CITY OF BALDWIN PARK
COMMUNITY DEVELOPMENT DEPARTMENT
FIRST TIME HOME BUYER PROGRAM

BALDWIN
P • A • R • K

CITY OF BALDWIN PARK, COMMUNITY DEVELOPMENT DEPARTMENT
14403 E. PACIFIC AVE., BALDWIN PARK, CA 91706
FOR MORE INFORMATION, CALL MICHELLE BRAVO AT (626) 960-4011 EXT. 354

City of Baldwin Park
First Time Home Buyer Program
STACKING ORDER

Lender _____ Agent _____
Phone # _____ Office _____
Fax# _____ Address _____
Contact _____ Phone# _____Fax #_____
Pager# _____

___ 1. Initial Agency Application
___ 2. FHA MCAW or Conv. Transmittal Summary
___ 3. Escrow Instructions (with 2nd T.D. mentioned)
___ 4. Appraisal
___ 5. Purchase Contract, Counter Offers and Amendments
___ 6. Preliminary Title Report
___ 7. Typed Loan Application (1003)
___ 8. Credit Loan Application (1003)
___ 9. Credit Report and Letters of Explanation
___ 10. Verification of Deposits
___ 11. Current Bank Statements (Most recent month)
___ 12. Documentation of Any Gift Funds
___ 13. Certified Copy of Initial Deposit in Escrow
___ 14. Verification of Employment
___ 15. Copy of Most Current Pay Stubs (most recent – one month's pay stubs)
___ 16. Last 3 Years W – 2's
___ 17. Last 3 Years Federal Tax Returns
___ 18. Conditional Loan Commitment from Lender
___ 19. Annual Monitoring Agreement
___ 20. Sellers Agreement
___ 21. Request for Inspection
___ 22. Certificate – Approved First Time Homebuyer Workshop

Escrow _____ Selling Agent _____
Address _____ Selling Office _____
_____ Address _____
Officer _____ _____
Escrow# _____ Phone# _____ Fax # _____
Phone# _____ Fax# _____ Pager# _____

*All files **must** be submitted (stacked) in the order listed above.
** Incomplete files will not be accepted.

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Dear Potential Homebuyer:

On behalf of the City of Baldwin Park Community Development Department, I would like to thank you for considering our First Time Homebuyers Program to assist you with the purchase of your first home.

Receiving this packet is your first step to reaching the American Dream. The second step is to contact a lender of your choice for pre-approval. Please have your lender review the attached packet, including the program guidelines. Once you have received your pre-approval, please ask your lender to contact us to begin the process.

The Community Development Department has a courteous staff that will make you feel at ease during this exciting time. We will do our best to provide you and your lender with the information needed in purchasing your first home.

The City of Baldwin Park is committed to helping you. If you have any questions, please contact Michelle Bravo at (626) 960-4011 ext. 354 or myself at ext. 496.

Sincerely,

Suzie Ruelas
Housing Manager

CITY OF BALDWIN PARK
FIRST TIME HOME BUYERS PROGRAM
SILENT SECOND
SUPPLEMENTAL LOAN APPLICATION

BORROWER INFORMATION

Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)
-- -- ( )	-- -- ( )
Social Security Number Home Phone	Social Security Number Home Phone
Current Address Apt. #	Current Address Apt. #
City State Zip	City State Zip
____ Married ____ Unmarried (including single, divorced & widowed) ____ Separated Age	____ Married ____ Unmarried (including single, divorced & widowed) ____ Separated Age

Dependents (List all who will reside in the home)

Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age
Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age
Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age
Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age
Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age
Name	Relationship	-- -- Social Security Number	$ Monthly Income	Age

EMPLOYMENT INFORMATION

Borrower's Employer Self-Employed ____	Co-Borrower's Employer Self-Employed ____
Employers Name	Employers Name
Address City State Zip	Address City State Zip
Title Years at this Job	Title Years at this Job
) ( )	
Phone Contact Person	Phone Contact Person
$	$
Hourly Wage Hours Per Week	Hourly Wage Hours Per Week

LIABILITIES

List the creditor's name, address and account number for ALL outstanding debts, including automobile loans, revolving charge accounts, real estate loans, alimony, child support, stock pledges, etc. Use continuation sheet, if necessary.

