

# Welcome

## FOR YOUR INFORMATION

- Please note any questions you have during the presentation, as all questions will be answered at the end of our presentation.
- Guest lenders will be able to answer your loan questions at the end our presentations.



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# HouseKeys Buyers Session

— City of Alameda  
County of Alameda —

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## HouseKeys Team

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- **Danielle De La Torre - Presenter**
- **Martin Vergara - Program Officer**
- **Andrew Stebbins - Marketing**
- **Christopher Jue - Program Support**



## Today's Guest Loan Officers

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- **Sandra Smith - Guild Mortgage**
- **Rhian Alfred-Kleinmaier - Cross Country Mortgage**



# HouseKeys

## Unlock Opportunities

### Who We Are

A program administrator that connects YOU, the applicant, to a home for rent or to purchase at an affordable price based on county Income Category Limits\*

**\*We do NOT make policy, build or price homes.**

### We Work with Cities

As a program administrator, we work in partnership with cities to manage their affordable housing program to meet policy guidelines and fair housing standards

### We Work with Developers

We also work with Developers to meet permit conditions requiring them to build and sell affordable units to eligible and qualified buyers or renters



# TODAY WE WILL

## Learn

what Affordable Housing is and how HouseKeys can help you

## Find

out how to determine what opportunities you are eligible and qualify for





# WHAT IS A BELOW MARKET RATE HOME?

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- A Below Market Rate Home (BMR) is a home that has certain deed restrictions recorded on the property which ensure that the home remains affordable for future generations.
- BMRs are often a result of public investment in affordable housing developments or a result of “inclusionary housing policy” which ensures affordable homes are built as a result of market-rate development.



Let's Get  
Started!

**FOR  
SALE**





# BASIC REQUIREMENTS OF A BMR

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- The Owner **must occupy** the Property as the Owner's **principal residence** and is subject to annual compliance monitoring.
- **Future Sales Price** – The property is **restricted for resale to a low or moderate-income household** at a purchase price affordable to a low or moderate-income household, as applicable. (There are circumstances in which the property may not appreciate in value).
- The Owner **must give notice** to the City of Alameda's Community Development Department before a refinance or capital improvement of the Property.
- The Owner's **rights to pledge** the Property as security for a debt **are limited**.
- The Owner **may not** refinance to pull out equity from their home.
- Term of Restrictions: 59 [years](#)
- Any **misrepresentation or intentional deceit** by an applicant could result in loss of eligibility for the program and loss of the property



