



## **SINGLE FAMILY HOUSING REPAIR LOAN PROGRAM**

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### **PURPOSE**

This program is designed to provide financial assistance to low-income homeowners to perform needed repairs to their property. This program can be used to include substantial interior and exterior repairs, handicap accessibility, delayed maintenance items, and correcting mandatory code violations. In certain circumstances, reconstruction of the house is permitted. The rehabilitation and reconstruction programs will also include requirements for installation of energy efficient and water conservation products.

### **ELIGIBILITY**

1. Only properties with owner-occupied single-family homes or two units on a lot with one of the units occupied by the eligible owner. Homeowner must have lived on the property for at least 6 months prior to application.
2. Property must be located within the limits of the City of Stockton.
3. Household income cannot exceed 80% of median family income, as amended from time to time. See below:

**Income Eligibility by Household Size  
(Fully-Documented Only – No Stated Income Accepted)**

<b>Household Size</b> (Number of Persons to Reside in Home)	<b>Maximum Allowable Gross Monthly Income</b> (Per Household)	<b>Maximum Allowable Gross Annual Income</b> (Per Household)
<b>1</b>	<b>\$3,454</b>	<b>\$41,450</b>
<b>2</b>	<b>\$3,950</b>	<b>\$47,400</b>
<b>3</b>	<b>\$4,442</b>	<b>\$53,300</b>
<b>4</b>	<b>\$4,933</b>	<b>\$59,200</b>
<b>5</b>	<b>\$5,329</b>	<b>\$63,950</b>
<b>6</b>	<b>\$5,725</b>	<b>\$68,700</b>
<b>7</b>	<b>\$6,121</b>	<b>\$73,450</b>
<b>8</b>	<b>\$6,513</b>	<b>\$78,150</b>

(Effective June 01, 2021)

4. In the case of two units on one lot, the owner must agree that the rental unit will be occupied by a low-income tenant at the affordable rental rate established for the local Section 8 Housing Program. The City will monitor the tenant's income level periodically – sometimes up to a period of 20 years.

5. The loan-to-value ratio must not exceed 105 percent of the total value of the property, as established by a qualified staff or certified appraiser.
6. The owner's total debt to total income ratio may not exceed 55%.

## **LOAN TERMS**

1. Maximum term of loan is 30 years.
2. One percent (1%) simple interest.
3. Loans are deferred for 30 years if owner remains in home; loans are due upon sale, transfer of ownership or breach of loan agreement. A monthly fee may be collected to cover property taxes and insurance.
4. All loans must be secured by a Promissory Note, Loan agreement and Deed of Trust.
5. Loans may not be assumed.
6. Loans are not subordinated to future financing.
7. Taxes and insurance must be collected into an impound account either by the first mortgage holder or the City's appointed loan servicing company.
8. Loan cannot be combined with "reverse" mortgages or equity lines of credit.
9. Use of loan funds:
  - Hard and soft construction costs related to the mandatory correction of building and municipal code violations
  - Construction contingencies
  - Temporary relocation and moving expenses, if necessary
  - Refinancing of existing debt is limited to special hardship circumstances and requires additional evaluation

**Contact:**  
**City of Stockton - Economic Development Department**  
**Housing Division**

(209) 937-8539

Email: [Economic.Development@stocktonca.gov](mailto:Economic.Development@stocktonca.gov)

Web Site: [www.stocktonca.gov/housing](http://www.stocktonca.gov/housing)



## DOCUMENTATION REQUIRED for EMERGENCY REPAIR and HOUSING REHABILITATION APPLICATION

- ❖ Proof of income for **EACH** person who lives in the home, such as:
  - Paycheck stubs for most recent three (3) months
  - Social Security Annual Award Letter
  - Pension Award Letter
  
- ❖ Most recent Income Tax Return for **EACH** household member who files
  
- ❖ Mortgage verification for **EACH** loan on the property, such as:
  - Coupon book
  - Monthly Statement
  
- ❖ Homeowner Insurance Policy
  
- ❖ Most recent Property Tax Bill
  
- ❖ Most recent three (3) months utility bills:
  - PG&E
  - Water
  - Sewer
  - Garbage
  
- ❖ Most recent three (3) months of bank statements (ALL accounts)
  
- ❖ Copy of Driver's License and Social Security ID card

Once the application has been completed and the above information gathered, please call Brian Burnett at **(209) 937-8284** to arrange for an interview to review the application.

We will make copies of the documents for you at your interview.

Thank you for your interest.



