

# Do You Want to Own a Home in *Arcata?*

***If you are a low-income or moderate income prospective homebuyer, the City of Arcata may be able to assist YOU!***

**The City's Program:** The Home Ownership Program (HOP) increases a borrower's buying power and reduces initial out of pocket expenses and monthly housing costs! Available programs are: **First Time Homebuyer (FTHB), Housing Rehabilitation (HR) and Manufactured Home Ownership (MHO).**

**Required Private Loan:**

The City's HOP provides financing *to help pay the difference* between the loan amount you can afford to borrow from a private lender and the purchase price of a home. You *must* secure a loan from a private lender in an amount determined by the City, based upon your monthly income.

**Share of Equity:**

The City shall share in the appreciation (equity) of property purchased with HOP funds. The City's share of equity is recycled through the Program to continue funding affordable housing. The City Share of Equity is calculated as:

$$\frac{\text{Amount of City loan}}{\text{Total Purchase Price of House}} = \text{Percent Share of Equity}$$

Beginning on the 6<sup>th</sup> anniversary of the loan, the City's share of equity decreases by 1/25<sup>th</sup> annually. At the 30<sup>th</sup> year, the loan maturity date, the City *no longer* has a share of equity in your home.

**Program Criteria:**

The FTHB maximum purchase price under the Program is \$342,000. All homes must be within Arcata city limits. Applicants must not exceed 38% debt to income for housing costs. Additional requirements apply, as outlined in the City's HOP Guidelines, available at the Community Development Department.

**Income Qualification:**

The Program is designed to assist low-income and moderate-income households. Applicants must meet the income criteria.

**2008 Income Limits**



Household Size	Low-Income Must Be Below	Moderate-Income Must Be Below
1	\$30,150	\$45,200
2	\$34,450	\$51,700
3	\$38,750	\$58,100
4	\$43,050	\$64,600



**To Apply:** Arcata Community Development Department  
City Hall, 736 F Street, Arcata, CA 95521  
Call **822-5955** for more information

# City of Arcata



## Housing Programs

# Income Reporting Requirements (Supplemental Guide)

The following information will help you identify the **income documentation**<sup>2</sup> that is required to participate in the City's Home Ownership Program. On review of your application and the documentation of income that you provide, the City will request a third party verification of your income and assets and may request other supplemental information.

- ❖ **If your employment is consistent throughout the year, submit copies of:**
  1. Paycheck stubs for the most recent **three months**,
  2. Statements documenting any **other sources of income**<sup>3</sup>, and
  3. Signed and complete copies of the previous **three year's** Federal Tax Return.
  
- ❖ **If your employment income varies throughout the year, submit copies of:**
  1. Paycheck stubs for the most recent **Six months**,
  2. Signed and complete copies of previous **three year's** Federal Tax Returns,
  3. Statements documenting any **other sources of income**<sup>2</sup>,
  4. A month-by-month projection of your income for a full calendar year.
  
- ❖ **If your income is non-employment derived**<sup>4</sup>, submit copies of:
  1. Statements of any and all benefits<sup>5</sup> you receive,
  2. Statements documenting any **other sources of income**<sup>2</sup>,
  3. A signed and complete copy of your previous year's Federal Tax Return<sup>6</sup>.
  
- ❖ **If you are self-employed, submit copies of:**
  1. A letter describing your employment situation,
  2. Quarterly taxable income projections or Profit and Loss Statements,
  3. Previous **three year's** Federal Tax Returns, including Schedule C.

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*If your situation is unique and not represented in the above methods, please call 822-5955 for assistance.*

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<sup>2</sup>Income information must be provided for all household members.

<sup>3</sup>e.g., Child Support, Alimony, Mutual Funds, Parental Contributions.

<sup>4</sup>e.g., SSI/SSA, TANF, Disability, Unemployment, private financial contribution or other.

<sup>5</sup>Please submit copies of benefit award letters with a signed permission to verify benefits.

<sup>6</sup>If you do not file a tax return, please submit a brief letter stating that you do not file and describe the reason you do not file.



