

**City of Tustin
Affordable Housing Programs
2024 Income Limits**

People in Household	1	2	3	4	5	6	7	8
Median Income Level	\$ 90,300	\$ 103,200	\$ 116,100	\$ 129,000	\$ 139,300	\$ 149,650	\$ 159,950	\$ 170,300
Very-Low-Income: 50% of Median Income	\$ 45,150	\$ 51,600	\$ 58,050	\$ 64,500	\$ 69,650	\$ 74,825	\$ 79,975	\$ 85,150
Low-Income 80% of Median Income	\$ 72,240	\$ 82,560	\$ 92,880	\$ 103,200	\$ 111,440	\$ 119,720	\$ 127,960	\$ 136,240
Moderate Income 120% of Median Income	\$ 108,360	\$ 123,840	\$ 139,320	\$ 154,800	\$ 167,160	\$ 179,580	\$ 191,940	\$ 204,360



Income levels were published by the California Department of Housing and Community Development - May 9, 2024

**CITY OF TUSTIN
TUSTIN HOUSING AUTHORITY
AFFORDABLE HOUSING OWNERSHIP PROGRAMS FACT SHEET
(BUYER)**

GENERAL PURPOSE

The purpose of this document is to provide the prospective homebuyer with a summary of the City of Tustin's Affordable Home Ownership Programs and its requirements. It also provides insight for future issues such as refinancing that may occur.

The Tustin Housing Authority administers the affordable ownership programs for the City of Tustin. As the administrator, the Authority is responsible for ensuring that all affordable guidelines established by California Redevelopment Law (CRL) and the City of Tustin are enforced. CRL restricts the sales price and income levels for all affordable units within the City.

Inclusionary Units

Pursuant to California Redevelopment Law, 15% percent of privately developed or substantially rehabilitated units within a redevelopment project area are to be set aside as "affordable" units to benefit very-low-, low-, and moderate-income households. The different income classifications (very low, low, and moderate) are based upon the Orange County median income. The income levels are further refined based on the number of persons per household.

For upcoming affordable housing units to be offered, please periodically check the City of Tustin website or contact staff at (714) 573-3117.

Resale Units

The City of Tustin currently has restrictions on over 270 affordable ownership units throughout the City. From time to time, these units will become available for sale.

The City of Tustin does not maintain a list for those interested in purchasing resale affordable units; however, the City does provide an affordable units for resale list on the City's Website. It is the responsibility of the current owner to locate a qualified buyer.

Income Limits

The affordable units can be offered to qualified households, who at the time of sale meet the program criteria and the City of Tustin's household income limitation requirements established by the California Department of Housing and Community Development (HCD).

The current income limits are published on the City's website. The income limits are increased for larger household sizes pursuant to household income limits published by the HCD. These income limits are subject to annual revision, as HCD publishes revised income limits.

General Criteria:

