

EASTERN URBAN CENTER COMPREHENSIVE AFFORDABLE HOUSING PROGRAM

A COMPREHENSIVE PLAN
FOR
THE PROVISION OF
AFFORDABLE HOUSING

Adopted October 6, 2009 by Resolution 2009-224
and by Ordinance No. 3142

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TABLE OF CONTENTS

| | | |
|----------|---|----|
| II.6.1 | INTRODUCTION | 1 |
| II.6.2 | DEFINITIONS..... | 2 |
| II.6.3 | NEEDS ASSESSMENT | 4 |
| II.6.4 | EASTERN URBAN CENTER AFFORDABLE HOUSING PROGRAM | 6 |
| II.6.4.1 | LOW INCOME HOUSING..... | 6 |
| | Requirements | 6 |
| | Types of Affordable Housing | 6 |
| | Site Selection Criteria | 6 |
| | Design | 7 |
| | Unit Mix by Bedroom Count | 7 |
| | Affordable Housing Credits for Large Units | 7 |
| | Low Income Housing Sites..... | 7 |
| II.6.4.2 | MODERATE INCOME HOUSING..... | 8 |
| | Moderate Income Housing Requirements | 8 |
| | Moderate Income Housing Sites..... | 8 |
| II.6.4.3 | IMPLEMENTATION SCHEDULE | 8 |
| II.6.4.4 | AFFORDABLE HOUSING RESTRICTIONS | 9 |
| | Income Eligibility | 9 |
| | Affordable Monthly Rents | 9 |
| | Affordable Housing Costs for Owner Occupied Housing | 10 |
| | Underwriting Requirements..... | 11 |
| | Resale Provisions of Owner Occupied Housing..... | 11 |
| | Term of Affordability Restrictions | 12 |
| | Priority for Occupancy of Sale Units..... | 12 |
| | Community Facilities District or Mello-Roos Applicability | 12 |
| II.6.4.5 | SUBSIDIES, INCENTIVES AND FINANCING MECHANISMS..... | 12 |
| II.6.4.6 | COMPLIANCE REPORTING | 13 |

| | |
|--|----|
| Rental Units Compliance Packet and Audit | 13 |
| Home Ownership Units Compliance Packet..... | 15 |
| II.6.4.7 AFFIRMATIVE MARKETING PLAN | 16 |
| II.6.4.8 IMPLEMENTING AGREEMENTS AND CONDITIONS | 17 |
| Exhibit 1: Supplemental Rental Application | 19 |
| Exhibit 2: Semi-Annual Affordable Housing Monitoring Report | 21 |
| Exhibit 3: Homebuyer’s Qualifying Form..... | 25 |
| Exhibit 4: City of Chula Vista Equal Housing Opportunity Requirements..... | 31 |

II.6.1 INTRODUCTION

The City of Chula Vista (“City”), along with all other cities in California, is required by state law to have a Housing Element as a component of its General Plan. The Housing Element describes the housing needs of the community and the responses necessary to fulfill them.

The City of Chula Vista Housing Element, adopted in October 2006, contains numerous objectives, policies and related action programs to accomplish these objectives. Key among these policies is the affordable housing policy which requires that residential development with fifty (50) or more dwelling units provide a minimum of 10% of the total dwelling units for low and moderate income households, one-half of these units (5% of the total project) being designated to low income and the other half (5%) to moderate income households.

In order to guarantee the provision of Affordable Housing opportunities, the City requires that a specific Affordable Housing Program (“AHP”) and agreement be consistent with the Housing Element of the Chula Vista General Plan and be prepared and signed by the Developer(s). This Affordable Housing Program is intended to delineate how and when the EUC units would be provided, potential subsidies, income rent restriction policy references and methods to verify compliance. The program may be implemented through various mechanisms including development agreements, tentative map conditions, and specific housing project agreements which may impose additional terms and conditions consistent with the Housing Element, adopted SPA plan, State and Federal Requirements, City Council polices and City of Chula Vista ordinances.

The Eastern Urban Center Comprehensive Affordable Housing Program, as used herein, applies only to that area owned by the applicants, McMillin Otay Ranch LLC within the Eastern Urban Center SPA in the Otay Ranch General Development Plan. The other property owner(s) will be required to submit amendments or supplemental programs to address affordable housing provision for their property, consistent with the “segmenting” provisions of the Otay Ranch General Development Plan.

The Eastern Urban Center Comprehensive Affordable Housing Program is consistent with the City’s affordable housing policies. Within the Eastern Urban Center there is planned to be a total of 376 affordable units, including 189 low-income units and 187 moderate-income units. This total includes 78 units (40 low and 38 moderate income) of affordable housing that was transferred from the applicant’s Village Seven (“Village of Vista Verde”) project to the Eastern Urban Center via an Affordable Housing Transfer Agreement adopted by the City Council on December 6, 2005 and recorded as Document Number 2006-0071110. Those units will be subject to the criteria contained in the Village Seven SPA Affordable Housing Plan. The Master Developer shall accrue an affordable housing credit for each unit built above the required 10% of the future EUC build out total.

The Eastern Urban Center’s affordable obligation is expected to be satisfied by providing

qualifying units within the project. The obligation may be satisfied as restricted for-sale or rental- units. According to the terms of the policy within the General Plan, the City may authorize the obligation to be satisfied through other mechanisms consistent with the housing element, and the Otay Ranch GDP. Should units be added above and beyond the 2,983 total units currently allocated to the EUC the affordable housing obligation arising from these additional units shall be satisfied in a manner consistent with the General Plan, Housing Element and Otay Ranch GDP. Should fewer than 2,983 units be realized with the EUC SPA plan area, the total obligation shall be based on the actual unit count.

Overall, the initial approval for Eastern Urban Center is planned to include a total of 2,983 multi-family housing units. The location of candidate low and moderate income housing sites are not known at this time, but could be located anywhere in the Eastern Urban Center project. To the extent that the property owner satisfies its, low and/or moderate housing obligations on one or more of these candidate sites, the selection of which site or sites to use shall be entirely on the property owner's discretion. In the event that the provision of low and/or moderate income housing units in Eastern Urban Center results in the provision of more units than required herein, the City may consent to allow the property owner or its successors or assigns to use or transfer such excess credits elsewhere within the boundaries of the Otay Ranch General Development Plan or to meet affordable housing obligations from projects located elsewhere in the city of Chula Vista. Eastern Urban Center affordable housing obligations may also be met through provision of sufficient acceptable units outside the boundaries of the Otay Ranch General Development Plan, with specific approval by the City of Chula Vista. The owners also retain the right to determine whether affordable units are provided as rental units or for-sale units, as long as the affordability criteria as defined in the State, Federal and City codes and policies are met.

II.6.2 DEFINITIONS

Affirmative Marketing Plan:

The Affirmative Marketing Plan that details the actions the developer will take to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, sex, sexual orientation, marital status, familiar status, color, religion, national origin, ancestry, handicap, age, or any other category which may be defined by law now or in the future.

