



2023 DALP OPENING

MOHCD Homeownership Programs Announcement 2023-02

Date of Announcement: to be issued on May 15, 2023

Dear Valued Partners:

The Mayor’s Office of Housing and Community Development (MOHCD) of the City and County of San Francisco is excited to announce the opening of Downpayment Assistance Loan Program (DALP) for 2023.

DALP provides down payment assistance, in the form of a deferred payment loan up to \$500,000, to first-time homebuyers earning up to [200% of the Area Median Income](#) for the purchase of a market-rate principal residence in San Francisco. To apply for the program, interested buyers must complete the first-time homebuyer education and obtain pre-approval for the first mortgage loan. Reservations will be allocated through a [lottery process](#) and are subject to the availability of DALP funds.

The following information reflects details provided to you during the Partner Training on 3/24/2023. Please refer to this information when engaging with homebuyers to ensure potential applicants understand the DALP application process and program requirements. In addition, please advise homebuyers on other federal, state or bank financing programs they may be eligible for, as well as options for purchasing homes under the Below Market Rate Homeownership Program.

Program Funding Availability

The chart below describes the 2023 DALP funding allocation:

Funding Source	Available Balance	Applicants
DALP - Housing Trust Fund (120% AMI)	\$6,000,000	General Public
DALP - 2019 GO Bond (200% AMI)	\$6,000,000	General Public
FRDALP - Housing Trust Fund (200% AMI)	\$3,700,000	SF First Responders
Educators-DALP - 2019 GO Bond (200% AMI)	\$2,200,000	SFUSD Educators

FRDALP-Housing Trust Fund can only be used to provide down payment assistance loans to SF first responder households (i.e., active, uniformed members of the Police-Fire-Sheriff’s Department).

Similarly, *Educators-DALP* can only be used to provide down payment assistance loans to educator households, defined as educators employed by the San Francisco Unified School District (SFUSD).

First Responder and Educator households who are not selected in the lottery under the FRDALP and Educators-DALP funds can still be considered in the General DALP list under the DALP-Housing Trust Fund and DALP-2019 GO Bond if they meet the DALP requirements, including the AMI limit of the funding source.

Important Dates

May 15, 2023	Applications Open
July 14, 2023, 5pm	Application Deadline
August 1, 2023, 10am	DALP Lottery
August 8, 2023	Lottery Results Posted

2023 DALP Program Changes

The table below shows the key changes in the DALP program guidelines:

Program Attributes	2021 DALP	2023 DALP
<i>Maximum Loan Amount</i>	\$375,000	\$500,000
<i>Maximum Income</i>	175% AMI	200% AMI
<i>Borrower's Contribution</i>	3% down payment + closing costs	1% (towards down payment/closing costs)
<i>Combined Loan to Value</i>	97%	105%
<i>Min. Front-End Ratio</i>	33%	30%
<i>Max. Debt to Income Ratio</i>	43%	45%
<i>Min. Reserves</i>	3 months of PITIA	2 months of PITIA
<i>Max. Pre-Purchase Liquid Assets</i>	\$300,000	None
<i>Household Size (does not apply to FRDALP/EDALP)</i>	The size of a household must be no greater than the total number of bedrooms	The size of a household must be no greater than the total number of bedrooms PLUS one

The First Steps for DALP Buyers

Step 1: Complete First-Time Homebuyer Education — contact one of the MOHCD-approved first-time homebuyer counseling agencies to [complete first-time homebuyer education](#), and receive a Verification of First-Time Homebuyer Education. (Pre-application requirement)

Step 2: Get a first loan pre-approval — select an [MOHCD-approved lenders](#) to get a pre-approval on the first mortgage loan. (Pre-application requirement)

Step 3: Submit a complete lottery application by July 14, 2023 — MOHCD will place complete lottery applications received by the application deadline in the lottery pool. A lottery will be conducted to determine the rank order in which applications will be processed.

Processing Applications

Applications will be processed and approved in lottery rank order, by the following:

1. SFUSD Educators (from Educators-DALP funding pool)
2. First Responders (from FRDALP funding pool)
3. General DALP

More Information

More information can be found on the website at <https://sfmohcd.org/dalp>.

Please contact MOHCD Homeownership Programs at sfhousinginfo@sfgov.org with any further questions regarding this Announcement.