



AFFORDABLE HOMES IN SAN FRANCISCO – Mission District
2– Studio and 2 - two-bedroom Below Market Rate Homes available

Bedrooms	# Available	Price without Parking	Price with Parking
Studio	2 units	\$169,139 - \$172,087	\$209,139 - \$212,087
2 bd	2 units	\$233,133	\$273,133

- Buyers must be income qualified and first time homebuyers within the past 3 years.
- Buyers must attend a first-time homebuyer class. See sfgov.org/moh.
- Buyers must be pre-qualified for a new home loan by an approved Mayor’s Office of Housing lender in order to apply. See sfgov.org/moh.
- Lottery participants are highly encouraged to view the homes prior to submitting an application for the lottery.
- Buyer households must earn no more than the income levels listed below:

100% of Median Income 2009

One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person
\$60,550	\$69,100	\$77,750	\$86,400	\$93,300	\$100,200	\$107,150

- Open House dates: June 3rd, 5:00-6:00pm; June 4th, 12:00pm – 1:00pm; and June 6th, 11:00am – 12 noon.
- **Applications due by 6:00 pm on Wednesday, June 9, 2010 to: Sales Office: 3420 Cesar Chavez Street, San Francisco, CA 94110.**
- **BMR Lottery will be held on Friday, June 11, 2010 at 12 noon at the sales office.**

Contact 555 Bartlett Sales Office for an application or visit www.sfgov.org/moh.
 by phone : (415) 647-8555 by email: bmr@555Bartlett.com by website: www.555bartlett.com
 in person: 3420 Cesar Chavez Street, San Francisco, CA 94110

Units are available through the San Francisco Mayor’s Office of Housing and are subject to monitoring and other restriction. Visit sfgov.org/moh for program information. Priority will be given to San Francisco Redevelopment Agency Certificate of Preference holders.*

Certificate of Preference holders are primarily households displaced by Agency action in Redevelopment Project Areas during the 1960’s and 1970’s, but may also include other persons displaced by Agency action. For more information, visit the San Francisco Redevelopment Agency at www.sfraffordablehousing.org or 415-749-2400.



555 Bartlett BMR Package

- Introduction to 555 Bartlett
- Marketing Schedule / Process
- City and County of San Francisco BMR Overview and Application
- Lender List



May 2010

Dear Friends,

Thank you for your interest in the four BMR homes at 555 Bartlett. We are commencing sales on these homes and selections will be based on priority numbers determined by a lottery. Buyer eligibility requirements are discussed in the Mayor's Office of Housing application. BMR prices and timing are outlined below.

Marketing Schedule/Process:

1. BMR Open Houses will be held as follows:
 - Thursday, June 3rd 5:00 PM – 6:00 PM
 - Friday, June 4th, 12:00 PM – 1:00 PM
 - Sunday, June 6th, 11:00 AM – 12:00 Noon
2. **Only one registrant per household will be accepted for the selection process. Duplicate applicants or multiple applicants from the same household may be disqualified.**
3. Those who wish to participate in the lottery must submit a completed copy of the Application for BMR Units, including Income Tax Returns from the past three years, W-2 forms from the past three years, three recent and consecutive pay stubs, three recent and consecutive statements from all financial accounts and a completed Mayor's Office of Housing Income Certification Form, First Time homebuyer education certificate and a loan prequalification. Completed applications must be submitted to the 555 Bartlett sales center by **Wednesday June 9th, 2010 at 6:00 PM**. Do not take your applications to the Mayor's Office of Housing.
4. All interested parties who have met the above requirements and participate in the lottery will be given a priority number.
5. The lottery will occur on **Friday June 11, 2010 at 12:00 PM** at the 555 Bartlett Sales office. Attendance is not required at the drawing. A sales agent will contact buyers in order of priority after the lottery list has been certified by the MOH.
6. Once the buyers have entered into a purchase contract, they will have 30 days to complete the final loan approval process and receive a loan commitment from the lender and approval from the City. If a client has not completed the loan process in that time period, he/she may lose his/her priority position.

