



County of San Joaquin
NSP GAP Loan Program
Downpayment Assistance Program
For Home Purchases

✓ **WHAT IS THE NSP GAP LOAN PROGRAM?**

The NSP GAP Loan Program is a San Joaquin County program that provides deferred downpayment assistance loans to moderate-income homebuyers for the purchase of properties marketed through the County’s Neighborhood Stabilization Program (NSP). The loan, which is equal to 10% of the sales price and which cannot exceed \$15,000, is intended to bridge the "GAP" between the cost of a home and what a moderate-income household can afford. All such loans are processed on a first-come, first-served basis.

✓ **WHAT ARE THE QUALIFICATION REQUIREMENTS?**

- ! You must currently either reside or work in San Joaquin County for a minimum of twelve (12) months prior to submitting your application to the County.
- ! You must not own a home at the time you submit your application to the County.
- ! You must obtain a 30-year, fixed rate primary loan, with no co-signers, from a lender of your choice.
- ! Your house payment cannot be greater than 38% of your gross monthly household income.
- ! Your total debt cannot be greater than 41% of your gross monthly household income.
- ! You must provide a cash down payment equal to at least 2% of the purchase price.
- ! You must pay off all collections and judgments prior to the close of escrow.
- ! You must obtain a “Certificate of Completion” from a HUD-approved homebuyer class and provide the Certificate to the County prior to the close of escrow.

HUD-APPROVED HOMEBUYER’S CLASS	CONTACT NUMBER
NID-HCA	(209) 952-8806
Visionary Home Builders of California	(209) 466-6811
Neighbor Works	(209) 473-4363

✓ **ELIGIBLE PROPERTIES**

- ! Only properties marketed through NSP are eligible for an NSP GAP loan.
- ! County NSP property listings can be obtained from:

Visionary Home Builders (209) 466-6811
 S.T.A.N.D. (209) 937-7625
 Service First (209) 644-6300
 Neighbor Works (209) 473-4363

! The maximum allowable cost of a home is \$488,750.

HOUSEHOLD

Family Size	Maximum Income
1	\$ 54,900
2	62,805
3	70,650
4	78,500
5	84,700
6	91,150

✓ SPECIFICS ABOUT THE COUNTY LOAN

- ! The loan is secured by a second deed of trust.
- ! The loan is equal to 10% of the sales price, up to a maximum of \$15,000.
- ! A portion of the loan can be used to pay up to 50% of the closing costs.
- ! Payments on the loan may be deferred over a 30-year period at 2% interest.
- ! To secure the loan, the homebuyer agrees to:
 - share part of the equity in the home with the County when the home is sold or refinanced;
 - occupy the home as their principal residence.
- ! Once the home is purchased, there are no further income restrictions.

✓ HOW TO PROCEED

Call (209) 468-3157 to apply, after you have been pre-qualified by a lender for a primary loan.

To begin the pre-qualification process with San Joaquin County please provide the following documents:

1. Two (2) months pay stubs for each applicant as well as any other income in the household.
2. Six (6) months most-recent bank statements.
3. Three (3) years of most recent Federal tax returns and W-2's.
4. Lender approval letter.
5. Lender loan application (Form 1003).
6. Credit report not more than thirty (30) days old.

Additional documentation will be required from the borrower and the first mortgage lender. See NSP GAP Handout and Lender Information for more details @ www.sjgov.org/commdev.