Low Income Household:

A household of persons who claim primary residency at the same unit with combined incomes that do not exceed 80% of the San Diego Area Median Income (adjusted annually) based on household size, as established by and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 and as also published in the California Administrative Code. See the latest annual income limits as published by the United States

Department of Housing and Urban Development (HUD). Household size is calculated by the number of persons residing at the same unit as their primary residency.

Moderate Income Household:

A household of persons who claim primary residency at the same unit with combined incomes between 80% to 120% of the San Diego Area Median Income (adjusted annually) based on household size, as established by and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937 and as also published in the California Administrative Code. See the latest annual income limits as published by the United States Department of Housing and Urban Development (HUD). Household size is calculated by the number of persons residing at the same unit as their primary residency.

San Diego Area Median Income:

The San Diego County area median income level as determined from time to time by the United States Department of Housing and Urban Development (HUD) based on household size.

Subsidized Financing:

Any financing provided by any public agency specifically for the development and construction of low or moderate income housing units, which may include, but is not limited to the following:

- Low Income Housing Tax Credits (LIHTC) statewide competition;
- Housing Bonds State;
- Housing Bonds City;
- Redevelopment Low and Moderate-income Housing fund Redevelopment Agency;
- HOME City and County;
- CDBG City; and,
- Other State and Federal Public Financing

II.6.3 NEEDS ASSESSMENT

According to SANDAG, the City of Chula Vista's population is anticipated to increase by more than 70,000 new residents over the next 25 years. The characteristics of the City's population, housing, and employment which affect its housing goals, policies, and programs include:

- Chula Vista residents have household income and age characteristics that nearly match the regional median. In 2000, 11% of the City's population was living below the poverty line, compared with 13% of the County. However, in the western portion of Chula Vista (defined as west of I-805), 15% percent of the residents live below the poverty line.
- According to SANDAG (2000), the population has more diversity in race/ethnicity than the region, in that 32 percent of the population is Caucasian (non-Hispanic) and 50 percent is Hispanic (all races), this compares to 55 percent Caucasian and 27 percent Hispanic respectively for the San Diego Region.
- The City will experience a substantial shift in the average age of their residents over the next 25 years. The actual population of the three age clusters from 45 to 65 and older will increase between 100% and 197% by 2030, while the younger age clusters (age 5-14 years) will only grow by 30% and will ultimately form a smaller percentage of the overall City population.
- Due to it's urban character, the Eastern Urban Center anticipates a lower household size of 2.06 versus SANDAG's regional average of 3.06. Additionally, household population sizes are anticipated to decline, with the most dramatic declines noted in the Otay Ranch area of the City.
- A large supply of vacant developable land is planned for communities with a wide variety of densities and land use types.
- The well-established neighborhoods and master-planned neighborhoods create different opportunities and require a different set of policies and programs to address housing needs.
- The City's diverse employment base will grow by more than 84 percent between 2000 and 2030, with the majority of growth in the retail, service, and government sectors.
- A high rate of new home construction is anticipated to continue as many approved master planned communities in the City continue to build-out.

- A focus on the revitalization of the Western portion of Chula Vista (west of I-805) has occurred and its vision expressed in the recently adopted General Plan and Urban Core Specific Plan. Increasing housing opportunities in the West is a goal of both the General Plan and the Housing Element.
- The home ownership rate of 57 percent is nearly the same as the regional rate of 55 percent.
- The low rental vacancy rate of 3.0 percent indicates likely increased housing costs and greater likelihood of over-crowding.
- The median housing cost for resale housing in Chula Vista is \$550,000 , \$60,000 higher than the region's median cost of \$490,000.
- Average rents range \$589-\$1,459 for studios to three (or more) bedrooms respectively, slightly lower that the regional average of \$602-\$1520.
- The State of California establishes a housing need number for each county to accommodate for population growth. Once this has been completed, each council of government (SANDAG for this county) distributes the regional growth number according to land availability and constraints. The City's share of the regional housing need through 2010 is 17,233 units, with 6,820 designated for lower income households.

II.6.4 EASTERN URBAN CENTER AFFORDABLE HOUSING PROGRAM

II.6.4.1 LOW INCOME HOUSING

- Requirements

The Eastern Urban Center project is required to provide a minimum of 10% of the number of permitted dwelling units as affordable housing, of which one-half shall be provided as low income housing and one-half will be provided as moderate income housing and to fulfill the obligations of the “Affordable Housing Transfer Agreement” which transferred the applicant’s affordable housing obligation in Village Seven (“Village of Vista Verde”) to the Eastern Urban Center.

Based on the total number of permitted dwelling units along with 78 units transferred from Village Seven, a total of 376 low and moderate-income housing units are required to be provided, of which 189 will be provided for low-income households, and 187 will be provided for moderate-income households.

- Types of Affordable Housing

The housing policies and programs established in the adopted City of Chula Vista General Plan Housing Element (and draft Housing Element) advocate a broad variety and diversity of housing types. The affordable housing obligations of Eastern Urban Center development may be met through any combination of rental and for-sale housing.

- Site Selection Criteria

Due to its mixed-use nature and site planning characteristics, all areas of the Eastern Urban Center are suited for the provision of affordable housing. Ideally, the location of affordable housing projects shall take into consideration proximity and availability of the following:

- a. Existing or proposed public transit facilities, including bus routes along arterial highways, or transportation routes;
- b. Existing or proposed community facilities and services, such as retail, commercial and support services, public facilities and schools; and,
- c. Existing or future employment opportunities.

Given the flexibility of implementation contained within the SPA plan, specific locations for affordable housing will not be identified at this time. Specific locations

and implementation strategies will be covered in future project-specific affordable housing agreements that the applicant will be required to enter into with the City. Every effort will be made to ensure compatibility with adjacent residential units (i.e., densities, design, etc.) and non-residential land uses.

- Design

Affordable housing shall be compatible with the design and use of the adjacent market rate units in terms of exterior appearance, materials, and finish quality. The developer shall have the option of reducing the interior amenities, levels, and square footage of the affordable units. Through the planning entitlement process the Developer may request reduced parking requirements for those affordable projects that are in proximity to transit facilities or along designated transit lines.

- Unit Mix By Bedroom Count

The affordable units shall have an overall unit mix by bedroom count which reflects the appropriate community need and anticipated demographic of the Eastern Urban Center, and satisfies the necessary operational mix required by various funding sources. Given that 14 percent of the households in Chula Vista (according to the 1990 Census) are large families of five persons or more and there exists a lack of large units to accommodate these households, the city desires to encourage the development of large family units of three or more bedrooms. Additional credit may be given by the City for units with three or more bedrooms, but not to exceed 10% of the total units required.

- Senior Housing

The affordable housing developer(s) may satisfy up to 33% of the affordable housing obligation through the provision of housing for senior citizens as defined by Section 51.3 of the California Civil Code if it demonstrates advantages as to location, diversity of housing types, and/or affordability levels and/or other factors deemed to be of significant concern by the City.

- Low Income Housing Sites

As mentioned previously affordable housing units may be provided anywhere within the Eastern Urban Center. To the extent a property owner is required to satisfy its obligations herein within the Eastern Urban Center, the selection of which of the potential sites to be used, shall be solely within the property owner's discretion.

