> <p>The PLHA FTHB Program has received its funding, and Applications will be accepted until funds are exhausted.</p>	<p>Mortgage Credit Certificate The Mortgage Credit Certificate Program (MCC) has been suspended until further notice.</p>	<p>Neighborhood Stabilization Homeownership Program The Neighborhood Stabilization Homeownership Program (NSHP) has been discontinued.</p>

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

First Time Home Buyer Program

- [How to Apply](#)
- [Literature](#)
- [Income Chart](#)
- [Eligible Locations](#)

Resources

- [Contact Us](#)
- [FTHB Lender Training](#)
- [Meeting Materials](#)
- [Program Accomplishments](#)
- [Neighborhood Stabilization Homeownership Program](#)

Foreclosure Resources

- [Assistance with Foreclosures](#)

Lender Information

- [How to Become a Lender](#)
- [Approved Lenders](#)

Guidelines and updates

- [Forms](#)
- [Marketing Materials](#)

Guidelines and updates

Manuals

- [Lenders Manual Home](#)[PDF-499KB]
- [Lenders Manual PLHA](#)

Matrix

- [Matrix LO](#)
- [Matrix LO Spanish](#)

2022/2023 Bulletins

- [Bulletin No. 1](#) - 2022-2023 Funds Available
- [Bulletin No. 2](#) - 2022-2023 Purchase Price Limits
- [Bulletin No. 3](#) - 2022-2023 Income Limits
- [Bulletin No. 4](#) - 2022 -2023 PLHA Only Increased Income Limits
- [Bulletin No. 5](#) - 2022 - 2023 PLHA Only Revised Guidelines

2021/2022 Bulletins

- [Bulletin No. 1](#) - 2021-2022 Income Limits
- [Bulletin No. 2](#) - 2021-2022 Purchase Price Limits
- [Bulletin No. 3](#) - Participating City Change
- [Bulletin No. 4](#) - Change of Address HHPWS Housing Unit
- [Bulletin No.5](#) - Reminder Position Of Calhfa Silent 2nd Programs vs FTHB HOME & PLHA

2020/2021 Bulletins

- [Bulletin No. 1](#) - FTHB Program 2020 Home Income Limits

GUIDELINES

MATRIX

BULLETINS

FORMS

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Forms

HOME FTHB Forms

HOME FTHB Submission Forms - Phase I:

- [Submission Checklist](#)
- [Cover Letter](#)
- [FTHB-1 Application Affidavit](#)
- [FTHB-2 Certification of Applicant](#)
- [FTHB-3 Homeownership Notice to Sellers](#)
- [FTHB-3B Rider Fannie Mae REO's](#)
- [FTHB-4 Financing Worksheet](#)
- [FTHB-5 Income Tax Affidavit](#)
- [FTHB-6 Voluntary Acquisition Informational Notice](#)

HOME FTHB Request for Loan Funding - Phase II:

- [Request for Funding Checklist](#)

PLHA FTHB Forms

PLHA FTHB Submission Forms - Phase I:

- [Submission Checklist](#)
- [Cover Letter](#)
- [FTHB-1 Application Affidavit](#)
- [FTHB-2 Certification of Applicant](#)
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- [FTHB-6 Voluntary Acquisition Informational Notice](#)

PLHA FTHB Request for Loan Funding - Phase II:

- [Request for Request for Funding Checklist](#)



**HOME
FORMS**



**PLHA
FORMS**

Program Phases and Forms



Reservation: Phase 1

Application

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)



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.



PLHA Reservation Phase 1

(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 Last three (3) years of federal tax returns (all pages and schedules) must include the verbiage below.

PLEASE NOTE: For each year of tax returns submitted the statement “This is a true and exact copy of the tax returns submitted to the IRS” must be added to the bottom of page 1 or page 2 for each tax return year with the applicant’s digital signature next to the statement.



PLHA Reservation Phase I

(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)

HOME Reservation Phase

(Part 1)

- In addition to the RivCo forms above, please submit these non-county forms:
 - Shipping account information or preprinted label(s) for delivery of HWS loan docs to escrow.
 - 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 .
 - Copy of 1008 or FLUTS (FHA Loan Underwriting Transmittal Summary) signed and dated by the underwriter
 - Copy of Completed 1003 Loan Application signed by lender and borrower
 - Copy of the Loan Estimate/Closing Disclosure signed by Borrower(s)
 - Copy of the Estimated Settlement Statement from Escrow with Escrow letterhead.
 - Homebuyer Education Certificate – Copy of Certificate of Completion of Home Buyer Education Class from “HUD-certified” counselor (Certificates expire after 1 year)
 - Two (2) months proof of income with the most current paystubs (or alternative income documentation).
 - 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)
 - Last three (3) years of federal tax returns (all pages and schedules), must include the verbiage below.
 - **PLEASE NOTE: For each year of tax returns submitted the statement “This is a true and exact copy of the tax returns submitted to the IRS” must be added to the bottom of page 1 or page 2 for each tax return year with the applicant’s digital signature next to the statement.**