Auto Loans

Name of Company	Account No.	Name of Company	Account No.
Make / Model / Year		Make / Model / Year	
$	$	$	$
Monthly Payment	Balance	Monthly Payment	Balance

Creditors

Name of Company	Account No.	Name of Company	Account No.
Address / City / State / Zip		Address / City / State / Zip	
$	$	$	$
Monthly Payment	Balance	Monthly Payment	Balance
Name of Company	Account No.	Name of Company	Account No.
Address / City / State / Zip		Address / City / State / Zip	
$	$	$	$
Monthly Payment	Balance	Monthly Payment	Balance
Alimony, Child Support, Separate Maintenance Payments Owed to:	$	Job Related Expense (child care, union dues, etc.)	$
Name	Monthly Payment	Description	Monthly Payment
	$		$
Name	Monthly Payment	Description	Monthly Payment
TOTAL MONTHLY PAYMENT	$	**TOTAL LIABILITIES**	$

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor	Phone Number ( )	Account Number
Alternate Name	Creditor	Phone Number ( )	Account Number

Have you been on title to any real estate in the past three (3) years? _____ Yes _____ No

If yes, please explain: _____

ACKNOWLEDGMENT AND AGREEMENT

I/we understand that this application supplements with the Freddie Mac Form 65, Fannie Mae Form 1003 and any other equivalent form. I/we also certify that the information provided in this application is true and correct as of the date set forth opposite my/our signatures on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to fine, or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Borrower's Signature	Date	Co-Borrower's Signature	Date
X		X	

Request for Verification of Employment

Privacy Act Notice: This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. seq. (if HUD/FHA); by 42 USC, Section 1425b (if HUD/CPD); and Title 42 USC, 1471 et. seq. or 7 USC, 1921 et. seq. (if USDA/FmHA).

Instructions: Lender - Complete items 1 through 7. Have applicant complete item 3. Forward directly to employer named in item 1.
Employer - Please complete either Part II or Part III as applicable. Complete Part IV and return directly to lender named in item 2.
The form is to be transmitted directly to the lender and is not to be transmitted through the applicant or any other party.

Part I - Request

1. To (Name and address of employer)	2. From (Name and address of lender)
	City of Baldwin Park - Comm. Dev. 14403 E. Pacific Avenue Baldwin Park, CA 91706

I certify that this verification has been sent directly to the employer and has not passed through the hands of the applicant or any other interested party.

3. Signature of Lender	4. Title	5. Date	6. Lender's No. (Optional)

I have applied for a mortgage loan and stated that I am now or was formerly employed employed by you. My signature below authorizes verification of this information.

7. Name and Address of Applicant (Include employee or badge number)	8. Signature of Applicant

Part II - Verification of Present Employment

9. Applicant's Date of Employment	10. Present Position	11. Probability of Continued Employment

12A. Current Gross Pay Base (Enter amt. and Check Period)

$ _____ ☐ Annual ☐ Monthly ☐ Weekly ☐ Hourly ☐ Other (Specify)

12B. Gross Earnings

Type	Year To Date	Past Year 19	Past Year 19
Base Pay	$	$	$
Overtime	$	$	$
Commiss.	$	$	$
Bonus	$	$	$
Total	$	$	$

13. For Military Personnel Only

Pay Grade

Type	Monthly Amount
Base Pay	$
Rations	$
Flight or Hazard	$
Clothing	$
Quarters	$
Pro Pay	$
Overseas or Combat	$
Variable Housing Allowance	$

14. If Overtime or Bonus is Applicable, is Continuance Likely?

Overtime ☐ Yes ☐ No

Bonus ☐ Yes ☐ No

15. If paid hourly - average hours per week.

16. Date of applicant's next pay increase.

17. Projected amount of next pay increase.

18. Date of applicant's last pay increase.

19. Amount of last pay increase.

20. Remarks (If employee was off work for any length of time, please indicate time period and reason.)

Part III - Verification of Previous Employment

21. Date Hired	23. Salary/Wage at Termination Per (Year)(Month)(Week)
22. Date Terminated	Base _____ Overtime _____ Commissions _____ Bonus _____
24. Reason for Leaving	25. Positions Held

Part IV - Authorized Signature

Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary, the U.S.D.A. FmHA/FEHA commissioner, or the HUD/CPD Assistant Secretary.