II.6.4.2 MODERATE INCOME HOUSING

- Moderate Income Housing Requirements

The initial approval of Eastern Urban Center includes a maximum of 2,983 housing units of which five percent (5%), or 149 units, must be moderate-income housing units in addition to the moderate-income housing units transferred from Village 7. The moderate income housing obligation may be met through a combination of housing types including rental and for sale housing or by an alternative method as approved by the City.

- Moderate Income Housing Sites

Due to its mixed-use nature and site planning characteristics, all areas of the Eastern Urban Center could be suitable locations for affordable housing. Given the flexibility of implementation espoused by the SPA plan, specific locations for affordable housing will not be identified at this time. Specific implementation strategies will be covered in future project-specific affordable housing agreements that the applicant will be required to enter into with the City. Every effort will be made to ensure compatibility with adjacent residential units (i.e., densities, design, etc.) and non-residential land uses. Moderate-income units may be suitable in any location within the EUC.

The moderate income housing for McMillin, which includes 38 units transferred from Village 7 and 149 units for the EUC totaling 187 units, would be completed as part of the development of their ownership in the EUC, unless an alternative off-site location or payment of in-lieu fees or alternative method is approved by the City.

II.6.4.3 IMPLEMENTATION SCHEDULE

Prior to the issuance of the 1400th market-rate building permit in the project the Developer(s) shall, at the sole discretion of the City Council, enter into the specific agreement(s) covering the Village 7 Affordable Housing Transfer Agreement obligation and Eastern Urban Center affordable housing obligation. The project specific agreement obligation may be satisfied by providing affordable for-sale or for-rental housing.

II.6.4.4 AFFORDABLE HOUSING RESTRICTIONS

Income Eligibility

To determine the eligibility of a household for the low or moderate income housing unit, the household purchasing or renting the affordable unit must qualify under the maximum income limits as established by and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, as also published in the California Administrative. See the latest annual income limits as published by the United States Department of Housing and Urban Development (HUD).

Affordable Monthly Rents

For rental housing, compliance with the affordable housing requirements is determined by verifying that the total rent cost paid by the tenant is considered affordable as defined below.

To determine affordable rent costs, monthly Affordable Rent includes all actual or projected monthly payments for the following:¹

- Use and occupancy of a housing unit and the associated land and facilities;
- Any separately charged fees and service charges assessed by the lessor which are required by all tenants but is not to include security deposits;
- A reasonable allowance for utilities (including garbage collection, sewer, water, electricity, gas and other heating, cooking, and refrigeration fuels but not to include telephone service, cable TV, or high speed modem) as defined by the Federal Regulations for the Tenant Based Rental Assistance Program; and,
- Possessory interest taxes or other fees and charges assessed for use of the associated land and facilities by a public or private entity other than the lessor.
- Affordable monthly rent is not to exceed the following calculations :
 - Low Income: 60 percent of the Area Median Income (AMI) for

1 - 25 California Code of Regulations Section 6918

San Diego County, adjusted for household size appropriate for the unit, multiplied by 30 percent and divided by 12.

- Moderate-income: 110 percent of the Area Median Income (AMI) for San Diego County, adjusted for household size appropriate for the unit, multiplied by 30 percent and divided by 12.

Should subsidized financing and other incentives from a public agency be proposed and obtained, the affordable monthly rent shall be dictated by such program or granting Agency. If no affordable rent is specified, affordable monthly rents shall be established in accordance with Section 50053 of the California Health and Safety Code.

- Affordable Housing Costs for Owner Occupied Housing

For ownership housing (for sale units), compliance with the affordable housing requirements is determined by verifying that the sales price paid by the buyer equates to a total housing cost that is considered affordable as defined below.

To determine affordable housing costs, monthly Housing Payments includes all actual or projected monthly payments for the following:

- Principal and interest on a mortgage loan, at the time of initial purchase by the homebuyer;
- Allowances for property insurance;

A reasonable allowance for utilities (including garbage collection, sewer, water, electricity, gas and other heating, cooking, and refrigeration fuels but not to include telephone service, cable TV, or high speed modem) as defined by the Federal Regulations for the Tenant Based Rental Assistance Program; and,
- Property taxes and assessments; and
- Homeowner Association fees.

Affordable monthly housing payments are not to exceed the following calculations:

- Low Income: 70 percent of the Area Median Income (AMI) for San Diego County, adjusted for household size appropriate for the unit,

multiplied by 30 percent and divided by 12.

- Moderate-income: 110 percent of the Area Median Income (AMI) for San Diego County, adjusted for household size appropriate for the unit, multiplied by 36 percent and divided by 12.

Should subsidized financing and other incentives from a public agency be proposed and obtained, the affordable monthly housing payment shall be dictated by such program or granting Agency. Any low-income for-sale housing within the EUC shall be in accordance with City Council policy 453-02, the 2006 Chula Vista Housing Element and the 2005 Otay Ranch GDP. If no affordable monthly housing payment is specified, the affordable monthly housing payment shall be established in accordance with Section 50052.5 of the California Health and Safety Code.

- Underwriting Requirements

To ensure the preservation of affordability of proposed low and moderate-income housing and the financial viability of program participants, the City shall encourage the following policies:

- Mortgage rates fixed for a minimal five years. No adjustable rate mortgages with initial terms less than five years;
- Affordable monthly housing payments not to exceed 33 percent of household income (Front End Ratio). Total debt payments not to exceed 45 percent of household income (Back End Ratio);
- No teaser rates and,
- No non-occupant co-borrowers.

- Resale Provisions of Owner Occupied Housing

In order to ensure the continued affordability of the units, resale of the units must be restricted for the required term of thirty (30) years or longer subject to financing options, City Council Policy 453-02, the 2006 Housing Element and the 2005 Otay Ranch GDP. After initial sale of the affordable units to a low-income household, all subsequent buyers of such units must also be income eligible and the unit must be sold at an affordable price. A developer may opt to have no income or sales price restriction for subsequent buyers, provided however that restrictions to the satisfaction of the City are in place that would result in the recapture by the City or its designee of a financial

interest in the units equal to a proportionate share of any equity, to be determined and specified within the Affordable Housing Agreement executed for the proposed affordable housing development. Funds recaptured by the City shall be used to provide assistance to other identified affordable housing production or contributions to a special needs housing project or program. To the extent possible, projects using for-sale units to satisfy the obligations of developers under the City's Affordable Housing Program shall be designed to be compatible with conventional mortgage financing programs including secondary market requirements.

- Term of Affordability Restrictions

Should subsidized financing be proposed and obtained, income and rent restrictions for an affordable rental project shall be implemented for the remaining life of the project, which is presumed to be a minimum of fifty-five (55) years from the date of completion of the final inspection for each structure. In the event that no subsidized financing is obtained, such affordability restrictions shall remain in effect for thirty (30) years from the date of completion of the final inspection for each structure, but could be longer subject to City participation and financing options. The term of affordability and resale restrictions for affordable for-sale units is more appropriately described above, Resale Provisions of Owner Occupied Housing.