- The purchaser's gross income, before any payroll deductions, cannot exceed the maximum income limits established by HCD.
- Each purchaser is required to provide a minimum down-payment of 3% out of their own funds. In some cases, the purchaser will be required to provide additional down payment in order to keep their housing costs within affordable housing guidelines.
- Gift funds are acceptable for additional down-payment in excess of the minimum 3% down-payment or for closing costs. A Gift letter must be submitted along with supporting documentation reflecting funds available.
- Housing Cost Ratio – the purchasers housing cost (principal, interest, taxes, insurance, HOA dues, and applicable utility allowance) cannot exceed the following guidelines:
 - Very Low Income households - 30% of the gross household income
 - Low Income households – 30% of the gross household income
 - Moderate Income households – 35%; but not below 28% of the gross household income. This is generally the rule; however, certain Developers through their Affordable Housing Agreement have been granted higher ratios.
- Household income is determined by using the gross income, before any payroll deductions, of all household members over the age of 18.
- The first mortgage loan must be a fixed rate mortgage, minimum of 30 years. An existing affordable unit may be refinanced for a term less than 30 years as long as the Housing Cost Ratio does not exceed the current guidelines as mentioned above.
- The purchaser may use any lender of their choice. The City does not have a preferred lenders list at this time, however, we are working on this issue.
- The City will record a silent second mortgage on each unit. The amount of the second mortgage is the difference between the affordable sales price and the fair market appraised value of the unit.
 - Example: If the affordable price is \$200,000 and the fair market appraised value is \$500,000, the City will record a second mortgage on the property in the amount of \$300,000.
 - This second mortgage will remain on the property for the entire 45-year period and may not be paid off.
 - If at the end of the 45-year period the owner has not defaulted under the terms of the affordable agreements, the amount due to the City is 5% of the original second mortgage. If the second mortgage was \$300,000, the amount due to the City would be \$15,000.
 - A CLTA lender's policy of title insurance is required at closing to insure the Affordable Housing Deed of Trust as a second priority lien, junior only to the First Lien.
- In compliance with California State Assembly Bill 987, the City of Tustin maintains a database of affordable housing units, AB 987 Affordable Owner-Occupied Housing Units, on the City's website. The database does not include the owners name, but it does include:
 - the property address
 - assessor's parcel number
 - size of the unit (bedroom count)
 - the date the affordable restrictions were recorded against the property; and
 - the expiration date of the affordable restrictions

Program Restrictions:

There are several restrictions that are imposed on each affordable unit:

- The affordability period for all affordable ownership units is 45 years. This means that the unit must remain affordable for a period of 45 years. If the owner decides to sell during the 45-year period, it must be sold to another household at the same income level as the original purchaser.
 - Example: If the unit was purchased by a low-income household, all subsequent sales must be to a family whose combined gross income does not exceed those established for a low-income household. NO EXCEPTIONS
- The homebuyer must live in the unit as his or her primary residence.
- The homebuyer may not lease or rent the unit. Exceptions may be made on a case-by-case basis.
- The homebuyer shall not own or co-own any residential real property other than the unit.

Refinancing:

The affordable homebuyer is allowed the opportunity to refinance their home as long as the new loan does not exceed 97% of the current affordable sales price and the new housing payment does not exceed affordable guidelines. Please have the lender contact the City prior to initiating the refinancing process or visit our website for the refinancing requirements.

Future Sales:

- If the homebuyer wants to sell or transfer the property, the homebuyer must first give written notice to the City of Tustin for its prior approval of the terms of the sale. This written notice should include copies of the most recent property tax bill paid and homeowners association dues.
- The home may only be sold or transferred to a qualified affordable household at a price that falls within the affordable criteria of that unit.
- The Affordable Sales Price is calculated by the City. The price is established using current income limits established by HCD and the current housing costs e.g. homeowner association dues, property taxes, insurance, and utility allowance. The current interest rate is also used in determining the affordable sales price. (Please note: any upgrades (i.e., marble countertops, hardwood flooring, shutters, etc.) to the home, are not factored into the affordable sales price.)
- The homebuyer and seller must each pay their respective closing costs. At no time is the homebuyer allowed to pay the seller's costs.

Program Documents:

There are several documents that the purchaser must execute in favor of the City of Tustin that will make certain that the property will remain affordable for a period of 45 years:

- **Affordable Housing Covenant (Covenant)** – This document records the affordable restrictions placed on the property.
- **Promissory Note** - A document signed by a borrower promising to repay a loan under agreed-upon terms. Please note that there are no payments due on the silent second mortgage used to secure an affordable unit.
- **Deed of Trust and Assignment of Rents** – This secures the Promissory Note.
- **Option Agreement** – The homebuyer grants the City an option to purchase the unit.

- Reimbursement Agreement – The homebuyer agrees to reimburse the City for any payments made to cure a Default or delinquency on the Loan.
- Notice of Affordability Restrictions on Transfer of Property – This notifies all subsequent buyers of the affordable restrictions placed on the unit.

