

# PROGRESS



THE HOUSING TRUST OF SANTA CLARA COUNTY'S NEWSLETTER FOR SEPTEMBER 2011

## Affordable Homes for Silicon Valley Families

Our Progress through September 1, 2011

TOTAL INVESTMENT:

**\$42.5**

MILLION

TOTAL LEVERAGE:

**\$1.88**

BILLION

TOTAL HOUSING OPPORTUNITIES:

**9,225**

## Homebuyer Program: Providing Options & Information

"Once we heard about the different programs out there for first-time buyers, we were happy and amazed by what was being offered. The informational meeting held by the Housing Trust was a big part of this process." says Rebecca Ho, a recent MAP loan recipient. While home prices have fallen in Santa Clara County as in the rest of the nation, this area remains one of the highest priced housing markets and buyers have a considerable hurdle to meet financially when considering a home purchase. Secondary loans, such as those offered by the Housing Trust, can fill that gap and create new opportunities for homeownership.



Julie and Jeanette review a loan file.

### Loan Programs

Three programs form the core of our secondary loan offerings: the Mortgage Assistance Program (MAP), the Purchase Assistance Loan (PAL) and the Closing Cost Assistance Program (CCAP). As a deferred payment loan, PAL offers buyers purchasing foreclosed homes in San Jose the opportunity to borrow up to \$50,000 at 0% interest. There is no better deal in the county.

In July, we reduced the interest rate on the MAP loan from 1.5% above to 1%, above the rate of the first loan. Homebuyers, lenders and Realtors alike should note that the MAP loan is an attractive alternative to FHA financing, offering 17% of the purchase price up to \$85,000 and requiring a 3% buyer contribution. Without cumbersome regulations and restrictions, including costly monthly Mortgage Insurance Premiums, the MAP coupled with a conventional first loan can be an attractive package for many first-time homebuyers looking for a low-downpayment option. MAP also has fewer property restrictions and can be used to finance condominiums that are not FHA approved.

### Experienced Staff

Well versed in all aspects of home loan lending, both Dan Lachman, our Director of Homebuyer Programs and Julie Quinn, our Homeownership Program Associate hold Mortgage Loan Originator Licenses and have completed NeighborWorks Pre-Purchase Counseling Certifications. Dan has also earned the Post Purchase Education Certificate. Both Dan and Julie have past professional experience in the area of affordable housing. Dan served as Executive Director of the Alameda Development Corporation, a non-profit housing developer, and Julie has past experience with homebuyer programs in both the public and private sectors. Our experienced Loan Administrator, Jeanette Ruiz-Granada, brings nearly 20 years of real estate knowledge to the process, and helps every loan stay on track.

### Answering Your Questions

Our new Homebuyer Counseling program, starting in July of 2011, allows Housing Trust staff to meet personally with every loan recipient and answer any questions they might have. We review not only the Housing Trust loan, but the first loan as well, explaining all the loan terms, disclosures and providing a settlement statement with an explanation of all the charges that will occur. While other affordable housing programs have been forced to cut such valuable face-to-face contact, the Housing Trust fills an important need with this initiative.



Dan speaks to potential homebuyers about Housing Trust programs.



*The mission of the Housing Trust of Santa Clara County is to make Silicon Valley a more affordable place to live. The Housing Trust makes loans and grants to increase the supply of affordable housing, assist first-time homebuyers, prevent homelessness and stabilize neighborhoods.*

## Partner of the month

The Housing Trust of Santa Clara County honors Martin Eichner of Project Sentinel as our Partner of the Month. Martin has been the Director of Dispute Resolution Programs and HUD Housing Counseling Programs for Project Sentinel since January 1, 2001. In this role, Mr. Eichner manages the agency's various HUD housing counseling programs. Project Sentinel has been a 501(c)(3) HUD-certified Housing Counseling Agency since 1998, providing comprehensive housing counseling in San Mateo, Santa Clara, Southern Alameda and Stanislaus Counties. The housing counseling services provided by Project Sentinel cover first-time homebuyer education, foreclosure prevention, homeowner financial fitness, and reverse mortgage counseling for seniors. Housing Trust relies on these same First-time Homebuyer classes to inform our clients about their options in becoming a homebuyer. Project Sentinel employs eight full-time HUD counselors, who serve more than 1500 households each year.

Mr. Eichner also manages the landlord tenant counseling and dispute resolution programs in ten jurisdictions within Santa Clara County, as well as additional programs for the City of Fremont and for Stanislaus County. A graduate of Stanford Law School, Mr. Eichner was in private practice as an attorney and mediator for more than 25 years before joining Project Sentinel.

## Our Volunteer Board of Directors

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**BE THERE:** Silicon Valley Good Eats & Treats fundraiser for the Housing Trust, October 5th from 4:30 - 8:30 pm at San Pedro Square Market, San Jose. Register now at: <http://siliconvalleyeats.eventbrite.com>

**DON'T MISS:** Thanksgiving Day join the Applied Materials Silicon Valley Turkey Trot 2011 -- start the day in a healthy way & help local non-profits! Register now: [www.svturkeytrot.com](http://www.svturkeytrot.com)

### Homebuyer Workshops

Tuesday	Sept. 20th	6 - 8 pm	Rose Garden Library, 1580 Naglee Ave., San José, CA 95126
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### First-Time Homebuyers

### Rental Housing Units

### Homelessness Prevention Grants

#### INVESTMENT

**\$18.7**  
MILLION

#### INVESTMENT

**\$22.1**  
MILLION

#### INVESTMENT

**\$1.8**  
MILLION

#### HOMES

**2199**  
PURCHASED

#### UNITS

**3499**  
CREATED

#### PEOPLE

**3527**  
HELPED