BALLOT TITLE AND SUMMARY

CREATES LOAN PROGRAM FOR MIDDLE-INCOME BUYERS OF QUALIFIED NEW HOMES. INITIATIVE STATUTE.

- Authorizes up to $25 billion in bonds to offer eligible buyers fixed-rate mortgages for up to 17% of the purchase price of a "qualified new home" (new construction or first sale of converted nonresidential property, priced below about $1 million–$1.5 million, depending on county, adjusted annually).
- Borrowers must be California residents for one year, occupy the home, earn less than twice the area's median income, and pay at least 3% down.
- Requires that bonds be repaid by homeowners' mortgage payments, not the State.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- No direct state or local costs.