
Purchase Advantage Loan (PAL)
PROGRAM APPLICATION

1. **Applicant Name:** _____ Birth date _____ Age _____
Applicant SS#: _____
2. **Co-Applicant Name:** _____ Birth date _____ Age _____
Applicant SS#: _____
3. **Phone #:** () _____ **Cell. #:** () _____ **Work #:** () _____
4. **Street Address:** _____ **City** _____ **Zip** _____

Mailing Address: _____ **City** _____ **Zip** _____
(if different from above)

5. Rent ☐ Own ☐ Buying ☐ At current address since: Month _____ Yr _____ Monthly rent \$ _____
Name of landlord: _____ Address _____ of _____ landlord: _____
_____ City: _____ State: _____
Zip: _____ Have you ever owned other real estate property / trailer within the past
(3) years? Yes No

Former address if less than three (3) years at present address:

A. _____
(Number & Street, City, State, Zip Code)

Name, Mailing Address and Phone Number of Landlord

Dates that you lived here? _____ Monthly Rent: _____

B. _____
(No & Street., City, State, Zip Code)

Name, Mailing Address and Phone Number of Landlord

Dates that you lived here? _____ Monthly Rent: _____

6. Manner in which title will be held: _____

7. Please complete the following information for everyone occupying the property:

Name	Gender (Male or Female)	Relation	Date of Birth	Social Security Number	Income Source (i.e. employment, social security, etc.)	Gross Annual Income

Total number of occupants: _____ Are you disabled: Yes ☐ No ☐

8. **Applicants Employer:** _____

Complete Address: _____ Telephone # _____

Length of Employment: _____ Position/ Title: _____

Income: Hourly Rate: \$ _____ Hours worked per week: _____ Weeks Worked per Year: _____

Anticipated income within the next 12 months: \$ _____

Co-Applicants Employer: _____

Complete Address: _____ Telephone # _____

Length of Employment: _____ Position/ Title: _____

Income: Hourly Rate: \$ _____ Hours worked per week: _____ Weeks Worked per Year: _____

Anticipated income within the next 12 months: \$ _____

10. If employed in current position for less than twelve (12) months, give past twelve (12) months employment history (A=Applicant, C=Co-Applicant);

A or C	Date of Employment (From-To)	Name and Address of Employer

11. Are you a Veteran? Yes ☐ No ☐

12. Do you have a checking or savings bank account?

Yes

☐☐

If yes, name and address of bank: _____

_____ Checking Account #: _____

_____ Acct. Balance: \$ _____

If yes, name and address of bank: _____

_____ Checking Account #: _____

_____ Acct. Balance: \$ _____

13. Life Insurance, Face Value of Policy: \$ _____ Cash Value: _____

Savings Accounts _____ Cash Value: _____

Bonds _____ Amount: _____

Other (specify): _____ Cash Value: _____

(i.e. collectable automobile with make, year & model)

14. Debts (do not include utilities or phone)

Name and Address of Creditor	Balance	Minimum Monthly Payment
1.		
2.		
3.		
4.		
TOTALS		

15. Have you ever filed for Bankruptcy? Yes ☐ No ☐ If yes when? _____ Where? _____

16. Have you ever had any suit, judgments or repossessions? Yes ☐ No ☐

If yes, explain why, where and when: _____

CERTIFICATION / AUTHORIZATION FOR RELEASE OF INFORMATION:

I certify that the information given in this form is true and accurate to the best of my knowledge. I certify that I have no additional income and that there are no persons living in or contributing to my household other than those described here. I understand that the information on this form is subject to verification. Also, I hereby give permission to NeighborWorks® HomeOwnership Center Sacramento Region to release the information on this application to the lender of my choice. It is my understanding that this information is to be used solely for the purpose of underwriting/approval of a PAL loan application under the Down Payment Assistance Program.