26. Signature of Employer	27. Title (Please print or type)	28. Date
29. Print or type name signed in item 26	30. Phone No.	

CITY OF BALDWIN PARK

FIRST TIME HOMEBUYERS PROGRAM GUIDELINES

I. INTRODUCTION

The City of Baldwin Park First Time Homebuyers Program has been designed to meet the needs of low-income families and individuals (hereafter sometimes called the "Borrower") who wish to purchase and occupy an affordable home.

Funds are provided as a Deed of Trust after the primary financing Deed(s) of Trust. The contribution is in the form of a deferred mortgage loan. Money is made available through various programs.

II. GENERAL ELIGIBILITY REQUIREMENTS

A. Maximum Purchase Price

The maximum purchase price for a property to qualify under the First Time Homebuyers Program when utilizing HOME funds is 95% of the area median sales price as established by HUD or, if approved by HUD, by the City in accordance with federal regulations. For purposes of this program, all references to the "purchase price" shall mean only the price paid by the Borrower to the seller of the property, and shall not include any other costs (such as inspection charges) or fees (such as loan processing fees) whether paid by the Borrower, the seller, or a third party. **For the most updated Maximum Purchase Price, please contact the Community Development Department.**

B. Maximum Loan Amount

The loan amount will vary based on need.
The maximum loan amount for Low Income Families is $70,000.

C. Characteristics of the Low Income Homebuyer

1. LOW INCOME (not to exceed 80% of the median income)

Household adjusted gross income shall be no more than 80% of median income of family size determined by the U. S. Department of Housing and Urban Development. Per State of California HCD, the maximum gross income table for 2016 follows:

Number of Persons in Family/Maximum Gross Income *

Family Size	Annual Income Limit*
1	$48,650
2	$55,600
3	$62,550
4	$69,450
5	$75,050
6	$80,600
7	$86,150
8	$91,700

*subject to change

2. Low-Income Affordable Housing Cost – For low-income households, affordable housing cost shall not be greater than 35 percent (or such lower percentage as is required by law) of the gross income of the household. Notwithstanding the foregoing, no person shall qualify for participation in this program if the total housing costs for such person's household are less than 28 percent of the gross income of the household.

D. Property and Household Requirements

1. **Unit must be owner occupied at time of sale and for the term of the City's loan.**

2. The Borrower's household shall have sufficient income and creditworthiness to qualify for primary financing as defined by their selected lender. The household, however, could not have otherwise qualified for home purchase at that lending institution's standard housing expense to income ratio without the City's assistance.

3. The Borrower's household shall have sufficient assets to provide a minimum of 1.5% or more down payment, plus closing costs. Exception will be made for Veteran Loans. Fannie Mae allows a maximum combined loan-to-value ratio of 95% when subordinate financing is used. FHA allows a maximum combined loan-to-value ratio of 97% when subordinate financing is use.

4. Household liquid assets shall not exceed the combined total of the Borrower's down payment, estimated closing costs, up to six months' total monthly housing costs, and an emergency allowance of $3,000 in liquid or convertible assets.

5. The Borrower shall not have owned residential property or have owned a principal residence during the last 3 years.

6. The property must meet the minimum Housing Quality Standards and State and local Building Codes at the onset of initial occupancy/acquisition.

