



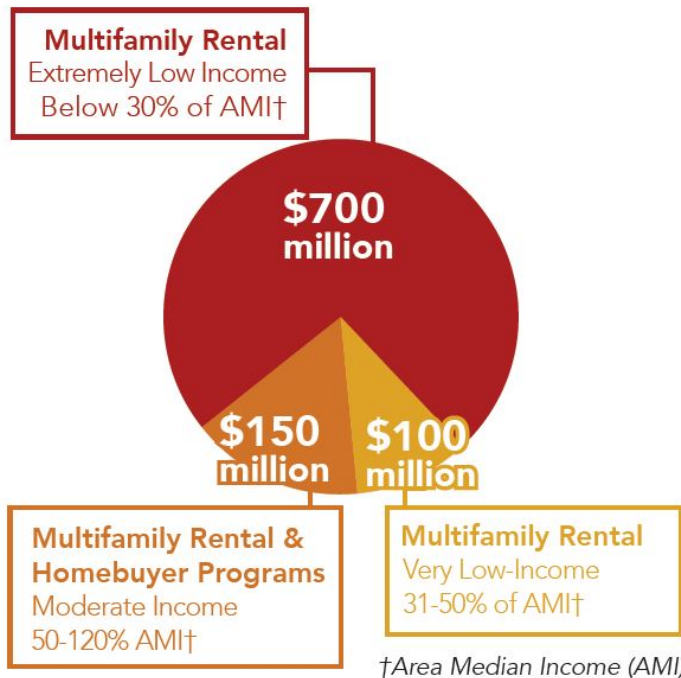
EMPOWER HOMEBUYERS SCC: COUNTY OF SANTA CLARA FIRST TIME HOMEBUYER PROGRAM

July 30, 2019

Office of Supportive Housing and Housing Trust Silicon Valley

2016 Measure A Affordable Housing Bond

Funding Allocations for Voter Approved 2016 Measure A Housing Bond Total of \$950 million



www.supportivehousingcc.org/housingbond

YEAR 2 IMPLEMENTATION

\$234,180,000

IN MULTI-FAMILY HOUSING
DEVELOPMENT APPROVED

6 CITIES

1,437 NEW
APARTMENTS

484 UNITS RENOVATED

19 HOUSING
DEVELOPMENTS

\$25 MILLION

FIRST-TIME HOMEBUYER PROGRAM

*As of December 18, 2018

Empower Homebuyers SCC Program

- The County of Santa Clara and the Housing Trust Silicon Valley have launched Empower Homebuyers SCC
- Empower Homebuyers SCC is expected to assist approximately 250 households over the first five years.
- Empower Homebuyers is intended to put homeownership within reach for low to moderate income households



Housing Trust Homebuyer Programs

- A nonprofit community lender formed in 2000 as a 501(c)(3) public benefit corporation
- Housing Trust has assisted over 2,500 homebuyers
- We offer to all applicants for our loan programs
 - ▣ Pre-purchase counseling
 - ▣ Homebuyer Counseling
- Funds are available for:
 - ▣ **Empower Homebuyers SCC –County of Santa Clara 2016 Measure A First-time Homebuyer Program administered by HTSV**
 - ▣ Homebuyer Empowerment Loan Program (HELP)
- BMP Administrator for the City of Santa Clara



Empower Homebuyers SCC-County of Santa Clara County 2016 Measure A First-Time Homebuyer Program

❑ Maximum Gross Household Income cannot exceed:

Household Size	1	2	3	4	5	6	7	8
Income	\$110,400	\$126,150	\$141,950	\$157,700	\$170,300	\$182,950	\$195,550	\$208,150

- ❑ Household Income must not exceed the income limit according to the household size
- ❑ Down payment assistance up to 17% of the purchase price
- ❑ Maximum purchase price \$800,000
- ❑ Subject Property must be located in Santa Clara County



Empower Homebuyers SCC

- Term of the loan is 30 years
- No payments until expiration of the term, sale, or cash-out refinance. No prepayment penalty
- Principal and a Share of Appreciation will be due
- Share of Appreciation = % of Empower loan amount
 - Allows for deduction of Borrower Contribution - Qualifying Capital Improvements and Acquisition Closing Costs (non-recurring closing costs)
- Share of Appreciation is capped for the first ten (10) years of the loan
 - Cannot exceed the original Empower principal loan amount

How do buyers apply?



Buyers must attend an 8 Hour HUD certified Homebuyer Education Class

Project Sentinel, www.housing.org, 408-470-3732

HELP Borrower Eligibility

- Maximum gross annual household income (140% of Area Median Income):

Household Size	1	2	3	4	5	6
Income	\$128,800	\$147,140	\$165,500	\$183,960	\$198,660	\$213,260

- Maximum Purchase Price- \$800,000
- Deferred loan of 10% of purchase price
- Can be used only for down payment
- Term is 30 years
- Program Market Area: Property must be located in Santa Clara County or in the cities of Menlo Park and East Palo Alto



Homebuyer Empowerment Loan Program (HELP)

- No payments until expiration of the term, sale, or cash-out refinance
- Principal and a Share of Appreciation will be due
- Share of Appreciation = % of HELP loan amount
- Example (repayment in 7 years):
 - $\$800,000(\text{Original Purchase Price}) \times 10\% = \$80,000$ (HELP loan amount)
 - $\$900,000$ (Fair Market Value) - $\$800,000$ (Original Purchase Price) = $\$100,000$ (Appreciation/Equity)
 - $\$100,000$ (Appreciation/Equity) $\times 10\% = \$10,000$ (Share of Appreciation to Housing Trust)