Applicant Signature _____

Date _____

Co-Applicant Signature _____

Date _____

Originating Lender & Escrow Company

Lender _____
Address _____
Loan Officer _____ Loan _____ Processor _____
Phone # _____ Fax # _____
e-mail: _____

Title _____ **Company** _____
_____ Address _____
_____ Escrow Officer _____
_____ Order _____ Phone # _____
_____ Fax # _____ e-mail: _____

NeighborWorks® Sacramento Purchase Advantage Loan (PAL)
PROGRAM DISCLOSURE
PLEASE READ CAREFULLY

This Program Disclosure and Information Authorization notice is intended to provide basic information about the NeighborWorks® Sacramento Purchase Advantage Loan (PAL) Program and the applicant(s) authorization for verification and sharing of information regarding a loan request. The loan program is intended to provide the necessary financial down payment assistance to enable you to purchase your first home. This disclosure is not a commitment for a loan. A full copy of the adopted program guidelines is available upon request.

General Information

In applying for a NeighborWorks® Sacramento PAL loan, as with any loan, you will be asked to sign loan documents. When you have signed those documents and the loan is made, you will be bound by the terms of those loan documents, particularly the Promissory Note and Deed of Trust. You should become familiar with and understand the provisions of the loan described in this notice.

Eligibility Criteria

You are eligible for a NeighborWorks® Sacramento PAL loan if you meet the following requirements:

1. You will occupy your home as your primary residence.
2. You will hold fee simple title to your home.
3. The applicant's gross income does not exceed 115% of Sacramento County median income for the number of persons in the household – If using FHA 1st mortgage financing
4. You are an eligible first time home buyer, having not owned a primary residence during the three years prior to applying for assistance under the NeighborWorks® Sacramento's PAL Loan Program.
5. You will be required to pay one percent (1%) of the Purchase Price from your own funds. Your one percent (1%) investment cannot be borrowed or gifted.
6. You have attended the 8-hour Homebuyer Education course at NeighborWorks® Sacramento facility and can provide the Certificate of Completion. Online courses are not allowed.
7. FICO Credit score must be at least 650. All open collections to be paid prior to closing.
8. Your housing expenses cannot exceed 36% of your gross income and your total combined debts cannot 45% of your gross income.
9. Subject property must be located in the NeighborWorks® Sacramento service region.

Loan Amount

Loan amount available for second mortgages to eligible applicants will be no less than \$10,000 and cannot exceed \$15,000 depending on applicant's need. Combined loan to value not to exceed 102% of the purchase price.

Interest Rate

The interest rate is 5.5% fixed rate / 6.574% APR.

Loan Terms and Monthly Payments

The monthly payments will be amortized for a period of 10 years.

Lien Position

Loan must be in Second Position, behind an amortizing 1st mortgage loan.

Use of Funds

Funds may be used for down payment and closing costs assistance. A maximum of 20% can be used for closing costs. Interest rate buy downs are not allowed.

Collateral for Loan

A Deed of Trust recorded against your home will secure the loan advanced to you. The lien will be recorded in second position, junior and subordinate to the first mortgage to be recorded concurrently. The lien will remain until such time as all sums due are paid in full.

Disclosure of Loan Information

Initials:

I/We understand that I/we are applying for two separate loans that the approval and processing of the two loans must be coordinated in order to receive assistance under the Program, and that authorization for a NeighborWorks® Sacramento PAL loan is dependent on the availability of sufficient program funds. I/We hereby authorize the first mortgage lender and NeighborWorks® Sacramento to assist with administration of the Program to share information in my/our loan applications with each other.

Information Authorization

Initials:

I/We hereby authorize NeighborWorks® Sacramento to verify any information necessary in connection with the NeighborWorks® Sacramento's PAL loan application and the first lender loan application, including but not limited to the following: Credit information, including bankruptcies; Employment record; bank accounts; criminal history; mortgage/rental history; tax information including tax returns; family/marital status including divorce, child support, etc. Authorization is further granted to NeighborWorks® Sacramento to use a Photostat copy of my/our signature(s) below, to obtain information regarding any of the aforementioned items.