7. The seller/buyer is required to provide a Homeowner's warranty for the first year of occupancy.

8. Non-occupying co-signers will not be accepted.

9. This program is not designed to pay existing debt to qualify the Borrower as a buyer.

10. This loan is not provided as a down payment program. At a minimum, the Borrower will be required to contribute 1.5% of the purchase price as the down payment and to pay all closing costs. Exception will be made for Veteran Loans.

11. Loans will be made on single-family homes (whether completely detached or as part of a 2 to 4 unit development), condominiums and townhomes within the City of Baldwin Park.

E. Determination of Adjusted Gross Income

1. In calculating adjusted gross income, all of the income of the Borrower(s) and other household members who share the same dwelling unit or share in the ownership of the unit, whether in cash or in kind, shall be considered, as set forth below:

   a. The full amount, before any payroll deduction, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses, and other compensation for personal services, provided they are normal and consistent income of the applicant;

   b. The net income from an operation of a business or profession, as calculated by averaging the net income manifested on their federal income tax returns for the past three years;

   c. Interest, dividends, and other net income of any kind from real or personal property;

   d. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum payment for the delayed start of a periodic payment;

   e. Periodic and determinable payment in lieu of earnings, such as unemployment, worker's compensation, severance pay, and welfare assistance (NOTE: such payments may be excluded by the lending

institution providing the first mortgage for purposes of underwriting, but shall be included in eligibility determinations for this program);

f. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling to the extent that such payments are reasonably expected to continue;

g. All regular pay, special pay, and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family, spouse, or other person whose dependents are residing in the unit;

h. Any earned income tax credit to the extent it exceeds income tax liability; and

i. Any other income that must be reported for federal and state income tax purposes.

2. The following exceptions shall apply in the determination of adjusted gross income:

a. Payments received for the care of foster children;

b. Amounts specifically excluded by a federal or state statute from consideration as income;

c. Casual, sporadic, or irregular gifts;

d. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (these items shall be considered as assets for the purpose of the program);

e. Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to veterans for use in meeting the costs of tuition, fees, books, and equipment.

3. The Borrower shall be required to provide federal and state income tax returns for the prior three years and verification of current income to document eligibility for the program.

F. Assets

1. For purposes of this program, the following types of assets shall be considered in eligibility determination:

   a. Cash savings;
   b. Marketable securities, stocks, bonds, and other forms of capital investment, including tax exempt securities other than retirement plans (e.g. IRA's, 401K's, KEOGH's, SEP's, etc.);

   c. Inheritance, lump-sum insurance payments, or similar payments, already received;

   d. Settlements for personal or property damage, already received;

   e. Equity in real estate, except as stated below; and

   f. Other personal property, which is readily convertible into cash.

2. The following are not considered assets:

   a. Ordinary household effects, including furniture, fixtures, and personal property;

   b. Automobiles used for personal use; and

   c. Depreciable property used in a business, which generates a significant proportion of household income.

NOTE: The City reserves all right to determine eligibility of applicant(s).

III. TERMS AND CONDITIONS

A. Terms

1. The term of the loan is 15 years. The loan must be repaid at the end of the term, or any extension thereof permitted by these Guidelines.

2. Even if the term has not expired, the loan must be repaid if the property is sold or transferred during the life of the loan unless the City approves the purchaser as a person eligible for this program. Eligibility will involve consideration of both the income level of the purchaser and the "affordability" of the property at the proposed sale price. This program anticipates that it is likely, if the property is sold at the market rate, that the Borrower will be required to repay the loan made under this program plus interest to the City.

3. Repayment of the principal sum shall also be required if the Borrower transfers the property by other than a sale (e.g., the house becomes a rental), the first or second mortgage is refinanced to obtain money, the Borrower ceases to occupy the property as his/her principal residence, or the property transfers due to a probate proceeding.

4. The loan shall be documented by a promissory note, covenants, conditions and restrictions, a deed of trust on the property, and such other documents as are required by law.

5. The City loan will generally be secured by the second deed of trust. However, the City on a case-by-case basis will review and may approve a second deed of trust securing a loan from other City-, federal- or state-funded programs (i.e. City of Baldwin Park's Residential Rehabilitation Loan Program, the Lease to Purchase Program, CalHome and VA Loans), in which case the City loan under this program will be secured by a third deed of trust. The City will not consider a third trust deed position to any non-government program.

