

# CITY OF REDDING HOMEBUYER PROGRAM

The City of Redding offers home purchase programs to assist income eligible families or individuals purchase a home within the city limits of Redding. The City provides a “silent” second loan to the borrower(s), no monthly payments are required. For a home to qualify, it must be either owner-occupied or vacant at least 90 days at the time an offer to purchase is made. The home must be inspected by a professional home inspector and the City of Redding. Section I and II of the termite report must be cleared. For more information contact Jodi White at 225-4173, Dave Forseth at 225-4043, or visit the City of Redding’s web site at <http://ci.redding.ca.us/housing/purchase.htm>.

The Homebuyer Program has the following requirements.

- Household income must not exceed the guidelines established by HUD (see table below).
- Applicants must have a credit history that meets program guidelines.
- Applicants must meet employment guidelines.
- Payments on long-term debt must be within City guidelines.
- Applicants cannot have owned a home within the last 3 years, or if owned a home, qualify as a displaced homemaker or a single parent.
- Applicants must provide cash resources equal to 3% of the purchase price, plus any closing costs that are the responsibility of the buyer. One-half of the downpayment must be from the buyer’s own assets. All other amounts may be in the form of a gift from another person or entity.
- Maximum purchase price of \$218,500.

Low-Income Applicants	The maximum loan amount shall not exceed \$60,000.
Median-Income Applicants	The maximum loan amount shall not exceed \$25,000.
Moderate-Income Applicants	The maximum loan amount shall not exceed \$10,000.

INCOME GUIDELINES EFFECTIVE APRIL 27, 2009								
	MAXIMUM HOUSEHOLD INCOME PER FAMILY SIZE							
	1	2	3	4	5	6	7	8
Low-Income	31,250	35,700	40,200	44,650	48,200	51,800	55,350	58,950
Median-Income	39,050	44,650	50,200	55,800	60,250	64,750	69,200	73,650
Moderate-Income	46,850	53,550	60,250	66,950	72,300	77,650	83,000	88,350

Homebuyer Program loan options include:

- Forgivable-interest Homebuyer Program Loans are available in target areas.
- A Lease-Option activity allows applicants to enter into an agreement for the future purchase of the dwelling they are renting.
- A forgivable-interest Rehabilitation Companion Loan that allows rehabilitation of eligible items on homes that are 15 years or older (to be used in conjunction with the Homebuyer Program Loan).
- Homes that were bank-owned before purchase may be eligible for a Homebuyer Incentive Program (HIP) grant of \$2,500 (to be used in conjunction with the Homebuyer Program Loan). Funding for the HIP program begins July 2009.
- Newly constructed homes developed with Redding Redevelopment Agency financial assistance may be eligible for a New Futures loan. The maximum New Futures loan is no more than 45% of the purchase price (not to exceed \$75,000). New Futures loan applicants do not need to be first-time homeowners.

