CITY OF CERRITOS

Affordable Senior Housing Resale Guidelines and Procedures

Department of Community Development

Emerald Villas
Opened in 2000

Pioneer Villas
Opened in 2001

Fountain Walk
Opened in 2007

Cerritos Affordable Housing Program — Community Information

The City of Cerritos/former Cerritos Redevelopment Agency has developed an award winning affordable housing program in response to the demand for affordable senior housing in the community. Affordable housing in Cerritos is reserved for low- to moderate-income seniors age 62 or older. Emerald Villas, Pioneer Villas, and Fountain Walk contain multipurpose rooms for group activities, parties, and other community events. In addition, each senior housing community contains a community pool or spa, park-like landscaping and meandering pathways.

Resale Procedures

In the event that an existing senior housing community homeowner within one of the City's senior housing communities would like to sell his/her home, the following is an illustrative example of the resale procedure:

Step #1
Contact City to notify staff of the intent to sell the unit

Step #2
Application and maximum sale price provided to seller

Step #3
Seller must find a qualified senior with the intent to buy the unit

Step #4
Buyer and seller complete the City's Resale Application

Step #5
Preliminary review of Resale Application

Step #6
Final sale documentation is submitted to City

Step #7
Final approval letter provided to buyer by City

Step #8
Proceed with sale and close of escrow

Continued to Next Page

For assistance, please contact:
Department of Community Development at **(562) 916-1366**
www.cerritos.gov/affordablehousing

Continued from Previous Page

Emerald Villas

Pioneer Villas

Fountain Walk

Resale Procedures (continued)

Step #1: Current Homeowner (seller) to contact and notify City staff of the intent to sell unit: The seller must immediately contact staff at (562) 916-1201 if he/she wishes to sell his/her affordable senior housing unit. City staff will assist sellers with the resale process.

Step #2: Application and maximum sales price provided to seller: Once the seller has notified the City of his/her intent to sell a unit, the City's resale application and maximum sales price is provided to the seller.

Step #3: Seller must find a qualified senior with the intent to buy the unit: The seller has the potential to sell to any buyer that meets applicable age and income requirements, as qualified and approved by the City, prior to any resale transaction.

Step #4: Buyer and Seller complete the City's Resale Application: Once a prospective buyer is selected by the seller, the buyer and seller must fill out the City's Resale Application and submit to the City for review.

Step #5: Preliminary review of Resale Application: Upon receipt of an application by the City, the application will undergo a review for eligibility verification by the City. A preliminary approval or denial will be issued for the buyer.

Step #6: Final sale documentation is submitted to City: If an approval is issued by the City, the seller and buyer must submit final sale documentation to the City. Sale documentation includes a purchase contract between the seller and the buyer and a copy of escrow instructions.

Step #7: Final approval letter provided to buyer by City: When the buyer has submitted all necessary final sale documentation, the City will provide the buyer with a final approval letter and the buyer and seller can proceed with the sale of the unit.

Step #8: Proceed with the sale and close of escrow: Upon final approval, the keys and possession of the unit may be transferred to the new City-approved owner.

Contact Information

For additional information regarding the City's Affordable Senior Housing Program, please contact:

Department of Community Development
18125 Bloomfield Avenue, Cerritos, CA 90703
Phone: (562) 916-1366, www.cerritos.gov/affordablehousing

Continued to Next Page

Continued from Previous Page

FREQUENTLY ASKED QUESTIONS

1. Does Cerritos have any existing affordable housing communities?

Yes. There are currently three existing for-sale senior housing communities in Cerritos (Emerald Villas, Pioneer Villas, and Fountain Walk) and one for-rent assisted living community (Ivy Park at Cerritos). At each of the for-sale senior housing communities, there are affordable units and market rate units.

2. What is an affordable unit?

An affordable unit is an income restricted unit designated for persons with either very low-, low-, or moderate household income levels. The maximum household income applicable to each income level is periodically determined by the State of California. Below is a table of the 2026 State Income Limits for Los Angeles County for households containing 1, 2, or 3 persons, as applicable. In order to be eligible based on income, the total annual household income cannot exceed the following state income limits.

Income Category	2026 Income Category Limits		
	1	2	3
Very Low Income	$58,300	$66,500	$74,950
Low Income	$93,300	$106,600	$119,950
Moderate Income*	$93,300	$106,600	$119,950

**For the 2026 State Income Limits, HCD adopted an adjustment to Los Angeles County's moderate-income limit, setting the moderate income limits to equal the low-income limit, for counties where the low-income limits exceed 120% of the county's Area Median Income (AMI).*

3. Am I eligible to purchase affordable senior housing in Cerritos?

In order to be eligible to purchase a unit at any of the City's senior affordable housing communities, the potential buyer must be at least age 62 years or older and meet the income restrictions applicable to the unit.

