

GROVE STATION

MARCH 2012

**2 BEDROOM AND 2 BEDROOM PLUS DEN
2 BATHROOM FLATS
APROX. 1,524 SQ. FT.
\$249,900**

FEATURES

234, 264, 334 AND 354 S. SAN DIMAS AVENUE, SAN DIMAS, CA

Traditional Exteriors

- New townhome flats with quaint design elements and distinctive floor plans.
- Located in Historic downtown San Dimas—a stroll away to cafes, restaurants, boutiques, parks and Civic Center
- **Traditional** main street architecture with enhanced brick and decorative details
- Energy efficient Low-E vinyl windows
- HOA includes exterior landscaping and maintenance

Interior/Living

- Tile entry, kitchen and bathroom floors
- Phone, data and cable wiring
- 2 car attached roll-up garage doors with opener
- Stackable washer/dryer area with hook-up
- Energy efficient central air and gas forced heating with programmable thermostat
- Walk-in closet in master bedroom

Efficient Kitchens

- Stainless steel appliances include refrigerator, slide-in range, dishwasher and microwave
- Walnut stained flat panel kitchen cabinetry with brushed nickel drawer handles
- Granite slab countertops with 4" backsplash.
- Full backsplash provided at range
- Stainless steel double basin under-mount sink with garbage disposal



ELIGIBILITY REQUIREMENTS

To be eligible to purchase a Grove Station unit from the Agency, buyers must meet the following guidelines:

- Buyers must live in the home as owner-occupants and may not rent or lease it to others.
- To qualify for one of the units, buyers must have at least 3 members in the household.
- Buyers must provide a minimum of 5% to 10% of the purchase price to cover down payment, closing costs and reserves.
- Household's combined gross income must fall within the following limits.
- Preferences will be given to first time home buyers and residents of San Dimas.

CONTACT

For more information, contact the San Dimas Housing Section at 909-394-6207.

2012 Household Composition and Maximum Income Limits	Income Limit Range
Household Size(# of persons)	(80% -120% AMI)
3	\$60,751-\$70,000
4	\$67,451-\$77,750
5	\$72,851-\$83,950

GROVE STATION

MARCH 2012

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PROGRAM SUMMARY

INFORMATION PACKET

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PROGRAM SUMMARY

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The City of San Dimas has for many years, assisted home buyers purchase their first homes in San Dimas. Today, the City's Housing Authority provides residents a unique opportunity to own stylish, trend-setting affordable housing within the heart of historic downtown San Dimas. Grove Station will contribute to the charming townscape and historic character of the town core and downtown area with all the conveniences that make a neighborhood home.

Four homes consisting of 2 bedrooms, den and 2 bath flats are being offered at reduced prices of \$249,900 to eligible home buyers of moderate income levels. The difference of the affordable sales price and actual purchase price is provided to the buyer in the form of a silent second. The silent second is silent or deferred for a period of 45 years as long as the buyer is in compliance with all program conditions. If the unit is sold to an eligible buyer within the 45 year term, the silent second is assumed and the 45 year term starts over. Upon the 45th anniversary of the original note, the silent second becomes due and is recycled to assist another eligible buyer purchase a home.

The Grove Station unit sales price is based on income and household size. Special eligibility requirements as well as restrictions on occupancy, rental, and resale of the units apply. Preferences will be given to first time home buyers and residents of San Dimas.



PROGRAM PREFERENCES

Preference will be given to first time home buyers (defined as borrowers who have not owned a home in the past three years) and current San Dimas residents who have lived in the city for a period of at least 12 months at the time of application.

ELIGIBILITY REQUIREMENTS

To be eligible to purchase a Grove Station unit from the City, buyers must meet the following guidelines:

- Buyers must live in the home as owner-occupants and may not rent or lease it to others.
- To qualify for one of the units, buyers must have at least 3 members in the household.
- Buyers must provide a minimum of 5% to 10% of the purchase price to cover down payment, closing costs and reserves.
- Household's combined gross income must fall within the following limits.

