



Housing Trust Fund Secures \$2.5 million to Launch Local Workforce Homebuyer Program

Program To Offer Down payment Loans up to \$100,000 to Local Employees

The Housing Trust Fund of Santa Barbara County (HTF) has secured \$2.5 million in investment capital for a South Coast Workforce Homebuyer Program from community-minded lenders, including American Riviera Bank, Community West Bank, Montecito Bank & Trust and Rabobank. The pilot program will provide low-cost down payment loans up to \$100,000 to help first-time workforce homebuyers purchase an entry-level home in South Santa Barbara County.

HTF will loan the workforce homebuyer up to 16.5% of the home purchase price or a maximum \$100,000 loan, and the homebuyer contributes a minimum of 3.5%. The homeowner will repay the secondary loan at the end of 10 years by refinancing or taking out an equity loan, based on increased equity in the home. The model is conservative and works even with higher future interest rates or nominal home appreciation.

HTF will launch the program in March 2017 after start-up work is completed. HTF needs to raise \$100,000-\$150,000 annually to support program operations the first two years until the program becomes self-sufficient. HTF is looking for contributions from the business community to support the program in 2017.

Santa Barbara County is the 7th least affordable small metropolitan housing market in the nation and affordable housing for local employees is one of the top challenges facing local employers. The new South Coast Workforce Homebuyer Program will expand homeownership opportunities and help local business attract and retain quality employees, save on training costs and enhance employee productivity.

HTF is countywide nonprofit financing agency whose mission is to expand affordable housing opportunities. The agency's nine-member Board is comprised of community leaders with extensive business, banking and real estate experience. For more information visit <http://www.sbhousingtrust.org> or contact us at j.mcGovern@sbhousingtrust.org.