



Pathway to Homeownership Closing Costs Assistance Grant

PROGRAM GUIDELINES

The Pathway to Homeownership Closing Cost Grant Program (“Program”) is intended to provide closing cost grants of up to \$10,000 each to First-Time Homebuyers who are members of an Underserved Community and are using the proposed grant to purchase a property in California.

Program Criteria:

- Recipient must be a First-Time Homebuyer. “First-Time Homebuyer” means an individual (and all co-buyers on the property purchase contract, if any) who has had no ownership interest in any real property in any location during the last three (3) years.
- Recipient (one individual if two or more will be purchasing together) must be a member of an Underserved Community. “Underserved Community” includes: (i) people of color; (ii) persons with disabilities¹ (physical, cognitive, or mental); or (iii) lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons.
- The property being purchased by Recipient must be a single-family residence (including a manufactured home or mobile home if affixed to property, a single-family residential unit in a condominium, cooperative or planned unit development, or a single-family residential one to four (1-4) unit property) in California.
- The purchased property must not have an affordable housing deed restriction that prevents the public resale of the property by Recipient due to a shared equity provision.
- Recipient’s income must be no more than 120% of the Area Median Income (“AMI”) as set forth by the California Department of Housing Community Development.
- Recipient must be represented by a member of the California Association of REALTORS® in the transaction.
- Recipient must certify they intend to move into the property within 60 days of close of escrow and occupy the property as their principal residence for at least three (3) years.
- To purchase the property, Recipient must have used financing consistent with the National Association of REALTORS® Responsible Lending Criteria (currently found at <https://www.nar.realtor/credit-policy/responsible-lending-policy-why-do-realtors-seek-to-prevent-abusive-lending#.Y2kzu4WbOkE.gmail>) which prevents abusive lending and supports responsible lending principles. Recipient must not have paid all-cash for the purchase. Exceptions may be allowed subject to Grantor’s prior written approval if Recipient used any alternative financing.
- Recipient must be left with no more than \$20K in savings after the purchase.

¹ An individual with a disability is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities.

- Recipient cannot receive any cash back from the transaction, including but not limited to, earnest money deposit ("EMD"), gifts, rebates, excess financing beyond actual costs, and refunds upon closing. For example, Recipient's Cash to Close amount on the Final Closing Disclosure ("FCD") cannot be a negative amount after all other sources of funds have been included.
- Program Grant Funds must be allocated and distributed as the final source of funds required to complete the transaction in compliance with program criteria. All other sources of funds, including but not limited to, EMD, all loans, down payment assistance, gifts, and other grants, must be accounted for and distributed prior to allocation and distribution of the Program Grant Funds.
- Directors, officers, and employees of Grantor, Grantee, and each of their respective subsidiaries and affiliates, and members of their immediate families (spouses, children, parents, and siblings) are not eligible to be Recipients.
- REALTORS® and their immediate families (spouses, children, parents, and siblings) are not eligible to be Recipients.
- Grantee shall not give any preferential treatment or consideration to potential Recipients that are represented by Grantee's in-house, affiliated, or preferred California REALTORS® over potential Recipients represented by any other member of the California Association of REALTORS®.