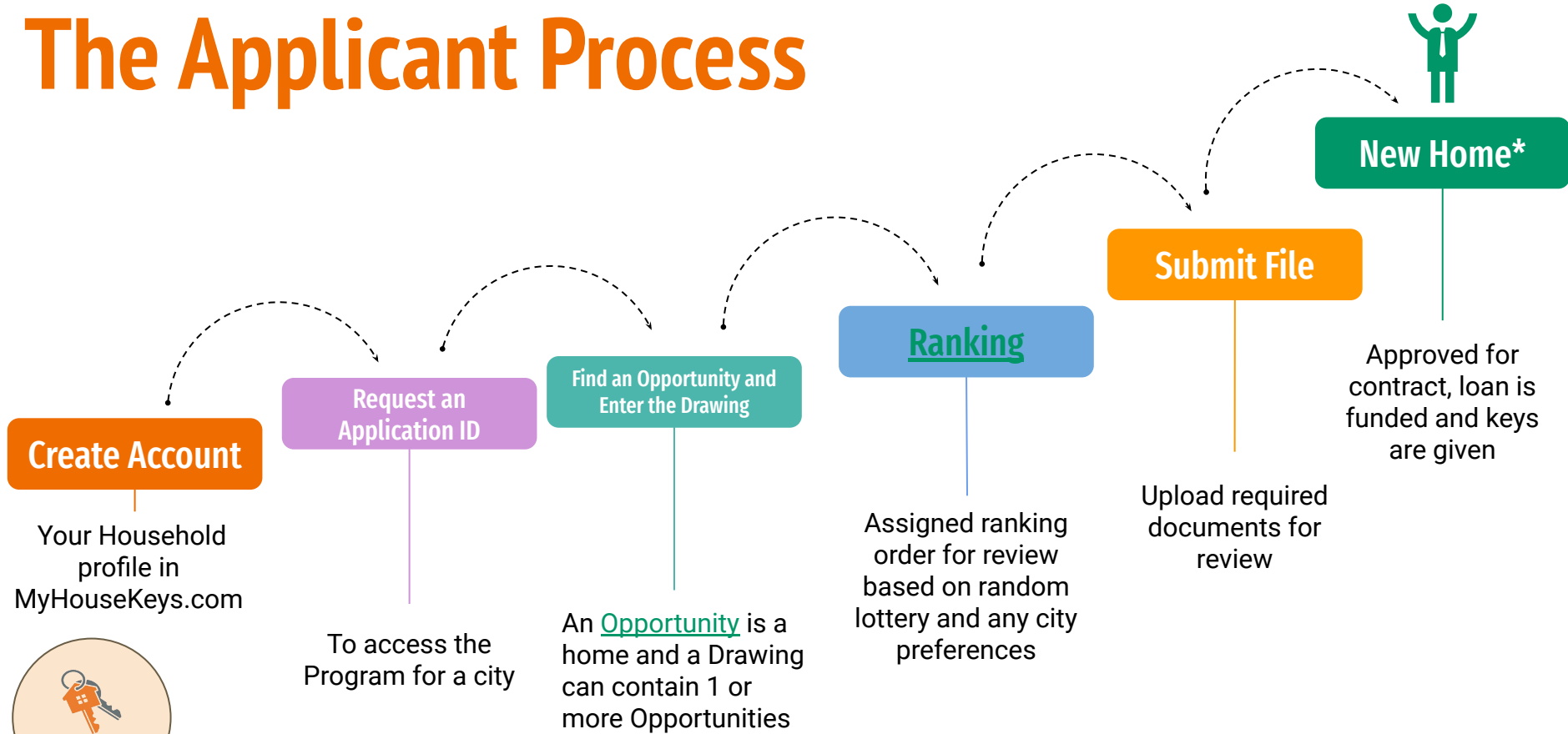
# Program Guidelines: Minimum Requirements for Submission

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- **Must** be a First-Time Homebuyer
- **Must** provide proof of Preference (**Exhibit E and supporting documents**)
- **Must** meet the minimum household occupancy requirements; **1 person per bedroom**
- **Minimum of a 3%** of the sales price as a down payment
- Debt to income ratio should **not exceed 35%-38%**



# The Applicant Process



# Some Important Terms

Area Median Income - Is the middle, not the average, of the income range of a region by household.



According to Cambridge.com, means inexpensive (subjective)  
Cost based on county income category limits

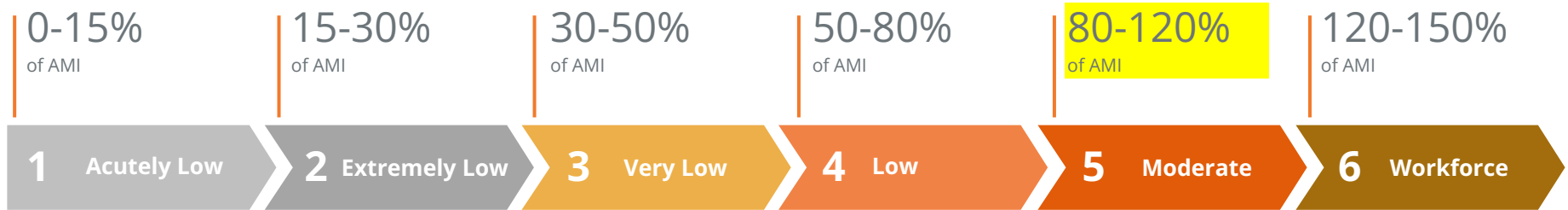
The value or amount received for one's labor and/or products produced **plus up to 10% of assets**



A percentage of Area Median Income which determines the categories of "affordability" for program eligibility that are set by HUD and then HCD

# Income Limits

(Based off of Local County or Area Median Income (AMI) and Household size)



Each of the 3,006 counties in the U.S. has a different Area Median Income. That County Area Median Income (AMI) is used to drive the Income Category Limits above. Each Income Category Limit is used to calculate the rental rates and sales prices for “affordable” housing units.

