

County of Santa Cruz Affordable Housing Program
REFINANCING PROCEDURES AND CHECKLIST

1. You, the Owner(s) of the Affordable Home should review this document and the checklist below and then complete the Refinance Application Form, available on the County Housing Division [webpage](#). If you have any questions about the process or how to complete the form, please call the Housing Division at the number below. You will need your loan officer's assistance to complete the form and provide some of the required attachments. **All owners listed on title to the home must complete and sign the Application Form and provide the required attachments as listed on the Checklist.**
2. Your lender must be an institutional mortgage lender or mortgage broker licensed to provide residential mortgages in California. We highly encourage you to seek a lender and/or broker and escrow office located within Santa Cruz county, as they are more familiar with the County's Affordable Housing Program procedures. It may take significantly longer to refinance your Affordable Home with a lender and/or escrow office located outside Santa Cruz county.
3. Submit your completed Refinance Application and your check for the **non-refundable Refinancing Fee of \$700**, payable to the County of Santa Cruz, by mail or hand-delivery to the County at the address below. Please note:
 - REFINANCE APPLICATIONS ARE NOT ACCEPTED BY EMAIL, as the Form and attachments contain protected personal information, and email is not a secure way to transmit sensitive data. Also, you must submit your check for the Refinance Fee with your Application Form. Application Forms are not accepted without the Fee.
 - If your Lender has a secure encrypted web portal, they may send some of the attachments (1008/1003 etc.) via secure link to Housing staff following receipt of your Application Form, but not the Form itself. Please contact Housing staff for further instructions prior to sending a secure link.
4. County Housing staff will review your application for completeness and to verify the proposed loan complies with the [Affordable Housing Guidelines](#). Staff will contact you and/or your lender or escrow officer if any clarifications or further documentation is needed. The County's review process takes approximately 10 business days from the date your application is complete (the date when all required attachments have been delivered to the Housing Division). Upon completion of this review, Housing staff will send the Owner(s) a Refinance Review letter confirming the current Maximum Resale Price and Refinance Limit for your Affordable Home and conditions of approval, if applicable, for your proposed refinance loan.
5. If your refinance application is approved, Housing staff will send the County's escrow instructions and recordable documents to your escrow officer and will coordinate with you, your lender and escrow officer as needed to close escrow in a timely manner.

Measure J Refinancing Standards (summary only, see Guidelines for details):

- Total debt secured by an Affordable Home, including the refinance loan and any other liens remaining on title, may not exceed 90% of the Home's current Maximum Resale Price (90% LTV);
- Maximum Cost Ratios: 35% front, 45% back (varies slightly by borrower's income level, see Guidelines at link above for details);
- New loan must be a fixed-interest, fully amortized 30-year loan*;
- Home Equity Lines of Credit (HELOCs), balloon payments, negative amortization, hard money loans, predatory interest rates, and/or co-signers are not allowed;
- New loan must include impounds for property taxes, insurance, and HOA dues;
- If any County loans are outstanding on the property, the terms and restrictions of that loan program will also apply, and repayment may be required in some cases.
- Cash-out loans are not allowed except in limited hardship situations. See Guidelines for details.

County of Santa Cruz Housing Division

Se habla español

Tel: (831) 454-2332 TDD: 711

HousingProgramsInfo@SantaCruzCounty.US

County of Santa Cruz Planning Department, Housing Division, 701 Ocean St., 4th Floor, Santa Cruz, CA 95060

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1. Check or Money Order payable to the County of Santa Cruz in the amount of the current Refinance Fee (\$700 as of 2026)	<input type="checkbox"/>
2. The Refinance Application Form, completed and signed by all owners on title. Do not leave any lines in the form blank. If not applicable, put N/A or \$0.	
3. Copies (not originals) of Income and Asset Documentation <u>for each homeowner on title*</u> , as follows: <ul style="list-style-type: none"> a. Two (2) most recent signed federal income tax returns (Form 1040) with all schedules and W-2s attached; b. Three (3) most recent consecutive paycheck or benefit stubs, not more than 90 days old; c. Two (2) most recent monthly statements for all bank or credit union accounts, investment accounts, retirement accounts, or any other financial accounts of each applicant, not more than 90 days old; d. Evidence that borrower has sufficient liquid assets to set aside a two-month reserve for PITI (principal, interest, property taxes and insurance) at closing based on the proposed new loan amount and current information on taxes and insurance; e. Completed and Signed Refinance Application Form (attached) 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
4. Current appraisal of home, with note: This is an affordable housing unit subject to resale restrictions of the County of Santa Cruz". Appraisal shall indicate current appraised market value (as if not restricted).	<input type="checkbox"/>
5. A current credit report for each owner on title* (provided by Lender)	<input type="checkbox"/>
6. Forms 1003 and 1008 (provided by Lender)	<input type="checkbox"/>
7. All Preliminary Disclosures (provided by Lender)	<input type="checkbox"/>
8. Long Form Title Report (provided by Escrow Officer)	<input type="checkbox"/>
9. Estimated HUD-1 Borrower's Settlement Statement (provided by Escrow Officer)	<input type="checkbox"/>

** If this refinance application is being made in conjunction with a divorce, inheritance, or other exempt transfer in which one or more of the original home owners will be removed from title and only the remaining owner(s) will be the borrower on the refinance loan, the income and asset documentation listed above will be required only of the remaining home owner(s) and borrower on the proposed refinance loan. However, County staff, in its sole discretion, may require submittal of any documentation necessary from the party(ies) being removed from title in the event of any outstanding compliance case related to the home, or as may be needed to adequately review and underwrite the proposed refinance loan and prepare escrow documents.*

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