THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

December 12, 2012 Staff Report

REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR A MORTGAGE CREDIT CERTIFICATE PROGRAM

Prepared by: Crystal Al	varez					
Applicant:		Cou	inty of Orange			
Contact Information:						
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Allocation Amount Requeste	ed: \$20,25	0,639	Converted MCC Authority:	\$5,062,660		
Applicant's Fair Share Amo	unt: \$20,25	0,639	Converted MCC Authority:	\$5,062,660		
Participating Jurisdictions: County of Orange						
Allocation Information:						
	will be adverti		October 8, 2012			
Expected issue of			February 1, 2013			
	Program Sta		Existing			
Certifica	ate tax credit 1	ate:	20%			
Type of housing u	nits to be assi	sted/a	verage mortgage amount:			
New construction unit) with an average mortgage amount of	of \$290,801		
Existing resale units: 70 units (91%) with an average mortgage amount of \$332,008						
Rehabilitated units: 0 units (0%) with an average mortgage amount of \$000,000						
Total units: 77 units with and average mortgage amount of \$328,175						
m 1			X			
The above nur	nbers of units	are: _				
		_	Actual requirements imposed by	the Issuer		
Past Performance:						
			met the 2011 minimum performance			
least 40% of the p	rogram particip	ants a	re lower-income households or locat	ed in a Qualified Census		
Tract.						
The application in	dicates the appl	licant e	expects to meet the 2012 minimum p	performance		

Recommendation:

Staff recomends that the Committee approve an amount of \$20,250,639 in tax-exempt bond allocation to the County of Orange for the Mortgage Credit Certificate Program. This is the Applicant's 2012 fair share amount on a carryforward basis.

requirement that at least 40% of program participants will be lower-income households.

DESCRIPTION OF PROPOSED PROGRAM:

• Population to be served by the proposed Program (family size, income levels, etc.):

According to the Applicant, the proposed Program expects to serve all ethnic groups and family sizes with a minimum of 40% of the households at or below 80% of the median income adjusted by household size.

- Estimated number of first-time homebuyers to be assisted: 77
- Housing stock to be purchased (types, unit sizes, etc.):

According to the Applicant, the housing stock to be purchased will consist of both condominiums and detached homes. The average unit will have 2.5 bedroom and 1200 square feet.

• Specific reservations of MCCs for purposes such as low-income targeting, new construction, etc.:

According to the Applicant, the program will reserve at least 20% of the certificates for federally designated target areas and at least 40% of the MCCs for families with incomes at or below 80% of the area median income adjusted for family size.

• Expected duration MCCs will be available and anticipated monthly rate of issuance.:

According to the Applicant, MCCs are expected to be available for 5 months and the anticipated monthly rate of issuance is 15 MCCs per month.

• Other homebuyers assistance programs offered by participating jurisdiction(s):

According to the Applicant, down payment assistance programs are providing high dedication and commitment throughout the County toward purchase opportunities for those struggling to achieve homeownership.

• Additional features unique to the proposed Program:

None indicated.

PURCHASE PRICE INFORMATION:

The proposed maximum limits are:

Unit Type	Average Area Purchase Price*	Non-Target Area Max Purchase Price	Target Area Max Purchase Price	
New Units	\$748,462	\$673,616	\$823,308	
Existing Units	\$748,462	\$673,616	\$823,308	
*This is established by (check one): x	_IRS Safe Harbor limitations _As determined by special survey	,	

Expected average sales prices of the estimated units to be assisted:

 New Units
 \$412,530

 Existing Units
 \$338,826

\$119,420

MAXIMUM INCOME LIMITATIONS:

Area median income on which maximum program limits are based: \$85,300

Applicable standard that defines the area median income:

____HUD statewide median ____X_HUD county MSA median ____Local median as determined by a special study

Percent of MCCs reserved for IRS-designated target areas in the jurisdiction(s): 20%

Proposed maximum income limits:

____Household Size ____Non-Target Area ____Target Area _____1-2 persons \$85,300 \$102,360

DESCRIPTION OF PUBLIC BENEFITS:

3+ persons

Past Program Performance:

Year	Amount of Allocation	Amount of Allocation Used	Number of MCCs Issued	Outstanding MCC Authority
2009	\$14,000,000	\$13,912,121	77	\$21,970
2010	\$20,493,580	\$19,963,458	119	\$132,531
2011	\$20,482,649	\$16,546,507	94	\$984,036

\$98,095

Pursuant to Section 5269 of the CDLAC Regulations, the Applicant has:

- Demonstrated that no Mortgage Credit Certificate authority from the year two years prior to the current year has been unused (other than minor amounts not to exceed \$1 million); and
- 2 Certified that any Mortgage Credit Certificate authority remaining from the year prior to the current year will be used before the use of new Mortgage Credit Certificate Authority.