



County of San Mateo's

Employee Down Payment Assistance  
Program (EDPAP)  
Seminar

2024

# Topics to cover

## County of San Mateo's Employee Down Payment Assistance Program

## Exclusive County of San Mateo Employee and Housing Authority Benefit

### Pre-approval process

- Budget & Affordability
- Qualification process
- Payment examples
- Finding a property

## Application & Free Personalized Consultation

## Membership at Monterra



# SMC Employees SEG Benefits



# Benefits to County Employees

Monterra CU offers:

- A nearly **70-year** relationship with the County
- Free checking and saving accounts with very low-cost opening requirements
- Special checking account bonus, credit card, auto loan, and mortgage offers for County employees
- A down payment assistance program (currently recruiting, email Nila Kim at DOH - [nhkim@smchousing.org](mailto:nhkim@smchousing.org) for more info)
- A unique-to-the-County Quick Cash Loan program
- Financial Wellness
- One-on-one Financial Wellness coaching
- Partnership with BALANCE ([monterra.balancepro.org](http://monterra.balancepro.org))
- Our LEARN online platform ([monterra.org/education](http://monterra.org/education))

PREMIUM CHECKING

Your money works  
*harder*, without any fees.

OPEN AN ACCOUNT



Low-rate vehicle loans that keep you moving.



Your money makes money at a premium rate.



High yield savings at your fingertips.



Your spending rewarding.

 Need Help? Chat Now! [Local Customer](#)

# Financial Wellness

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Pages within: [Education](#)

## Here's to your (financial) health!

Through special programs and events, you can take steps to becoming financially fit in every respect.



[ELEVATED LEARNING BLOG](#)



[FINANCIAL EDUCATION](#)



[Need Help? Chat Now!](#)

## Programs To Guide You Towards Financial Success

Check out our available programs below

### BALANCE Debt And Budget Coaching

[Learn More](#)



### BALANCE Credit Report Review



Formerly San Mateo Credit Union

# Welcome San Mateo County Employees

Join Monterra Credit Union and experience the difference that not-for-profit banking provides. We've been serving the local community for over 70 years.

## OUR MEMBERSHIP INCLUDES:

- FREE checking + high-rate savings
- FREE access to over 30,000 ATMs
- FREE bill pay and mobile deposit
- 24/7 access via online and mobile banking
- Home loans with low down payment options
- Competitive rates on auto loans
- Credit card options that reward your lifestyle
- Fast ACH: receive direct deposit & external funds one (1) business day sooner!
- Quick Cash Loan Program
- Award-winning financial education
- *And so much more...*

## BANKING FOR REAL LIFE. START HERE



Visit [monterra.org](https://monterra.org)



Call (650) 562-1282



Visit any branch location

<sup>1</sup>To become a member of Monterra Credit Union, a minimum opening deposit of \$1.00 is required to be held as your membership share pledge in a Regular or a Business (Share) Savings Account. This membership share pledge allows you or your Business to apply for any additional products and services. All applications for membership, share accounts, loans, and other services are subject to review and approval. <sup>2</sup>Learn how to earn up to a 150 cash bonus by visiting [monterra.org/checking150](https://monterra.org/checking150). Visit [monterra.org/premium](https://monterra.org/premium) on how to earn 3.50%APY on your Premium Checking daily balances. Payroll deposit options include ACH, employer deposits, government recurring deposits, and one-time deposits (e.g.: tax refunds). Rates and offer subject to change, conditions and restrictions apply. <sup>3</sup>Discount applied to the current qualified rate and cannot exceed the current floor rate. Max 0.50% with all discounts combined. <sup>4</sup>Offer cannot be redeemed for cash and is non-transferable. <sup>5</sup>The advertised certificate dividend rate increase can be earned for members in good standing who have an "Active Checking" account. Active Checking account is defined as a checking account with ONE (1) direct deposit or ACH deposit (excluding telephone, teller or dividend posting transactions) during the monthly statement cycle (statement cycle period is 12:00am on the first day of each month and ends at 11:59pm on the last day of each month). For a statement cycle during which the active checking account deposit requirement is not met, the certificate will earn the base rate that was set at the account opening or rollover date. <sup>6</sup>New card only. Offer subject to change at anytime without notice. Each discount or bonus offer if limited to one (1) per account. Offer valid through 12/31/2024. Conditions and restrictions apply. Federally insured by NCUA.