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3	\$60,751-\$70,000
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ELIGIBILITY REQUIREMENTS CONT.

- Buyers must qualify for financing through a participating program lender based on verifiable income and credit standing. Loans consist of conventional, fully amortizing, fixed interest rate mortgages with a term of at least 30 years.
- Gift funds applied to the down payment are limited to 10% of the purchase price.
- Household's total value of assets cannot exceed 50% of the purchase price of the unit.
- Buyers must be United States Citizens or have permanent residency.

RESTRICTIONS, TERMS AND CONDITIONS

In exchange for providing you with affordable housing:

- The unit must remain affordable for 45 years, and sold at an affordable price as determined by the City. Affordable Housing Covenants, Re-sale Restrictions, Option to Purchase Agreement along with other program documents will be recorded against the property.
- The unit must be owner occupied (*includes all buyers on title*). The unit must be the household's primary or sole place of residence.
- The City will record a silent second mortgage in the form of a Promissory Note and Deed of Trust on each unit. The amount of the silent second mortgage is the difference between the affordable sales price and the actual unit price determined by the City.
- Restrictions continue for a specified time period even if financial assistance provided is repaid prior to the end of the 45 year period.
- At the end of the 45 year period, all of the program requirements go away as long as all Affordable Housing Agreement obligations have been met. This includes repayment of the silent second mortgage calculated at the full difference between the then current fair market value and restricted resale price of the unit.
- In compliance with California State Assembly Bill 987, the City of San Dimas maintains a database of affordable housing units on the City's website. The database does not include the participant's name, but it does include property information such as address, assessor's parcel number, size of unit and date restriction recording and expiration dates. This unit will be subject to this requirement.

TRANSFER/RESALE/REFINANCE

- Transfer of the unit without monetary consideration may be permitted subject to program requirements and upon notice to the City.
- To assure others have the ability to purchase an affordable home, resale restrictions apply limiting the resale price of the property (equity).
- The City must authorize a resale and determine if an applicant is an eligible purchaser, and that the unit is being offered at an affordable sales price. Most likely the sales price will be lower than the fair market value of the property. In certain instances, the City will have the option to purchase the unit from the owner if the owner is unable to identify an eligible buyer, or if the buyer has not met program obligations.
- Resale to an eligible buyer restarts the restriction time period for an additional 45 years.
- Pursuant to program guidelines, refinances are permitted as long as the amount of debt requested does not exceed the outstanding principal owed under the initial financing and the homeowner is in compliance with program requirements. Loans with negative amortization, interest only payments, balloon payments or adjustable rate mortgages are not permitted when refinancing.

MONITORING

The City may conduct random periodic audits in addition to annual recertification of the units to ensure program compliance.

Insurance requirement verification, property tax payment verifications, and occupancy requirement verification must be provided to the City annually.

Maintenance and upkeep of the interior and exterior of the unit is required in a manner consistent with program requirements and community standards.

For more information, contact the San Dimas Housing Section at 909-394-6207.

Pre-qualification forms must be submitted to the City by interested applicants to determine participation eligibility.



FLOOR PLANS—234 AND 264 SAN DIMAS AVENUE

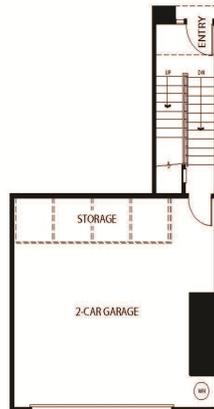
UNION STATION
RESIDENCE AT | TOWN HOME



3RD LEVEL



2ND LEVEL



GARAGE/1ST LEVEL



City of San Dimas
Housing
Authority

For more
information
contact the
Housing Section at
909-394-6207

RESIDENCE AT | TOWN HOME
1,524 SQ. FT. | 2 BEDROOMS | 2 BATHS



Floorplans are preliminary artist's conceptions and are not to scale. Floorplans may be modified on certain lots. Terms and features are subject to change without notice. Square footages are approximate. Ask sales person for full details.