- Priority For Occupancy or Sale of Units

Priority for the occupancy or sale of income or rent restricted units shall be given as prescribed by the guidelines provided by the City of Chula Vista's Redevelopment and Housing Department .

- Community Facilities District or Mello-Roos Applicability

At the discretion of the Master Developer, Affordable Housing projects or income restricted units fulfilling the EUC affordable housing obligation, on or off site, may or may not be burdened by a Community Facilities District, Mello-Roos, equivalent entity or derivative thereof.

II.6.4.5 SUBSIDIES, INCENTIVES AND FINANCING MECHANISMS

The City agrees to use its reasonable best efforts to assist the developer in pursuing the benefit of certain financing mechanisms, subsidies, and other incentives to facilitate the provision of affordable housing for low and moderate income households to the extent such resources and programs for this purpose are available

in accordance with City Council policy 453-02, the 2006 Housing Element and the 2005 Otay Ranch GDP. These mechanisms, subsidies, and incentives, which could reduce the cost of providing affordable housing, include, but are not limited to, local, state and federal subsidies, City density bonuses, planning and design and development techniques and standards, and City development impact and other City fee subsidies, deferrals or waivers (collectively, the Cost Reducing Mechanisms).

Potential subsidies, incentives, and financing mechanisms that may be used to facilitate the provision of affordable housing include the following:

- Low Income Housing Tax Credits (LIHTC) - statewide competition;
- Housing Bonds - State;
- Housing Bonds - City;
- Redevelopment Low and Moderate-income Housing fund - Redevelopment Agency;
- HOME - City and County;
- CBDG - City; and
- Other State and Federal Public Financing

This list is not intended to limit the use of other subsidies, incentives, or other financing mechanisms that are now available or may become available in the future.

The parties acknowledge that the City is not hereby committing and cannot guarantee the availability of any Cost Reducing Mechanisms to the Developers for the EUC. The City reserves the right to approve or disapprove, in its sole discretion, any developer request for substantial financing.

Density Bonus

Projects which meet the applicable requirements of State Law (Government Code Section 65915) as a result of the affordable housing units are able to apply for a density bonus or other additional incentives in accordance with the provisions of such law.

II.6.4.6 COMPLIANCE REPORTING

All Compliance Reports shall be submitted to the City of Chula Vista Redevelopment and Housing Department. The requirements imposed by providers of subsidized financing or other Cost Reducing mechanisms may replace the terms described below if City so approves.

- Rental Units' Compliance Packet and Audit

a. Should a Developer seek approval by the City to credit a unit toward its affordable housing obligation, the Developer must give the City, at a minimum, a compliance packet including the following:

- Income Computation & Certification
- Income Verification
- Occupancy Certificate
- Certificate of Continuing Compliance
- Project Summary

Affordable Housing Developer shall not be required to perform any extraordinary investigation or verification regarding such information other than the Affordable Housing Developer's usual and customary means of income verification. The Affordable Housing Developer shall retain all forms and any supporting documents for a period of at least three (3) years after the applicant ceases to occupy an affordable income housing unit.

b. A household occupying a designated low income unit whose annual income increases subsequent to occupying said unit (referred to as over income household) and thus exceeds the 80% of area median income, need not vacate the apartment. However, at the Affordable Housing Developer's discretion, this over income household's monthly rent (including utilities) may be increased to the lower of 30% of their actual income or the market rate. Regardless of a rent increase, the Affordable Housing Developer(s) is obligated to replace this unit by renting the next comparable unit to a low income household as per the paragraph below. Thus, the Affordable Housing Developer(s) shall ensure appropriate language is included in the lease requiring tenant to provide income information annually and acknowledge that should its income increase, the household may be subject to a higher rent. Adjusted monthly incomes can be calculated using rules according to the HUD Handbook 4350/3 Occupancy Requirements for HUD Subsidized Multifamily Housing.

The location of the designated units may change over time (to be referred to as floating units) as long as the total number of affordable units remains constant and that substituted units are comparable in terms of size, features, and the number of bedrooms, as determined by the Director of the Redevelopment and Housing Department. If the over income household does not vacate the unit, the Affordable Housing Developer(s) must assure that when the next comparable apartment becomes vacant, the newly-available unit must be rented to a low income household, as a floating unit, to replace the previously designated unit no longer housing a low-income household. If the over income household chooses to leave, the vacated unit retains its low income unit designation.

If a residential apartment complex is designated as 100% low-income, the over income household will not be required to vacate, if it pays the increased rent, and the unit will not be replaced with a floating unit. When the over-income household vacates the unit, the unit retains its low income unit designation.

- c. If the city determines that an outside audit is necessary to verify the accuracy of the submitted rent roll, then on a basis no more frequently than once a year, it may require such an audit at the expense of the Affordable Housing Developer(s). In such event, within ten (10) days after delivery of the City's written request for such outside audit, the Affordable Housing Developer(s) shall deliver to the City the names of three (3) certified public accountants doing business in the Metropolitan San Diego area. City will promptly deliver to the Affordable Housing Developer(s) notice of approval by the City of one or more of said names.

The audit shall be completed by an approved certified public accountant, at the Affordable Housing Developer's sole cost and expense, within sixty (60) days after the delivery to the Affordable Housing Developer of City's approval. The certified public accountant shall promptly deliver a copy of the written audit to the City. Such audit shall be an audit of Affordable Housing Developer's records, including the information supplied to Affordable Housing Developer(s) by the low income tenants. The auditor shall not be required to verify the accuracy of the information provided by the low income tenants.

- Home Ownership Units' Compliance Packet

Should the Affordable Housing Developer(s) seek approval by the City to credit a home purchase toward its affordable housing obligation, the Affordable Housing Developer(s) must give the City at a minimum a compliance packet including the following:

- Final 1003 (mortgage loan application), Good Faith Estimate and Underwriting Transmittal Summary (1008) /or similar form from Lender
- Verification of Affordable income buyer completed by affordable housing developer under or on behalf of the City
- A release signed by buyer authorizing the City to receive a copy of the buyer's documents and/or information as described above.
- Any/and all other documents and information as stipulated within City Council Policy 453-02 and/or the City of Chula Vista Municipal Code as applicable.

Affordable Housing Developer(s) shall not be required to perform any extraordinary investigation or verification regarding such information other than Affordable Housing Developer's usual and customary means of income verification.

Affordable Housing Developer(s) may contact the City's Redevelopment and Housing Assistant Director to confirm the City's acceptance of the applicant as credit toward Developer's low income housing unit obligation. Developer may contact the City prior to the sale of the unit for consultation purposes if desired; however, approval will be given in writing only after required documents are reviewed and accepted by the City.

II.6.4.6 AFFIRMATIVE MARKETING PLAN

The Affordable Housing Developer(s) shall provide a marketing plan to the City, should the City request prior to issuance of building permits, for proactively marketing the low and moderate income housing units to low and moderate income tenants and purchasers, respectively, at the time specified in the Implementation Schedules above or as described in future agreements. Affordable Housing Developer(s) shall use good faith and reasonable best efforts to market the low and moderate income housing units to low and moderate income tenants and purchasers according to the affirmative marketing plan.

