



**FOR IMMEDIATE RELEASE**

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<b>Contact:</b>	Steve Hernandez	Walter Zhovreboff
	City of Pleasanton	BAAHA
	925.931.5007	415.601.8749
	shernandez@cityofpleasantonca.gov	z@myhomegateway.com

### **CITY OF PLEASANTON'S FIRST-TIME HOMEBUYER DOWN PAYMENT ASSISTANCE LOAN PROGRAM LOTTERY NOW OPEN**

The City of Pleasanton is inviting eligible first-time homebuyer households to participate in a lottery to secure funding from Pleasanton's Down Payment Assistance Loan Program (PDALP). PDALP is offering up to a \$100,000 down payment assistance loan to assist eligible first-time homebuyers to purchase a home in the City of Pleasanton. The loan has up to a 30-year term, during which time no payments on the loan are required. The loan is repaid with shared appreciation either at the end of the term or at the time the property is sold/transferred, or refinanced; whichever comes first.

Eligible homebuyers must meet the following Program requirements to participate in an upcoming lottery:

- All household members must be first-time homebuyers – have not had a partial or a full ownership interest in a real property for three years prior to their Program application.
- Gross household income is based on household size, cannot exceed 120% of Alameda County's area median income.
- A program participant must have the financial wherewithal to secure first lender approval to purchase a home. PDALP financial-related requirements include and are not limited to: at least a 660 FICO score, at least 3% of the property purchase price for a down payment, and up to 2% of the purchase price in reserves. Funds for the down payment and reserves must be available in a financial institutional account. Applicants/participants may also secure gift funds from a 1st line relative. Gift funds must be sourced in a financial institutional account.
- Lottery winners will be required to provide a certificate for completing a HUD-approved homebuyer education course prior to the close of the purchase. Households do not have to complete the HUD course to submit an application for the PDALP Program lottery.

The amount of loan provided through the PDALP will be based on the homebuyer's financial qualifying needs; but cannot exceed \$100,000 or 20% of the property purchase price, whichever is less. Supplemental subsidies may also be available to eligible buyers through other private and public subsidy programs.

The amount of shared appreciation applied when the loan is paid off is based on the percentage of the principal loan amount provided through the PDALP at the time of purchase, in relation to the purchase price of the property. For example, a \$70,000 PDALP loan on a \$700,000 property will require for the PDALP

borrower to add 10% of the profit they make on their property, to their original principal balance of \$70,000. For example, if the PDALP participant had made a \$100,000 profit on the property, they would be required to pay back the \$70,000 loan amount plus \$10,000 (10% of \$100,000) in shared appreciation for a total payment of \$80,000.

All households who meet the above referenced PDALP eligibility requirements are invited to apply to participate in the PDALP Lottery. PDALP will provide lottery preferences to households that live and/or work in the City of Pleasanton. The City of Pleasanton has contracted with a non-profit organization, the Bay Area Affordable Homeownership Alliance (BAAHA) to administer the PDALP.

Lottery applications must be submitted to BAAHA by no later than **5:00 pm on Wednesday, March 23, 2022**. To get more information on the PDALP and to secure a Lottery Application, visit BAAHA's website at <https://www.myhomegateway.org/pleasanton-down-payment-assistance-program-1.html>. You can also direct PDALP related questions to BAAHA by emailing them @ [info@myhomegateway.com](mailto:info@myhomegateway.com).