4. Do I have to be a Cerritos resident to be eligible to purchase a unit?

No, City of Cerritos residency is not required.

Continued to Next Page

Continued from Previous Page

FREQUENTLY ASKED QUESTIONS

5. Does the City of Cerritos have a waiting list?

No. The City of Cerritos does not maintain a waiting list or an eligibility list to purchase an affordable senior housing unit.

6. Is there a list of residents who are planning to sell an existing unit?

No. The City of Cerritos does not maintain a list of units for sale or potential units to be sold.

7. Can my unit be rented out?

No. All housing units must be owner-occupied and renting out of a unit is prohibited.

8. Can a homeowner transfer ownership of an affordable unit to his/her children or other family members?

There is no general right to transfer an affordable unit to one's children or other family members. A current owner may transfer ownership of his/her unit to a child or family member only if the new owner meets the age and income requirements necessary to be eligible. A transfer of ownership must always be approved by the City prior to the transfer.

9. If a homeowner passes away, what will happen to his/her senior housing unit?

If a current homeowner passes away and does not have a legal spouse residing in the unit, the unit will be subject to the following conditions: (i) the personal representative or trustee, as identified on the homeowner's trust instrument or personal will, will be responsible for the re-selling of the unit, or (ii) if no one has been designated as the personal representative, the homeowner's unit may go through probate court. The probate court will appoint a personal representative to administer the unit and coordinate its resale. Any such unit must be resold to a qualifying senior household and may not be occupied by individuals who do not meet the required qualifications.

10. If I own an existing home and I wish to purchase an affordable senior housing unit, can I own both properties?

No. Anyone wishing to purchase an affordable senior housing unit may not own any additional residential real property at the time of purchase. If a potential buyer owns an existing residence, he/she will be required to sell the current residence prior to the purchase of an affordable senior housing unit.

11. Is there a maximum resale price for the affordable units?

Yes. Each unit's maximum resale price for the affordable units is determined according to state law and the covenants and restrictions recorded against the unit. The maximum resale price is provided to the seller by the City upon notification of the intent to sell his/her affordable unit.

Continued to Next Page

Continued from Previous Page

FREQUENTLY ASKED QUESTIONS

12. How is the maximum resale price determined?

The maximum resale price will be the lesser of (i) the purchase price originally paid for the unit by the seller, increased by the percentage increase in the Consumer Price Index (CPI) between the owner's acquisition of the unit and the date of the proposed resale, or (ii) the sales price as determined pursuant to California Health and Safety Code Section §50053(b) for an affordable unit of the applicable income restricted level, as such amount is determined by the City of Cerritos. Attached on pages 7-9 of this informational packet are examples of the maximum sales price calculations for very-low income, low-income, and moderate income units. Please note that these calculations serve as examples, and an actual maximum sales price will be determined on a unit by unit basis.

13. Can the buyer pay the seller's closing cost? Can the buyer pay the seller's side of the commission?

The maximum sales price is the maximum amount that may be charged by the seller, directly or indirectly, for the sale of the unit. The seller may not add any additional fees, charges, commissions or other consideration to be received by the seller, directly or indirectly, in exchange for transfer of the residential unit. Any such fees, charges, commissions or other consideration will be added to the amount of the gross salesprice being paid by the buyer and the gross sales price may not, directly or indirectly, exceedthe maximum sales price.

For example, a unit with a maximum sales price of **$116,659** (see attached sample—Very Low Income unit) does not include closing costs, commission and any other real estate transactional related fees. The City will review the purchase contract between the buyer and seller to determine that the unit is sold at the maximum sales price. In addition, the buyer may not pay for the seller's closing costs and the buyer may not pay for the seller's portion of any commissions.

14. Can I refinance my unit?

You may only refinance with City approval. When refinancing, your new loan may not exceed the outstanding principal balance of the loan being refinanced, except in very limited circumstances.

15. Can I place my unit in a family trust?

Yes, homeowners may place their unit in a family trust upon receipt of prior City approval. All family trusts must be reviewed and approved by the City Attorney and homeowners are required to submit a copy of the draft trust to the City. Any changes to a family trust must be approved by the City Attorney.

Continued to Next Page

Continued from Previous Page

FREQUENTLY ASKED QUESTIONS

16. If I want to create a family trust for an affordable unit, what language does the City recommended to include in the draft document?