Affordable Home Prices

Income 100%	Bedrooms	W/O Parking	With Parking
Two units	Studio	\$169,139 - \$172,087	\$209,139 - \$212,087
Two units	2 BR	\$233,133	\$273,133

To learn more about qualifying for a BMR home loan, please contact an MOH preferred lender for loan guidelines. Contacts are listed at the end of this document. If you have any questions before the information session, please contact the 555 Bartlett sales center at 415.647.8555 or email info@555bartlett.com.

We look forward to helping you find your new home,

The 555 Bartlett Sales Team

MAYOR'S OFFICE OF HOUSING
CITY AND COUNTY OF SAN FRANCISCO



GAVIN NEWSOM
MAYOR
DOUGLAS SHOEMAKER
DIRECTOR

PLEASE SUBMIT THIS APPLICATION DIRECTLY TO THE SALES TEAM.
SEE INSTRUCTIONS BELOW. THANK YOU!

Below Market Rate (BMR) Affordable Housing Program Ownership Application

Dear Applicant,

Thank you for your interest in applying for a home through the San Francisco Mayor's Office of Housing (MOH) Below Market Rate (BMR) Affordable Housing Program. The BMR Affordable Housing Program requires that some developers sell 10-15% of homes in their new developments at a "below market rate" price that is affordable to lower-income households. Among other restrictions, the units must be resold at an affordable price.

It is important to understand both the guidelines for applying and qualifying for a BMR home as well as the restrictions placed on the homes. For an informal overview of the program, please review the program overview on our webpage at www.sfgov.org/moh ([click here](#)) or contact the sales agent or our office for a paper copy. For legal information about the BMR program, please review the [City and County of San Francisco Inclusionary Affordable Housing Monitoring and Procedures Manual 2007](#). This Manual governs all BMR units marketed at this time. Finally, please review the application instructions before completing your application.

Please submit a complete application to the sales agent listed on the formal posting for the desired unit in order to be considered for the home. Please note that you must submit income documentation for all household members 18 and older as well as a first-time homebuyer certificate for one titleholder and a loan pre-qualification from an approved BMR lender. Please see www.sfgov.org/moh ([click here](#)) or the instructions portion of this application to locate approved first-time homebuyer agencies and please visit www.sfgov.org/moh ([click here](#)) to view approved BMR lenders.

For specific questions regarding this development and general application questions, please contact the sales agent directly. To review the full unit listing, please visit www.sfgov.org/moh ([click here](#)) or contact the sales agent or our office for a paper copy. For complex questions regarding the completion of the BMR application or the requirements of the program, please contact (415) 701-5500.

Thank you for making San Francisco your home. We wish you luck with your application!

Sincerely,
San Francisco Mayor's Office of Housing
Inclusionary Housing Program

MAYOR'S OFFICE OF HOUSING
CITY AND COUNTY OF SAN FRANCISCO



CITY AND COUNTY OF SAN FRANCISCO INCLUSIONARY HOUSING PROGRAM
APPLICATION FOR BELOW MARKET RATE UNITS

GAVIN NEWSOM
MAYOR
DOUGLAS SHOEMAKER
DIRECTOR

(Submit pages 1-4 and all required materials directly to the realtor/sales agent in order to enter the BMR lottery for the home(s). Incomplete applications will not be accepted.)

Page 1 of 4

BMR UNIT ADDRESS: _____ Desired Unit Size: _____ Date: _____

1. Legal name of applicant(s) who will hold title to the BMR unit:

Name _____ Name: _____

Occupation _____ Occupation _____

Race/Ethnicity _____ Race/Ethnicity _____
(optional - for statistical use only) (optional - for statistical use only)

(Please attach additional sheets for additional leaseholders, if needed.)

Does one household member live or work in San Francisco? Yes _____ No _____

If yes, name of household member: _____

Does one household member hold a *Certificate of Preference? Yes _____ No _____

If yes, name of household member: _____

*Certificate of Preference holders are primarily households displaced by Agency action in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action. Please call the San Francisco Redevelopment Agency at [415-749-2432](tel:415-749-2432) to determine if you hold a Certificate.