**APPLICANT INFORMATION**

Name: \_\_\_\_\_

Street Address: \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Phone \_\_\_\_\_

Home: \_\_\_\_\_ Wk \_\_\_\_\_

Mailing: \_\_\_\_\_ Hm \_\_\_\_\_

Date of Birth: \_\_\_\_\_ SSN: \_\_\_\_\_ Gender: ( ) M or ( ) F

Race (Check ALL that apply): ( ) White ( ) African American ( ) Asian ( ) American Indian ( ) Alaska Native ( ) Native Hawaiian/Pacific Islander ( ) Other

Ethnicity (Check One): ( ) Hispanic ( ) Non-hispanic Marital Status: ( ) Married ( ) Unmarried ( ) Separated Disabled: ( ) Y or ( ) N

Are you a Student? ( ) No if Yes, ( ) Full-time ( ) Part-time School Name/Address: \_\_\_\_\_

<b>Income type, source (e.g., Employment, Place of Work)</b>	<b>Amount: \$</b>	<b>Periodicity (How often payments are made)</b>
_____	\$ _____	( ) Weekly ( ) Biweekly ( ) Monthly ( ) Other, specify: _____
_____	\$ _____	( ) Weekly ( ) Biweekly ( ) Monthly ( ) Other, specify: _____
_____	\$ _____	( ) Weekly ( ) Biweekly ( ) Monthly ( ) Other, specify: _____

Add additional sheets if necessary. Attach documentation for each income source (e.g., check stubs, tax returns, profit/loss statement, benefits statement).

**Assests:** List all checking, savings, other bank accounts, stocks, bonds, CDs, trusts, real estate, cash, and other assests you own.

<b>Account Type (checking, etc.)</b>	<b>Account Number</b>	<b>Balance</b>	<b>Rate</b>	<b>Institution name and address</b>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**LIST ALL RESIDENCES WITHIN THE LAST 18 MONTHS**

<b>Residence address</b>	<b>If other household members did not live at these addresses, please list their history in the comments section.</b>	<b>How Long?</b>
_____	_____	_____
_____	_____	_____
_____	_____	_____

If your household size is larger than 4, you will need to photocopy the following page and include information on all household members. Please indicate whether the household member is a coapplicant. Coapplicants will be equally responsible for loan repayment. All household members' incomes must be listed; include additional pages if necessary. If you require additional space for any answer, please continue to the comments section.

**Instructions:** Provide the following information for each household member. Photocopy this form and insert the extra pages after this page if your household has more than three members.

**CO-APPLICANT ( ) or OTHER HOUSEHOLD MEMBER ( )** A coapplicant will be on title with the primary applicant.  
 (If current address is different from Applicant's, check here ( ), and write your address in comments section.)

Name: \_\_\_\_\_

Date of Birth: _____	SSN: _____	Gender: ( ) M or ( ) F _____
Race (Check ALL that apply): ( ) White ( ) African American ( ) Asian ( ) American Indian ( ) Alaska Native ( ) Native Hawaiian/Pacific Islander ( ) Other		
Ethnicity (Check One): ( ) Hispanic ( ) Non-hispanic	Marital Status: ( ) Married ( ) Unmarried ( ) Separated	Disabled: ( ) Y or ( ) N
Are you a Student? ( ) No if Yes, ( ) Full-time ( ) Part-time	School Name/Address: _____	

<b>Income type, source (e.g., Employment, Place of Work)</b>	<b>Amount: \$</b>	<b>Periodicity (How often payments are made)</b>
_____	\$ _____	( ) Weekly ( ) Biweekly ( ) Monthly ( ) Other, specify: _____

Add additional sheets if necessary. Attach documentation for each income source (e.g., check stubs, tax returns, profit/loss statement, benefits statement).

**Assests** List all checking, savings, other bank accounts, stocks, bonds, CDs, trusts, real estate, cash, and other assests you own.

<b>Account Type (checking, etc.)</b>	<b>Account Number</b>	<b>Balance</b>	<b>Rate</b>	<b>Institution name and address</b>

**CO-APPLICANT ( ) or OTHER HOUSEHOLD MEMBER ( )** A coapplicant will be on title with the primary applicant.  
 (If current address is different from Applicant's, check here ( ), and write your address in comments section.)

Name: \_\_\_\_\_

Date of Birth: _____	SSN: _____	Gender: ( ) M or ( ) F _____
Race (Check ALL that apply): ( ) White ( ) African American ( ) Asian ( ) American Indian ( ) Alaska Native ( ) Native Hawaiian/Pacific Islander ( ) Other		
Ethnicity (Check One): ( ) Hispanic ( ) Non-hispanic	Marital Status: ( ) Married ( ) Unmarried ( ) Separated	Disabled: ( ) Y or ( ) N
Are you a Student? ( ) No if Yes, ( ) Full-time ( ) Part-time	School Name/Address: _____	

<b>Income type, source (e.g., Employment, Place of Work)</b>	<b>Amount: \$</b>	<b>Periodicity (How often payments are made)</b>
_____	\$ _____	( ) Weekly ( ) Biweekly ( ) Monthly ( ) Other, specify: _____

Add additional sheets if necessary. Attach documentation for each income source (e.g., check stubs, tax returns, profit/loss statement, benefits statement).