6. The property will be subject to restrictions on re-sale as described in Section G, below, which may exceed the term of the loan, and apply even after repayment has occurred.

7. The loan term will be extended 5 years at a time, if proper documentation is provided by the Borrower which shows that the total adjusted annual gross income for his/her household is less than 80% of the then-applicable HUD area median income established by the Federal Government, and his/her monthly housing costs are in excess of 35% of that adjusted annual gross income divided by 12. This documentation must be submitted no later than the date 30 days prior to the date the loan is initially due, and then, if the loan is extended, 30 days prior to each new date(s) the loan is due (i.e., 30 days prior to the 15th, 20th and 25th anniversaries of the close of escrow). The documentation must be adequate as determined by the City and shall consist of filed 1040 Federal Income Tax forms or comparable documentation to show proof of income. Documentation of the extension will be required. In no event shall any extension or deferral cause the loan amount to be due and payable more than 30 years from the initial loan closing.

    7. The Borrower shall maintain current payments on the first deed of trust, any second deed of trust to which the loan is subordinate, property taxes, and hazard insurance.

B. Interest

1. Interest shall accrue as follows:

Period of Residency	Annual Interest Rate
1 Day - 3 years	at= 5%
3 years +1day - 6 years	at= 4%
6 years+1day - 9 years	at= 3%
9 years+1day - 12 years	at= 2%
12 years + 1 day -15 years	at= 1%
15 years + 1 day or more	at= 0%

2. The period of residency shall refer to the period of time in which the Borrower continuously occupies the property as his/her principal residence. A year shall be a period of 365 days, commencing on the date of loan closing. The annual interest rate for each period shall apply to previous periods. For example, if the Borrower sold the property after occupying it as his/her principal residence for 5 years, the interest applicable throughout the term of the loan would be 4%. If the Borrower occupies it as his/her principal residence for the full 15 years, all interest shall be waived.

3. Interest shall accrue on all sums due and not paid when due at the rate of 10% per annum.

4. If the loan term is extended beyond 15 years, no interest shall be imposed during the extension period.

C. Recertification; City Monitoring

1. Borrower shall agree to execute the consent set forth in Attachment "A" requiring submittal of an annual affidavit of occupancy and maintenance of the exterior of the property, including lawn mowing and weeding.

2. The First Trust Deed Lender, and any permitted Second Trust Deed Lender, shall, upon receipt, provide City with any Notice of Default on taxes. Such Lender(s) shall also agree to record a Request for Notice of Default notifying City of the occurrence of an event of default under its trust deed.

3. City shall be named as beneficiary on hazard insurance policies and shall be notified of modifications or cancellations of insurance coverage.

D. Property Sales, Refinancing, Payment of Prior Mortgages and Subordination

1. Property shall not be sold for less than the sum of the existing liens, encumbrances, and interest, including property tax liability, without the express written consent of the City.

2. Refinancing shall be allowed where the Borrower will repay in full the loan plus the interest due as specified in the loan documents, provided, however, that no cash out refinancing which would increase the amount of the First Trust Deed, or any permitted Second Trust Deed, on the property will be permitted.

3. Requests for loan subordination or transfer of the property to a new low-income buyer shall be considered on a case-by-case basis. See Section H.

E. Violations and Penalties

Upon the City determining that the Borrower willfully and knowingly made a false statement or representation, or has knowingly failed to disclose a material fact, for the purpose of qualifying for the program or in completing certifications, affidavits, or recertification documents, the City shall demand as liquidated damages full repayment of the principal on the loan plus the City's share of appreciation in the equity of the property. Said sum shall be immediately due and payable and shall be deemed secured by the deed of trust in favor of the City.

F. Evaluations

Each Borrower shall be afforded the opportunity to comment on the processing and administration of this program.