2. Name(s) of dependent household member(s) who will live in the unit (must be claimed on most recent tax form)

Name _____ Relation to Applicants(s) _____ Age _____
Dependent? Yes/No (circle one) In School? Yes/No (circle one)

Name _____ Relation to Applicants(s) _____ Age _____
Dependent? Yes/No (circle one) In School? Yes/No (circle one)

3. Total Household Size (including applicants and dependents) _____

4. Current Applicant Address _____ City/State/Zip _____

5. Home Telephone Number _____ Work Telephone Number _____

6. Cell Number _____ Email: _____

CONTINUED ON NEXT PAGE

Household Name: _____

Date: _____

Page 2 of 4

7. Financial Information, Part I: You must complete and submit pages 3-4 of this application. You must list all jobs, accounts, and sign.

8. Financial Information, Part II: You must include copies of the following documents for each household member 18 years old or older. Please see instructions for more guidance.

_____ Complete set of past three (3) years' Federal Income Tax Returns (signed & dated)

_____ Complete set of past three (3) years' W-2 forms

_____ Three (3) most recent and consecutive pay stubs

_____ Three (3) most recent and consecutive statements from each savings, checking or any other type of account in which money is saved

_____ Certificate of completion from a certified first-time homebuyer workshop for at least one non-dependent household member who will hold title

_____ Lender Pre-Qualification Letter (for all new units)

_____ Optional - Proof that one household member lives or works in San Francisco or holds a Certificate of Preference (not needed if any part of the application includes a SF address or workplace)

Resale BMR Units Only --

_____ Lender Pre-Approval Letter (for resale units only)

_____ A complete San Francisco Purchase Agreement (for resale units only)

9. Does any household member currently own any property? Yes ___ No ___

ALL STATEMENTS MADE IN THIS APPLICATION ARE TRUE AND MADE FOR THE PURPOSE OF APPLYING FOR AN INCLUSIONARY AFFORDABLE HOUSING PROGRAM BELOW-MARKET-RATE UNIT THROUGH THE CITY AND COUNTY OF SAN FRANCISCO. VERIFICATION MAY BE OBTAINED FROM ANY SOURCE NAMED IN THIS APPLICATION. I/WE FULLY UNDERSTAND THAT TO KNOWINGLY MAKE ANY FALSE STATEMENTS CONCERNING THIS APPLICATION WILL RESULT IN THE CITY'S DENIAL OF THIS APPLICATION.

Must be signed by all applicants 18 years or older.

Applicant's Signature Date

Applicant's Signature Date

Applicant's Signature Date

Applicant's Signature Date

Applicant's Signature Date

Applicant's Signature Date

Please use additional sheets of paper if necessary for any question above

*Certificate of Preference holders are primarily households displaced by Agency action in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action. San Francisco Redevelopment Agency: [415-749-2432](tel:415-749-2432)

CONTINUED ON NEXT PAGE

Household Name: _____

Date: _____

**INCLUSIONARY HOUSING PROGRAM
APPLICATION FOR BELOW-MARKET-RATE UNITS
PAGE 3 of 4**

You must complete this form as a part of your application. See application instructions for more information and examples.
"HH Mbr" = "Household Member"

PART I: HOUSEHOLD COMPOSITION					
HH Mbr #	Last Name	First Name and Middle Initial	Household Member Type (Adult, child, etc.)	Age	Full-Time Student (Y or N)
1			Adult		
2					
3					
4					
5					
6					

PART II: EMPLOYMENT (Please write "unemployed" under "Name of Employer" for unemployed HH members)						
HH Mbr #	Name of Employer	City	Full-time (FT) or Part-time (PT)	First Day of Employment (mm/dd/yyyy)	Self-Employed? (Yes/No)	Estimated Annual Income
				/ /		
				/ /		
				/ /		
				/ /		
				/ /		
				/ /		
				/ /		
				/ /		

PART III: GROSS ANNUAL INCOME				
HH Mbr #	Wages	Social Security/Pensions Received Annually	Public Assistance Received Annually	Other Income Received Annually
Totals	\$ (a)	\$ (b)	\$ (c)	\$ (d)
TOTAL GROSS ANNUAL INCOME Add (a) through (d)				\$ (e)