**Assests** List all checking, savings, other bank accounts, stocks, bonds, CDs, trusts, real estate, cash, and other assests you own.

<b>Account Type (checking, etc.)</b>	<b>Account Number</b>	<b>Balance</b>	<b>Rate</b>	<b>Institution name and address</b>

**COMMENTS SECTION:** Include any additional information or comments here.  
Housing Rehab applicants should use this section to list needed repairs

Empty space for applicant comments.

**Staff Use - Do not write below this line.**

Empty space for staff use.



**CITY OF ARCATA  
HOUSING PROGRAMS  
REQUEST FOR VERIFICATION OF EMPLOYMENT**

**INSTRUCTIONS:** Items ONE (1) AND THREE (3) should be completed by the applicant. Applicant should then return the form to the City of Arcata or its Program Manager.  
**PLEASE USE INK AND PRINT CLEARLY**

**PART I-REQUEST**

<b>1. Employer Name:</b> _____ <b>Street Address:</b> _____ <b>P.O. Box:</b> _____ <b>City, State, Zip:</b> _____ <b>Fax Number:</b> _____	<b>2. Please reply to:</b> City of Arcata, Community Dev. 736 F Street, Arcata CA 95521 <b>or return by fax:</b> <b>(707) 825-2029</b>
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I have applied for a loan through the City of Arcata Housing Programs. To qualify for this loan the City must verify my sources of income. My signature below authorizes the release of any income information requested by the City or its Program Manager.

**3. Applicant Name:** \_\_\_\_\_  
**Street Address:** \_\_\_\_\_  
**P.O. Box #:** \_\_\_\_\_  
**City/State/Zip:** \_\_\_\_\_  
**Social Security No:** \_\_\_\_\_  
**Signature of Applicant:** \_\_\_\_\_

Signature	Date
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**4. Signature and Title of Requestor:**

Signature	Date
Title	Phone Number

**PART 2 VERIFICATION**

<b>Employment Data:</b>	<b>Salary and Wage Data:</b>
<b>5. Is Applicant currently employed by you?</b> ( )Yes ( )No If <b>Yes</b> go to <b>7</b> , if <b>No</b> complete <b>6.A, B &amp; C</b> <b>6.A</b> Duration of employment? _____ <b>6.B</b> Date employment ended? _____ <b>6.C</b> Reason for leaving: _____ <b>7.</b> Present position title: _____ <b>8.</b> Probability of continued employment: _____ Remarks: _____	<b>9. Past 12 month earnings</b> \$ _____ Base salary/wage: \$ _____ Overtime: \$ _____ Commissions: \$ _____ Bonus: \$ _____ <b>10. Anticipated earnings next 12 months?</b> \$ _____

**I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT**

**11. Signature and Title of Employer:**

Signature	Date
Title	Phone No







**CITY OF ARCATA  
 HOUSING PROGRAMS  
 REQUEST FOR VERIFICATION OF BENEFITS**

**INSTRUCTIONS:** Complete items ONE (1) AND THREE (3), then return the form to the City of Arcata or its Program Manager. Listing the agency's fax no. will result in faster processing  
**PLEASE USE INK AND PRINT CLEARLY**

**PART I-REQUEST**

1. Agency Name: _____ Street Address: _____ P.O. Box: _____ City, State, Zip _____ Fax No.: _____	2. Please reply to: City of Arcata, Community Dev. 736 F Street, Arcata CA 95521 <b>or return by fax:</b> <b>(707) 825-2029</b>
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Either I have applied for home repair financing through the City of Arcata Housing Program or I am living in a home that has applied. Since all household income is considered in establishing eligibility for the program, I am required to document the source and amount of my income. My signature below authorizes your verification of the information requested. Thank you for your assistance.