FLOOR PLANS—334 AND 354 SAN DIMAS AVENUE

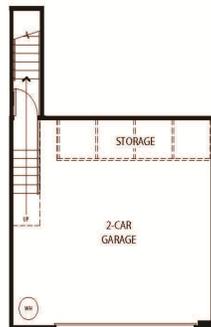
UNION STATION
RESIDENCE ET | TOWN HOME



2ND LEVEL



1ST LEVEL



GARAGE LEVEL

City of San Dimas

Housing Authority

For more information contact the Housing Section at 909-394-6207

RESIDENCE ET | TOWN HOME

1,524 SQ. FT. | 2 BEDROOMS | 2 BATHS

Floorplans are preliminary artist's conceptions and are not to scale. Floorplans may be modified on certain lots. Terms and features are subject to change without notice. Square footages are approximate. Ask sales person for full details.



HOW THE AFFORDABLE SALES PRICE IS CALCULATED

Income criteria used to determine affordable sales price and affordable housing costs are based on standards imposed by California Health and Safety Code Sections 50093 and 50052.5.

Certain assumptions are used in calculating both the affordable housing cost and maximum affordable sales price for the initial sales and for any future sales of the Grove Station units.

Affordable housing cost includes all costs associated with owning a housing unit. These include:

- principal and interest payments on a mortgage;
- private mortgage insurance, if applicable;
- property taxes and assessments;
- fire and hazard insurance covering replacement value of improvements;
- a reasonable allowance for utilities;
- a reasonable allowance for unit maintenance; and
- homeowner’s maintenance association fees (HOA)



The maximum affordable sales price is the total sales price a typical household with a moderate income level (120% of median income), adjusted for the household size appropriate for the unit size, can afford to pay for housing.

The Grove Station affordable sales prices are based on a target income level, not the income of the actual homebuyer. The household size adjustment that is used in determining the income limit for the purposes of setting the maximum affordable sales price is based on the number of bedrooms in the unit, not the size of the specific homebuyer’s household. This criteria allows the sales price to be set in advance of identifying a specific buyer. The sales price for a City owned Grove Station unit is determined using a two-bedroom unit and presumed household size of 3 with a moderate income level.

Affordable Housing Price – Grove Station Units

2 bedroom unit - 3 person household

Supportable Mortgage Calculation*

Household Income @ 110% of income	\$64,130
Income Allotted to Housing @ 35% of Income	\$22,446
Ongoing Expenses	
Maintenance & Insurance**	3,024
Utilities***	1,380
Property Taxes @ 1.1% of Affordable Price	<u>2,749</u>
Total Expenses	\$7,153

Income Available for Mortgage

\$15,293

Affordable Housing Price

Supportable Mortgage @ 5% Interest	\$237,400
Home Buyer Down Payment @ 5% of Affordable Price	<u>\$12,500</u>

Affordable Housing Price

\$249,900

- * Based on income standards by California Health and Safety Code 50093 and 50052.5
- ** Includes HOA and property insurance
- *** Based on current LA County Housing Authority Utility Allowances

For more information contact the San Dimas Housing Section
909-304-6207



RESALE—MAXIMUM AFFORDABLE RESALE PRICE

Since the City has helped make the cost of buying a home affordable to you, they want to make sure others like you get the same chance. Therefore, the Affordable Housing Agreement limits the sales price of your home if you sell within 45 years. The maximum resale price that you can receive is the Eligible Buyer Purchase Price as calculated by the City, based on the requirements imposed by California Health and Safety Code section 50052.5. The maximum resale price will generally be calculated as follows:

1. Original affordable housing price (price you bought it for);
2. Increased by the percentage increase of the Area Median Income for the County of Los Angeles for your household size (which could range from 3 to 5 persons for your unit from the date of your original purchase (recording date of your Grant Deed) to the date of receipt by the City of your notice to sell the unit,
3. The appraised value (not cost) of any substantial improvements which you made to the unit with the City’s authorization after purchase . No adjustment shall be made except for improvements made previously approved by the City.
4. If the unit has suffered from any damage or deferred maintenance while you own it, any repair costs or decrease in value of your unit will be subtracted in the calculation of the maximum resale price, as will the amounts necessary to put your unit in a sellable condition.

