



City of Campbell Below Market Rate (BMR) Homeownership Program Overview

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The City of Campbell’s Below Market Rate (BMR) Homeownership Program offers income-eligible first-time buyers the opportunity to purchase homes at prices below market value.

BMR Owners must occupy the home as their primary residence for the full duration of the Program period (45–55 years) and comply with all Program resale and refinancing restrictions.

BMR Program eligibility is determined by three criteria: first-time homebuyer status; household income and size; mortgage qualification.

Preference is given to households that: (1) were displaced due to the demolition of their home between 2019 and the present; (2) work for the City of Campbell; (3) live in the City of Campbell; and/or (4) work in the City of Campbell. These preferences are not requirements for eligibility. All income-eligible households are encouraged to apply regardless of where they live or work.

Eligible purchasing households must meet the Santa Clara County income limits established by the [California Department of Housing and Community Development \(HCD\)](#), which are updated annually.

2025 Area Median Income (AMI) for Santa Clara County <small>(April 2025)</small>		
Household Size	Low Income 80% AMI	Moderate Income 120% AMI
1 person	\$111,700	\$164,000
2 persons	\$127,650	\$187,400
3 persons	\$143,600	\$210,850
4 persons	\$159,550	\$234,250
5 persons	\$172,350	\$253,000
6 persons	\$185,100	\$271,750
7 persons	\$197,850	\$290,450
8 persons	\$210,650	\$309,200

City of Campbell’s BMR Program will not discriminate against any applicants on the basis of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, physical or mental disability, or genetic information. Income Limits and Resale Restrictions apply.

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BMR Program Types

There are two types of BMR homeownership programs in Campbell: Inclusionary and Equity Share. In both programs, homes are initially sold to eligible buyers at prices below market value and limit how much equity the initial buyer may earn while preserving long-term affordability and supporting future BMR buyers.

Buyers in both Program types must comply with all resale and refinancing restrictions and affirm their compliance by signing a legally binding agreement that outlines the restrictions and Program term.

Inclusionary BMR Program

Homes are resold for an affordable sales price. Upon resale, the owner may earn a limited amount of equity based on a set resale formula, and the home must be resold to another income-qualified buyer approved by the Program. The Homebuyer Documents, an Excess Proceeds Note, a Performance Deed of Trust and a Resale Restriction Agreement have a term of forty-five (45) years and will require any future homebuyer to execute and record a new set of Homebuyer Documents.

Equity Share Program

Homes are resold to another income-qualified buyer approved by the Program. Upon resale, a portion of the sales proceeds is shared with the City in accordance with the Program's equity-sharing formula. The Homebuyer Documents, a Share Appreciation Promissory Note, a Performance Deed of Trust and a Resale Restriction Agreement will have a term of fifty-five (55) years and will require any future homebuyer to execute and record a new set of Homebuyer Documents.

Overview of the BMR Purchase Process

Participation in the Program requires completing a structured, multi-step application process designed to ensure fairness, transparency, and compliance with affordable housing regulations and Program Guidelines.

The BMR Program is intended for households that are ready to purchase a home in the near term.

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Step 1: Attend a BMR Ownership Workshop

Applicants must attend a mandatory BMR Ownership Program Workshop, held either virtually or in person. Attendance is required to move forward in the Program. Applicants can register for a Workshop here: www.housing-group.org/campbell

The workshop covers:

- Program eligibility requirements
- Who is included in a household
- The lottery and application process

Step 2: Obtain Mortgage Pre-Qualification

After attending the workshop, applicants must obtain a mortgage pre-qualification or pre-approval letter from a lender that meets the BMR Program’s lending requirements. A list of lenders may be found here: www.housing-group.org/campbell

Once pre-qualified for a first mortgage loan, applicants may enter the lottery for available BMR homes.

Step 3: Enter the Lottery

Who May Apply

All applications are welcome. While priority is given to households who were displaced because their homes were demolished, are employed by the City or live or work in Campbell, residency or employment in the City is not required. If no eligible Campbell residents or workers are available, households without a Campbell connection may still be offered a home.

Program Preferences

Applicants are ranked in the lottery based on Program preferences. Preferences are used only to establish ranking and do not guarantee selection or assignment to a specific home.

BMR PREFERENCE CRITERIA*		Required Documentation
Priority 1: Displaced by Demolition	You were displaced from your home because it was demolished.	The address of the building in Campbell where you lived that was demolished between 2019 and present.
Priority 2: Work for City - (up to 10% of units)	Must currently work for the <i>City of Campbell</i> government entity at least 20-hours per week and held their position for at least 6-	City of Campbell paycheck stub aged 6 months and current

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	months. Employee must have passed probation	
Priority 3: Live in Campbell	Must currently live in Campbell and maintained residency for at least 6-months	Utility bill aged 6 months and current utility bill in the name of the qualifying applicant
Priority 4: Work in Campbell	Must currently work at a business located in Campbell at least 20-hours per week, and held position for at least 6-months. This category includes Campbell School District employees. The district office is located in Campbell although the school building may be located in another city.	Paycheck stub aged 6 months and current paycheck stub.