3. Applicant Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 P.O. Box #: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_  
 Social Security No: \_\_\_\_\_  
 Signature of Applicant: \_\_\_\_\_

Signature	Date
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4. Signature and Title of Requestor:

Signature	Date
Title	Phone Number

**PART 2 VERIFICATION**

5. Type of Income:	Monthly amount:     \$ _____ Total Amount Rec'd Last 12 Months: \$ _____
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6. Comments:

**I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT**

7. Signature and Title of Verifier:

Signature	Date
Title	Phone No



**CITY OF ARCATA  
 HOUSING PROGRAMS  
 REQUEST FOR VERIFICATION OF BENEFITS**

**INSTRUCTIONS:** Complete items ONE (1) AND THREE (3), then return the form to the City of Arcata or its Program Manager. Listing the agency's fax no. will result in faster processing  
**PLEASE USE INK AND PRINT CLEARLY**

**PART I-REQUEST**

1. Agency Name: _____ Street Address: _____ P.O. Box: _____ City, State, Zip _____ Fax No.: _____	2. Please reply to: City of Arcata, Community Dev. 736 F Street, Arcata CA 95521 <b>or return by fax:</b> <b>(707) 825-2029</b>
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Either I have applied for home repair financing through the City of Arcata Housing Program or I am living in a home that has applied. Since all household income is considered in establishing eligibility for the program, I am required to document the source and amount of my income. My signature below authorizes your verification of the information requested. Thank you for your assistance.

3. Applicant Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 P.O. Box #: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_  
 Social Security No: \_\_\_\_\_  
 Signature of Applicant: \_\_\_\_\_

Signature	Date
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4. Signature and Title of Requestor:

Signature	Date
Title	Phone Number

**PART 2 VERIFICATION**

5. Type of Income:	Monthly amount: \$ _____
	Total Amount Rec'd Last 12 Months: \$ _____

6. Comments:

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**I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT**

7. Signature and Title of Verifier:

Signature	Date
Title	Phone No



**CITY OF ARCATA  
HOUSING PROGRAMS  
REQUEST FOR VERIFICATION OF ASSETS**

**INSTRUCTIONS:** Complete items ONE (1) AND THREE (3), and return completed form to the City of Arcata or its Program Manager. Listing the institution's fax no. will result in faster processing.  
**PLEASE USE INK AND PRINT CLEARLY**

**PART I-REQUEST**

1. Financial Institution: _____ Street Address: _____ P.O. Box: _____ City, State, Zip: _____ Fax No.: _____	2. Please reply to: City of Arcata, Community Dev. 736 F Street, Arcata CA 95521 <b>or return by fax:</b> <b>(707) 825-2029</b>
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I have applied for a loan through the City of Arcata Housing Programs. To qualify for this loan the City must verify my assets. My signature below authorizes the release of any asset information requested by the City or its Program Manager.

3. Applicant Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_  
 P.O. Box #: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_  
 Social Security No: \_\_\_\_\_  
 Signature of Applicant: \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**DO NOT WRITE BELOW THIS LINE**

4. Signature and Title of Requestor:

Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_ Phone Number \_\_\_\_\_

**PART 2 VERIFICATION**

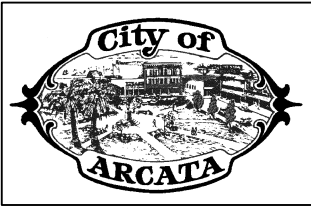
Type of Account	Account #	6 mo. Avg. balance	Interest rate
Checking	_____	_____	_____
Savings	_____	_____	_____
Type of Account	Account #	Current balance	Interest rate
Checking	_____	_____	_____
Savings	_____	_____	_____
CD	_____	_____	_____
Trust Fund	_____	_____	_____
Other accounts:	_____	_____	_____

**I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND CORRECT**

11. Signature and Title of Bank Official:

Signature \_\_\_\_\_ Date \_\_\_\_\_

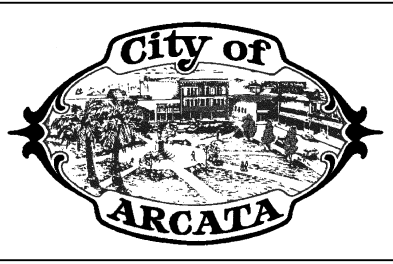
Title \_\_\_\_\_ Phone No \_\_\_\_\_



# Application Checklist (Preliminary)

The following checklist is used by City Staff to determine the completeness of your application. Though this list is not exhaustive, it does include the common steps you must complete to receive an eligibility determination. You should keep this form, and a copy of all materials you've submitted to the City for your records. You may use this form to track your progress.