## SPECIAL PARTNER OFFERS\*

(PROMO CODE: COUNTY)

- Open your membership with a \$1 one-time share pledge<sup>1</sup>
- Earn up to \$150 cash bonus<sup>2</sup> when you open a new Premium Checking account
- A \$20 minimum opening deposit is all you need to open your new checking account
- Up to 0.50%<sup>3</sup> auto loan rate discount
- Up to \$800 towards home appraisal costs<sup>4</sup>
- 0.25%<sup>5</sup> rate increase on certificates with an active checking account
- Open a new Monterra Credit Union Visa<sup>®</sup> Platinum Rewards credit card and receive 2.99%<sup>APR</sup>\* for the first 12 months<sup>6</sup>

## HAVE QUESTIONS?



Email [communityrelations@monterra.org](mailto:communityrelations@monterra.org)



Call (650) 562-1282

## CREDIT UNION USE ONLY:

- Use promo code: COUNTY
- Credit the \$50 bonus to the membership share/savings account using G/L: COMM RE.930
- Memo: TOP10 SEG BONUS



Formerly San Mateo Credit Union

Value up to  
**\$800**  
HOME APPRAISAL



# HOME APPRAISAL GIFT CERTIFICATE

Exclusively for Select Employer Groups (SEGs)

Apply to purchase or refinance your home with a Monterra Credit Union loan by December 31, 2024 and we'll cover your appraisal up to \$800 when you close your home loan with us.

PROMO CODE: COUNTY

Redeem this offer with a Monterra Credit Union mortgage expert



Visit at [monterra.org/homeloans](https://monterra.org/homeloans)



Email to [reloanofficers@monterra.org](mailto:reloanofficers@monterra.org)



Call (650) 363-1799

All loans are subject to credit approval. Appraisal gift certificate covers appraisal costs up to \$800 when you close your home loan with Monterra Credit Union by December 31, 2024. Loans offered on condition of credit and underwriting approval. This offer cannot be combined with any other Monterra Credit Union mortgage promotions, cannot be redeemed for cash, and is non-transferable. Present this Gift Certificate with your completed residential mortgage application. Your appraisal fee will be collected at the time of your appraisal and credited back to you upon successful close of escrow. Loans offered on condition of credit and underwriting approval. Offer is valid for first mortgages only. Please speak with a Mortgage Expert for current rates and information on loan limits as additional conditions and restrictions may apply. Federally insured by NCUA.



# Contact Us



Our Community Relations Team is here to help!

Gustavo Castillo

[gcastillo@monterra.org](mailto:gcastillo@monterra.org)

Via email: [communityrelations@monterra.org](mailto:communityrelations@monterra.org)

Phone: (650) 562-1282

## Purpose:

The County's Employee Down Payment Assistance Program is an employee benefit open to all full-time, permanent County and Housing Authority employees regardless of income.

*It is designed to encourage employees to live within the County, decreasing the environmental impact and the physical/emotional impact on employees from their long commutes.*

# County of San Mateo's Employee Down Payment Assistance Program (EDPAP)

*Effective 2024*

- Up to five eligible County and/or Housing Authority (HA) Employees will be drawn quarterly.
  - ➔ Drawing is to qualify for a \$100,000 second mortgage to be used towards the purchase of a home in San Mateo County.
- **Eligibility:** County and Housing Authority (HA) employees who do not currently own a home in San Mateo County and are currently, full-time employees for at least 18 months.
- **Income restrictions:** none
- **Maximum home price:** \$1,500,000
- **Down payment requirement:** minimum of 3 percent from borrower and up to \$100,000 from County Program
- **Maximum County Loan Program towards down payment:** \$100,000
- **Terms of County loan:** Three (3) percent, deferred first, five-years, 30-year amortization after deferral.
  - ➔ The five-year deferral is considered taxable income and will be included in your annual earning.

