

First-Time Homebuyers Programs

We're About People



The San Diego Housing Commission (SDHC) administers First-Time Homebuyer Programs for the City of San Diego and the County of San Diego.

These programs help low- and moderate-income families buy their first home.

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

City of San Diego

SDHC offers deferred-payment loans, closing cost assistance grants, and Mortgage Credit Certificates.

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.

Applicants also must attend a homebuyer education class.

3% Interest, Deferred-Payment Loan

- Eligible buyers earning no more than 80 percent of San Diego's [Area Median Income](#) (AMI) 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, a good credit rating; and provide a minimum down payment of 3 percent. Applicants also must attend a homebuyer education class.

Homeownership Grant Program

- Buyers earning no more than 80 percent of San Diego's AMI are eligible for closing cost assistance of up to 4 percent of the purchase price, not to exceed \$10,000.
- Assistance is forgiven at the end of six years as long as the property remains owner-occupied and there are no further encumbrances.

Mortgage Credit Certificates

- Qualified homebuyers with income not exceeding 140 percent of San Diego's AMI 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, increasing the available household income necessary 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.



County of San Diego

SDHC administers the County of San Diego's First-Time Homebuyer Down Payment and Closing Cost Assistance program. This County Department of Housing and Community Development Program serves the unincorporated areas of the county as well as the cities of:

- Carlsbad
- Coronado
- Del Mar
- Encinitas
- Imperial Beach
- La Mesa
- Lemon Grove
- Poway
- San Marcos
- Santee
- Solana Beach
- Vista

Eligible families with income at or below 80 percent of AMI may apply for a 3 percent interest, deferred-payment loan of up to 17 percent of the purchase price for down payment plus up to 4 percent of the purchase price for closing costs to purchase a single-family home, townhome or condominium in one of the County of San Diego program areas.

All buyers interested in applying for assistance under the County of San Diego program must apply through an SDHC-approved lender.

At the request of the County of San Diego, SDHC began administering this program in September 2014.



Courtesy of Antonio and his family

CITY OF SAN DIEGO

5,842

**HOUSEHOLDS ASSISTED
SINCE 1988**

COUNTY OF SAN DIEGO

222

**HOUSEHOLDS ASSISTED
SINCE SEPTEMBER 2014**