**WHO** is eligible for the program opportunity is determined by these Income Limits and are *different* in each county.

**Note:** Affordable Prices are driven by the Incomes in the County





# Am I Eligible?

- Total Household Income
- Household Size (Total number of household members)

## HouseKeys

Every household member 18 years of age or higher must document income

Primary Applicant - \$50,000  
Spouse - \$65,000  
Dependent (18) - \$10,000  
Total Income: \$125,000



HouseKeys is underwriting to a **MAXIMUM INCOME LIMIT** based on the **Projected Income** expected to be earned over the **NEXT 12 MONTHS.**

*Household size maximums and minimums also factor into eligibility.*

# Am I Qualified?

- Can I make the payment?

## Lender

Household members needed to qualify for the loan need to document income

Primary Applicant - \$50,000  
Spouse - \$65,000  
(\$50,000) – Avg. \$57,500  
Total Income: \$107,500



The lender is underwriting to a **MINIMUM INCOME** based on the **documented income averaged over the PREVIOUS 24 MONTHS.**

# Who is considered a household member?



- Every member of your current permanent household (including minors).



# Where do you land?

| Number of Persons in Household: | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------------------------------|---|---|---|---|---|---|---|---|
|---------------------------------|---|---|---|---|---|---|---|---|

Last page instructs how to use income limits to determine applicant eligibility and calculate affordable housing cost and rent

|  |                      |        |        |        |               |        |        |        |        |
|--|----------------------|--------|--------|--------|---------------|--------|--------|--------|--------|
| Alameda County<br>Area Median Income:<br>\$147,900 | Acutely Low          | 15550  | 17750  | 20000  | 22200         | 24000  | 25750  | 27550  | 29300  |
|  | Extremely Low        | 31050  | 35500  | 39950  | 44350         | 47900  | 51450  | 55000  | 58550  |
|  | Very Low Income      | 51800  | 59200  | 66600  | 73950         | 79900  | 85800  | 91700  | 97650  |
|  | Low Income           | 78550  | 89750  | 100950 | 112150        | 121150 | 130100 | 139100 | 148050 |
|  | <b>Median Income</b> | 103550 | 118300 | 133100 | <b>147900</b> | 159750 | 171550 | 183400 | 195250 |
|  | Moderate Income      | 124250 | 142000 | 159750 | 177500        | 191700 | 205900 | 220100 | 234300 |





# Let's Try

We are taking it up a notch. Determine if the family in each listing is **Eligible** and if they **Qualify**.

***Watch out for, Minimum/Maximum Household Sizes, Listing Price, and Income Limits.***



Jones' Listing

Sanchez' Listing

Nguyen's Listing

Let's Get Started!





# Bay37 Opportunity Drawing 258- NOW Open to Enter



## All...Moderate Income Category 120%

- 3 Bedroom/ 2 Bath (Single Level)
  - Approx. 1423 Sq Ft
  - Sales Price: \$421,049, HOA: 714/mo
  - 3 person minimum occupancy
- 
- 2 Bedroom/ 1.5 or 2.5 Bath
  - Approx. 910 to 1247 Sq Ft
  - Sales Price: \$414,618, HOA: \$378/mo
  - 2 person minimum occupancy
- 
- All Moderate Income, up to 120% AMI
  - Applicants will be reviewed in ranked order, in batches of 30 with specific File Submission deadlines for each group

**Drawing Deadline: 11/27/2023  
5 pm PST**

**\*Entries after the deadline  
WILL NOT be accepted**

## File Submission Deadline by Group:

1. 12/6/23 @5pm, 1- 30
2. 1/8/24 @5pm, 31 - 60
3. 1/22/24 @ 5pm, 61 - 90
4. 2/5/24 @ 5pm, 91 - 120
5. 2/19/24 @ 5pm, 121- 150
6. 3/4/24 @ 5pm, 151 - 180

| Income Category | Percentage  | Household Size 2 | Household Size 3 | Household Size 4 | Household Size 5 | Household Size 6 | Household Size 7 |
|-----------------|-------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Moderate</b> | <b>120%</b> | <b>\$142,000</b> | <b>\$159,750</b> | <b>\$177,500</b> | <b>\$191,700</b> | <b>\$205,900</b> | <b>\$220,100</b> |



# Opportunity Drawing - Bay37

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## City Preferences Apply

### Priority 1:

- **Live or Work in the City of Alameda - 1 Point**
- **Alameda Unified School District Employee - 1 Point**