*County of San Mateo's Employee Down Payment Assistance Program (EDPAP)*  
*Effective 2024*

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- **Timeline:** Pre-approval letter from Monterra Credit Union is required and must be submitted by Monday, September 16<sup>th</sup> by 5:00 p.m. (PST).
- Drawing date: **Tuesday, September 17, 2024**
- Five names will be drawn.
- Applicants have six months (from the time of the drawing) to purchase a home.
  - If the applicant is unable to purchase a home in the timeline, they can choose to have their name placed back on the list for the next drawing



# *County of San Mateo's Employee Down Payment Assistance Program (EDPAP) Effective 2024*

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## ➤ **Closing cost assistance:**

- County grant of \$5,000 to employees who currently live outside of San Mateo County.
- This grant is considered taxable income.

## ➤ **Repayment requirements:**

- Any time after the deferral period, the County loan will continue according to the original terms of the loan;
- Upon sale of the home;
- If for any reason the employee leaves County employment such as, terminated for cause, retirement etc., within the 5-year deferral period;
- If the home is converted to rental property (non-owner occupied).



# Preapproval process: Budget & Affordability

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- *How much 'liquid funds' do you have available for a down payment on a home purchase?*

## **Examples of liquid funds:**

- ✓ Gifts
- ✓ Savings
- ✓ 401K
- ✓ Stocks
- ✓ Grants or Down Payment Assistance Programs

- *How much money do you want to spend on a monthly basis for your mortgage?*



# Preapproval process: Payment Example #1

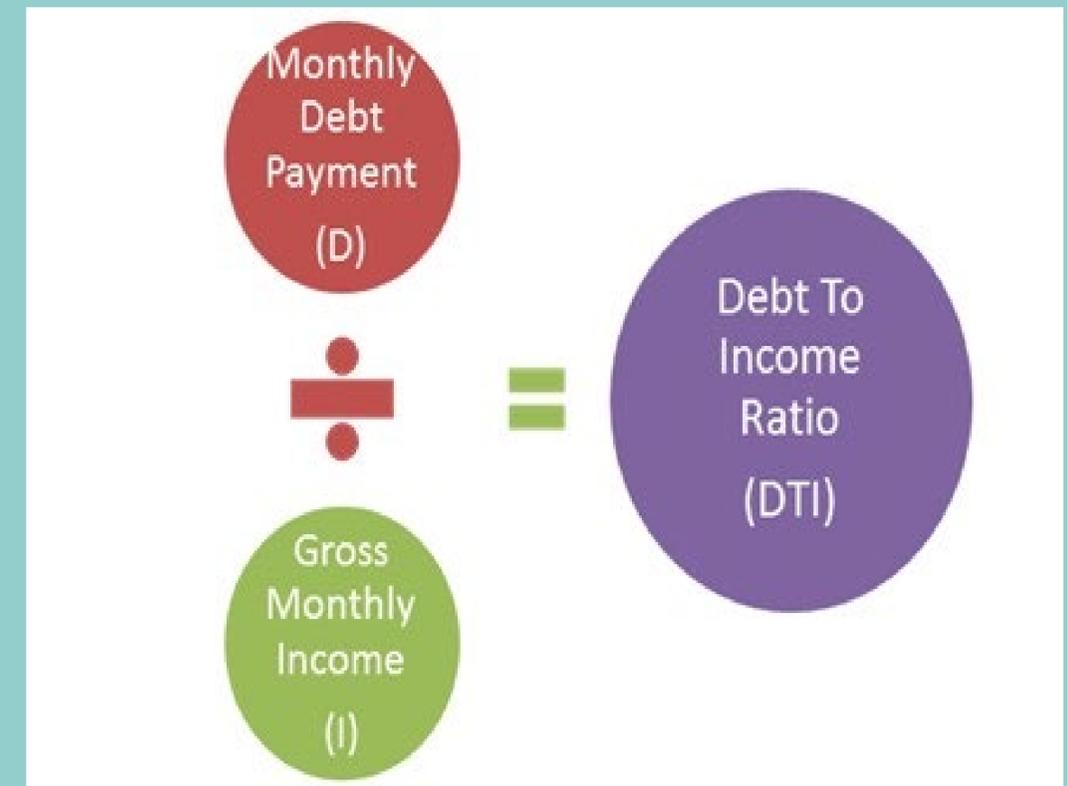
- The Millers have been chosen for the EDPAP. They have \$100,000.00 in liquid funds. Their payment budget allocated for a “total” housing payment is \$7,000.00.

