

Frequently Asked Questions (continued)

Maximum Sales Price Calculation—Moderate Income

Cerritos Senior Housing
Maximum Sale Price Calculation

Unit Address: **12345 Senior Housing Circle, Unit B**

APN: **1234-56-789**

Number of Bedrooms: **2**

Income Level for Unit: **Moderate Income**

Calculation ❶

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

Initial sale price of home: **\$127,794** (A)
Original sale date: **Apr-2000**

CPI for LA/Riverside/Orange County (<http://www.bls.gov/cpi/>)

Original sale date: Apr-2000 **170.600** (B)
Today's date: **Mar-2025** **340.648** (C)
Percentage Growth: **99.68%** (D) = (C - B) / B

Adjusted Sale Price based on CPI **\$255,175** (E) = (A) x (1 + D)

Calculation ❷

Based on Median Income Standards

2025 LA County Median Income (LACMI):

For a 1-bedroom unit: **\$85,300**
For a 2-bedroom unit: **\$95,950**

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	\$12,795
Low	30% x 70% LACMI	\$17,913
Moderate	35% x 110% LACMI	\$32,841

*Reference California
Health and Safety Code §50053(b)*

For a 2-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	\$14,393
Low	30% x 70% LACMI	\$20,150
Moderate	35% x 110% LACMI	\$36,941

Maximum Annual Housing Expense: **\$36,941** *Based on inputs and tables above*
Maximum Monthly Housing Expense: **\$3,078** (F)
Annual Property Taxes **\$2,289** <https://wcheck.ttc.lacounty.gov/>

Less Allowable Monthly Expenses:

Monthly Property Taxes **\$191**
Maintenance and Repairs **\$30** *Estimate*
Association Fees **\$185** *Contact HOA*
Gas and Electric **\$50** *Estimate*
Total **\$456** (G)

Total Available for Principal and Interest (monthly) **\$2,623** (H) = G - F

Estimate of Loan Amount

Length of Term (years) **30**
Interest Rate **5.880%** <https://www.bankrate.com>

Loan Principal **\$443,121** (I) = (Present Value Function)
Less Closing Costs (2%) **(\$8,862)** (J) = I x 0.02
Loan Value **\$434,259** (K) = J - I
Downpayment at 20% **\$86,852** (L) = K x 0.2

Adjusted Sale Price based on Income Standards **\$521,111** (M) = K + L

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

❶ **\$255,175** <— Lesser

❷ **\$521,111**

Maximum Sale Price **\$255,175**

Calculated: 5/9/2025