The City will in its discretion use good faith and reasonable best efforts to assist the Affordable Housing Developer(s) in marketing low and moderate income housing units to low and moderate income tenants and purchasers, processing the applications of prospective tenants and purchasers of low and moderate income housing units, and complying with the reporting requirements as required herein.

II.6.4.7 IMPLEMENTING AGREEMENTS AND CONDITIONS

This AHP may be implemented through various mechanisms including development agreements, tentative map conditions, and specific housing project agreements which may impose additional terms and conditions consistent with this affordable housing Plan.

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SUPPLEMENTAL RENTAL APPLICATION

The rental unit for which you are applying has received governmental assistance under programs to encourage more affordable housing. As a result, the unit carries a rent level restriction and is restricted to occupancy by low and moderate income households.

The information required on this form is necessary to determine you income eligibility to occupy the unit. You must report all household income. Information provided will be confidential and not subject to public disclosure pursuant to State Government Code Section 6254(h).

1. Rental Unit Address _____

2. Applicant Name _____

3. Other Household Members _____

4. Total Current Annual Household Income from all Sources:

TOTAL \$ _____

Detail:

| <u>Household Member</u> | <u>Income</u> | <u>Source</u> |
|-------------------------|---------------|---------------|
|-------------------------|---------------|---------------|

5. Total Gross Annual Household Income shown on most recent Federal Tax return (attach copies of most recent Federal Tax returns for all household members receiving income. Include other verification of income not appearing on tax forms.)

TOTAL \$ _____

APPLICANT'S STATEMENT

I certify, under penalty of perjury, that the foregoing information is true and correct to the best of my knowledge. I understand that any misrepresentation of the information contained herein may be cause for eviction.

Signature _____

Applicant

Date _____

EXHIBIT 1B

OWNER'S STATEMENT

Based on the foregoing information, I certify, under penalty of perjury, that the applicant is eligible to occupy this restricted affordable unit. Eligibility is based on finding that the applicant household's current annual income is \$_____ and does not exceed the current maximum household income of \$_____ allowed under the terms of a Development Agreement with the City of Chula Vista regarding this residential development.

Name _____

Title _____

Signature _____ Date _____

EXHIBIT 2A

Owner's Certification

I am the owner or owner's representative for an affordable housing development in the City of Chula Vista, which is bound by a Housing Agreement with the City.

I certify under penalty or perjury that the attached rent roll for affordable units at my project is true and correct to the best of my knowledge and complies with the terms and conditions stipulated in the Affordable Housing Agreement, or any agreement that implements the same, with the City of Chula Vista.

Name _____

Title _____

Signature _____ Date _____

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SEMI-ANNUAL AFFORDABLE HOUSING MONITORING REPORT

EXHIBIT 2B

Project Name: _____

Project Address: _____

Contact Person: _____ Title: _____

Telephone No.: _____ Fax No.: _____

As of (Date): June 30, _____ December 31, _____

Reviewed By: _____ Date: _____

| Bdrm Size | Restricted - Affordable | Non-Restricted | | TOTAL |
|--------------|-------------------------|----------------|------------------|-------|
| | No. of Units | No. of Units | Avg Monthly Rent | |
| Studio | | | | |
| 1 Bedroom | | | | |
| 2 Bedrooms | | | | |
| 3+Bedrooms | | | | |
| TOTAL | | | | |

| | Unit No. | Bdrm Size | Monthly Rent \$ | Name of Household | No. of Occupants | Total Monthly Household Income \$ | Percent Median Income | Seniors – One Occupant 60 Yrs+ (Y/N) | Date of Last Income Re-Examination | FOR CITY USE ONLY |
|----|----------|-----------|-----------------|-------------------|------------------|-----------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------|
| | | | | | | | | | | Unit in Compliance (Y/N) |
| | Example | 2 | \$695 | Doe, John | 2 | \$2,800 | % | N/A | 1/99 | |
| 1. | | | \$ | | | \$ | % | | | |
| 2. | | | \$ | | | \$ | % | | | |
| 3. | | | \$ | | | \$ | % | | | |



SEMI-ANNUAL AFFORDABLE HOUSING MONITORING REPORT

Project Name: _____

As of (Date): June 30, _____ December 31, _____

| Unit No. | Bdrm Size | Monthly Rent \$ | Name of Household | No. of Occupants | Total Monthly Household Income \$ | Percent Median Income | Seniors – One Occupant 60 Yrs+ (Y/N) | Date of Last Income Re-Examination | FOR CITY USE ONLY |
|----------|-----------|-----------------|-------------------|------------------|-----------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------|
| | | | | | | | | | Unit in Compliance (Y/N) |
| 4. | | \$ | | | \$ | % | | | |
| 5. | | \$ | | | \$ | % | | | |
| 6. | | \$ | | | \$ | % | | | |
| 7. | | \$ | | | \$ | % | | | |
| 8. | | \$ | | | \$ | % | | | |
| 9. | | \$ | | | \$ | % | | | |
| 10. | | \$ | | | \$ | % | | | |
| 11. | | \$ | | | \$ | % | | | |
| 12. | | \$ | | | \$ | % | | | |
| 13. | | \$ | | | \$ | % | | | |
| 14. | | \$ | | | \$ | % | | | |
| 15. | | \$ | | | \$ | % | | | |
| 16. | | \$ | | | \$ | % | | | |
| 17. | | \$ | | | \$ | % | | | |
| 18. | | \$ | | | \$ | % | | | |
| 19. | | \$ | | | \$ | % | | | |
| 20. | | \$ | | | \$ | % | | | |

Deadline for Submittal: January 15th and July 15th of each year.



SEMI-ANNUAL AFFORDABLE HOUSING MONITORING REPORT

Project Name: _____

As of (Date): June 30, _____ December 31, _____

| Unit No. | Bdrm Size | Monthly Rent \$ | Name of Household | No. of Occupants | Total Monthly Household Income \$ | Percent Median Income | Seniors – One Occupant 60 Yrs+ (Y/N) | Date of Last Income Re-Examination | FOR CITY USE ONLY |
|----------|-----------|-----------------|-------------------|------------------|-----------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------|
| | | | | | | | | | Unit in Compliance (Y/N) |
| 21. | | | | | | | | | |
| 22. | | | | | | | | | |
| 23. | | | | | | | | | |
| 24. | | | | | | | | | |
| 25. | | | | | | | | | |
| 26. | | | | | | | | | |
| 27. | | | | | | | | | |
| 28. | | | | | | | | | |
| 29. | | | | | | | | | |
| 30. | | | | | | | | | |
| 31. | | | | | | | | | |
| 32. | | | | | | | | | |
| 33. | | | | | | | | | |
| 34. | | | | | | | | | |
| 35. | | | | | | | | | |
| 36. | | | | | | | | | |
| 37. | | | | | | | | | |

Deadline for Submittal: January 15th and July 15th of each year.