G. Resale Obligations and Restrictions

1. Except as set forth in paragraph 4, below, if the property is rented, sold, transferred, or a change in title occurs within 15 years from initial purchase, the principal of the loan together with interest at a rate based upon the number of years the loan has been outstanding, as described in Section III. B., above, will be immediately due and payable.

2. If HOME Funds have been used, the property shall remain subject to affordability requirements for a total term of fifteen (15) years from the date the loan was made, unless the HOME program requirements for relief from the affordability obligation have been complied with. Such requirements presently permit release of affordability requirements upon repayment of the loan.

3. Repayment of a loan may be waived, and the loan transferred to a new owner, if the City determines in its sole discretion that the purchaser meets the eligibility requirements for this program, and the property will remain affordable. In order for the City to make that determination, full and complete loan documents and an application must be submitted to the Housing Division staff. A minimum of ten (10) working days from the time the application is deemed complete is required to determine eligibility before the new buyer can receive the transfer loan.

H. Financing or Refinancing a First (or Approved Second) Loan

1. Before the City will provide a Borrower with funds for a property, and before a Borrower may refinance a loan, which is superior to the City loan for any purpose, the proposed lender must submit the following documents to the Housing Department of the City of Baldwin Park:

   a. Copy of current application form
   b. Copy of appraisal
   c. Verification of employment
   d. Demand on existing mortgage, if applicable
   e. Estimated closing statement
   f. Terms of new loan
   g. Current credit report
   h. Preliminary title report

   In addition, the property owner must submit an explanation of his/her purpose in refinancing, if applicable.

2. The City's shall evaluate the information to determine conformance with the following standards:

   Principal
   The loan will not cause the loan-to-value ratio to exceed 95% loan-to-value, or the original loan-to-value at time of property purchase, whichever is lower, including all loans on the property. The value must be determined by an appraisal, which may be one prepared by the proposed lender. The principal on any refinanced loan will not be increased. The result of refinancing will be to lower the monthly payment and not to tap equity for spending. Reasonable excess funds, if available, can be used for escrow and points. A certified copy of the preliminary loan closing/settlement statement and final settlement must be provided after escrow closes. There will not be any major differences.

   Interest Rate
   All loans must be at a fixed interest rate, **30 or 15-year amortization**. The rate will not be variable or adjustable.

Payment Rate
If the loan is being refinanced, the new payment must be lower than the original payment.

Preliminary Title Report
The preliminary title report must be provided with the application and again prior to loan closing. This will show only the new loan or loans (if a first and approved second are being financed or refinanced) and the City loan in second (or, if approved, third) position. All taxes will be current and there will be no other liens or encumbrances.

No Cost to City
The Borrower will bear all costs connected with the transaction.

Monitoring Requirements
No approval shall be granted unless the Borrower has cooperated with the City and returned the City's Annual Occupancy Monitoring documents. For instance, the Borrower must be occupying the home as his/her primary residence and, therefore, not have rented the property to others. In addition, exterior property maintenance will be up to City Code and the property will have no Code Enforcement violations.

4. The lender shall provide certified copies of all documents relating to the loan to the Housing Department. The lender will also prepare a Request for Notice for the City in the event the senior loan defaults. The Housing Department staff will review and approve any required subordination agreement. The subordination agreement will be approved and executed by the Executive Director if City criteria are satisfied.

IV LOAN PROCEDURES

A. The potential homebuyer contacts a lender (or lenders, if the second is a governmental entity) of his/her choice to be pre-qualified.

B. The senior lender(s) contacts the City of Baldwin Park to receive City guidelines.

C. The senior lender(s) returns a complete loan package (including the City's application) to the City. A request for an inspection on the proposed property should also be submitted to the City prior to submitting a loan package (via fax) or included with the loan package.

D. The City inspects the property, which must meet the minimum Section 8 Housing Quality Standards and City Building Codes at the onset of initial

occupancy/acquisition. The City inspector will notify the senior lender(s) of approval/denial and notes of any findings.

E. Once the property has passed inspection and the package is complete, the City loan committee will approve/deny the request for subordinate financing.

