



City of El Cajon

Redevelopment and Housing Division
200 Civic Center Way, El Cajon, CA 92020

Program Bulletin

October 27, 2010

Program Bulletin #2010-01

To: All Participating Lenders

Programs Affected: As Specified

Effective Date: OCTOBER 27, 2010

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 All other existing terms and requirements of the City/Agency FTHB programs, which are not superceded by these changes, will remain in force. All Manuals, documents, forms and bulletins are now available on the City of El Cajon web site at www.ci.el-cajon.ca.us.

California Dream FTHB Program:

Maximum Principal Payments: The monthly amount to be paid to the Agency shall be 30% of any income over 120% of the Area Median Income (prorated monthly), as determined by HUD and adjusted periodically, to a maximum of \$1,000, but not less than \$50.00 per month and is more particularly described in the Note. However, the maximum affordable housing cost, with any Agency approved mortgage, shall not exceed 35% of the gross income for the household.

All Programs:

Appropriately sized households: Only appropriately sized households shall be eligible for City/Agency assistance to purchase a home. An appropriately sized household means a household that will occupy the home, with not less than one person per bedroom and not more than two persons per bedroom. Example: Only a household with three to six persons may receive City/Agency assistance to purchase a three-bedroom home. All adults in an appropriately sized household at time of initial home purchase, except dependents, are required to hold title to the property. For purposes of this program, a dependent is defined as a person other than the taxpayer or spouse who will live in the house and who entitles the taxpayer to claim a dependency exemption. A dependent is either a qualifying child or other qualifying relative.

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@ci.el-cajon.ca.us.

Reviewed and approved by:

Date:

Melissa Ayres
10/27/10