



# City of El Cajon

Community Development Department  
Housing Division  
200 Civic Center Way, El Cajon, CA 92020

## *Program Bulletin*

October 17, 2013

To: All Participating Lenders

Program Bulletin #2013-01

Programs Affected: As Specified

Effective Date: NOVEMBER 1, 2013

### PROGRAM CHANGES AND UPDATES

This bulletin is provided to serve notice to Participating Lenders of new changes related to the specified First-Time Homebuyer Program Manual and/or related documents. Please retain all bulletins in the front of the existing manual for your reference. All other existing terms and requirements of the City/Housing Authority FTHB programs, which are not superseded by these changes, will remain in force. The Manual forms and bulletins are available on the City of El Cajon web site at [www.cityofelcajon.us](http://www.cityofelcajon.us).

#### ALL PROGRAMS:

##### ❖ BORROWER REQUIREMENTS (Section 3(I)(C))

###### ➤ DOWN PAYMENT REQUIREMENTS (ALL FUNDS):

The Borrower(s) must contribute not less than 2% of the purchase price toward down payment of the property. The source of the 2% down-payment funds can be derived from Liquid Assets, Gift Funds or Retirement Funds.

###### ➤ AMENDED DOWN PAYMENT and CLOSING COSTS REQUIREMENTS (ALL FUNDS):

The Borrower(s) must contribute not less than 0% of the purchase price toward the down-payment of the property. The Borrower(s) must contribute 100% of the closing costs. The source of the closing costs can be derived from Liquid Assets, Gift Funds or Retirement Funds.

##### ❖ FIRST MORTGAGE TERMS (Section 3(V)(A))

###### ➤ FIRST TRUST DEED LOAN TERMS (ALL FUNDS)

- HOA Certification: None.
- AMENDED HOA Certification: Must meet First Mortgage guidelines.

#### AMERICAN DREAM FTHB PROGRAM:

##### ❖ PROPERTY REQUIREMENTS (Section 3(II)(C))

###### ➤ SALES PRICE LIMITS

- HOME and CALHOME Funds

The maximum purchase price cannot exceed the Section 203(b) Single Family Mortgage Limit for high cost areas in the San Diego County Metropolitan Statistical Area or the current median sales price of a single family home in San Diego County established by the CALHOME Program, whichever is less.

➤ **AMENDED SALES PRICE LIMITS**

▪ **HOME and CALHOME Funds**

The maximum purchase price cannot exceed the Section 215(b) of NAHA for high cost areas in the San Diego County Metropolitan Statistical Area or the current median sales price of a single family home in San Diego County established by the CALHOME Program, whichever is less.

❖ **CITY/AUTHORITY LOAN REQUIREMENTS (Section 3(III)(B))**

➤ **LOAN TERMS:**

▪ **HOME FUNDS**

- Maximum Loan Amount = \$14,900.
- 5 years Affordability Period.
- Funds can be used for down-payment and up to \$5,000 for closing costs subject, to the Minimum Housing Ratio, Maximum Housing Ratio, and CLTV of 100%.


▪ **AMENDED HOME FUNDS**

- Maximum Loan Amount = \$25,000.
- 10 years Affordability Period.
- Funds can only be used for down-payment assistance subject, to the Minimum Housing Ratio, Maximum Housing Ratio, and CLTV of 100%.

Questions or comments regarding the above-mentioned changes can be relayed to Adriana Castañeda at the City at (619) 441-1710 or by email at [acastane@cityofelcajon.us](mailto:acastane@cityofelcajon.us).

Reviewed and approved by:

Date:

  
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10/24/13