Purchase Price	\$1,000,000	100%
Monterra Loan	\$800,000	80%
Down Payment	\$100,000	10%
EDPAP 2 <sup>nd</sup> Loan	\$100,000	10%
Principal & Interest payment	\$4,827	<b>*6.75% 7/1 ARM 40 Year</b>
EDPAP 2 <sup>nd</sup> Loan	\$421.60	
Property Tax	\$1,042	<i>Estimated</i>
Hazard Insurance	\$233	<i>Estimated</i>
<b>Total Housing Payment</b>	<b>\$6,523.60</b>	

# Preapproval process: Qualifying for a loan

Total housing payment	\$6,523.60
Car Payment	\$400.00
Credit Cards(minimum payments)	\$250.00
Total Monthly Debt	\$7,173.60
<b>MGI (Monthly Gross Income) needed to qualify</b>	<b>\$15,941.33</b>

**DTI: Debt to Income Ratio**  
**45%** is the percentage taken from your gross monthly income to qualify for your total monthly liabilities



# Preapproval process: Payment Example #2

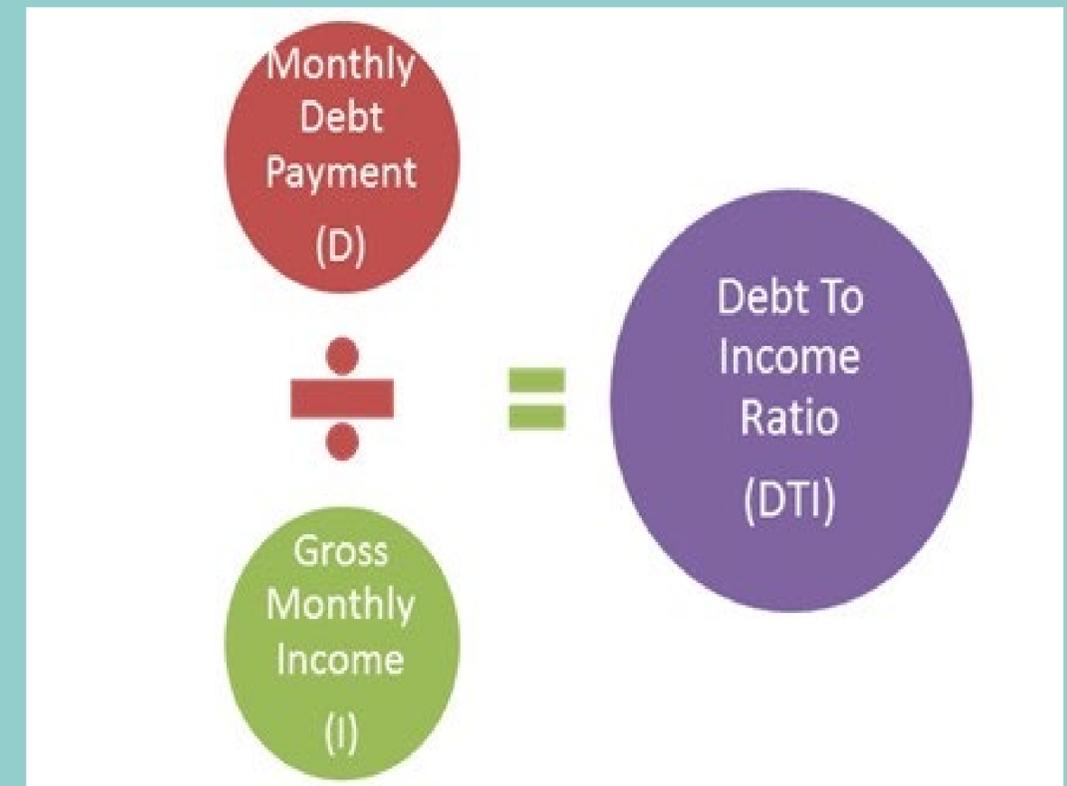
- The Jones' have been chosen for the EDPAP. They have \$20,000.00 in liquid funds. Their payment budget allocated for a housing payment is \$4,200.00.