The City recommends sample language to ensure that the units are sold from an approved senior to another qualified senior. Additionally, the City does not want these affordable units to have a recorded trust that requests a unit to be sold or gifted to children, grandchildren, family members, or other persons who are not qualified based on age and income requirements.

A family trust may have the following language and shall be submitted to the City of Cerritos for approval prior to any transfer or change in property title:

"Notwithstanding anything herein to the contrary, the trust estate property consisting of (address of affordable unit) shall be sold upon the death of Settlor to a qualifying purchaser approved by the City of Cerritos in accordance with the City restrictions recorded against the property (Covenants, Conditions and Restrictions and Right of First Refusal), and the net proceeds of such sale distributed to (name of beneficiaries) in equal shares, per capita."

This sample language will ensure that the family trust is in compliance with the City's affordable housing program requirements. If a family trust was completed without prior City approval, the trust should be amended with similar language and submitted to the City to ensure that the trust is in compliance with City requirements. Please contact the City for additional questions regarding the creation of a family trust or existing family trust.

Contact Information

For additional information regarding the City's Affordable Senior Housing Program, please contact:

Department of Community Development

18125 Bloomfield Avenue, Cerritos, CA 90703

Phone: (562) 916-1366, www.cerritos.gov/affordablehousing

Continued to Next Page

MAXIMUM SALES PRICE CALCULATION - VERY LOW INCOME

Cerritos Senior Housing
Maximum Sale Price Calculation

NOTE: Fill in only the ***yellow*** *cells.*

Unit Address:	*12345 Very Low Income Unit*
APN:	*1234-567-890*
Number of Bedrooms:	*1*
Income Level for Unit:	*Very Low Income*

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

Initial sale price of home:		$55,741	(A)
Original sale date:		Feb-2000	
CPI for LA/Riverside/Orange County			
http://www.bls.gov/cpi/			
Original sale date:	Feb-2000	169.300	(B)
Today's date:	Jun-2026	354.325	(C)
Percentage Growth:		109.29%	(D) = (C - B) / B
Adjusted Sale Price based on CPI		**$116,659** ❶	(E) = (A) x (1 + D)

Calculation ❷ Based on Median Income Standards

2026 LA County Median Income (LACMI): For a 1-bedroom unit: $86,500
For a 2-bedroom unit: $97,300

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	$12,975
Low	30% x 70% LACMI	$18,165
Moderate	35% x 110% LACMI	$33,303

Reference California Health and Safety Code §50053(b)

For a 2-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	$14,595
Low	30% x 70% LACMI	$20,433
Moderate	35% x 110% LACMI	$37,461

Maximum Annual Housing Expense:	$12,975	*Based on inputs and tables above*
Maximum Monthly Housing Expense:	$1,081	(F)
Annual Property Taxes	$1,274	*https://vcheck.ttc.lacounty.gov/*
Less Allowable Monthly Expenses:		
Monthly Property Taxes	$106	
Maintenance and Repairs	$30	*Estimate*
Association Fees	$165	*Contact HOA*
Gas and Electric	$50	*Estimate*
Total	$351	(G)
Total Available for Principal and Interest (monthly	$730	(H) = G - F
Estimate of Loan Amount		
Length of Term (years)	30	
Interest Rate	6.620%	https://www.bankrate.com
Loan Principal	$114,079	(I) = (Present Value Function)
Less Closing Costs (2%)	($2,282)	(J) = I x 0.02
Loan Value	$111,797	(K) = J - I
Downpayment at 20%	$22,359	(L) = K x 0.2
Adjusted Sale Price based on Income Stand	**$134,157** ❷	(M) = K + L

Maximum Sale Price

The maximum sale price is equal to the lesser of ❶ and ❷. **$116,659** Calculated: 7/16/2026

For assistance, please contact::
Department of Community Development at **(562) 916-1366**
www.cerritos.gov/affordablehousing

MAXIMUM SALES PRICE CALCULATION - LOW INCOME

Cerritos Senior Housing
Maximum Sale Price Calculation

*NOTE: Fill in only the **yellow** cells.*

Unit Address: *12345 Very Low Income Unit*
APN: *1234-567-890*
Number of Bedrooms: 2
Income Level for Unit: *Low Income*

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

Initial sale price of home:		$101,565	(A)
Original sale date:		Feb-2000	
CPI for LA/Riverside/Orange County			
http://www.bls.gov/cpi/			
Original sale date:	Feb-2000	169.300	(B)
Today's date:	Jun-2026	354.325	(C)
Percentage Growth:		109.29%	(D) = (C - B) / B
Adjusted Sale Price based on CPI		**$212,564**	❶ (E) = (A) x (1 + D)