The following example displays how the maximum sales price may be calculated by the City.

EXAMPLE: You sell your home at the end of 8 years. The original affordable housing cost you paid was \$243,700. The median income for a family of 4 when you purchased was \$64,000. Median income increases by 16% over the 8 year period. You had remodeled your kitchen (with prior City approval) and the remodeling work is now valued by an appraiser at \$4,000.

Original Affordable Housing Cost of Unit	\$249,900
Median income – Increased by 16% over 8 years	+ 39,984
Multiply \$249,900 x 16% = \$39,984	
Agency Original Loan	+ 100,000
Appraised Value (not cost) of Eligible Improvements	<u>+ 4,000</u>
Resale Price	\$393,884
Agency Loan Assumption by New Buyer	<u>- 100,000</u>
Maximum Affordable Resale Price	\$293,884



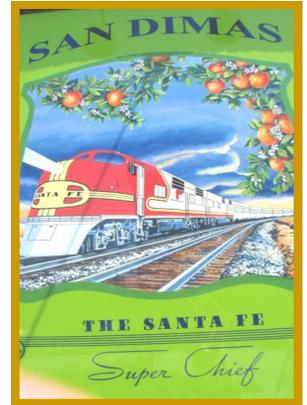
GROVE STATION

HOW DO I START?

STEP BY STEP PROCESS

If you are interested in purchasing a Grove Station unit, follow the steps identified below to determine if you meet the minimum eligibility requirements identified in the program summary:

1. Check the income chart on the program summary. Determine that your gross (pretax) annual income does not exceed the maximum allowed for the total number of people in the household. Potential buyers must have a 3 to 5 person household in order to purchase an available unit. All household members must meet program requirements at the time of application.
2. Are you a first time home buyer? Preference will be given to applicants who have not owned a primary residence in the last three years. Preference will also be given to applicants who currently reside in San Dimas for the past 12 months.
3. Determine the value of your household assets. Do you have 5% to 10% available for down payment and closing costs? Do you have gift funds to apply to your down payment? If so, gather this information to include on the pre-application form.
4. Attend a viewing of the Grove Station units. 2 floor plans will be offered consisting of 2 bedrooms, den and 2 bathroom flats. See the attached floor plans for unit layout. Once the unit is viewed and you desire to make application, continue to Step 5.
5. Complete the pre-qualification form which is enclosed in this information packet and return it along with all requested documentation to the City of San Dimas Housing Section, 245 E. Bonita Avenue, San Dimas, CA 91773. Your pre-application form will be received and considered on a first come, first serve basis.
6. Your pre-qualification form will be reviewed to determine program eligibility and ability to apply for financing. If determined eligible to participate in the program, your name will be placed in a drawing to select 4 potential buyers. The 4 applicants selected will be submitted to the program lender to initiate the purchase process. The remaining applicants will be placed on a wait list in the order selected from the drawing and submitted to the lender as units become available.
7. Selected applicants must submit all documentation requested by the Lender and City to proceed in the purchase process. Potential buyers will enter into a purchase contract and pay an initial deposit, at which time an escrow account is opened at the title company.
8. The City's loan processing procedures will concur with the mortgage loan processing and underwriting procedures used by the program lender.
9. Upon approval of the loan, buyers sign the loan papers and program documents, and with the closing of escrow, applicants become the proud owner of a Grove Station unit.