HOME Reservation Phase

(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. – Witten 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 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)

Phase 2 Loan Docs

- HWS application review is completed
- Reservation/commitment/approval letter issued to loan officer
- Repair letter issued to loan officer (or sooner)
- 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



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)*
- ❑ *Escrow to submit the following items to Riverside County HWS.*
- ❑ *o HOME FTTHB Escrow Officer Checklist (signed by the Escrow Officer))*
- ❑ *o HOME FTTHB Disclosure Statement (signed original)*
- ❑ *o HOME FTTHB Itemization of amount financed (signed original)*
- ❑ *o HOME FTTHB Promissory Note (signed original)*
- ❑ *o HOME FTTHB Subordinate Deed of Trust (certified copy)*
- ❑ *o HOME FTTHB 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*



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



Phase 3 - Funding & Post Close

- Escrow returns loan docs & supplemental forms.
- For HOME only, HWS completes property inspection of its own to make sure repairs are completed
- If all docs in & correct, HWS issues the Authorization to Close/Release Funds
- Escrow records the Covenant, DOT, RFN
- 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



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



RESOURCES & TIPS



Common Form Mistakes

- <https://rivcoeda.org/First-Time-Home-Buyer-Program/Lender-Information/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

Income Qualification Form

Applicant 1	Standard Hourly & Weekly		Semi-Monthly pay		Fluctuating Income		
	Hourly Rate	\$ -		Dates	YTD total income	Month	Day
	# of standard wkl hours	40	+	\$0.00			
	=	\$0.00	+	\$0.00	\$0.00		
	x 52 wks per year					0	0.000
Yearly Income	=	\$0.00	=	\$0.00	\$ -		
Months per year		+12		+12	+12		
Monthly income	=	\$0.00	=	\$0.00	\$0.00		

Applicant 1	Standard Hourly		Semi-Monthly pay		Fluctuating Income		
	Hourly Rate	\$ -		Dates	YTD total income	Month	Day
	# of standard wkl hours	0	+	\$0.00			
	=	\$0.00	+	\$0.00	\$0.00	0	0
	x 52 wks per year					0	0.000
Yearly Income	=	\$0.00	=	\$0.00	\$0.00		
Months per year		+12		+12	+12		
Monthly income	=	\$0.00	=	\$0.00	\$0.00		

List other income & calculations:

Household Size	AMI %		
1	0.00%		
Yearly Income	\$0.00		HWS
Other Income	\$0.00		P&I \$0.00
Yearly Asset Income	\$0.00	#DIV/0!	MI #DIV/0!
Total Yearly Income	\$0.00		HOA \$0.00
Total monthly income	\$0.00		Fire Ins \$0.00
Sales Price	\$0.00		Taxes \$0.00
Total Principal Payment	\$0.00		Flood \$0.00
Base loan amount	\$0.00	MCC Yes 1 -- NO 2	PITI #DIV/0!
MIP FHA	\$0.00	2	MCC \$0.00
Total Loan amount	\$0		PITI w/MCC #DIV/0!
Interest Rate	0.0000%		
Base Tax Rate	0.00000%		
Special Assessments	\$0.00		HOUSING RATIO #DIV/0! (25%-35%)
Total Liabilities	\$0.00		Liabilities + PITI #DIV/0!
			DTI #DIV/0! (maximum 45%)



Tips To Avoid Delays

1. Use updated application forms from the website, whenever possible
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



Tips To Avoid Delays, Cont'd

7. Add asset income if $> \$5,000$ in assets after the COE (remaining assets $\times 0.09\%$ = annual asset income)
8. Certified digital signatures now allowed on all County application forms
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



Tips To Avoid Delays

11. Do not submit State Income Tax returns
12. W2'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



Tips To Avoid Delays

14. Borrower's spouse & all household members 18 or older must submit last 3 year's federal tax returns with wet 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



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-ttc.publicaccessnow.com/PropertySearch.aspx>
- ❑ Definition of Qualified Alien (PRWORA Section 431) <https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law#sec1>
- ❑ Map My Riverside County (to verify city limits etc.):
 - ❑ https://gis1.countyofriverside.us/Html5Viewer/?viewer=MMC_Public
- ❑ HWS Website: www.rchomelink.com



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://rivcoeda.org/First-Time-Home-Buyer-Program/Resources/Meeting-Materials>
 - Pull Statement of Information form HOME FTTHB program
 - Pull Exhibit A for HOME FTTHB program
 - Pull Statement of Information for PLHA program
 - Pull Exhibit A for PLHA FTTHB program
 - Download
 - Complete
 - Sign in wet ink
 - Return
 - **Password Protected: FTTHB2023**





Questions & Answers

