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Trust offers help to homebuyers

Three loans of up to \$50,000 are offered

By DAWN WITHERS

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Even though home prices have at least temporarily stabilized, buying a house is still out of reach for many Monterey County residents.

To help more of them become homeowners, the Community Housing Trust of Monterey County will begin taking applications for its first-time homebuyer assistance program starting Feb. 7.

The trust formed about two years ago, but this is the first time it will offer financial assistance to homebuyers.

Working in conjunction with the Monterey County Association of Realtors, which donated \$100,000 to the fund, the housing trust will loan up to \$50,000 to as many as three homebuyers through a pilot program, said Jan Lindenthal, vice president of the trust.

Eligible buyers can use the loan toward a down payment. It's separate from the homeowner's mortgage and would need to be repaid within 10 years, Lindenthal said.

"The goal this year is to get all the cities and county (government) involved and contributing," Lindenthal said.

To qualify for the program, the potential homebuyers must earn no more than 180 percent of the county's median income of about \$60,000, said Kenneth Steen, chairman of Community Housing Trust Inc., and Monterey County Workforce Housing Trust, Inc., which provides other homebuyer and construction assistance.

Qualified buyers must also have an approved home loan and live in Monterey County, Steen said. The program is modeled after a similar housing trust in Santa Clara County.

"We will be putting people in houses, and help brokers put people into houses," Steen said.

If the pilot program succeeds, the housing trust will try to gain support from private companies and local governments to raise money for the trust. Steen said he'd ultimately like to raise between \$5 million and \$10 million and be able to provide loans for 5 percent of a home's value to buyers.

MCAR will host the Feb. 7 meeting to formally launch the program. Sandy Haney, chief executive officer of MCAR, said the trust would like to have the first down payment loans approved by June.

"We've been the largest contributor, and our members would be very much out there finding the buyers and helping the process," Haney said.

If the trust gets a crush of applications for the program, Steen said, it will likely hold a lottery for qualified candidates to determine who will get the loans.