CONTINUED ON NEXT PAGE

BMR Application Documents Checklist
Optional

<p>Must include income documentation for each member of household age 18 or older</p> <p>Applicant Household Name:</p>	Applicant #	Applicant #	Applicant #	Applicant #	Applicant #
1. Completed, signed and dated BMR Application Form					
2. Signed and dated copies of 2008, 2007 and 2006 Federal Income Tax Return (IRS Form 1040 or 1040EZ or 1040A form ONLY) <ul style="list-style-type: none"> - Include all SCHEDULES or attachments - Include all W-2 form(s) OR – If applicable, complete attached Income Tax Affidavit form, have it notarized and submit with supporting documents as specified in the form.					
3. Copies of 3 most recent and most consecutive pay-stubs. OR – If applicable, complete the attached Unemployed Affidavit form, and have it notarized. OR – Employment offer letter if less than 3 weeks from date of hire. OR – If applicable, complete the attached Self-employed Affidavit form and have it notarized. Must be submitted with most recent and current Profit and Loss statement.					
4. Copies of 3 most recent and most consecutive bank or asset statements from all bank accounts. Must be official statements. All pages must be included.					
5. Copy of mortgage loan pre-qual letter from a participating lender listed on MOH website. Name of Lender: _____ Date: _____					
6. Copy of First-time Homebuyer Workshop certificate from a participating non-profit agency listed on MOH website. Name of Agency: _____ Date: _____					
7. If applicable – copy of Certificate of Preference from the San Francisco Redevelopment Agency. Certificate Number: _____					

SAN FRANCISCO MAYOR'S OFFICE OF HOUSING
INCLUSIONARY HOUSING PROGRAM

Application Instructions for Ownership Units

GENERAL RULES FOR COMPLETING A BMR APPLICATION

- Each household must submit one 4-page application plus supplemental materials for all household members 18 years old or older, regardless of dependency status. The application must be complete. It must include all household members, must be signed, and must include complete and accurate information on employment, salary, assets, and other statements made on the application. The application is a legal document and any inability to include all relevant information, whether accidental or intentional, may lead to the rejection of the application.
- It is very important to submit a complete application. The Mayor's Office of Housing may reject incomplete applications.
- Applicants must submit only one application per household, and each applicant must be included in only one application per development.
- Applicants must contact the developer's sales team or visits www.sfgov.com/moh for each individual development for the most current application. Please do not re-use older applications.
- Please do not submit applications to the Mayor's Office of Housing. All applications must be submitted directly to the developer's sales team or developer's representative for the current BMR ownership units by the established deadline for the units. The developer will ensure that your application is delivered to the Mayor's Office of Housing. Developers or developer's representatives are required to shred all sensitive financial information once all units in a development have closed.
- The household must be at least as many people as the number of bedrooms in the unit. In other words, a 1-person household may not apply for a 2-bedroom unit, etc.
- Residential developers work in partnership with the Mayor's Office of Housing to hold a lottery for the available BMR units in each development. Placing high on the lottery list does not guarantee the unit, as applicants must still be qualified by the Mayor's Office of Housing, must be the correct household size for an available BMR unit, and must be able to secure a mortgage loan.
- You can learn about new BMR opportunities through the Mayor's Office of Housing website at [Mayor's Office of Housing : Current Listings](#) or by calling (415) 701-5500. Once a unit is listed on the Mayor's Office of Housing website, you must contact developers directly to obtain an application for unit(s) available. We encourage you to sign up for our email alert system at www.sfgov.org/moh to be alerted to newly posted listings.
- BMR buyers are not approved to purchase a unit until they receive an approval letter from the Mayor's Office of Housing. This letter is generated approximately 15 days after MOH receives your complete application from the developer's sales representative.

Who Must Appear on the Title and Loan for the BMR Unit?

- Each household member must appear on the title and loan for the unit OR be an eligible dependent of a household member who appears on the title and loan. It is not possible to be on title but not on the loan.
- All spouses of applicants must appear on the title and loan for the unit. Spouses are not considered dependents when applying for BMR units. They must submit full documentation and become a title and loan holder.

Who is Considered a Dependent?

