Why Prop 37 Matters:

Building Homeownership Opportunities

YES ON PROP 37
REALTOR® PARTY of CALIFORNIA

For too many working and middle-income Californians, homeownership is increasingly out of reach, because it is difficult to save for the down payment. For those that are ready to buy a home, the shortage of homes continues to limit opportunities for would-be homeowners.

Prop 37 takes on both challenges, helping qualified Californians overcome the down-payment barrier while encouraging the construction of more new homes across the state.

Helping More Californians Overcome the Down-Payment Barrier

Many working and middle-income Californians can afford a monthly mortgage payment but struggle to save enough for a traditional 20% down payment.

What Does the Down-Payment Barrier Look Like?

Median California home price

$930K

$186K *20% down payment* VS. **$28K** *3% down payment*

Proposition 37 authorizes up to $25 billion in revenue bonds to provide fixed-rate financing of up to 17% of the purchase price of a qualified new home. Eligible buyers must contribute at least 3% of the purchase price themselves.

The result: a new pathway to homeownership for qualified middle-income Californians who have been held back by the upfront cost of buying a home.

More Homes for California

California doesn't just need more pathways to homeownership. We need more homes. Proposition 37 applies to qualified new homes, helping eligible Californians purchase newly constructed housing while encouraging the development of more homes across the state.

If passed, Prop 37 is expected to spur the construction of more than 190,000 new homes, expanding the supply of homes available to California families.

No Direct Cost to Taxpayers

Prop 37 is funded through revenue bonds, not general obligation bonds.

The program would authorize $25 billion through revenue bonds purchased by private investors – not taxpayers. Participating homeowners would repay the bonds – not the state's General Fund.

California's Legislative Analyst and Department of Finance estimate "no direct state or local costs."

Clear Program Eligibility Requirements

Prop 37 includes clear eligibility requirements to ensure the loans benefit qualified California homebuyers. Eligible buyers must:

- Must be a California resident.
- Income up to 200% of the Area Median Income (AMI).
- Must be an eligible buyer with at least 3% down.
- Must occupy the home as a primary residence.
- Home must be eligible new construction
- Price of the home must not exceed 125% of FHFA conforming loan limit ($1.5M cap).

Strong Oversight & Consumer Protections

Prop 37 includes safeguards to ensure the program is responsibly managed and homebuyers are protected.

- Annual audits provide transparency and accountability, tracking the loans made and the program's financial health and potential risks.
- Strong consumer protections help ensure homebuyers are treated fairly, including protections against discriminatory or unfair lending practices, strict limits on lender fees, and no penalty for paying off a loan early.
- Buyers must be represented by a licensed California real estate professional.

YES ON PROP 37

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CALIFORNIA ASSOCIATION OF REALTORS®

REALTORS®: Help Get Prop 37 Passed

C.A.R. is proud to sponsor Proposition 37.
Now we're asking California REALTORS® to help get it passed.

Get the Facts.

Learn about Proposition 37 and why C.A.R. sponsors it.

Share Your Support.

Spread the word to fellow REALTORS®, clients, friends, and family and get them to vote YES.

Vote Yes on Prop 37.

Make the REALTOR® voice heard on November 3.

Become a Yes on 37 C.A.R. Ambassador

VoteYesOn37.CAR.org