Form Name	Completion Date
1 City Housing Programs Application Form	
2 Employment Verification form - one for each wage earner and each job	
3 Asset Verification form - one for each institution and asset holder	
4 Benefits Verification form - one for each recipient and agency	
5 Previous three year's tax forms (if you did not file, write a brief letter explaining why)	
6 Profit and Loss Statements/Schedule C - if you own a business	
7 Three months' most recent pay stubs	
8 Current and/or Previous Property Ownership Certification	
9 Attend City's Homeownership Financing workshop	
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**CITY OF ARCATA  
HOME OWNERSHIP PROGRAM**

**CERTIFICATION OF CURRENT AND/OR  
PREVIOUS PROPERTY OWNERSHIP**

**I.** To be eligible, applicants must be first time homebuyers. "First time homebuyer" means an individual or individuals or an individual and his or her spouse who have not owned a home during the three-year period before the purchase of a home with City of Arcata Assistance, except that the following individual or individuals may not be excluded from consideration as a first-time homebuyer under this definition:

- A.** A displaced homemaker who, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse. A displaced homemaker is an adult who has not, within the preceding two years, worked on a full-time basis as a member of the labor force for a consecutive twelve-month period and who has been unemployed or underemployed, experienced difficulty in obtaining or upgrading employment and worked primarily without remuneration to care for his or her home and family.
- B.** A single parent who, while married, owned a home with his or her spouse or resided in a home owned by the spouse. A single parent is an individual who is unmarried or legally separated from a spouse and has one or more minor children for whom the individual has custody or joint custody or is pregnant; and
- C.** An individual or individuals who owns or owned, as a principal residence during the three year period before the purchase of a home with HOME or CDBG assistance, a dwelling unit whose structure is: (i) not permanently affixed to a permanent foundation in accordance with local or state regulations; or (ii) not in compliance with state, local or model building codes and cannot be brought into compliance with such codes for less than the cost of construction a permanent structure.

By my signature below, I hereby certify that I am a Frist time homebuyer as defined in paragraph I, I.A, I.B or I.C above.

Applicant: \_\_\_\_\_

Date: \_\_\_\_\_

Co-Applicant: \_\_\_\_\_

Date: \_\_\_\_\_



**CITY OF ARCATA  
HOMEOWNERSHIP PROGRAM  
PRIMARY LENDER COMMITMENT OF LOAN FUNDS**

The borrower named below is a participant in the City of Arcata's Home Ownership Program. The Borrower should present the Primary Lender with a signed Certificate of Eligibility from the City, describing the City's loan amount and terms. As Primary Lender, Please complete this form and return it to:

**City of Arcata  
Community Development  
736 F Street  
Arcata, CA 95521**

Name of Primary Lender: \_\_\_\_\_

Address: \_\_\_\_\_

Street Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Loan Officer: \_\_\_\_\_ Phone: ( ) \_\_\_\_\_

email: \_\_\_\_\_ Fax: ( ) \_\_\_\_\_

Borrower: \_\_\_\_\_

Co-Borrower: \_\_\_\_\_

Borrower's Gross Annual Income: \_\_\_\_\_

Maximum Primary Loan Amount: \_\_\_\_\_ Valid unitl (date): \_\_\_\_\_

Interest Rate of First Mortgage (ARM's are not allowable): \_\_\_\_\_ Term: \_\_\_\_\_

Financing Program to be used:

\_\_\_\_\_ Fannie Mae

\_\_\_\_\_ FHA

\_\_\_\_\_ Other (Describe)

The City loan is comprised of a two part loan: up to \$20,000 Secured Agency note at 3% annual simple interest at 45 years and up to \$85,000 City note with deferred payment principal at 3% annual simple interest. The \$20,000 Agency note must be applied first to assist the borower to make a down apyment equal to 3% of the purchase price, and second, it may be applied towards the following items:

City and County Taxes	Title search
Commission paid to buyers agent	Title Insurance
Loan origination fees (not to exceed 3.5% of the primary	Mortgage insurance application fees
Loan and other fees associated with the primary loan)	Underwriting fee
Appraisal fee	Tax service
Credit Report	Document preparation
Flood Insurance Rate Map Verification	Notary fees
Prepaid fire and hazard insurance	Recording fees
(not to exceed one year)	Title company settlement or closing costs
	Additional down payment

Signature of Loan Officer \_\_\_\_\_ Date \_\_\_\_\_