Loan Restrictions

Loan shall become due and payable upon sale or transfer of the property, when the property ceases to be owner occupied, or upon the loan maturity date. If at any time the residence is used as a rental unit, the note and deed of trust are in default and the NeighborWorks® Sacramento will demand full payment of principle and interest and may begin foreclosure procedures. This restriction is part of the recorded Deed of Trust. The property will be restricted for use by owner occupants only during the 10 year term of the loan. If the Promissory Note is paid in full at any time during the loan, the owner occupancy restriction will be lifted as part of removing the Deed of Trust from title on the property.

Property Requirements

Properties eligible under this program are 1-4 units, Single Family Residence, HUD-approved Condos and PUD. Manufactured homes must be on permanent foundations. Landlord training is required for

2-4 unit properties. The subject property must meet the Housing Quality Standards (HQS) and have a clear Termite and Home Inspection completed prior to loan approval. If property is pre-1978, the home inspection must include a Lead-Based paint assessment. Any health & safety or section-1 items noted must be repaired.

Loan Repayments

NeighborWorks® Sacramento will maintain a financial record-keeping system to track payments and file statements on payment status. Payments from borrowers interested in prepaying their loans, as well as full demand payments, will be made to:

NeighborWorks® Sacramento
Attn: Loan Servicing
2400 Alhambra Blvd, Sacramento, CA 95817
Toll Free (888) 355-5356 or (916) 452-5356 Ext.1214

NeighborWorks® Sacramento will answer any questions in connection with the loan. You can contact them at:

NeighborWorks® HomeOwnership Center Sacramento Region
2400 Alhambra Blvd, Sacramento, CA. 95817
Toll Free (888) 355-5356 or (916) 452-5356 Ext.1219

This Disclosure is intended for information purposes and authorization only. Important information relating specifically to your loan will be contained in the loan documents, which you are responsible for reading and understanding.

I/ We acknowledge that I/ We have read the above information included in this Program Disclosure and Information Authorization document concerning the PAL Loan Program for NeighborWorks® Sacramento; that I/ We authorize the verification of any information necessary in connection with the NeighborWorks® Sacramento's PAL loan application; that I/ We have received a copy of this Program Disclosure and Information Authorization document.

Applicant

Date

Applicant

Date





Information Release Authorization

To whom it may concern:

I / we, the undersigned borrower(s) have applied through NeighborWorks®HomeOwnership Center Sacramento Region for a 2nd mortgage under a State/ Federal program. You are hereby authorized to release to NeighborWorks®HomeOwnership Center Sacramento Region, or its agents, any information necessary for the purpose of processing my/our loan application. Such information includes but is not limited to:

Income:	history, dates, title, income, hours, etc. from employment and non-employment sources
Mortgage Loans:	loan balances, dates of loans, payment amount and history, etc.
Rent History:	payment amount and history, etc.
Other:	any related matters of credit.

Privacy Act Notice Statement: The Department of Housing and Urban Development (HUD) requires the collection of the information derived from this form to determine an applicant's eligibility in a HOME/CDBG/ HPG Program and the amount of assistance necessary using HOME/CDBG/HPG funds. This information will be used to establish level of benefit on the HOME/CDBG/HPG Program; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to the appropriate Federal, State and local agencies when relevant, as well as to civil, criminal, or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.

IMPORTANT

Authorization: I / we authorize the below-named CalHome/HOME/CDBG/HPG loan recipient and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the CalHome/HOME/CDBG/HPG Program.

I / we acknowledge that:

- (1) A photographic, carbon or facsimile copy of this authorization (being a valid copy of the signatures of the undersigned) may be deemed to be the equivalent of and used as a duplicate original.
- (2) I have the right to review the file and the information received using this form with a person of my choice to accompany me.
- (3) I have the right to copy information from this file and to request correction of information I believe inaccurate.
- (4) All adult household members will sign this form and cooperate with the owner in this process.

Your prompt reply will help expedite this real estate transaction.

Applicant

Social Security Number

Applicant

Social Security Number