**\*Verification of residence address and/or employment required.**

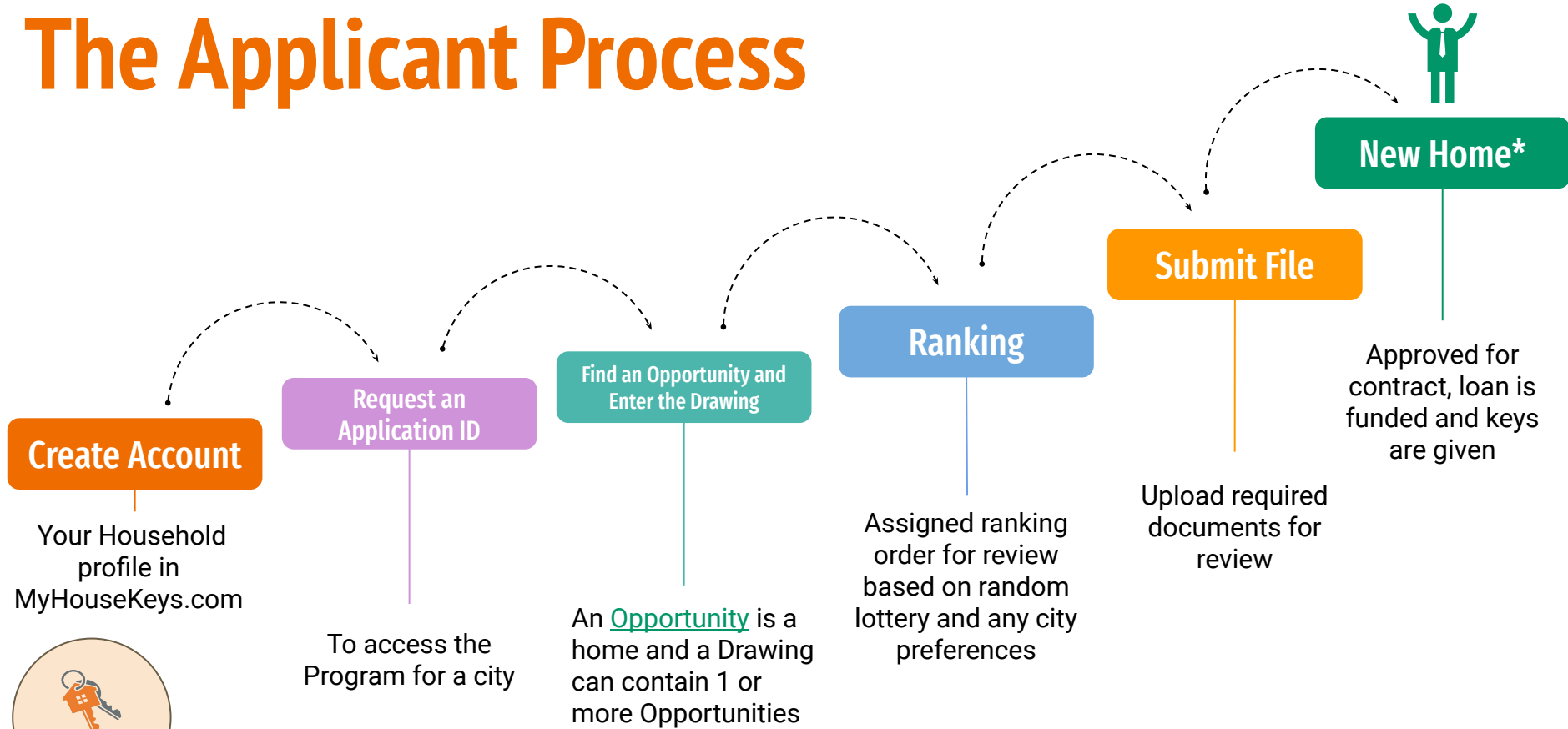


# Minimum Income and Funds Needed

| Property AMI  | 120%           | 120%           |
|---|----------------|----------------|
| Financing Scenario  | OD 258         | OD 258         |
| Bedroom Size  | 2              | 3              |
| Property Address  |                |                |
| Annual income (Stated or on 1003)   | \$145,712      | \$163,420      |
| Monthly Income (enter amount)   | 12143          | 13618          |
| SALES PRICE   | 414,618        | 421,049        |
| Down payment %  | 3%             | 3%             |
| Buyers' Down payment (auto calculates based on 3%)                                      | 12,439         | 12,631         |
| Other:  | 0              | 0              |
| Subtotal of programs including Buyers Down Payment (does not include the closing costs) | 12,439         | 12,631         |
| MORTGAGE  | 402,179        | 408,418        |
| Interest rate   | 8.000%         | 8.000%         |
| Term  | 30.00          | 30.00          |
| LTV   | 97%            | 97%            |
| Principal payment   | 2951.05        | 2996.82        |
| Plus PROPERTY taxes '=price*0.0125/12 (auto calculates)                                 | 431.89         | 438.59         |
| Supplemental Tax  | 314.00         | 432.00         |
| PMI if required by lender   | 0.00           | 0.00           |
| Solar (lease assumption)  | 115.00         | 115.00         |
| Homeowner's Assn dues   | 378.00         | 714.00         |
| Plus insurance - HO6  | 60.00          | 70.00          |
| = Total monthly housing payment (auto calculates)                                       | \$4,249.94     | \$4,766.42     |
| Buyers Housing Pmt calculated at 35% PITI (auto calculates)                             | \$4,249.94     | \$4,766.42     |
| Front End Ratio (35% or less)   | 35.0%          | 35.0%          |
| Monthly debt (minimum payment required per credit report)                               | 1200.00        | 1350.00        |
| Back end ratio (45% or less for most programs)  | 44.9%          | 44.9%          |
| divided by PITI ratio   | 0.35           | 0.35           |
| = monthly gross income  | 12,143         | 13,618         |
| <b>MINIMUM ANNUAL INCOME REQUIRED (at 35% front ratio)</b>                              | <b>145,712</b> | <b>163,420</b> |
| FUNDS NEEDED  |                |                |
| Closing Costs - Estimated at 3.5%   | \$14,511.63    | \$14,736.72    |
| Approximate funds Needed (down plus cc costs)   | \$26,950.17    | \$27,368.19    |

