

First-Time Homebuyers

We're About People



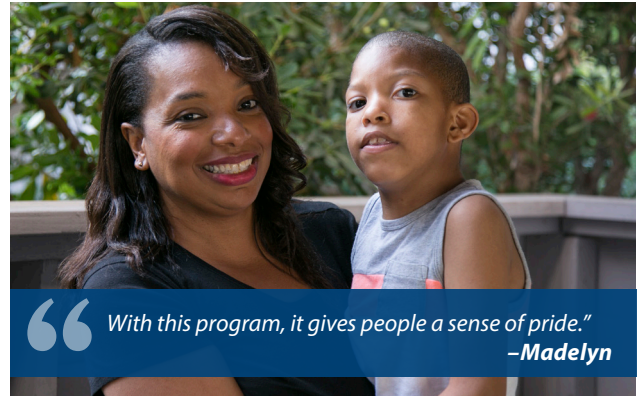
Since it began on August 13, 1990, the San Diego Housing Commission's (SDHC's) First-Time Homebuyer Program has helped low- and moderate-income families buy their first home in the City of San Diego.

Under the program, SDHC offers deferred-payment loans, closing cost assistance grants, and Mortgage Credit Certificates to help low- and moderate-income residents become first-time homebuyers.

Participants must buy a home in the City of San Diego (ZIP codes 92031 and ZIP codes that begin with 921, excluding 92118) and limits exist on annual household income and the purchase price of a home.

Families that have not owned a home for a least three years are considered "first-time homebuyers."

Applicants also must attend a homebuyer education class.



“With this program, it gives people a sense of pride.”
—Madelyn

Madelyn qualified for the First-Time Homebuyer Program and was able to buy a home for her and her son Gabriel.

Homebuyer Assistance Programs

3% Interest, Deferred-Payment Loan

- Eligible buyers earning no more than 100 percent of AMI, currently \$79,300 a year for a family of four, may qualify for a deferred-payment, second trust deed loan of up to 17 percent of the purchase price, with the interest rate set at 3 percent.
- No payments are required for 30 years, unless the owner sells or no longer occupies the home as a primary residence, at which time the principal balance, including accrued interest, must be repaid.
- To qualify, the buyer must obtain a fixed-rate first trust deed loan; have adequate income and a good credit rating; and provide a minimum down payment of 3 percent.

Closing Costs Assistance Grants

- Buyers earning no more than 100 percent of AMI, are eligible for closing cost assistance of up to 4 percent of the purchase price, not to exceed \$15,000 for families earning up to 80 percent of AMI and not to exceed \$10,000 for families earning up to 100 percent of AMI.
- Homeownership Grant funds for closing cost assistance will be forgiven at escrow closing.

Mortgage Credit Certificates

- Qualified homebuyers with income not exceeding 140 percent of AMI, currently \$127,260 a year for a family of three or more, may claim a Federal income tax credit of 20 percent of the annual interest paid on their mortgage.
- The tax credit is a dollar-for-dollar reduction in the homebuyer's Federal tax liability that increases the household income available to qualify for a mortgage loan and make monthly mortgage payments.
- Buyers may be subject to a recapture tax if they sell the home within the first nine years.

Visit our website for more information: www.sdhc.org

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SDHC Annual Report at www.sdhc.org



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SAN DIEGO
HOUSING
COMMISSION

Established in 1979, the San Diego Housing Commission provides a variety of award-winning affordable housing programs and services that stimulate the local economy, revitalize neighborhoods, and impact the lives of low-income and homeless San Diegans.

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Updated: 11.6.17