SEMI-ANNUAL AFFORDABLE HOUSING MONITORING REPORT

Project Name: _____

As of (Date): June 30, _____ December 31, _____

| Unit No. | Bdrm Size | Monthly Rent \$ | Name of Household | No. of Occupants | Total Monthly Household Income \$ | Percent Median Income | Seniors – One Occupant 60 Yrs+ (Y/N) | Date of Last Income Re-Examination | FOR CITY USE ONLY |
|----------|-----------|-----------------|-------------------|------------------|-----------------------------------|-----------------------|--------------------------------------|------------------------------------|--------------------------|
| | | | | | | | | | Unit in Compliance (Y/N) |
| 38. | | | | | | | | | |
| 39. | | | | | | | | | |
| 40. | | | | | | | | | |
| 41. | | | | | | | | | |
| 42. | | | | | | | | | |
| 43. | | | | | | | | | |
| 44. | | | | | | | | | |
| 45. | | | | | | | | | |

Deadline for Submittal: January 15th and July 15th of each year.



HOMEBUYER'S QUALIFYING FORM

BUYER'S INFORMATION

Buyer's Name: _____

Current Address: _____

Current Household Income: \$ _____ Household Size: _____

NEW HOME INFORMATION

Master Plan Community: _____

Name of Residential Development: _____

Tract: _____ Lot No.: _____

Lot Address: _____

No. of Bedrooms: _____

Purchase Price: _____

Monthly PITI Payment: \$ _____ % of Income: _____ %

Year of Purchase: _____

Sales Representative: _____

Attachments:

- Mortgage Loan Application (final 1003 form) and
- Good Faith Estimate and Underwriting Transmittal Summary (1008 form).

Signature of Homebuyer
Authorizing Release to City

Date

This information is for the City's Reporting and Administrative Use Only.

Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower," as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when the income or assets of a person other than the Borrower (including the Borrower's spouse) will be used as a basis for loan qualification or the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower _____ Co-Borrower _____

| I. TYPE OF MORTGAGE AND TERMS OF LOAN | | | | | |
|---------------------------------------|---|---|---|---|---|
| Mortgage Applied for: | <input type="checkbox"/> VA <input type="checkbox"/> FHA | <input type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural Housing Service | <input type="checkbox"/> Other (explain): | Agency Case Number | Lender Case Number |
| Amount \$ | Interest Rate % | No. of Months | Amortization Type: | <input type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM | <input type="checkbox"/> Other (explain): <input type="checkbox"/> ARM (type): |

II. PROPERTY INFORMATION AND PURPOSE OF LOAN

| | | | | | |
|--|---|--|---|-----------------------------|---|
| Subject Property Address (street, city, state & ZIP) | | | | | No. of Units |
| Legal Description of Subject Property (attach description if necessary) | | | | | Year Built |
| Purpose of Loan | <input type="checkbox"/> Purchase <input type="checkbox"/> Refinance | <input type="checkbox"/> Construction <input type="checkbox"/> Construction-Permanent | <input type="checkbox"/> Other (explain): | Property will be: | <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment |
| <i>Complete this line if construction or construction-permanent loan.</i> | | | | | |
| Year Lot Acquired | Original Cost \$ | Amount Existing Liens \$ | (a) Present Value of Lot \$ | (b) Cost of Improvements \$ | Total (a + b) \$ |
| <i>Complete this line if this is a refinance loan.</i> | | | | | |
| Year Acquired | Original Cost \$ | Amount Existing Liens \$ | Purpose of Refinance | Describe Improvements | <input type="checkbox"/> made <input type="checkbox"/> to be made Cost: \$ |
| Title will be held in what Name(s) | | | Manner in which Title will be held | | Estate will be held in: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date) |
| Source of Down Payment, Settlement Charges, and/or Subordinate Financing (explain) | | | | | |

III. BORROWER INFORMATION

| Borrower | | | | Co-Borrower | | | |
|--|--|--|-------------|--|--|---|-------------|
| Borrower's Name (include Jr. or Sr. if applicable) | | | | Co-Borrower's Name (include Jr. or Sr. if applicable) | | | |
| Social Security Number | Home Phone (incl. area code) | DOB (mm/dd/yyyy) | Yrs. School | Social Security Number | Home Phone (incl. area code) | DOB (mm/dd/yyyy) | Yrs. School |
| <input type="checkbox"/> Married <input type="checkbox"/> Separated | <input type="checkbox"/> Unmarried (include single, divorced, widowed) | Dependents (not listed by Co-Borrower) no. ages | | <input type="checkbox"/> Married <input type="checkbox"/> Separated | <input type="checkbox"/> Unmarried (include single, divorced, widowed) | Dependents (not listed by Borrower) no. ages | |
| Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs. | | | | Present Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs. | | | |
| Mailing Address, if different from Present Address | | | | Mailing Address, if different from Present Address | | | |
| <i>If residing at present address for less than two years, complete the following:</i> | | | | | | | |
| Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs. | | | | Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs. | | | |

IV. EMPLOYMENT INFORMATION

| Borrower | | | Co-Borrower | | |
|---------------------------------|--|---|---------------------------------|--|---|
| Name & Address of Employer | <input type="checkbox"/> Self Employed | Yrs. on this job | Name & Address of Employer | <input type="checkbox"/> Self Employed | Yrs. on this job |
| | | Yrs. employed in this line of work/profession | | | Yrs. employed in this line of work/profession |
| Position/Title/Type of Business | Business Phone (incl. area code) | | Position/Title/Type of Business | Business Phone (incl. area code) | |

If employed in current position for less than two years or if currently employed in more than one position, complete the following:

| Borrower | | IV. EMPLOYMENT INFORMATION (cont'd) | | Co-Borrower | |
|--|----------------------------------|--|----------------------------------|----------------|----------------|
| Name & Address of Employer <input type="checkbox"/> Self Employed | Dates (from - to) | Name & Address of Employer <input type="checkbox"/> Self Employed | Dates (from - to) | Monthly Income | Monthly Income |
| | | | | | |
| Position/Title/Type of Business | Business Phone (incl. area code) | Position/Title/Type of Business | Business Phone (incl. area code) | | |
| Name & Address of Employer <input type="checkbox"/> Self Employed | Dates (from - to) | Name & Address of Employer <input type="checkbox"/> Self Employed | Dates (from - to) | Monthly Income | Monthly Income |
| | | | | \$ | \$ |
| Position/Title/Type of Business | Business Phone (incl. area code) | Position/Title/Type of Business | Business Phone (incl. area code) | | |

| V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION | | | | | | |
|--|-----------|-------------|-----------|----------------------------------|-----------|-----------|
| Gross Monthly Income | Borrower | Co-Borrower | Total | Combined Monthly Housing Expense | Present | Proposed |
| Base Empl. Income* | \$ | \$ | \$ | Rent | \$ | |
| Overtime | | | | First Mortgage (P&I) | | \$ |
| Bonuses | | | | Other Financing (P&I) | | |
| Commissions | | | | Hazard Insurance | | |
| Dividends/Interest | | | | Real Estate Taxes | | |
| Net Rental Income | | | | Mortgage Insurance | | |
| Other (before completing, see the notice in "describe other income" below) | | | | Homeowner Assn. Dues | | |
| | | | | Other: | | |
| Total | \$ | \$ | \$ | Total | \$ | \$ |

* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income

Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

| B/C | Monthly Amount |
|-----|----------------|
| | \$ |
| | |
| | |

VI. ASSETS AND LIABILITIES

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise, separate Statements and Schedules are required. If the Co-Borrower section was completed about a non-applicant spouse or other person, this Statement and supporting schedules must be completed about that spouse or other person also.