- Only those individuals who appear on the official tax forms in the most recent tax year for an applicant who will appear on the title and loan for the unit will be considered an eligible dependent. However, spouses are not considered dependents for the purposes of the BMR program and must submit complete documentation in order to apply for a BMR unit.

INSTRUCTIONS FOR COMPLETING THE 4-PAGE COVER APPLICATION

How to Complete the Front Page of the Application

- Applicants must enter the development name and the size unit desired. You may be offered the opportunity to purchase any size unit that meets the household size standard if you win the lottery. In other words, you are not locking yourself in to this unit size by stating it on your application.
- You must include every household member who intends to live in the unit.
- All household members who are not dependents must sign all parts of the application. Spouses are not considered dependents and must sign, as well.

How to Complete the 2-Page Income Certification Form

Applicants will be entering information for the different household members who are 18 and older throughout this form. You will use the same number for each member. For instance, if John Lee is "household member 1" in Part I, then John Lee is household member 1 throughout the remainder of the form.

Part I: Household Composition

Enter the full name of all intended occupants of the unit who are 18 years old or older. If there are more than six occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification form. State each household member's status using one of the following:

- Adult - Adult household member
- Child - Applicant's dependent child or unrelated minor
- Other - Please specify (e.g., "Other - Niece")

Part II: Employment

Complete a separate line for each household member 18 years old or older, whether the member is employed or not. List the respective household member number from Part I. If there is not enough room to list all employers for each household member, use an additional sheet of paper to list the remaining employers and attach it to the certification form.

Part III: Annual Gross Income

Complete a separate line for each household member who is 18 or older. List the respective household member number from Part I. If there is not enough room to list all sources of income for each household member, use an additional sheet of paper to list the remaining income sources and attach it to the certification form.

Wages(Gross)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Social Security/ Pensions	Enter the annual amount of income from Social Security, Supplemental Security Income, pensions, military retirement, etc.
Public Assistance	Enter the annual amount of income received from public assistance (e.g., TANF, general assistance, disability, etc.).
Other Income	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.

Part IV: Income from Asset Accounts

- List the respective household member number from Part I and complete a separate line for each member.
- List every cash account for every household member who is 18 years or older.
- Asset accounts are accounts in which an individual has any money saved. These accounts can include, but are not limited to, checking accounts, savings accounts, Certificates of Deposit, Mutual Funds, stocks, bonds, trust funds, limited liability investments, gifts for downpayment or other costs, and any other account in which money is saved. If money is not saved in an institution (e.g. it is saved at home), you must list this amount, as well. Do not include material assets such as cars, boats, etc., only cash assets.
- Applicants must list each asset account separately, identifying the name of the bank or institution in which the asset is held, the type of asset (banking account, checking account, etc.) and the current balance (amount of money) in each account.
- If there is not enough room to list all liquid (cash) assets for each household member, use an additional sheet of paper to list the remaining household members and attach it to the certification form.
- All money used toward downpayment and closing costs is counted as an asset and imputed on to the household income.
- Applicants must submit statements for any account on which the applicant's name appears. All joint accounts must be noted and statements must be included.
- Applicants must include any account that the adult holds for a person who is under 18 years old (custodial accounts) but for qualified college savings plans. Applicants may not transfer their savings to their children or other youth in order to qualify for a BMR unit.
- Assets from retirement savings will not be counted toward your income but retirement statements must be included in your application.
- Your assets must not change significantly from the time you apply for a BMR unit to the time when you are about to purchase the unit. MOH will compare the income and assets stated on the application with income and assets stated on the final loan documents. However, our office is willing to work with applicants post-lottery who are

receiving new gift money, cashing out retirement funds, to determine how much money they can add to their assets in order to remain qualified.

- Each applicant household is legally swearing to its current asset accounts and cash asset holdings. An application will be disqualified in its entirety if asset accounts are falsely represented.

WHAT TO ATTACH TO THE APPLICATION -- DOCUMENTATION REQUIRED

Who Must Submit Documentation?

- All applicants who are 18 years old or older must submit complete documentation in order for the household application to be considered complete.
- All dependents who are 18 years old or older must submit full documentation. This includes dependent parents, children and others who are 18 years old or older.