Purchase Price	\$550,000	100%
Monterra Loan	\$433,500	78.82%
Down Payment	\$16,500	3%
EDPAP 2 <sup>nd</sup> Loan	\$100,000	18.18%
Principal & Interest payment	\$2,704	<b>*6.375% 5/5 ARM 30 Year</b>
EDPAP 2 <sup>nd</sup> Loan	\$421.60	
Property Tax	\$573	<i>Estimated</i>
Hazard Insurance & HOA	\$500	<i>Estimated</i>
<b>Total Housing Payment</b>	<b>\$4,198.60</b>	

# Preapproval process: Qualifying for a loan

Total housing payment	\$4,198.60
Car Payment	\$450.00
Credit Cards(minimum payments)	\$300.00
Total Monthly Debt	\$4,948.60
<b>MGI (Monthly Gross Income) needed to qualify</b>	<b>\$10,996.89</b>

**DTI: Debt to Income Ratio**  
**45%** is the percentage taken from your gross monthly income to qualify for your total monthly liabilities



# Preapproval Process

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## Documentation required:

**For a typical scenario involving W2 wage earning employees, here is an example of the documents needed to submit a full application:**

- Most current paystubs covering a 30-day period
- Previous 2 years W2s
- 2 months most current bank accounts and/or retirement statements

## Running your credit :

***To qualify for a mortgage, the score that is used is the middle of the three Credit Bureau's scores and then the lowest of those middle scores out of all the borrowers on the application is used.***

***Here is an example:***

*Jane Smith's middle score 730*  
*Larry Smith's middle score 680*

In this scenario, Larry's middle score will be what is used to qualify for the mortgage and rate. \*

**\*For multiple borrowers, the lowest middle score from all the applicants will be used \***



# Preapproval Letter

## What to do with your Pre-Approval Letter

Once the underwriter has reviewed your loan and issued a credit approval, your loan officer will send you a Monterra Credit Union Pre-Approval Letter.

1. Send your Monterra Credit Union Pre-Approval Letter to the Department of Housing to be entered into the quarterly Employee Down Payment Assistance Program drawing.

Nila Kim  
[Nhkim@smchousing.org](mailto:Nhkim@smchousing.org)

For more info, visit  
<http://housing.smcgov.org/employee-down-payment-assistanceprogram>



EQ 858 116  
REDWOOD CITY, CA 94063-0715  
MONTERRA.ORG

### Credit Approval

### Mortgage Loan Qualification

**Congratulations**

**Member name**

Congratulations! You have been pre-approved to purchase a home! This certificate acknowledges your submission of a mortgage application to Monterra Credit Union. Based upon information received, you have been preapproved to purchase a primary residence based on a sales price up to \$650,000 and loan amount up to \$590,000. This is based upon an interest rate that is NOT locked.

Monterra Credit Union has verified and reviewed your employment, income, assets, and credit report as part of our initial mortgage preapproval process. Please note your interest rate and corresponding loan programs are not locked at this time, and subject to daily change. This credit approval is subject to an acceptable property appraisal; title report, applicable property inspection(s), and a satisfactory review of any other additional documents received and/or requested pertaining to this transaction. Please note that this preapproval is valid for 90 days and will expire on the Expiration Date listed below.

**Approval Date:** 01/24/2024  
**Expiration Date:** 04/24/2024

Authorized Signature:



Veronica Valentine  
Monterra Credit Union  
Real Estate Sales Manager  
NMLS ID#: 833312  
(650)817-1983  
(650)381-0499 fax  
[vvalentine@monterra.org](mailto:vvalentine@monterra.org)