City of San Dimas

Housing
Authority

For more
information contact
the Housing
Section at
909-304-6207



GROVE STATION



PRE-QUALIFICATION FORM

This Pre-Qualification Form is only for the purposes of preliminary self-qualifying and for use by the Agency to determine your eligibility to participate in the San Dimas Grove Station Program.

This Pre-Qualification Form does not establish, expressly or by implication that a potential applicant will be eligible for, or be approved for, an Agency deferred and/or lender first loan to purchase a unit.

PROGRAM ELIGIBILITY

Section 1: Household Composition

Enter the full name of all intended occupants of the unit who are 18 years of age or older. Please specify the relationship of the household members (spouse, children, etc.) Attach a separate sheet if necessary.

APPLICANT NAME:	SOCIAL SECURITY #:
Date of Birth:	Relationship: <i>Head of Household</i>
Present Address:	City, State, Zip:
Home Phone:	Cell/Alternate Phone:
Work Phone:	Email:

CO-APPLICANT NAME:	SOCIAL SECURITY #:
Date of Birth:	Relationship:
Present Address:	City, State, Zip:
Home Phone:	Cell/Alternate Phone:
Work Phone:	Email:

Please complete one line for each member of your household under 18 years of age.

	Name	Relationship	Date of Birth
1			
2			
3			
4			

Total number of household members under 18 years of age listed above: _____

Section 2: Gross Annual Household Income

Complete a separate line for each household member 18 years of age or older who is employed. Information provided will be verified with additional income documentation requests if your name is drawn and submitted to the program lender.

Name: _____

Wages (including tips, commissions, bonuses)	Social Security/Pensions (Annually)	Other Sources of Income (i.e. alimony, child support)	Estimated Annual Income

Name: _____

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Name: _____

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Name: _____

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Name: _____

--	--	--	--

TOTAL ANNUAL GROSS HOUSEHOLD INCOME (as indicated above) _____

Section 3: Value of Assets

Checking Accounts	Savings Accounts	Retirement Accounts	Investments (Stocks, etc.)	Gift Funds Available
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Name: _____

--	--	--	--	--

Name: _____

--	--	--	--	--

Name: _____

--	--	--	--	--

Name: _____

--	--	--	--	--

Name: _____

--	--	--	--	--

TOTALS

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APPROXIMATE AMOUNT AVAILABLE FOR DOWN PAYMENT AND CLOSING COSTS:

Section 4: Program Applicant Status

- Do all members (applicants and co-applicants) identified in Section 1 above currently reside in San Dimas?
There is a preference for applicants who live in San Dimas.) Yes _____ No _____
- If you answered yes to Item #1 above, how long? _____
- If you answered no, how many currently reside in San Dimas? _____
Applicant: _____ Co-Applicant: _____ Co-Applicant: _____
- Have any members of the household owned a principal residence during the previous three years?
Yes _____ No _____

Section 5: Demographic Data (optional – for statistical purposes only)



Are you a female Head of Household? Yes _____ No _____

Primary language spoken: _____

Does anyone in your household require wheelchair accessibility? Yes _____ No _____

Please explain: _____

Please indicate below ethnic and /or racial categories of the Head of Household. Select one from each column.

Ethnic

Racial Categories

- | | | | |
|------------------------------------|-------|--|-------|
| Spanish/Hispanic/Latino | _____ | American Indian/Alaska Native | _____ |
| Mexican/Mexican Am./Chicano | _____ | Asian | _____ |
| Puerto Rican | _____ | Black/African American | _____ |
| Cuban | _____ | Native Hawaiian/Other Pacific Islander | _____ |
| Other Spanish/Hispanic/Latino | _____ | White | _____ |
| <i>Print Group if other:</i> _____ | | | |
| No, not Spanish/Hispanic/Latino | _____ | American Indian or Alaska Native and White | _____ |
| | | Asian and White | _____ |
| | | Black or African American and White | _____ |
| | | American Indian or Alaska Native and | |
| | | Black or African American | _____ |
| | | Some other race | _____ |
| | | <i>Print race</i> _____ | |

Section 6: Documentation Submittal Request

The following items must be submitted with your Pre-Qualification Form in order to be processed. Please provide copies, not originals.