AFFORDABLE HOUSING PROGRAM ELIGIBILITY CRITERIA

- A. The application must be completed for all Household Members who will be living in the home as their primary residence. A child who is subject to a legally binding shared custody agreement, in which the child resides with the Household at least 50% of the time, is counted as a member of the Household.
- B. Applicant household members must show at least one full year of current joint residency. Applicants who have married within the past year will be required to provide documentation.
- C. All adult household members (18 years or older) who are employed must have at least two full years of verifiable income and Federal tax filing history in the United States. Note: anyone in the household that has been a student during the past three years will be required to provide a copy of academic transcripts for verification.
- D. Self-employed individuals must show proof of at least three full years of verifiable continuous personal and business income.
- E. Gross Income, before any payroll deductions, must be disclosed for all individual members living in the home. Gross income from employment includes base wages, overtime and bonuses. Income includes any money received from any source, such as wages, interest, dividends, distributions, annuities, pensions, child support, alimony, etc.
- F. The total gross income, before any payroll deductions, of all household members may not exceed the maximum income limit as defined by HCD.
- G. Divorced or legally separated applicants must have verifiable evidence of at least one full year of complete financial and residential separation at time of loan application.
- H. Applicants may not own any other residential property, including mobile home property or land. No file will be reviewed until the close of escrow. Excludes time-share ownership and/or a mobile home if registered as a motor vehicle/trailer.
- I. Verification of the applicant's ability to provide the minimum 3% down payment must be provided. Gift funds are acceptable to be used for additional down-payment in excess of the minimum 3% down-payment or for closing costs. A Gift Letter must be received along with supporting documentation reflecting funds available. Gift funds may be deposited directly from the grantor into the escrow account. Gift funds are not required to be deposited into the homebuyer account.
- J. The total value of assets owned by the combined household members cannot exceed one-half of the market value of the unit per the fair market appraisal of the affordable housing unit, exclusive of qualified pension funds and dedicated retirement accounts (IRA's, SEP's, Keoghs, 401k, etc.). The one-half asset to total value ratio applies to assets remaining after initial assets have been used for the purchase of the home. Please see example below:

Value of Assets Available:	\$300,000
Down Payment for Purchase:	\$100,000

Net Value of Assets Available: \$200,000

Fair Market Value of Property: \$450,000

Asset Value/Value of Property: \$200,000/\$450,000 (44.4%)

The above example would be approved within the affordable housing program

- K. Applicants must use actual income to obtain mortgage financing – stated income loans will not be allowed.
- L. Applicants must certify that they will reside in the affordable housing unit as their primary residence. The City will monitor this requirement after purchase. On an annual basis, the homebuyer will be required to supply documentation*, in writing, to the City or its designee confirming that:
1. The homebuyers still reside in the home as their primary residence
 2. The homebuyers did not lease or rent the home
 3. The homebuyers did not take out any additional loans on the property (i.e. Home Equity Line of Credit); and
 4. The homebuyers' insurance policy is current (unless paid by homeowners association)
 5. The homebuyers do not own or co-own any other residential real property.
- *The required supporting documentation includes, but is not limited to a copy of the most recent telephone and electricity bill.
- M. The Unit shall be used exclusively as the principal and only residence of Homeowner and Homeowner's family. All individuals defined as "Homeowner(s)" in the Covenant must adhere to this principal residence requirement. Failure to adhere to the principal residence requirement by a Homeowner(s) may result in removal of the Homeowner(s) from the Covenant.
- N. The City will also verify on an annual basis that the homebuyer is maintaining improvements and landscaping on the unit consistent with Community Standards and the City Code.
- O. On an annual basis the City will verify that no further encumbrances (such as third trust deeds, liens for unpaid homeowner association dues or unpaid property taxes), other than the first mortgage, the Covenant and potentially an Affordable Housing Option Agreement, have been recorded against the property. **Under no circumstances may a homebuyer obtain a home equity loan or line of credit.**
- P. As of the date of the Covenant and during the term of the Covenant, Homebuyer shall not own or co-own any residential real property other than the unit.
- Q. The City and the Seller reserve the right to request any documents and/or information needed to verify program eligibility. The City of Tustin and its lending sources may have additional underwriting requirements to those described in this document. It is the applicant's responsibility to demonstrate eligibility to purchase an affordable housing unit.
- R. Applicants unable to provide satisfactory evidence of income, assets, or other qualifying criteria will not be allowed to purchase an affordable housing unit. In addition, an applicant's qualification with the Affordable Housing Program Eligibility Criteria IS NOT a guarantee of the purchase of an affordable housing unit.
- S. In the event an applicant is found ineligible for the Affordable Housing Program, they must wait ninety (90) days before they are eligible to reapply.