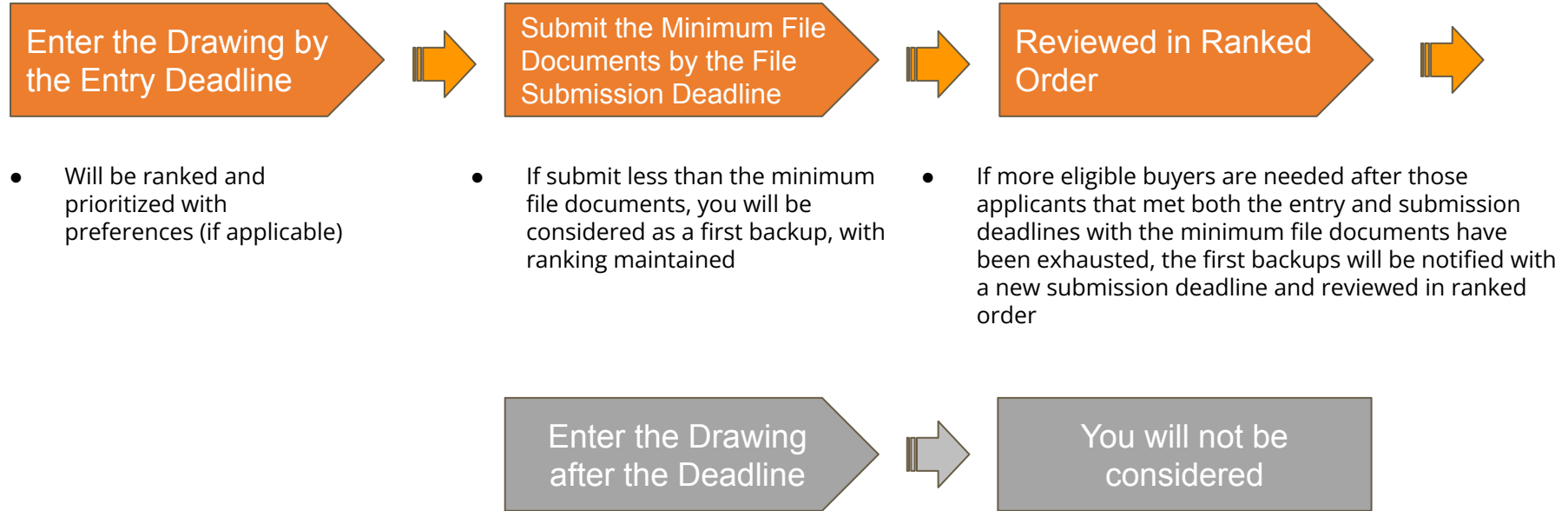


# The Applicant Process



# The Review Process - Part 1 (Entry to Initial Assessment)

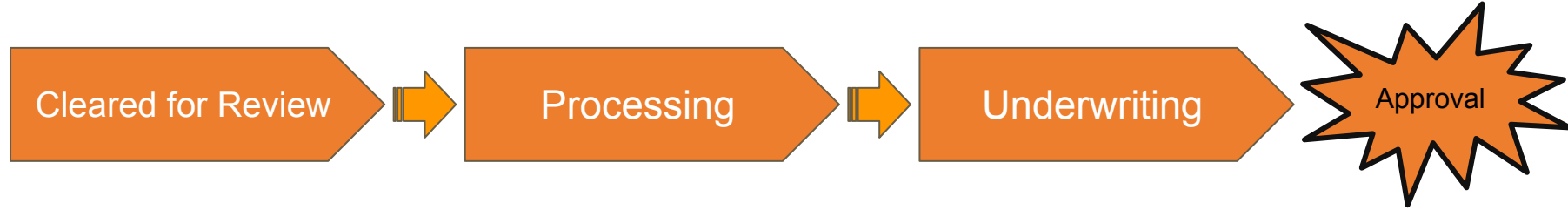
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# The Review Process - Part 2 (Initial Assessment to Underwriting)

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- An Initial Assessment of your documentation is done by the Program Officer
- Your income is projected and general household makeup is confirmed
- You will receive a notification of your file being sent to Processing for further review.
- A Needs List is issued with a due date for the remaining items that apply on the Full Document Checklist
- If further clarification is needed, the underwriter will request documentation
- If found eligible, an approval will be issued and you go into contract



# The *Minimum File Documents*

## OWNERSHIP

1. HouseKeys Program Application (specific to the opportunity)
2. **Loan Pre-Approval Documentation (full purchase price)**
  - **1003 - Uniform Residential Loan Application**
  - **1008 - Uniform Underwriting and Transmittal Summary**
3. Latest Filed Tax Return (ALL pages)
  - Transcripts are not acceptable
4. Last Pay Stubs (or appropriate to your income type) for ALL members 18 and over
  - If self-employed, YTD Profit & Loss Statement
5. ALL current Asset Statements
  - Current means within 30 days of drawing entry
6. Exhibit E - Preference form **and** supporting documents
  - If have a preference or not



# Sandra Smith - Guild Mortgage

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- As your Senior Loan Officer, with years of experience in the mortgage industry, I bring passion, knowledge, and energy to every transaction. I enjoy and take great pride in assisting