1. Last two (2) months of most current paycheck stubs
2. Tax Returns (State and Federal) for the last three years
3. Documentation displaying assets available for down payment and closing costs. If gift funds are to be obtained for down payment, please submit the Home Purchase Gift Letter included in this packet.
4. Copy of Driver's License or State ID (All applicants and co-applicants)

Section 7: Household Certification & Consent to Disclosure of Information

My household is interested in purchasing a home through the San Dimas Grove Station Program. I (we) have read the program summary and eligibility requirements and restrictions, and understand our obligation to provide documentation as requested in this pre-qualification form. I understand the information on this form will be used to determine eligibility to be placed in a drawing to select four (4) potential buyers and to establish a program wait list.

All information in this application is true and correct. I (we) understand that you will confirm the information and retain the application whether or not the application is approved. I (we) further understand that providing false representations herein constitutes an act of fraud and will invalidate this Pre-Qualification Form.

By signing below, I (we) authorize the San Dimas Housing Authority to verify all information submitted in this form, to order credit reports and to work with and receive information from the program lender on my/our behalf.

<p>Applicant: _____</p> <p style="text-align: center;">Signature</p> <p>_____</p> <p style="text-align: center;">Print or Type</p> <p>_____</p> <p style="text-align: center;">Date</p>	<p>Co-Applicant: _____</p> <p style="text-align: center;">Signature</p> <p>_____</p> <p style="text-align: center;">Print or Type</p> <p>_____</p> <p style="text-align: center;">Date</p>
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Pre-Qualification Forms will be received and considered on a first come first served basis. Please submit your completed form to:

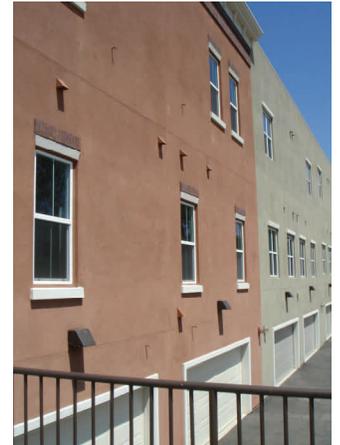
City of San Dimas
 Housing Section
 245 E. Bonita Avenue
 San Dimas, CA 91773

An acknowledgement letter will be mailed upon receipt and processing of your completed Pre-Qualification form.

For more information, please visit our website at www.cityofsandimas.com or contact 909)394-6207 for more information.



GROVE STATION



**GROVE STATION
HOME PURCHASE GIFT LETTER
(TO BE COMPLETED ONLY IF GIFT FUNDS ARE BEING OBTAINED)**

To Whom It May Concern:

I/We _____ and _____ are interested in purchasing a Grove Station unit from the San Dimas Redevelopment Agency. It is my/our understanding that I/we am/are required to provide a minimum of five (5%) percent down payment toward the purchase price of said unit and will need additional funds to cover closing costs and reserves. It is also my/our understanding that gift funds applied toward down payment, closing costs and reserves are limited to ten (10%) percent of the purchase price.

This letter will confirm that I/We will be receiving a gift of funds of \$_____ to assist me/us with the purchase of this unit. These funds are a gift and do not require repayment to the donor(s).

The donor(s) of this gift of funds is/are _____ and _____ who is/are related to me/us as _____.

Applicant: _____ Date: _____

Co-Applicant: _____ Date: _____

As donors of a down payment assistance gift, I/We understand and acknowledge that these funds are a gift and that repayment is not required.

Donor: _____ Date: _____

Co-Donor: _____ Date: _____