Lottery Entry Requirements

To be included in the lottery, applicants must submit a lottery entry that includes:

- A current mortgage pre-qualification letter from a Program-approved lender; and
- Documentation verifying any claimed Program preferences, such as proof of residence or employment in Campbell.

Ready-to-Purchase Requirement

Applicants entering the lottery must be purchase-ready. Applicants selected to proceed should expect that:

- A home offer may require moving within approximately 45–60 days; and
- Financing, documentation, and decision-making must be completed within Program deadlines.

Applicants who are not ready to purchase in the near term are encouraged to wait for a future opportunity rather than enter the lottery.

Multiple Lotteries

Multiple lotteries may be conducted based on housing type, bedroom size, income limits, sales prices, and anticipated closing dates.

Households may submit entries for more than one lottery; however, only one lottery entry may be actively processed at a time. Once a household is under review and moving toward Program-

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Ready status, any additional lottery entries will not be processed. This supports the Program's first-ready, first-served assignment model (as discussed below) and ensures a fair and efficient process.

The Lottery Is Not a Waitlist

The lottery creates a one-time ranked list. It is not a waitlist, and placement does not carry over to future offerings.

The lottery:

- Does not guarantee a household will purchase a home; and
- Does not determine which specific home a household will receive.

Step 4: Submit a BMR Application (Post-Lottery)

Applicants are contacted in lottery-ranked order and invited to submit a full BMR Application and supporting documentation by a stated deadline. If no eligible lottery entrants are identified, homes may be offered on a first-come first-served basis.

Lottery entries that are incomplete, inaccurate, or indicate ineligibility may not move forward to the full BMR Application stage.

Complete applications are reviewed to verify income, household size, mortgage qualification, and overall Program eligibility. Applicants may be asked to provide updated or missing documents.

Step 5: Program Approval

Once an applicant's BMR Application has been reviewed and approved, the household is formally approved to move forward in the purchase process, subject to continued eligibility through closing.

Maintain Eligibility Through Closing

Applicants must remain eligible throughout the entire application process, including escrow and closing. Eligibility is based on household information at the time of closing, when ownership officially transfers.

Changes to income, assets, or household size before closing may affect eligibility and could result in loss of the opportunity to purchase a BMR home.

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Step 6: Lot/Home Tours

When a BMR home becomes available and matches the household's bedroom size and affordability category, the Program will issue a Unit Offer Letter.

Applicants will be given a deadline to:

- Tour the available lot/home; and
- Confirm continued interest in proceeding with the purchase.

Step 7: Review of Program Documents

Applicants who wish to proceed after the lot tour will meet with Program staff to review BMR Program documents, disclosures, and acknowledgments. This step ensures buyers fully understand Program requirements and resale restrictions before entering into a purchase contract.

Step 8: Purchase Contract and Escrow

After completing the Program document review, the buyer(s) may sign a purchase contract. Signing the purchase contract formally initiates escrow, during which final loan approval, document verification, and closing preparations occur.

Declining a Home Offer

If an applicant declines a home offer at any point after receiving a Unit Offer Letter, the household will be moved to the bottom of the applicant list and may only be contacted again after all other eligible, Program-Ready households from the same lottery cycle have been considered. This ensures homes are filled efficiently and fairly.

BMR Program Eligibility and Loan Requirements

Eligibility Requirements

- Attendance at a BMR Ownership Workshop
- All household members must be first-time homebuyers
- Household income must not exceed Program limits
- Borrowers must meet Financing, Loan and Title Requirements (below)
- Household assets may not exceed 50% of AMI plus the down payment (up to 20% of the BMR price), excluding retirement accounts
- Minimum household size must match the bedroom size of the BMR unit, and maximum household size is two people per bedroom, plus one.

Financing, Loan and Title Requirements

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- All adult household members must be listed on title and co-sign the purchase loan (unless a non-borrowing spouse)
- HOA: \$179/month
- Solar Lease Amounts: \$180 - \$230.17/month
- 30 Year fixed rate fully amortized loan
- Minimum 3% down payment (gifts permitted)
- Maximum housing payment-to-income and debt ratios: 40% / 45%
- Minimum 70% loan-to-value ratio
- Maximum 97% loan-to-value ratio.

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