you on your journey of purchasing or refinancing your home. I make sure you feel informed and comfortable throughout the entirety of your contract, while remaining connected to my clients by providing bi-annual check-ins in the years to come. My team and I get VERY involved with making sure that ALL items are prepared best to present to underwriting for success. We are committed to helping you purchase the home of your dreams... let's make it happen TOGETHER!!!

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## Senior Loan Officer

3050 Citrus Circle, Suites 210 & 222

Walnut Creek, CA 94598

[sandras@guildmortgage.net](mailto:sandras@guildmortgage.net)

[Directions](#)

Phone: (510) 788-6483

Mobile: (510) 301-0198

Fax: (866) 384-4294

Branch: (925) 906-8166



# Rhian Alfred-Kleinmaier - Cross Country Mortgage

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- When you come to me for your mortgage, I begin by listening. I want to understand your goals and priorities so I can offer a home loan that's right for you. You may be a first-time homebuyer or a long-time homeowner. You may be buying an investment property or looking for a renovation loan. I offer a wide range of loan programs, from FHA and VA to conventional and jumbo. You are an individual and my recommendations will respect your unique circumstances.
  - Communication is key, and sharing information is as important as listening. I will make sure you know what's happening with your mortgage as it progresses through the process and will be available to answer your questions. I'll be with you every step of the way, from application to closing and beyond.
  - Whether you are buying, refinancing, or renovating, I am ready to give you the outstanding home loan experience you deserve.
- 



