



# County of San Joaquin

## NSP GAP Loan Program

### Downpayment Assistance Program For Home Purchases

✓ **WHAT IS THE NSP GAP LOAN PROGRAM?**

The San Joaquin County NSP GAP Loan Program provides deferred downpayment assistance loans, 10% of the sales price up to \$15,000 (whichever is the lesser) to moderate-income homebuyers for the purchase of properties marketed through the County's Neighborhood Stabilization Program (NSP). The loans are intended to bridge the "GAP" between the cost of a home and what a moderate-income household can afford.

✓ **WHAT ARE THE QUALIFICATION REQUIREMENTS?**

- ! You must obtain a certificate from a first time homebuyers class;

| HUD-APPROVED HOMEBUYER'S CLASS        | CONTACT NUMBER |
|---------------------------------------|----------------|
| Visionary Home Builders of California | (209) 466-6811 |
| Clearpoint                            | (800) 750-2227 |

- ! Your house payment cannot be greater than 38% of your gross monthly income;
- ! Your total debt cannot be greater than 41% of your gross monthly income;
- ! You must have income and credit worthiness to qualify for primary financing, from a lender of your choice;
- ! You must qualify for a 30 year, fixed rate loan (No co-signers accepted);
- ! You must currently either reside or work in San Joaquin County for a minimum of twelve months prior to application; and
- ! You must provide 1% of the purchase price as a downpayment.

✓ **ELIGIBLE PROPERTIES**

- ! Only properties marketed through NSP are eligible for an NSP GAP loan.
- ! County NSP property listings can be obtained from:
  - Visionary Home Builders (209)466-6811
  - S.T.A.N.D. (209)937-7625
  - Service First (209)644-6300
- ! The maximum allowable cost of a home is \$488,750.

**HOUSEHOLD**

| Family Size | Maximum Income |
|-------------|----------------|
| 1           | \$ 53,450      |
| 2           | 61,050         |
| 3           | 68,700         |
| 4           | 76,350         |
| 5           | 82,450         |
| 6           | 88,550         |

✓ **SPECIFICS ABOUT THE COUNTY LOAN**

- ! Secured by a second deed of trust;
- ! Down payment assistance is 10% of the sales price up to \$15,000;
- ! A portion of the 10% loan can be used to pay up to 50% of the closing costs;
- ! Collection accounts and judgments must be paid off prior to the close of escrow;
- ! Payments may be deferred over a 30-year period at 2% interest;
- ! Loans are processed on a first come, first served basis;
- ! Includes a provision for shared equity upon resale or refinance;
- ! The buyer must occupy the home as their principal residence; and
- ! Once the home is purchased, there are no further income restrictions.

✓ **HOW TO PROCEED**

Call (209) 468-3157 to apply, after you have been pre-qualified by a lender for a primary loan.

To begin the pre-qualification process with San Joaquin County please provide the following documents:

1. Two (2) months pay stubs for each applicant as well as any other income.
2. Six (6) months most-recent bank statements.
3. Three (3) years tax returns and W-2's.
4. Lender approval letter.
5. Lender loan application (Form 1003).
6. Credit report.

Additional documentation will be required from the borrower and the first mortgage lender. See Lender Information for more details.