Frequently Asked Questions (continued)
Maximum Sales Price Calculation—Low Income

Cerritos Senior Housing
Maximum Sale Price Calculation

Unit Address:	*12345 Senior Housing Circle, Unit B*
APN:	*1234-567-890*
Number of Bedrooms:	*2*
Income Level for Unit:	*Low Income*

Last updated: 2024

Calculation ❶   Based on the change in the Consumer Price Index (CPI)

Initial sale price of home:	$101,565	(A)
Original sale date:	Dec-1999	

CPI for LA/Riverside/Orange County
http://www.bls.gov/cpi/

Original sale date:	Dec-1999	167.300	(B)
Today's date:	Apr-2024	332.572	(C)
Percentage Growth:		98.79%	(D) = (C - B) / B

Adjusted Sale Price based on CPI	**$201,899**	(E) = (A) x (1 + D)

Calculation ❷   Based on Median Income Standards

2024 LA County Median Income (LACMI):	For a 1-bedroom unit:	$78,550
	For a 2-bedroom unit:	$88,400

Identify the Maximum Annual
Housing Expense for the subject unit:

For a 1-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	$11,783
Low	30% x 70% LACMI	$16,496
Moderate	35% x 110% LACMI	$30,242

Reference California
Health and Safety Code §50053(b)

For a 2-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	$13,260
Low	30% x 70% LACMI	$18,564
Moderate	35% x 110% LACMI	$34,034

Maximum Annual Housing Expense:	$18,564	*Based on inputs and tables above*
Maximum Monthly Housing Expense:	$1,547	(F)
Annual Property Taxes	$1,934	*https://vcheck.ttc.lacounty.gov/*

Less Allowable Monthly Expenses:

Monthly Property Taxes	$161	
Maintenance and Repairs	$30	*Estimate*
Association Fees	$185	*Contact HOA*
Gas and Electric	$50	*Estimate*
Total	$426	(G)

Total Available for Principal and Interest (monthly)	$1,121	(H) = G - F

Estimate of Loan Amount

Length of Term (years)	30	
Interest Rate	7.21%	https://www.bankrate.com
Loan Principal	$164,958	(I) = (Present Value Function)
Less Closing Costs (2%)	($3,299)	(J) = I x 0.02
Loan Value	$161,659	(K) = J - I
Downpayment at 20%	$32,332	(L) = K x 0.2
Adjusted Sale Price based on Income Standards	**$193,991**	(M) = K + L

Maximum Sale Price

The maximum sale price is equal to the lesser of ❶ and ❷.

❶	$201,899	
❷	$193,991	*<-- Lesser*
Maximum Sale Price	**$193,991**	Calculated: 5/16/2024