# Monterra Credit Union: Special Products

## **Monterra Credit Union First mortgage special options & benefit:**

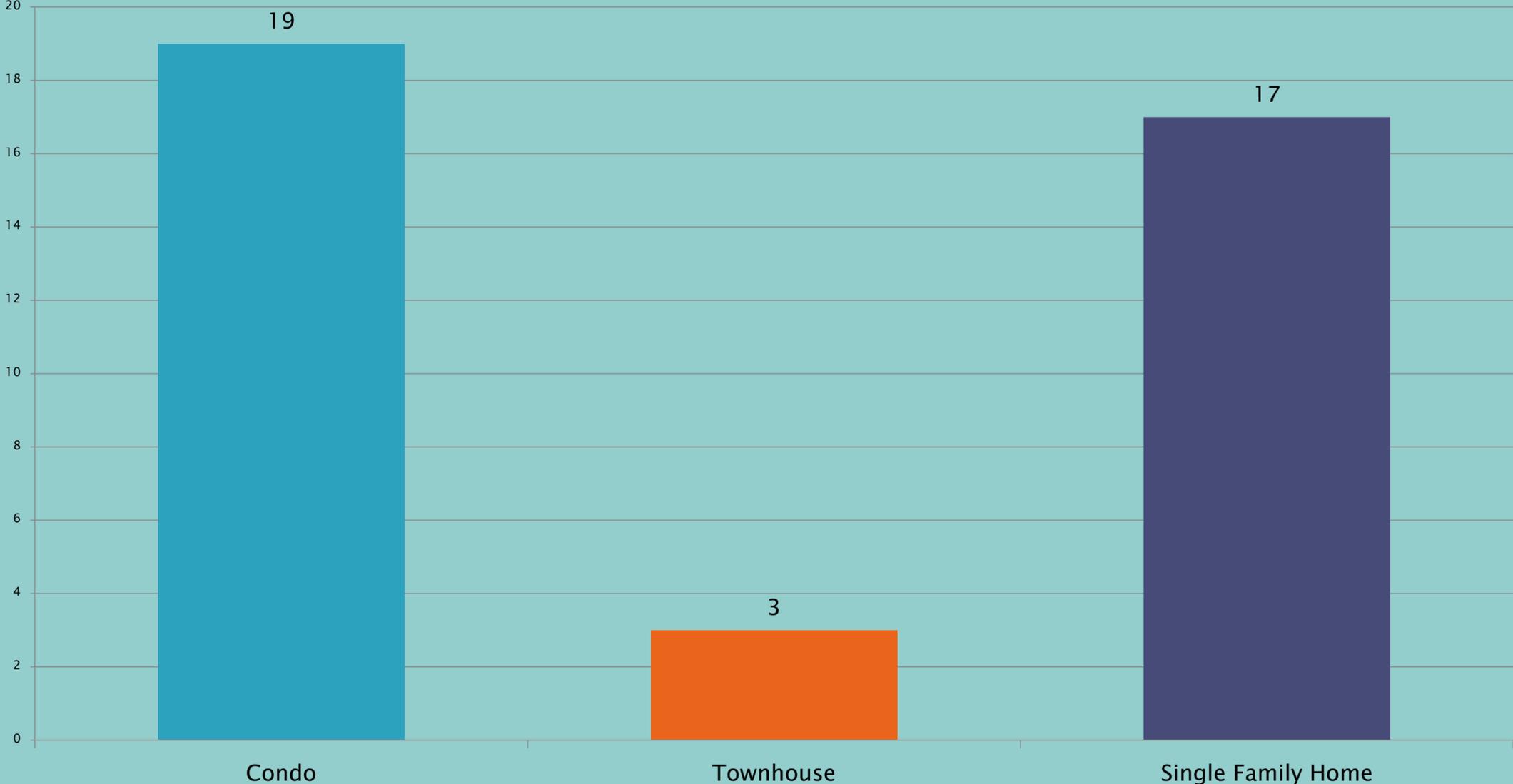
- 40-year Hybrid Portfolio Loan Product through Monterra Credit Union
- 5/5, 7/1 & 10/1 (fixed for 5, 7 or 10 years)
  - Ability to do a rate modification on in-house loans
- Up to \$800 towards home appraisal cost

## **Creditworthiness :**

- Minimum 680 FICO
- 45% maximum debt-to-income ratio
- Reserves of 2 months of principal, interest, taxes, and insurance