- T. The homebuyer must sign a Deed of Trust in favor of the City of Tustin and other City documents (Promissory Note, Covenant, Reimbursement Agreement, Notice of Affordability Restrictions on Transfer of Property and Option Agreement) to make certain that the property will continue to be sold at an affordable housing cost for a period of 45 years from the original date of sale. The grant deed will contain additional language which will include, but is not limited to, the following:
 1. The requirement that all future resales must be to an affordable household at the same income level of the original purchaser.
 2. The homebuyer must live in the home as his or her primary residence.
 3. The homebuyer may not lease or rent the home in full or in part. Exceptions may be made on a case-by-case basis.
 4. If the homebuyer wants to sell or transfer (all or in part) the property, the homebuyer must first give written notice to the City of Tustin for its prior approval of the terms of the sale.
- U. The City allows affordable units to be placed into a Trust, only after a homebuyer receives approval and the necessary documents from the City to place the unit into a Trust.
- V. The home may only be transferred or sold to qualified affordable income households at a price that falls within the affordable criteria. The future homebuyer must live in the home as his or her primary residence. The future homebuyer may not lease or rent the home. Exceptions may be made on a case-by-case basis.
- W. The Covenant limits the price at which the homebuyer can resell the home. The maximum amount the homebuyer may charge for the home will be determined by the City based on current affordable income limits established by HCD and current housing costs e.g. homeowner association dues, property taxes, and utility allowance. The current interest rate is also used in determining the new affordable sales price.

DOCUMENTATION REQUIRED TO SUBMIT TO THE LENDER

- A. A copy of driver's license or California Identification Card for all adult household members
- B. Completed, signed and date loan application (Fannie Mae Form 1003)
- C. Proof of permanent legal residency for each household member (birth certificate, passport or permanent resident card)
- D. Copy of Social Security Card for all household members
- E. Copy of Certified Birth Certificate for all dependents
- F. Pay stubs for the most recent two months for each adult household member
- G. Adult household members who are not employed and are students are required to provide a copy of academic transcripts for verification
- H. Last two years federal and state income tax returns (signed) will all schedules for all adult household members
- I. Last two years W2 forms for all adult household members
- J. Last three months bank statements for all accounts, (all pages) for all adult household members
- K. Recent retirement, stock, IRA, 401K, etc. statements
- L. Gift letter and supporting documentation (if applicable).

When applying to purchase an affordable home, affordable homebuyers can expect the approval process to take at minimum 30-45 days. Timely approval is dependent upon all submitted paperwork being complete at application and prompt responses to requests for missing documentation or additional information. **As a result, DO NOT ENTER into an Escrow of less than 45 days, preferably 60 days.** The approval process is outlined below:

- **INITIAL HOMEBUYER DOCUMENTATION SUBMITTED TO CITY**
(A checklist of the required documentation will be provided to the Lender/Real Estate Agent submitting the paperwork on behalf of potential affordable homebuyer.)
 - Please allow at least **ten (10) business days** from the day the preliminary paperwork is received by the City for approval. Initial approval can be delayed by requests for information and missing documentation.
- **FINAL HOMEBUYER DOCUMENTATION SUBMITTED TO CITY**
 - Please allow **ten (10) business days** from when all final documents are received for the City to approve submittal and prepare the Affordable Housing Documents for administrative review;
 - **Five (5) business days** for the Housing Authority Manager to review documentation and approve Affordable Housing Documents; and
 - **Five (5) business days** for the Housing Authority's Special Counsel to approve Affordable Housing Documents.
- **AFFORDABLE HOUSING DOCUMENTS TO ESCROW – HOMEBUYER'S SIGNATURE**
 - **Two – Five (2-5) business days** for the homebuyer to sign Affordable Housing Documents.
 - **Three (3) business days** after receiving homebuyer's signed Affordable Housing Documents from Escrow for the City to sign and return Documents to Escrow for Recording.

