

SUPPORT AB 595 (CARRILLO):

Building Homeownership for All Act

AB 595 will create more homeownership opportunities for working families and communities of color by increasing the supply of affordable for-sale homes.

California's severe housing shortage and skyrocketing home prices have put homeownership out of reach for millions of Californians.

- ➔ In 2025, the average home cost grew to 9 times a family's annual salary.
- ➔ African American homeownership rates are [26% lower](#) and Latino homeownership rates are [19% lower](#) than white Californians.

Access to homeownership, especially in high-opportunity neighborhoods near good schools, parks, jobs, and grocery stores has generational impacts.

- ➔ Housing inequality helps drive a [growing](#) wealth gap: Black households have [12 cents](#) and Latino households have [21 cents](#) for every dollar held by the average white household.
- ➔ Across California, white children live in neighborhoods with abundant resources and higher-opportunity at [much higher rates](#) than Black or Latino children.

The high cost of land and materials in California means even smaller homes are expensive to build — costs which typically must be passed down to buyers.

- ➔ Most existing state funding for affordable homeownership goes to downpayment assistance, crucial programs that help first-time homebuyers qualify for a mortgage.
- ➔ However, these programs do not help with the shortage of homes available for purchase or lower the cost of the available homes on the market.
- ➔ The state's only funding to support homeownership development on the production side – CalHOME – has been inconsistent and [undependable](#).

AB 595 will encourage more affordable homeownership opportunities for working families and communities of color by making the construction of for-sale homes that are affordable to Californians earning moderate incomes financially feasible.

AB 595 directs the Treasurer's Office to design a state pilot program that will provide tax credits for the construction of income-restricted, for-sale housing.

AB 595 establishes goals and guidelines for the Treasurer to abide by in the development of the program, ensuring that the program will:

- ➔ Expand access to homeownership and maximize wealth building opportunities by making it affordable for working families to buy a home.
- ➔ Be tailored to the development of for-sale housing affordable to moderate-income families, with income and price limits consistent with existing state programs.
- ➔ Be accessible to developers of affordable housing by allowing the credits to be traded and syndicated, and incentivizing participation by investor partners.
- ➔ Protect against a reduction in funding for existing rental programs due to enactment of the program.