Calculation ❷ Based on Median Income Standards

2026 LA County Median Income (LACMI):
For a 1-bedroom unit: $86,500
For a 2-bedroom unit: $97,300

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	$12,975
Low	30% x 70% LACMI	$18,165
Moderate	35% x 110% LACMI	$33,303

Reference California Health and Safety Code §50053(b)

For a 2-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	$14,595
Low	30% x 70% LACMI	$20,433
Moderate	35% x 110% LACMI	$37,461

Maximum Annual Housing Expense:	$20,433	*Based on inputs and tables above*
Maximum Monthly Housing Expense:	$1,703	(F)
Annual Property Taxes	$2,193	*https://vcheck.ttc.lacounty.gov/*
Less Allowable Monthly Expenses:		
Monthly Property Taxes	$183	
Maintenance and Repairs	$30	*Estimate*
Association Fees	$185	*Contact HOA*
Gas and Electric	$50	*Estimate*
Total	$448	(G)
Total Available for Principal and Interest (monthly	$1,255	(H) = G - F
Estimate of Loan Amount		
Length of Term (years)	30	
Interest Rate	6.620%	https://www.bankrate.com
Loan Principal	$196,100	(I) = (Present Value Function)
Less Closing Costs (2%)	($3,922)	(J) = I x 0.02
Loan Value	$192,178	(K) = J - I
Downpayment at 20%	$38,436	(L) = K x 0.2
Adjusted Sale Price based on Income Stand	**$230,613**	❷ (M) = K + L

Maximum Sale Price
The maximum sale price is equal to the lesser of ❶ and ❷. **$212,564** Calculated: 7/16/2026

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MAXIMUM SALES PRICE CALCULATION - MODERATE INCOME

Cerritos Senior Housing
Maximum Sale Price Calculation

NOTE: Fill in only the ***yellow*** *cells.*

Unit Address: *12345 Very Low Income Unit*
APN: *1234-567-890*
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:		$229,000	*(A)*
Original sale date:		Dec-2007	
CPI for LA/Riverside/Orange County			
http://www.bls.gov/cpi/			
Original sale date:	Dec-2007	219.373	*(B)*
Today's date:	Jun-2026	354.325	*(C)*
Percentage Growth:		61.52%	*(D) = (C - B) / B*
Adjusted Sale Price based on CPI		**$369,874**	❶ *(E) = (A) x (1 + D)*

Calculation ❷ **Based on Median Income Standards**

2026 LA County Median Income (LACMI): For a 1-bedroom unit: $86,500
For a 2-bedroom unit: $97,300

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	$12,975
Low	30% x 70% LACMI	$18,165
Moderate	35% x 110% LACMI	$33,303

Reference California Health and Safety Code §50053(b)

For a 2-bedroom unit:

	Income Factor	Maximum Housing Expense
Very Low	30% x 50% LACMI	$14,595
Low	30% x 70% LACMI	$20,433
Moderate	35% x 110% LACMI	$37,461

Maximum Annual Housing Expense:	$37,461	*Based on inputs and tables above*
Maximum Monthly Housing Expense:	$3,122	*(F)*
Annual Property Taxes	$3,862	*https://vcheck.ttc.lacounty.gov/*
Less Allowable Monthly Expenses:		
Monthly Property Taxes	$322	
Maintenance and Repairs	$30	*Estimate*
Association Fees	$457	*Contact HOA*
Gas and Electric	$50	*Estimate*
Total	$859	*(G)*
Total Available for Principal and Interest (monthly	$2,263	*(H) = G - F*
Estimate of Loan Amount		
Length of Term (years)	30	
Interest Rate	6.620%	https://www.bankrate.com
Loan Principal	$353,585	*(I) = (Present Value Function)*
Less Closing Costs (2%)	($7,072)	*(J) = I x 0.02*
Loan Value	$346,513	*(K) = J - I*
Downpayment at 20%	$69,303	*(L) = K x 0.2*
Adjusted Sale Price based on Income Stand	**$415,816**	❷ *(M) = K + L*

Maximum Sale Price
The maximum sale price is equal to the lesser of ❶ and ❷. **$369,874** Calculated: 7/16/2026

For assistance, please contact::
Department of Community Development at **(562) 916-1366**
www.cerritos.gov/affordablehousing

Continued from Previous Page

Additional Housing Resources

Los Angeles County Development Authority

700 West Main Street Alhambra, CA 91801
Phone: (626) 262-4511
Telecommunications Device for the Deaf (TDD): (626) 943-3898

Orange County Housing Authority

1501 E. St. Andrew Place Santa Ana, CA 92705
Phone: (714) 480-2700

Contact Information

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Continued to Next Page