Frequently Asked Questions on Affordable Ownership Programs

1. **Am I allowed to use funds that were given to me for a down payment?** Yes, gift funds are acceptable for additional down payment in excess of the minimum 3% down payment. A gift letter must be submitted along with supporting documentation reflecting funds available.
2. **Who and how is the sales price of an affordable unit determined?** The Affordable Sales Price is calculated by the City. The price is established using current income limits established by the State of California Department of Housing and Community development (HCD) and the current housing costs e.g. homeowner association dues, property taxes, insurance, and utility allowance. The current interest rate is also used in determining the affordable sales price.
3. **Can I use my own lender?** Yes, you may use a lender of your choice. However, for your convenience, the City does maintain a preferred lenders list of lenders who are familiar with the City's affordable housing programs. This list is to be used as a resource document only; it is not an endorsement for any of the lenders.

If you have additional questions, please contact the City of Tustin Housing Authority at (714) 573-3117.

Amelia 133 Liberty Street

3 Bedrooms Income Level: MODERATE INCOME

Homeowner Name : City of Tustin

Family Size : 4 Household Income : \$141,900

Median Income : \$129,000

Percent AMI : 110%

The assumed family size for a three bedroom is 4.

Interest Rate : 6.73%

Down Payment : 3%

Maximum monthly housing costs, per Community Redevelopment Laws:

Monthly Income (1/12) \$11,825

Base Monthly Housing Costs 35% @110% \$4,139

Max. Monthly Housing Costs \$4,139

Allowable Monthly Housing Costs: \$4,138.75

Itemized Housing Costs

Principal and Interest \$ 3,012.06

PMI \$ -

Property Taxes (1) \$ 577.61

Housing Insurance (2) \$ -

Hazard Insurance (3) \$ -

HOA Dues \$ 272.08

Utilities \$ 277.00 (2024 UA)

Total \$4,138.75

Loan Amount

30 year loan (360 pmts) 360

6.73% Interest rate (6.73% per annum, .56%/month)(4) 0.56%

Principal and Interest \$ 3,012.06

Loan Amount \$465,301

Purchase Price for Moderate Income Buyers, as of 09/24/24 (5) \$479,692

(1) Per 2024-25 Tax Statement

(2) Fire Insurance covered by HOA dues.