# General Data

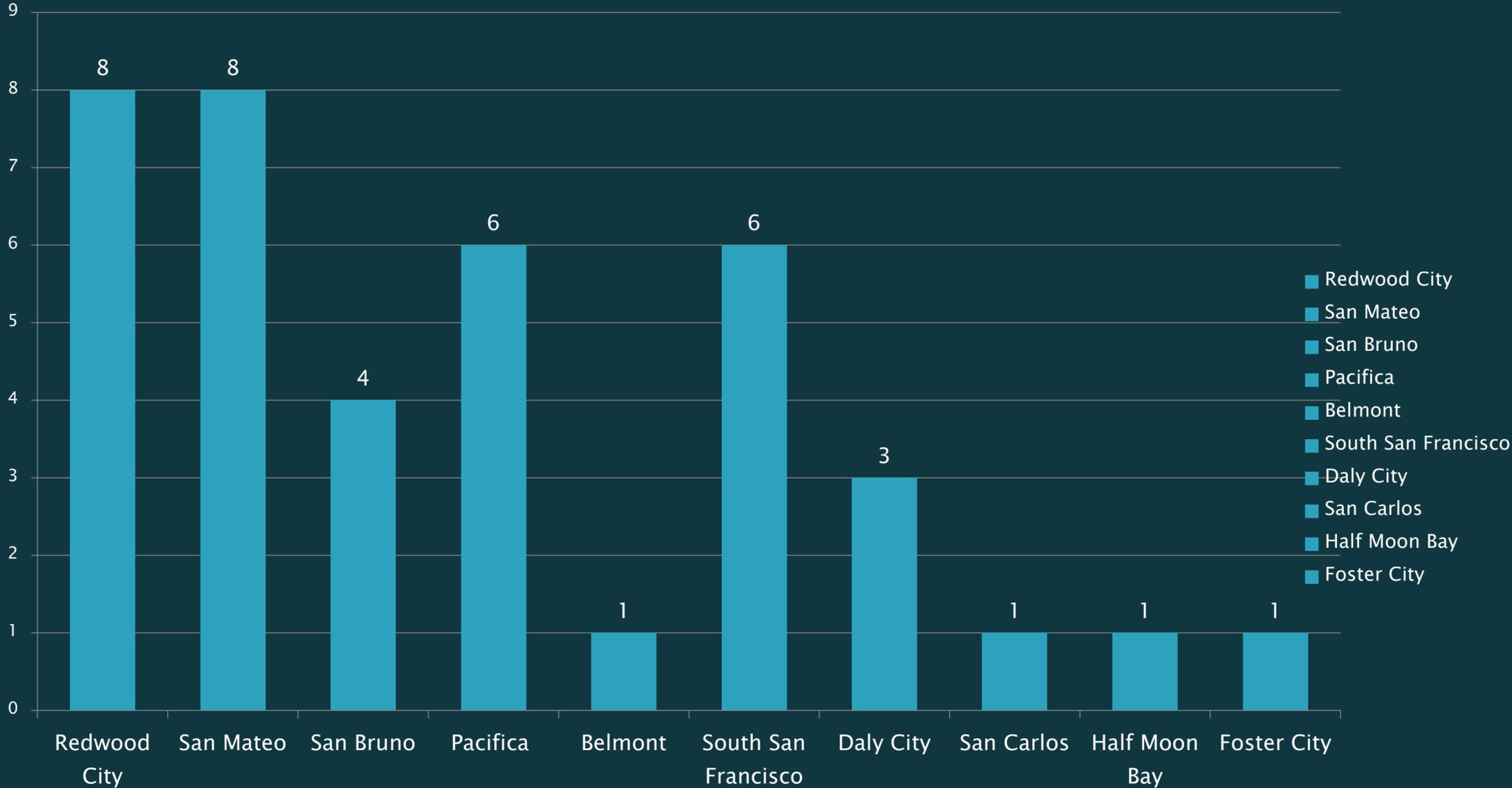
Type of Home Purchased: As of 07/01/2024



# General Data

Average Purchase Price  
\$893,842

Purchase Location: As of 07/01/2024



- EDPAP DATA
- 39 employee have purchased & utilized the program.
  - 13 employees moved into the County (\$5K grant).
  - 9 employees, partners also works for the County.

# How to Apply:



Here is the link to get prequalified with the EDPAP:  
<https://monterra.org/CountyMortgage>

Apply for a Loan

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• • • •

[START YOUR APPLICATION](#)

[Need Help?](#)





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650-817-1980

## ***Personalized Consultation***

**- Set up your appointment for a free consultation with one of our mortgage team experts!**

**- All preapprovals must be rendered and delivered to the County.**