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Loan Officer  
NMLS #2372594  
18525 Sutter Blvd, Suite 240  
Morgan Hill, CA 95037

Contact Methods

**Email:**

**rhian.alfred-kleinmaier@ccm.com**

**Phone:** (408)-794-4941

**Mobile:** (408) 480-3593

# Loan Officer Panel Questions...

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1. Pre-Approval vs Pre-Qualification?
2. What documents do I need for a pre-approval?
3. Is my credit score affected with a pre-approval?
4. How long does it take to get a pre-approval?
5. How long is the pre-approval good for?
6. Do I need a pre-approval for each opportunity?
7. What happens to my pre-approval if the project is delayed?
8. Why do I need a pre-approval from an approved, registered lender?
9. Should I get pre-approved even if I haven't found a property to buy yet?
10. Other than rate, what should I consider when shopping for a loan?
11. Do's and don'ts for the buyer during the process?
12. When does my rate get "locked" and what if it needs to be extended? Cost?

- For ALL:

What DPA do you have available for BMR purchase?



### Watch Out



**Are you  
sure?**

Once you opt out of a drawing you will not be able to reenter

### Watch Out



**One &  
Done**

Cities only allow you to partake in one opportunity drawing at a time within their city.



# NOW WHAT?

## Sign Up



### Program Workshop

Need more? Join us  
for our more in depth  
program workshop.

## Join Us



### FAQ's

Thursday/Friday at  
12pm  
Every other Saturday  
at 10am

## Look For



### Opportunities

We encourage you to  
start exploring  
opportunities at  
HouseKeys.org





**TODAY WE:**

**Learned**

what Affordable Housing is and how HouseKeys can help you

**Found**

out what opportunities you are eligible for and if you qualify for



# Thank You!

## Please stay for Q&A

### Need to Chat?

- 1-877-460-KEYS (5397)
- [customerservice@housekeys.org](mailto:customerservice@housekeys.org)
- <https://www.housekeys.org/housekeylibrary>
- <https://www.housekeys.org>
- Danielle De La Torre  
[danielle@housekeys.org](mailto:danielle@housekeys.org)  
<https://calendly.com/danielle-housekeys>

### Program Workshop Agenda

1. Understand the process to apply to Programs, look for Opportunities you are eligible for and enter Opportunity Drawings
2. Learn about and enter at least one Opportunity Drawing
3. Upload the first of our Initial File Documents

**SIGN UP FOR OUR PROGRAM WORKSHOP  
HERE**

# APPENDIX - READING THE INCOME CATEGORY GRID

## Let's Recap...

- Income Category limits are based on the Area Median Income (or AMI) by household size for a surrounding area, generally defined by the county lines
- The AMI is the midpoint of the income distribution for that area by household size
- This means that a household's income category can change, depending on the county or area of the program they are interested in



Download 2022 Income Limits by County [HERE](#)



# APPENDIX - READING THE INCOME CATEGORY GRID

1. To find out what category your household would be in Santa Clara County, you would start by finding the grid for “Santa Clara County Area Median Income” in the published limits from the Department of Housing and Urban Development (HUD) or Department of Housing and Community Development (HCD).
2. Find the column that matches the number of people in you household
3. Under that number, go down the column until you find the amount your total household income is **BELOW**.  
Note: The amount shown is the **MAXIMUM** allowable amount for that category. Anything over that amount is into the next category.
4. To the left of that amount is the Income Category for your household.



| Number of Persons in Household:                        |                      | 1      | 2      | 3      | 4             | 5      | 6      | 7      | 8      |
|--|----------------------|--------|--------|--------|---------------|--------|--------|--------|--------|
| Santa Clara County<br>Area Median Income:<br>\$168,500 | Acutely Low          | 17700  | 20250  | 22750  | 25300         | 27300  | 29350  | 31350  | 33400  |
|  | Extremely Low        | 35400  | 40450  | 45500  | 50550         | 54600  | 58650  | 62700  | 66750  |
|  | Very Low Income      | 59000  | 67400  | 75850  | 84250         | 91000  | 97750  | 104500 | 111250 |
|  | Low Income           | 92250  | 105400 | 118600 | 131750        | 142300 | 152850 | 163400 | 173950 |
|  | <b>Median Income</b> | 117950 | 134800 | 151650 | <b>168500</b> | 182000 | 195450 | 208950 | 222400 |
|  | Moderate Income      | 141550 | 161750 | 182000 | 202200        | 218400 | 234550 | 250750 | 266900 |