(3) Effective 12/6/2023 we no longer utilize PMI in the calculation

(4) NerdWallet California Mortgage Rate + 1pt. as of 09/19/2024

(5) Affordable purchase price expires on 03/19/2025

**CHECKLIST
AFFORDABLE HOUSING PROGRAM**

	Name		
	Borrower	Co-Borrower	Other
LENDER DOCUMENTATION – INITIAL SUBMITTAL			
Affordable Housing Worksheet – Must include HCD required data			
Qualification Summary Sheet			
Household Member Certification			
Certification of Purchaser			
AB 987 Disclosure			
Copy of Driver’s License or Government Issued Identification Card for all adult household members			
Completed, signed and dated loan application			
Proof of permanent legal residency (birth certificate, US Passport, or permanent resident card)			
Copy of Social Security Card for all household members			
Copy of Certified Birth certificate for each dependent			
Copy of Credit Profile (minimum score of 620)			
Most recent pay stubs for each adult household member - two months			
Copy of academic transcripts for each adult full-time student			
Last two years tax returns (signed & dated) with all schedules			
Last two years W2 forms			
Most recent bank statements for all accounts – three months			
If renting - name, address, and telephone number of Landlord			
Most recent retirement, stock, IRA, 401K, etc. statements			
Gift Letter and supporting documentation, if applicable.			
LENDER DOCUMENTATION – FINAL SUBMITTAL (Do not submit until Applicant is approved.)			
Appraisal Report			
Copy of Purchase Agreement and Escrow Instructions w/ Vesting			
Loan Estimate			
Closing Disclosure			
Uniform Underwriting and Transmittal Summary			
Release and Authorization for the City of Tustin			
Preliminary Title Report (Full – not an abbreviated Title Report)			
AFFORDABLE HOUSING DOCUMENTS TO ESCROW			
Affordable Housing Covenant			
Affordable Housing Deed of Trust with Assignment of Rents			
Affordable Housing Option Agreement			
Request for Notice under Civil Code Section 2924b			
Notice of Affordability Restrictions on Transfer of Property			
Affordable Housing Promissory Note			
Reimbursement Agreement			
ESCROW/TITLE FORMS SUBMITTED TO HOUSING AUTHORITY			
Final Closing Statement			
Insurance Certificate			
Title Policy			
Recorded City Documents 1. Affordable Housing Covenant 2. Affordable Housing Deed of Trust with Assignment of Rents 3. Affordable Housing Option Agreement 4. Request for Notice under Civil Code Section 2924b 5. Notice of Affordability Restrictions on Transfer of Property			

In consideration of the following timeline, DO NOT ENTER into an Escrow of less than 45 days, preferably 60 days:

- **LENDER DOCUMENTATION – INITIAL SUBMITTAL**
 - Please allow at least **ten (10) business days** from the day the preliminary paperwork is received for approval. Initial approval can be delayed by requests for information and missing documentation.
- **LENDER DOCUMENTATION – FINAL SUBMITTAL**
 - Please allow **ten (10) business days** from when all final documents are received to approve submittal and prepare the Affordable Housing Documents for administrative review;
 - **Five (5) business days** for approval from the Housing Authority Manager; and
 - **Five (5) business days** for approval from the Housing Authority’s Special Counsel.
- **AFFORDABLE HOUSING DOCUMENTS TO ESCROW – HOMEBUYER’S SIGNATURE**
 - **Three (3) business days** after receiving homebuyer’s signed Affordable Housing Documents from Escrow for the City to sign and return Documents to Escrow for Recording.

**CITY OF TUSTIN
AFFORDABLE HOUSING WORKSHEET**

BORROWER NAME _____ EMAIL _____

CO-BORROWER NAME _____ EMAIL _____

BORROWER PHONE # _____ CO-BORROWER PHONE # _____

ADDRESS _____

TRACT _____ LOT _____ PHASE _____ COMMUNITY _____

HOUSEHOLD SIZE _____ # ADULTS _____ # CHILDREN _____ # BEDROOMS _____

AFFORDABLE PURCHASE PRICE _____

FIRST MORTGAGE AMOUNT _____

HOME BUYER DOWN PAYMENT _____

SECOND MORTGAGE AMOUNT _____

FAIR MARKET VALUE _____

BORROWER INCOME _____

CO-BORROWER INCOME _____

OTHER INCOME _____

TOTAL ANNUAL INCOME _____

SELF EMPLOYED _____ W-2 EMPLOYEE _____

INCOME LEVEL _____

TUSTIN RESIDENT _____ EMPLOYMENT IN TUSTIN _____

FEMALE HEAD OF HOUSEHOLD _____ ELDERLY _____

PHYSICAL DISABILITY _____ MENTAL DISABILITY _____

LENDER NAME _____

COMMENTS _____

PREPARED BY _____ DATE _____

**CITY OF TUSTIN – AFFORDABLE HOUSING PROGRAM
QUALIFICATION SUMMARY SHEET**

1. BORROWER NAME _____
2. CO-BORROWER NAME _____
3. CO-BORROWER NAME _____
4. ADDRESS _____

TRACT # _____ LOT # _____ PHASE # _____
5. HOUSEHOLD SIZE _____ # ADULTS _____ # CHILDREN _____
6. INCOME LEVEL _____
7. AFFORDABLE PURCHASE PRICE _____
8. FAIR MARKET VALUE _____
9. HOUSEHOLD INCOME _____
10. DOWN PAYMENT _____ PERCENTAGE (%) _____
11. MONTHLY HOUSING COSTS: _____
12. AMOUNT OF SECOND TRUST DEED AND PROMISSORY NOTE: _____

HOUSEHOLD MEMBER CERTIFICATION

List of all household members.