Completed Jointly Not Jointly

| ASSETS | | Cash or Market Value | LIABILITIES | |
|---|----|----------------------|-----------------------------|--------------------------------------|
| Description | | | Name and address of Company | Monthly Payment & Months Left to Pay |
| Cash deposit toward purchase held by: | \$ | | | Unpaid Balance |
| <i>List checking and savings accounts below</i> | | | | |
| Name and address of Bank, S&L, or Credit Union | | | | |
| Acct. no. | \$ | Acct. no. | | |
| Name and address of Bank, S&L, or Credit Union | | | | |
| Acct. no. | \$ | Acct. no. | | |
| Name and address of Bank, S&L, or Credit Union | | | | |
| Acct. no. | \$ | Acct. no. | | |

| VI. ASSETS AND LIABILITIES (cont'd) | | | | | |
|---|----|--|--|-------------------|-------------------------|
| Name and address of Bank, S&L, or Credit Union | | Name and address of Company | | \$ Payment/Months | \$ |
| Acct. no. | \$ | Acct. no. | | | |
| Stocks & Bonds (Company name/ number & description) | | Name and address of Company | | \$ Payment/Months | \$ |
| | | Acct. no. | | | |
| Life insurance net cash value | | Name and address of Company | | \$ Payment/Months | \$ |
| Face amount: \$ | | | | | |
| Subtotal Liquid Assets: | | | | | |
| Real estate owned (enter market value from schedule of real estate owned) | | | | | |
| Vested interest in retirement fund | | | | | |
| Net worth of business(es) owned (attach financial statement) | | Acct. no. | | | |
| Automobiles: owned (make and year) | | Alimony/Child Support/Separate Maintenance Payments Owed to: | | \$ | |
| Other Assets (itemize) | | Job-Related Expense (child care, union dues, etc.) | | \$ | |
| | | Total Monthly Payments: | | \$ | |
| Total Assets a. | | Net Worth (a minus b) | | \$ | Total Liabilities b. \$ |

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet.)

| Property Address (enter S if sold, PS if pending sale or R if rental being held for income) | Type of Property | Present Market Value | Amount of Mortgages & Liens | Gross Rental Income | Mortgage Payments | Insurance, Maintenance, Taxes & Misc. | Net Rental Income |
|---|------------------|----------------------|-----------------------------|---------------------|-------------------|---------------------------------------|-------------------|
| | | \$ | \$ | \$ | \$ | \$ | \$ |
| | | | | | | | |
| | | | | | | | |
| Totals | | \$ | \$ | \$ | \$ | \$ | \$ |

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

| Alternate Name | Creditor Name | Account Number |
|----------------|---------------|----------------|
| | | |

| VII. DETAILS OF TRANSACTION | | VIII. DECLARATIONS | | | | |
|---|----|--|--------------------------|--------------------------|--------------------------|--------------------------|
| a. Purchase price | \$ | If you answer "Yes" to any questions a through i, please use continuation sheet for explanation. a. Are there any outstanding judgments against you? b. Have you been declared bankrupt within the past 7 years? c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years? d. Are you a party to a lawsuit? e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.) | Borrower | | Co-Borrower | |
| b. Alterations, improvements, repairs | | | Yes | No | Yes | No |
| c. Land (if acquired separately) | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Refinance (incl. debts to be paid off) | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Estimated prepaid items | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Estimated closing costs | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g. PMI, MIP, Funding Fee | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Discount (if Borrower will pay) | | | | | | |
| i. Total costs (add items a through h) | | | | | | |

| VII. DETAILS OF TRANSACTION | | VIII. DECLARATIONS | | | |
|-----------------------------|--|--|--------------------------|--------------------------|--------------------------|
| | | Borrower | | Co-Borrower | |
| | | Yes | No | Yes | No |
| j. | Subordinate financing | If you answer "Yes" to any questions a through i, please use continuation sheet for explanation. | | | |
| k. | Borrower's closing costs paid by Seller | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| l. | Other Credits (explain) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| m. | Loan amount (exclude PMI, MIP, Funding Fee financed) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| n. | PMI, MIP, Funding Fee financed | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| o. | Loan amount (add m & n) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| p. | Cash from/to Borrower (subtract j, k, l & o from i) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | | j. Are you a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No k. Are you a permanent resident alien? <input type="checkbox"/> Yes <input type="checkbox"/> No l. Do you intend to occupy the property as your primary residence? If Yes, complete question m below. m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own—principal residence (PR), second home (SH), or investment property (IP)? _____ (2) How did you hold title to the home—by yourself (S), jointly with your spouse (SP), or jointly with another person (O)? _____ | | | |
| | | | | | |

IX. ACKNOWLEDGEMENT AND AGREEMENT

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agent, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Acknowledgement Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

| | | | |
|---------------------------|------|------------------------------|------|
| Borrower's Signature X | Date | Co-Borrower's Signature X | Date |
|---------------------------|------|------------------------------|------|

X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

| | |
|---|---|
| BORROWER <input type="checkbox"/> I do not wish to furnish this information | CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information |
| Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino | Ethnicity: <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino |
| Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White | Race: <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White |
| Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male | Sex: <input type="checkbox"/> Female <input type="checkbox"/> Male |

To be Completed by Loan Originator:
 This information was provided:
 In a face-to-face interview
 In a telephone interview
 By the applicant and submitted by fax or mail
 By the applicant and submitted via e-mail or the Internet

| | |
|--|--|
| Loan Originator's Signature X | Date |
| Loan Originator's Name (print or type) | Loan Originator Identifier |
| Loan Origination Company's Name | Loan Origination Company Identifier |
| | Loan Originator's Phone Number (including area code) |
| | Loan Origination Company's Address |

| CONTINUATION SHEET/RESIDENTIAL LOAN APPLICATION | | |
|---|--------------|---------------------|
| Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B f or Borrower or C for Co-Borrower. | Borrower: | Agency Case Number: |
| | Co-Borrower: | Lender Case Number: |

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

| | | | |
|----------------------|------|-------------------------|------|
| Borrower's Signature | Date | Co-Borrower's Signature | Date |
| X | | X | |