	APPLICANT	CO-APPLICANT
Employer Name	_____	_____
Employer Address	_____ _____ _____	_____ _____ _____
Business Phone	(_____) _____ - _____	(_____) _____ - _____
Position/Title	_____	_____
Time at Job	_____ years, _____ months	_____ years, _____ months
Years in line of work	_____	_____

**CURRENT HOUSING RELATED PAYMENTS:**

Existing Home Loans (Lender Name)	Monthly Loan Amount
<b>Total Home Loan Payments</b>	<b>\$</b>

**OTHER PERSONS LIVING IN HOUSEHOLD:**

Name	Social Security No.	Sex	Age	Source of Income	Monthly Income
<b>Total monthly income of all other persons living in the household</b>					<b>\$</b>

**CLOSEST RELATIVE NOT LIVING WITH YOU:**

Name	Address	Phone Number	Relationship

PROPERTY TAX: \$ \_\_\_\_\_/year

HOMEOWNER'S INSURANCE: \$ \_\_\_\_\_/year

**WARNING:** Furnishing false information on a loan application is a crime. I understand that under the provisions of California Penal Code section 532(a), knowingly providing false information on a financial statement in order to obtain credit or a loan is an offense punishable by imprisonment in the state prison or county jail, and by a fine of up to \$5,000 or both such fine and imprisonment upon conviction.

I/We certify that all the statements on this pre-application are true and correct to the best of my/our knowledge. I/We understand that any willful misstatement of material fact may be grounds for disqualification.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-applicant Signature

\_\_\_\_\_  
Date

**DEMOGRAPHIC INFORMATION:**

The following information is requested by the Federal Government for loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity and fair housing laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under federal regulations, this lender is required to note race and sex on the basis of visual observation or surname.

If you do not wish to furnish this information, please initial below.

\_\_\_\_\_ I/We do not wish to furnish answers to demographic questions at this time.

CATEGORIES	<u>APPLICANT</u>		<u>CO-APPLICANT</u>	
	Check One Category	Check if ALSO Hispanic / Latino	Check One Category	Check if ALSO Hispanic / Latino
White				
Black/African American				
Asian				
American Indian/Alaskan Native				
Native Hawaiian/Other Pacific Islander				
American Indian/Alaskan Native & White				
Asian & White				
Black/African American & White				
American Indian/Alaskan Native & Black/African American				
Other Multi-racial				

**FOR OFFICIAL USE ONLY:**

Application Type: \_\_\_\_\_

Advisor/Project Manager: \_\_\_\_\_

Date Received: \_\_\_\_\_

## **WHAT TO EXPECT AND WHAT NOT TO EXPECT FROM THE SINGLE-FAMILY HOUSING REPAIR LOAN**

### **HOMEOWNERS RESPONSIBILITY:**

The program will help homeowners with certain technical information during the home repair process, but homeowners are responsible for the items below.

1. Homeowners help inspect their house and point out problems.
2. Homeowners, **not the program**, choose contractors to bid on proposed work.
3. Homeowners, **not the program**, chose a contractor to perform work on their home.
4. Homeowners, **not the program**, sign home repair contracts with the contractor.
5. Homeowners inspect and approve work performed by their contractors.
6. Homeowner's request and approve payments made to their contractors.
7. Homeowner's work with contractors to settle disagreements during the job.
8. Homeowners must call/write their contractors to ask them to correct problems covered by contractor warranties during the first year after the job has been completed.

### **THINGS HOMEOWNERS SHOULD CONSIDER BEFORE TAKING OUT A SINGLE-FAMILY HOUSING REPAIR LOAN**

1. Payments or reimbursements for work that is in process or completed repairs are not eligible.
2. Not all the work homeowners want done can always be done.
3. Repairs will correct some of the problems but will not solve all problems with the home.
4. Don't expect your house to be completely new when work is done.
5. Don't expect all floors, walls, ceilings, doors, windows, in older houses to be completely plumb, level, and square when work is done.
6. Sometimes it can be stressful living in a house while a contractor is performing work.
7. Very few times in life is anyone completely satisfied with things they buy or have repaired. Buying a house or having a home repaired is no different.
8. Houses always need repairs and maintenance. It is advisable for homeowners to save at least \$100.00 a month to help cover the cost of future repairs and maintenance.
9. The program is not a contractor, does not recommend contractors, and cannot guarantee homeowners will be satisfied with the work done by their contractors.
10. You may not refinance or combine this loan in the future. The Loan is not assumable.

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Homeowner

Date

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Co-Borrower

Date



## Authority to Verify Credit Information

This is your authority to verify my bank accounts, employment, outstanding debts (including any present or previous mortgages), to order a consumer credit report and to make any other inquiries pertaining to the qualification for a mortgage loan from you. You may make copies of this letter for distribution to any party with which I have a financial or credit relationship and that party may treat such copy as an original.

Privacy Act Notice: This information is to be used by the agency collecting it, or its assignees, in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not, your application for approval as a prospective mortgagor or borrower may be delayed or rejected.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date