Name	Date of Birth	Social Security No.	Relationship to Applicant	Current Annual Income
			Applicant	

Please attach a copy of each household member's Birth Certificate or residency VISA.

CERTIFICATION: I/We certify that the information provided in this Affordable Housing Program Eligibility Application is true and correct as of the date indicated below. I/We acknowledge my/our understanding that the intentional or negligent misrepresentation(s) of the information contained in this request may result in civil liability and/or criminal penalties including but not limited to fines or imprisonment or both and liability for monetary damages to, the City of Tustin, its agents, insures, the Lender, its agents, or any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this request.

All persons taking title to the Home must sign this certificate.

Applicant

Co-Applicant

Signature

Signature

Printed Name

Printed Name

Date

Date

CERTIFICATION OF PURCHASER

APPLICANT _____

CO-APPLICANT _____

PROPERTY ADDRESS _____

The undersigned (“Applicant/Purchaser”) hereby certify (ies) the following:

1. Purchaser is buying the residence (“Home”) shown above for the purpose of occupying the home as Purchaser’s Principal Residence, and with the understanding that the Home cannot be rented or leased in whole or in part during the forty-five year Affordable Housing Covenant (“Covenant”) period.
2. Purchaser does not own any other property and acknowledges they shall not own or co-own any other residential real property during the time they own this Home. Annually, Purchaser shall submit to the City an affidavit of non-ownership in the form provided by the City.
Please initial here: ____
3. The proposed purchase price of the Home is \$_____.
4. Purchaser’s combined household gross annual income from all sources is \$_____ per year.
5. The number of persons that will occupy the Home is _____.
6. Purchaser has read the attached List of Household Members certification and understands the information contained therein.
7. Purchaser acknowledges that the future maximum affordable sales prices of the Home will be determined by the City of Tustin based on the then current very-low, low- or moderate-income limits established by the State of California Department of Housing and Community Development, and will very likely be less than the fair market value of the Home.
8. Purchaser acknowledges that ownership of the Home may not be amended or transferred without prior written approval by the City of Tustin.
9. Purchaser acknowledges and understands that a Covenant is recorded against the Home and that the restrictions contained therein, including affordability restrictions relating to the transfer or sale of the Home at an affordable price to an income-eligible buyer, and use of the Home, will remain on the Home and be applicable to any future resale of the Home.

CERTIFICATION: I/We certify that the information provided in this Affordable Housing Program Eligibility Application is true and correct as of the date indicated below. I/We acknowledge my/our understanding that the intentional or negligent misrepresentation(s) of the information contained in this request may result in civil liability and/or criminal penalties including but not limited to fines or imprisonment or both and liability for monetary damages to the City of Tustin, its agents, or any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this request.

All persons taking title to the Home must sign this certificate.

Applicant

Co-Applicant

Signature

Signature

Printed Name

Printed Name

Date

Date

AB 987 DISCLOSURE

APPLICANT _____

CO-APPLICANT _____

PROPERTY ADDRESS _____

As a participant in the City of Tustin's affordable housing programs, this is notification of how Assembly Bill 987 impacts your purchase. Effective January 1, 2008, the Tustin Housing Authority is required to compile and maintain a database of affordable housing units, including the home you are purchasing. AB 987 requires the database be made available to the public on the Internet and updated on an annual basis.

While the database will not include your name, it will list the following information for each owner-occupied unit:

1. The street address and assessor's parcel number of the property;
2. The size of each unit, measured by the number of bedrooms;
3. The year in which the construction or substantial rehabilitation of the unit was completed;
4. The date of recordation and document number of the affordability covenants or restrictions; and
5. The date on which the covenants or restrictions expire.