Uniform Underwriting and Transmittal Summary

I. Borrower and Property Information

Borrower Name _____ SSN _____
 Co-Borrower Name _____ SSN _____
 Property Address _____
Property Type
 1 unit
 2-4 units
 Condominium
 PUD Co-op
 Manufactured Housing
 Single Wide
 Multiwide
Project Classification
 Freddie Mac III Condo II Condo I Condo
 Fannie Mae P Limited Review New Q Limited Review Est. R Expedited New S Expedited Est. T Fannie Mae Review U FHA-approved
 E PUD F PUD
 1 Co-op 2 Co-op
 Investment Property
Occupancy Status
 Primary Residence
 Second Home
 Additional Property Information
 Number of Units _____
 Sales Price \$ _____
 Appraised Value \$ _____
Property Rights
 Fee Simple
 Leasehold
 Project Name _____

II. Mortgage Information

Loan Type
 Conventional
 FHA
 VA
 USDA/RHS
Amortization Type
 Fixed-Rate-Monthly Payments
 Fixed-Rate-Biweekly Payments
 Balloon
 ARM (type) _____
 Other (specify) _____
Loan Purpose
 Purchase
 Cash-Out Refinance
 Limited Cash-Out Refinance (Fannie)
 No Cash-Out Refinance (Freddie)
 Home Improvement
 Construction to Permanent
Lien Position
 First Mortgage
 Amount of Subordinate Financing \$ _____
 (If HELOC, include balance and credit limit)
 Second Mortgage
Note Information
 Original Loan Amount \$ _____
 Initial P&I Payment \$ _____
 Initial Note Rate _____ %
 Loan Term (in months) _____
Mortgage Originator
 Seller
 Broker
 Correspondent
 Broker/ Correspondent Name and Company Name: _____
Buydown
 Yes
 No
 Terms _____
If Second Mortgage
 Owner of First Mortgage
 Fannie Mae Freddie Mac
 Seller/Other
 Original Loan Amount of First Mortgage \$ _____

III. Underwriting Information

Underwriter's Name _____ Appraiser's Name/License # _____
 Appraisal Company Name _____
Stable Monthly Income

| | Borrower | Co-Borrower | Total |
|---------------------------------------|----------|-------------|----------|
| Base Income | \$ _____ | \$ _____ | \$ _____ |
| Other Income | \$ _____ | \$ _____ | \$ _____ |
| Positive Cash Flow (subject property) | \$ _____ | \$ _____ | \$ _____ |
| Total Income | \$ _____ | \$ _____ | \$ _____ |

Qualifying Ratios
 Primary Housing Expense/Income _____ %
 Total Obligations/ Income _____ %
 Debt-to-Housing Gap Ratio (Freddie) _____ %
Loan-to-Value Ratios
 LTV _____ %
 CLTV/TLTV _____ %
 HCLTV/HTLTV _____ %
Qualifying Rate
 Note Rate _____ %
 _____ % Above Note Rate _____ %
 _____ % Below Note Rate _____ %
 Bought-Down Rate _____ %
 Other _____ %
Risk Assessment
 Manual Underwriting
 AUS
 DU LP Other _____
 AUS Recommendation _____
 DU Case ID/LP AUS Key# _____
 LP Doc Class (Freddie) _____
Representative Credit/Indicator Score _____
Underwriter Comments

Level of Property Review
 Exterior/Interior
 Exterior Only
 No Appraisal
 Form Number: _____
Escrow (T&I)
 Yes No
Community Lending/Affordable Housing Initiative Yes No
Home Buyers/Homeownership Education Certificate in file Yes No
Present Housing Payment: \$ _____
Proposed Monthly Payments
Borrower's Primary Residence
 First Mortgage P&I \$ _____
 Second Mortgage P&I \$ _____
 Hazard Insurance \$ _____
 Taxes \$ _____
 Mortgage Insurance \$ _____
 HOA Fees \$ _____
 Lease/Ground Rent \$ _____
 Other \$ _____
 Total Primary Housing Expense \$ _____
Other Obligations
 Negative Cash Flow (subject property) \$ _____
 All Other Monthly Payments \$ _____
 Total All Monthly Payments \$ _____
Borrower Funds to Close
 Required \$ _____
 Verified Assets \$ _____
 Source of Funds _____
 No. of Months Reserves _____
 Interested Party Contributions _____ %

IV. Seller, Contract, and Contact Information

Seller Name _____
 Seller Address _____
 Seller No. _____ Investor Loan No. _____
 Seller Loan No. _____
 Master Commitment No. _____
 Contract No. _____
 Contact Name _____
 Contact Title _____
 Contact Phone Number _____ ext. _____
 Contact Signature _____
 Date _____

City of Chula Vista Equal Housing Opportunity Requirements
For The Low/Moderate Income Housing Affirmative Marketing Plan

Every Developer complying with the City of Chula Vista's Housing Element's "Affordable Housing Plan" shall submit to the City an Affirmative Marketing Plan for City Review and Approval which details actions the Developer will take to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, sex, sexual orientation, marital status, family status, color, religion, national origin, ancestry, or handicap, age or any other category which may be defined by law now or in the future.

I. The City of Chula Vista Affirmative Marketing Requirements are as follows. Please note, however, the Plan is not limited to these Requirements and the final Plan may deviate from these criteria as long as the plan accomplishes the intended goal as determined by the City..

- (i) Detail methods for informing the public, buyers and potential tenants about Federal fair housing laws and the City of Chula Vista's affirmative marketing policy;
- (ii) Publicize to minority persons the availability of housing opportunities through the type of media customarily utilized by the applicant, including minority outlets which are available in the housing market area;
- (iii) Identify by language and by number any significant number of persons in a community within the housing market area who have limited fluency in the English language:
- (iv) Where there is a significant number of person in a community within the housing market area who have limited fluency in the English language, the Plan shall:
 - (a) Identify the media most likely to reach such persons.
 - (b) Advertise for the housing development in the native language of such persons, in addition to the English language, and
 - (c) Describe the provisions which the housing sponsor will make for handling inquiries by and negotiations with such persons for the rental or sale of units in the development.

to be used by the Developer and/or property manager to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community

- (v) Detail procedures organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies).

II. Records must be kept describing actions taken by the Developer and/or property managers to affirmatively market units and records to assess the results of these actions:

(i) The records shall include a copy or transcript of the advertisement copy, the identity of the media in which it was disseminated, and the date(s) of each appearance. The housing sponsor shall also keep a record of the dates and places of any meetings or communications between the housing sponsor and any individual or group referred to the housing sponsor by the agency or organizations representing any of the groups within the community acting on behalf of any classification of minority persons described above. Such records shall be retained for a period of five years;

(ii) A description of how the Developer and/or property managers will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met; and

(iii) The Developer/property manager shall furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City of Chula Vista, HUD or its agent, or other authorized Federal and State officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

III. The City of Chula Vista may from time to time review the Plan and the Developer's and property manager's activities pursuant to the Plan and may require amendments to the Plan if it does not fully comply with the requirements of this section.

IV. An affirmative marketing program shall be in effect for the duration of the Qualified Term defined in the Affordable Housing Agreement.

V. If a source of funding used in a low/moderate income housing development, such as federal or state funds, has affirmative marketing requirements more restrictive than the City of Chula Vista's affirmative marketing requirements, then the more restrictive applies.