Download 2022 HUD Income Limits by County [HERE](#)



# APPENDIX - READING THE INCOME CATEGORY GRID

- So what category are you in?
- Now let's look at a different county and do the same exercise.



| Number of Persons in Household:                            |                      | 1     | 2      | 3      | 4             | 5      | 6      | 7      | 8      |
|--|----------------------|-------|--------|--------|---------------|--------|--------|--------|--------|
| San Luis Obispo County<br>Area Median Income:<br>\$109,200 | Acutely Low          | 11500 | 13100  | 14750  | 16400         | 17700  | 19000  | 20350  | 21650  |
|  | Extremely Low        | 23000 | 26250  | 29550  | 32800         | 35450  | 38050  | 41910  | 46630  |
|  | Very Low Income      | 38300 | 43800  | 49250  | 54700         | 59100  | 63500  | 67850  | 72250  |
|  | Low Income           | 61250 | 70000  | 78750  | 87500         | 94500  | 101500 | 108500 | 115500 |
|  | <b>Median Income</b> | 76450 | 87350  | 98300  | <b>109200</b> | 117950 | 126650 | 135400 | 144150 |
|  | Moderate Income      | 91750 | 104850 | 117950 | 131050        | 141550 | 152000 | 162500 | 173000 |

- Are you in the same or a different category?
- Now that you know how to find your Household Income Category, you want to look for Opportunities in the same category for the same household size.
- Note: Generally, minimum household size standards apply (1 person per bedroom), but refer to program guidelines for exact standards and exceptions.



Download 2022 HUD Income Limits by County [HERE](#)



# Deed Restrictions

CLICK [HERE](#) FOR OUR CITY DATA BASE



Deed Restrictions can include but are not limited to the following:

- **Resale Price Restriction**
  - When and It limits the how much you can sell it for during the duration of the agreement
  - If is sold before the term expires it needs to be sold to a qualified buyer
  - The agreement includes the resale price formula and is calculated at time of sale
  - It does not protect you from the market (e.g. in the event of the housing market crashing, the resale price may be less than the restricted value)
  - It may limit cash out refinances. In some cases, it may not allow it.
- **Annual verification of residency**
  - Proof that all the owners are living in the home
  - You cannot rent the home
- **Term of the restriction**
  - How long the restriction lasts
- **Transfers/Inheritance restrictions**
  - When life changes happen
- **Capital improvements**
  - Need to be approved by the city or the administrator before the works starts or you will not be able to recoup the value of the work done.
  - Some improvements may not be eligible because the home needs to remain affordable to the next buyer.

\*\*\*\*The applicants must certify that they have reviewed and understand the Deed Restrictions (AKA Resale Restriction) and other applicable program documents [BEFORE](#) their file can be reviewed. \*\*\*\*



# APPENDIX - DIFFERENT TYPES OF INCOME DOCUMENTATION

## Company Employee

- Paystubs
- Offer letter

## Non Working Income

- Retirement Account Statement...401K, Pension, IRA, etc
- Investment Account Statement
- Social Security award letter
- Unemployment Benefit statement

## Self-Employed

- Current Year-to-Date Profit & Loss statement  
Notarized
- 1099
- Contract

\*Non-working adult with zero income would submit a exhibit B notarized





# Glossary of Terms

## Program

The formalization of a city's affordable housing policies and procedures for Ownership, Rental and Finance.

## Drawing

A grouping that contains 1 or more opportunities.

## Application ID

A record that attaches an applicant to a Program, providing access to its Opportunities through Drawings.

## Ranking

A process by which a random number is assigned to each applicant in the Drawing. If **preferences** apply, the list is re-ordered accordingly, and the random number is the “tie-breaker”.

## Opportunity

A listing of an available home for purchase or rent. Could also be a finance resource.

## Preference

A priority given to applicants that meet certain criteria for the program (i.e., live or work in the city). Determined by the city/county.

## File

Verifiable evidence of an applicant's eligibility and qualification (documentation).

