



County of Orange Mortgage Assistance Program (MAP) Program Summary

Program Description:	Silent second mortgage loan program for low-income first-time homebuyers; principal and interest payments deferred for term of loan due in 30 th year or upon sale or transfer of property, when property ceases to become owner-occupied, or upon repayment or refinancing of first mortgage, whichever comes first.	
Loan Term:	30-year term	
Maximum Loan Amount:	\$40,000	
Maximum Purchase Price:	Contact Affordable Housing Clearinghouse for most recent maximum purchase price update.	
Interest Rate:	3% simple interest, fixed rate	
Closing Costs:	Borrowers are required to pay usual and customary loan fees, closing costs, and reserves, as in any purchase transaction. See below for minimum contribution.	
Minimum Buyer Contribution:	Minimum 1% of purchase price contribution required. Buyer may use gift or grant for closing costs after 1% contribution is met.	
Cash Reserves:	First mortgage lender may also have reserve requirements.	
First-Time Homebuyer:	All buyers on title must be first-time homebuyers defined as follows <ul style="list-style-type: none"> • Someone who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property; or • A displaced homemaker (see CalHome Definition) who owned a home; or • A single parent (unmarried or legally separated) who owned a home with custody of minor child(ren); or • An individual who has only owned a mobile home. 	
Maximum Household Income (2008):	<u>Household Size:</u>	<u>Income:</u>
	1	\$52,100
	2	\$59,500
	3	\$66,950
	4	\$74,400
	5	\$80,350
	6	\$86,300
	7	\$92,250
	8	\$98,200
	Co-signers who are not on title and who will not occupy the property can be used for first mortgage loan qualifying purposes but will not be included in determination of maximum household income.	
Citizenship/Residence Status:	All applicants on title must provide evidence of U.S. citizenship or permanent resident alien status.	
Eligible Areas:	County of Orange unincorporated areas (not yet incorporated into a city) and the cities of Aliso Viejo, Brea, Cypress, Dana Point, La Palma, Laguna Beach, Laguna Hills, Laguna Woods, Los Alamitos, Placentia, Seal Beach, Stanton, Villa Park and Yorba Linda.	

- Eligible Properties:**
 - ◆ Single-family properties
 - ◆ Condos and planned unit developments (PUDs) allowed.
 - ◆ All borrowers on title must occupy property as their primary residence.
 - ◆ Affordable Housing Clearinghouse to verify eligibility of properties.
- Underwriting:** Underwriting decisions by the first mortgage lender (credit, debt ratios, etc.) apply.
- Credit:** At time second mortgage loan is recorded:
 - ◆ No minimum credit score
 - ◆ No credit accounts past due at time loan is recorded
 - ◆ No outstanding unpaid judgments or involuntary liens
 - ◆ No bankruptcies
- First Mortgage Loan Requirements:**
 - ◆ Applicants to obtain 30-year first mortgage loan from participating lenders (see Application Procedures).
 - ◆ First mortgage lender required to establish impound accounts for taxes and insurance for the term of the first mortgage.
 - ◆ First mortgage loan must have fixed interest rate not more than current market rate (no ARMs).
 - ◆ Buyer must meet underwriting and eligibility guidelines of first mortgage lender.
- Maximum Loan to Value (LTV):** Combined loan to value should not be more than 105% of purchase price.
- Homebuyer Education Requirements:** Buyer must obtain a pre-purchase Homebuyer Education certificate from approved provider (see Application Procedures).