F. After approval/denial of the loan, the senior lender(s) will be notified. If approved, the senior lender(s) will be informed to proceed with loan documents and the City will simultaneously prepare the necessary City loan documents (e.g., the Promissory Note and Second or Third Trust Deed) and request for funding.

G. The approved Borrower(s) sign the City Loan documents at the Housing Department. The signed loan documents and funds will be forwarded to the escrow for closing.

ATTACHMENT "A"

ANNUAL MONITORING AGREEMENT

BORROWER CONSENT TO ALLOW FUTURE OCCUPANCY AND MAINTENANCE MONITORING.

Prior to close of escrow, the Borrower(s) have indicated their approval below to cooperate with the City of Baldwin Park to annually monitor the following activities:

1. The Borrower(s) are in fact occupying the property as their primary residence and have not rented or sublet the property to unauthorized occupants.

2. The Borrower(s) shall maintain the property to the attached Property Standards including exterior maintenance, and provide for periodic lawn mowing/weeding. The Borrower(s) may change out or add front yard landscape materials. As a courtesy, please call the Planning Division at (626) 813-5261 for advice.

The City shall annually mail out to the Borrower(s) a standard monitoring form for the Borrower(s) to certify that the above conditions have been followed. The Borrower(s) shall fill out and complete the form and return same within 10 days of receipt.

BORROWER(S) APPROVAL:

_____ _____

Name Date

_____ _____

Name Date

City of Baldwin Park
Property Standards

Property Owner's receiving assistance from the City of Baldwin Park are required to maintain the property pursuant to all City codes and the property standards herein specified. In order to verify if the general property standards are being met, the City will conduct random inspections to verify compliance. The City reserves the right to visit the property on an annual basis to verify compliance.

Properties must be in compliance beginning from the time of Loan Committee Approval and until the loan term expires or the loan is repaid back to the City. Properties not in compliance will receive notification of violations and will be required to make corrections in a timely manner. If the corrections are not completed, the City reserves the right to accelerate the loan and to request full repayment of the loan. The following is a list of the required standards for the various items that are to be maintained.

Exterior

Landscaping

Maximum height of grass shall not be higher than 4 inches throughout the property

Grass will be maintained and watered regularly. (Dry grass will be in violation).

All trees shall not encroach into the City right of way (i.e. sidewalks) and will have a minimum height clearance of 13' from the surface of the street.

Overgrown weeds and vegetation shall be abated on a year round basis.

Grass areas will not be used as storage for automobiles, boats, furniture, or items deemed as a violation by the Code Enforcement department.

Property owner is responsible for ensuring that the public right of way adjacent to the property is kept clean and clear of debris, overgrown weeds, and vegetation and is routinely watered and manicured.

Foundation

Property foundation shall be maintained by ensuring that water and termites do not affect the concrete foundations or wood framing.

Wood Surfaces

Property must be kept clear of termite infestations at all exterior surfaces such as wood siding, garage framing, front porch, rear patio covers, eaves, trim, fascia, rafters, wood fences, and anything structural constructed of wood material.

All wood surfaces must not be allowed to be affected by dry rot, mold, water damage, and deterioration. If surfaces are affected either replacement or repair will be required to be in compliance.

Stucco and Painted Surfaces

All properties are to insure that property stucco remains in tact.

All painted surfaces must retain their original color or be repainted once fading begins.

Painted surfaces are to be kept clear of water damage caused by irrigation systems.

All fences and gates must be kept painted with an even coat.

All repairs or alterations made after rehabilitation work must conform to U.B.C. and City Building Codes

Windows, Doors, Gates, and Fences

All mechanisms on windows, doors, gates, and fences must remain fully operable. All broken parts to any of the mechanisms must be repaired to attain proper function

Damages to windows, doors, gates and fences must be repaired.

All windows, doors, gates and fences installed after rehab must conform to U.B.C and City Building Codes

Exterior Electrical

All exterior wiring must not be allowed to become unfastened from their attached location.

