



## Affordable Home Ownership Guidelines for Buyers

The City of Davis Affordable Home Ownership Program offers an opportunity for income and asset qualified households to purchase a home locally at below market cost.

- The program does NOT provide loan or down assistance.
- Individuals must be able to obtain a loan and any necessary down payment required by the lender and afford the mortgage payment.

Please use the [Affordable Ownership](#) information link to learn more about the program and find resources for first-time homebuyers. The City of Davis recommends finding a lender and receiving pre-approval for a home loan before shopping for a home as well as using a real estate agent to help you through the homebuying process. The City of Davis does not make recommendations on finding a lender or realtor. However, we do have a list of CalHFA Approved Lenders in Davis that work with first-time homebuyers. If you are not using a CalHFA loan, feel free to use any lender.

Home sales are determined by the order of the waitlist, ability to qualify, and interest in making the purchase.

### STEPS TO PURCHASING AN AFFORDABLE HOME THROUGH THE CITY OF DAVIS

➤ **STEP ONE: INDIVIDUALS ON THE AFFORDABLE HOME OWNERSHIP WAITLIST WILL BE NOTIFIED THAT AN AFFORDABLE HOME IS FOR SALE**

Potential buyers from the Affordable Home Ownership Waitlist will be contacted by the City of Davis in Waitlist order by their preferences (2 or 3 bedroom). Then they will have 3 business days to look at the property **AND** let the City of Davis know if they are interested in purchasing the home. If we do not hear back from you, this will be considered one pass. After three passes you will be removed from the Waitlist. It is your responsibility to keep the City of Davis notified of all email and phone number changes and to check your email regularly.

➤ **STEP TWO: INCOME AND ASSET QUALIFY**

Persons interested in purchasing will then proceed through the income and asset qualification process with the City of Davis. Potential buyers should NOT send any documents to the City of Davis without being requested to submit these documents.

Once you let the City of Davis know you are interested in purchasing the home, the City of Davis will send you a Drop Box link to send your documents. You will have 3-business days to return all required documents necessary to income and asset qualify. If the City of Davis will begin income and asset qualifying potential buyers in order of completed document packages received. **If we do not receive your documents or hear from you further regarding the purchase of the property, this will be considered one pass.** Potential buyers who pass three times on a home of their stated preference (2 or 3 bedroom) will be removed from the Waitlist. You may rejoin the Waitlist after 24 hours by completing a new Waitlist Questionnaire. You will then be placed at the bottom of the Waitlist.

The City of Davis will continue working with potential buyers and qualifying them to purchase the property until we have at least one individual who wants to purchase the property and is qualified to do so. Those returning all the necessary documents first will have an advantage. This is why it is important to have a pre-approval from a lender and have your documents ready to send before being notified that an affordable home is for sale. If you have been determined to be ineligible for the program your name will be removed from the Waitlist unless you can send additional documents indicating that you qualify.

- **STEP THREE: CITY OF DAVIS INFORMS THE SELLER OF THE ELIGIBLE BUYERS**  
The City of Davis provides eligible buyers to the seller and notifies ineligible buyers that they have been denied. At this time, eligible buyers will present their offer to the seller. The seller has up to 72 hours to determine, if there is more than one buyer, whom they will choose. If there is one buyer, the contract must be agreed upon and signed within 72 hours.
- **STEP FOUR: THE SELLER CHOOSES A BUYER**  
The seller will choose the buyer if there is more than one eligible person(s). **A fully executed purchase contract between the seller and buyer will be signed and returned to the City of Davis the day it is signed.** Please note that when preparing your offer, the buyer is not to be burdened with fees typically paid for by the seller. Until recently, this has included the seller paying the buyer's realtor's commission. In order to avoid making it more difficult for buyers to obtain an affordable home, this practice of the seller paying for the buyer's realtor's commission will remain the same.
- **STEP FIVE: CLOSING ESCROW**  
Escrow must close within 90 days of the home going on the market. Anyone wishing to close escrow in less than 30 days must first discuss this with the Affordable Housing Manager to determine whether this is possible.

Please see the Frequency Asked Questions handout for additional information and then address all questions to [affordablehousing@cityofdavis.org](mailto:affordablehousing@cityofdavis.org).

*Revised 8/27/24*