

NEW FUTURES HOME PURCHASE PROGRAM



MOVE INTO HOMEOWNERSHIP...

The New Futures Home Purchase Program (New Futures) provides a second mortgage loan to eligible buyers to help them purchase **new residences** that have been developed with financial assistance from the Redding Redevelopment Agency (Agency). The home must be located within the Parkview or Martin Luther King, Jr. Neighborhoods (see neighborhood boundary maps).

Applicant Qualifications

- All eligible buyers. (Need not be a first-time homebuyer)
- Household income must not exceed guidelines*.
- Credit history must meet requirements.
- Employed for two years in the same line of work or have an ongoing source of income.
- Qualify for a primary mortgage loan through a lender.
- Provide a downpayment equal to 3% of the purchase price plus closing costs. A minimum of 1.5% must come from the buyer, the remaining 1.5% downpayment and closing costs can be gifted.
- Home must be used as a primary residence.
- Not be able to purchase the home with current assets.

Purchase Price

The purchase price shall not exceed an amount determined by the Agency to be affordable pursuant to regulations contained in California Health and Safety Code Section 50052.5 for the target income level household adjusted for family size appropriate to the unit.

Maximum Loan Amount

The maximum New Futures loan can be up to 45 percent of the purchase price, not to exceed \$75,000. The loan amount will depend on the buyer's downpayment amount, the amount of the first mortgage, and the purchase price of the home. No monthly payments are required on the New Futures loan. The loan is assumable by a buyer who meets all program requirements.

Loan Term

New Futures loans are deferred-payment loans bearing three percent (3%) simple interest through the first 30 months following recordation of the New Futures Deed of Trust. No additional interest will accrue after the 30th month of occupancy. Accrued interest will be forgiven on a monthly basis beginning in the 31st month of occupancy through the 60th month of occupancy.

For more information about the program, please contact Scott Badger at **225-4045**.

***INCOME GUIDELINES** (Effective April 2008)

FAMILY SIZE	MAXIMUM ANNUAL INCOME	FAMILY SIZE	MAXIMUM ANNUAL INCOME
1	\$45,200	5	\$69,800
2	\$51,700	6	\$74,900
3	\$58,100	7	\$80,100
4	\$64,600	8	\$85,300