All exterior faceplates must remain fastened the outlets.

Wiring installed after rehab work must conform to N.E.C. and City Codes

Exterior Plumbing

All plumbing must remain full operable.

Irrigation systems must be maintained to avoid over watering

All exterior plumbing installed after rehabilitation must conform to U.P.C and City Codes.

Roofing

Property owner must repair damaged roofing (i.e. replace shingle, drip edge, flashing, metal valleys, roof jacks and vent caps). *Exception: Roof is still under General Contractor Warranty*

_____

Property Address

_____ _____

Property Owner Date

_____ _____

Property Owner Date

ATTACHMENT "B"

CITY OF BALDWIN PARK
SELLERS RIGHTS NOTICE

Disclosures to Seller with Voluntary, Arms Length Purchase Offer

Dear Seller:

This is to inform you that _____ would like to purchase the property located at _____ Baldwin Park, CA 91706 , if a satisfactory agreement can be reached. He/She/They is/are prepared to pay $_____ for clear title to the property under the conditions described in the attached proposed contract of sale.

Because Federal funds may be used in the purchase, however, we are required to disclose to you the following information:

1. The sale is voluntary. If you do not wish to sell, _____ will not acquire your property. The City of Baldwin Park does not have the power to acquire your property by condemnation (i.e., eminent domain) [will not use the power of eminent domain to acquire the property].

2. We estimate the fair market value of the property to be $_____.

Since the purchase would be voluntary, arms length transaction, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the contract of sale, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, we will take no further action to acquire it. If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to us.

Please complete the information below:

Is your property currently owner occupied? ____ Yes ____No

Please note that the City will only participate with this purchase if the property is owner occupied prior to and after the sales of the property. It must not be used for as a rental property.

Please sign below as verification of receipt of this form and confirmation of your understanding of your rights as a seller. Also, please note that any intentional or negligent misrepresentation(s) of the information contained on this form may result in civil liability and/or criminal penalties including, but not limited to fine, or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq. (This signature must be Notarized.)

_____ _____

Sellers Name Date

THIS FORM MUST BE NOTARIZED

State of California)
)S.S.
County of Los Angeles)

On, _____Before me, _____
personally appeared _____who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing is true and correct.

WITNESS my hand and official seal.

_____

Signature of Notary Public

(This area for official notarial seal)

BALDWIN
P · A · R · K

CITY OF BALDWIN PARK
First Time Home Buyer Program

INSPECTION TIPS

In an effort to make the City of Baldwin Park First Time Homebuyer Program operate more efficiently, this tip sheet has been created to identify the most common items that fail our inspections.

Prior to inspections conducted by our Housing Department, items listed below must be completed:

Smoke Detectors: An operable smoke detector device should be installed in each bedroom as well as any rooms that lead to the bedroom, i.e., hallway, living room.

Address Number: Address should be in plain view in front of the house for emergency services purposes.

Security Windows: All security type windows should have operable break away or panic hardware latches in case of fire emergencies.

Water Heater: Water Heaters require two seismic straps for earthquake safety as well as a temperature and pressure relief valve piping within 6" of the ground.

Electrical: A ground fault interrupter (GFI) outlet shall be installed in the kitchen bathroom areas within 6' of water source as well as garage and laundry area. (Electrical permits are required)

Permits: All non-permitted structures must be addressed prior to closing of escrow.

Once all the above items have been completed, please call to schedule an appointment for inspections.

If you have any questions, please call Luis Enriquez, Rehabilitation Housing Specialist at (626) 960-4011 Ext. 555.

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Inspection Request Form

Date of Request: _____

Borrowers Name: _____

Property Address: _____

Primary Contact: _____

Selling Agent_____
Selling Office_____
Address_____
Phone#_____
Fax#_____

Lender_____
Phone_____
Fax#_____
Contact_____

*Requests for inspection require a minimum of 1 weeks notice.
** Please review inspection tip sheet prior to scheduling appointment
(FOUND IN CITY OF BALDWIN PARK APPLICATION)