

## What is DAP?

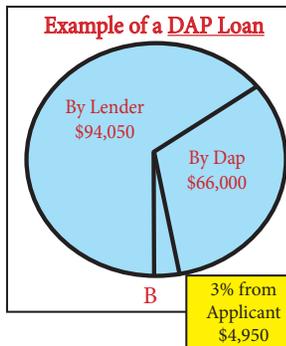
The County of Shasta has money to help first-time home buyers with their down payments and closing costs. The Shasta County Down Payment Assistance Program (DAP) provides a loan to qualified low income first-time home buyers. Federal money from this program comes from grants awarded to Shasta County by the California Department of Housing and Community Action Programs.

## Example of DAP Transaction

A person purchasing a home for \$165,000 with an appraised value of \$165,000 will need to obtain a loan from the lender of their choice for a minimum of \$94,050. The maximum DAP loan would be 40% of \$66,000 (note, not all clients receive the maximum), and the DAP applicant must contribute 3% of the purchase price; in this instance \$4,950. The maximum combined loan to value (1st loan + DAP) is 97% of the appraised value which in this example would be \$160,050.

The DAP home owner retains all of the appreciated value of the home and enjoys the benefits of deducting home loan interest and property tax payments from their income tax.

Please check with your lender for additional costs to close the sale.



## County of Shasta

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## Down Payment Assistance Program (DAP)



## First-Time Home Buyers



## Let Us Help You Open the Door to Home Ownership!



**Call Us!**  
**(530) 225-5160**

# Who is Eligible?

Potential DAP home buyers must meet the definition of a first-time home buyer, be able to obtain first mortgage financing for the purchase, and must qualify under the following income guidelines.

Family Size	Maximum Annual Income
1	\$39,150
2	\$44,750
3	\$50,350
4	\$55,950
5	\$60,400
6	\$64,850
7	\$69,350
8	\$73,800

# What Homes Qualify?

Eligible homes include newly constructed homes, existing homes, manufactured homes on permanent foundations, and condominiums.

# DAP Basic Guidelines

Maximum purchase price is \$261,000

The DAP loan you obtain can be up to 40% of purchase price with a maximum loan of \$80,000.

The DAP loan (second mortgage) will accrue interest at 3% without payments until loan is due.

A special rate of 1.5% is available for qualified disaster victims.

The DAP loan is due when home is sold, title changes hands, refinanced, or loan recipient ceases to live in home (must be owner occupied).

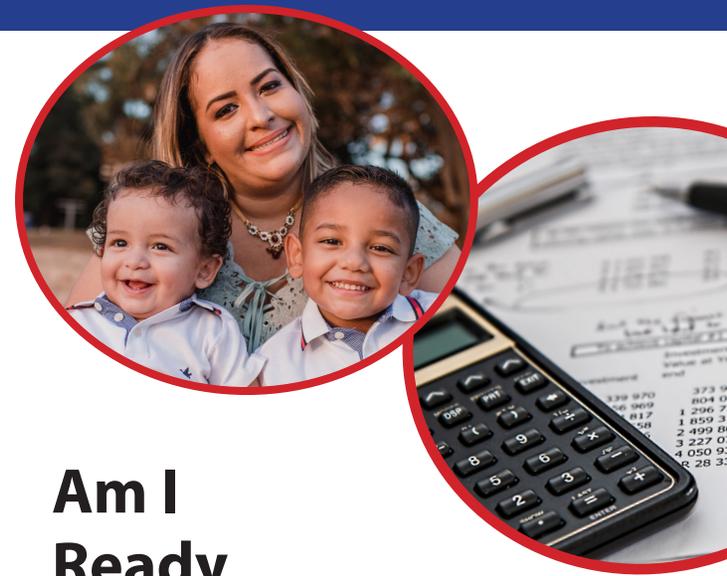
Borrower will be required to contribute at least 3% of the purchase price (may be a gift).

Home must pass an inspection for Health and Safety Standards and local codes.

A class in home ownership is required of all participants.

Not all areas of the County may be eligible. Call for more information.

The combination of both loans (first and second) may not exceed 97% of the appraised value.



# Am I Ready to Apply?

- Do I have a stable income?
- Do I have at least 3% of the purchase price for a down payment and closing costs?
- Have I addressed any negative credit issues?
- Do I have too many other financial obligations to purchase a home?
- Am I ready to take on the responsibility of owning a home?

**For more information, call (530) 225-5160**