Purchaser acknowledges the AB 987 Disclosure and understands that certain information regarding the purchase of an affordable housing unit will be listed in a database file accessible through the City of Tustin's website.

Applicant

Co-Applicant

Signature

Signature

Printed Name

Printed Name

Date

Date

City of Tustin/Tustin Housing Authority
Release of First Lien Information

Re: _____
Prospective Property Owner *Prospective Property Owner*

Property located at _____ **Tustin, CA** _____

APN No.: _____

Loan #: _____

Release and Authorization for City of Tustin

To Whom It May Concern:

I hereby grant permission to and authorize the following Lenders/Beneficiaries/Trustees:

_____, _____, _____,
and/or any of their related entities or successors in interest to cooperate with and release any and all information related to the above-referenced Loan to:

City of Tustin
Attn: Tustin Housing Authority
300 Centennial Way
Tustin, CA 92780
Telephone: (714) 573-3117

AND/OR

Woodruff, Spradlin & Smart, PLC
Attn: City Attorney
555 Anton Boulevard, Suite 1200
Costa Mesa, California, 92626
Telephone: (714) 558-7000

The scope of this authorization shall extend to, without limitation, the following:

- Any and all information or documentation related to the Loan # _____.
- Any and all information and documentation related to any default by borrower regarding Loan # _____;
- Any and all information and documentation related to Notices of Default, if any, and the status of any foreclosure proceedings related to the Property located at _____, Tustin, CA _____.

This letter of authorization shall serve as your good and sufficient authority for so doing.

Prospective Property Owner's signature

Date

Prospective Property Owner's signature

Date

CERTIFICATION OF AFFORDABLE HOUSING PROGRAM

APPLICANT _____

CO-APPLICANT _____

PROPERTY ADDRESS _____

The undersigned ("Applicant/Purchaser") hereby certify (ies) the following:

By initialing ____ ____ **I/We** certify that **I/we am/are** buying the residence ("Home") shown above for the purpose of occupying the home as **my/our** Principal Residence, and with the understanding that the Home cannot be rented or leased in whole or in part during the forty-five year Affordable Housing Covenant ("Covenant") period, which expires on _____.

I/We certify that **I/we** do not own any other property. **By initialing** ____ ____

I/We certify that **I/we** acknowledge **I/we** shall not own or co-own any other residential real property during the time **I/we** own this Home. **By initialing** ____ ____

I/We certify that Annually, **I/we** shall submit to the City an affidavit of non-ownership in the form provided by the City. **By initialing** ____ ____

I/We certify that annually, along with the affidavit of non-ownership, **I/we** shall include the requested supporting documentation, i.e., utility bills, and/or taxes, in any form required by the City.

By initialing ____ ____

I/We acknowledge that ownership of the Home may not be amended or transferred, to any person/s or Trusts, without prior written approval by the City of Tustin. **By initialing** ____ ____

I/We acknowledge and understand that a Covenant, Deed of Trust with Assignments of Rents, Option Agreement, Notice of Affordability, and Request for Notice are recorded against the Home and that the restrictions contained therein, including affordability restrictions will remain on the Home and be applicable to any future resale of the Home. **By initialing** ____ ____

I/We acknowledge the maximum affordable sales price is based on current income limits and interest rates. **By initialing** ____ ____

I/We acknowledge any upgrades to the home, are not factored into the affordable sales price.
By initialing ____ ____

CERTIFICATION: I/We certify that the information provided in this Certification of Affordable Housing Program is true and correct as of the date indicated below. I/We acknowledge my/our understanding that the intentional or negligent misrepresentation(s) of the information contained in this request may result in civil liability and/or criminal penalties including but not limited to fines or imprisonment or both and liability for monetary damages to the City of Tustin, its agents, or any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this request.

All persons taking title to the Home must sign this certificate.

Applicant

Co-Applicant

Signature

Signature

Printed Name

Printed Name

Date

Date