Documentation That Must Be Submitted

A complete application includes the following documents for each person who is 18 years old or older.

___1: Complete Set of the Past Three Years' Federal (IRS) Income Tax Returns For Each Household Member 18 Years of Age or Older

Applicants who have filed taxes for the past three years must provide:

- Copies of complete and final taxes that were submitted to the IRS in the past three years including all schedules. MOH will not accept brief, computer-generated tax reports.
 - Each year's tax form must be signed & dated. Applicants may use the current date if they are signing an allowable computer-generated tax form (such as a form that was generated through a tax preparer or Turbo Tax.)
 - Applicants should not include state tax returns.
- Applicants who were not required to file federal taxes in any of the past three years must provide a *Tax Affidavit* Form, a form that legally swears that applicant was not required to file taxes.
 - *Tax Affidavit* must be signed and notarized.
 - Affidavit may only be used if applicant was not required to complete a tax form in any given year.
 - Affidavit must be accompanied by proof that the applicant was a renter and not a homeowner during the missing tax year. Proof includes copy of a formal lease; cancelled rent checks; or a formal letter from landlord.
 - If the applicant entered the country in the past three years, affidavit must include a copy of their passport along with the tax affidavit form.
 - If the applicant was a student in the past three years, affidavit must include copy of recent school transcripts.
 - Affidavit document must be used in the event that the applicant is not able to provide the Mayor's Office of Housing with a tax form for any year. Failure to order copies of documents in time for an application deadline is not a qualified reason for using the following signed statements.
- Applicants who have not yet filed taxes for the past year and the application date is between January 1 and April 15th of a year must provide:
 - All W-2s from the previous tax year (even though taxes have not been filed)
 - Complete federal tax forms from the 2 years prior to year for which taxes were not filed

___2: A Complete Set of the Past Three (3) Years' W-2 Forms For Each Household Member 18 Years of Age or Older

- Applicants must submit official W-2 forms for each tax year. Please do not submit computer generated and hand-prepared forms that are not official.
- All W-2 forms must add up to incomes stated on the corresponding year's tax form.
- If the applicant worked in the past three years but was not required to file taxes, s/he is still required to provide W-2s for the corresponding tax year and a tax affidavit is required.

___3: A Complete Set of the Three (3) Most Recent and Consecutive Pay Stubs For Each Household Member 18 Years of Age or Older

Employed applicants must provide:

- Paystubs that are recent and consecutive
- Paystubs that state the pay period dates
- Paystubs that show the year-to-date and current gross earning amount

Applicants who employed (not self-employed) but lack current, consecutive and complete paystubs must provide a *Verification of Employment (VOE)* form, a form that legally states applicant's recent pay.

- The *VOE* must include the year-to-date gross earning amount; pay period dates; hire date; and the number of pay periods in the year.
- The *VOE* must be signed and dated by the employer.

Self-employed applicants must provide:

- *Self-Employment Affidavit* with Profit & Loss Statement from most recent quarter attached
- All Profit and Loss statements from the past 3 years

Applicants who are not employed or not receiving any income must provide an *Unemployment Affidavit*, a form that legally swears that the applicant is not receiving any current income and is unemployed.

- The *Unemployment Affidavit* must be signed and notarized.
- The *Unemployment Affidavit* must be used in the event that the applicant is not able to provide the Mayor's Office of Housing with paystubs or other documentation of regular income. Failure to order copies of documents in time for an application deadline is not a qualified reason for using the following signed statements.

___4: Three (3) Most Recent and Consecutive Statements from Each Cash Asset Account

Applicants must submit:

- Complete statements for all asset accounts. Asset accounts are accounts in which an individual has any money saved or money that will be gifted to the buyer household. These accounts can include, but are not limited to, checking accounts, savings accounts, Certificates of Deposit, Mutual Funds, stocks, bonds, trust funds, limited liability investments, and gift funds.

Notes:

- Applicants must submit statements for any account on which the applicant's name appears, including all joint accounts on which applicant's name appears. If money is not saved in an institution (e.g. it is saved at home), applicants must list this amount, nonetheless.
- Do not include material assets such as cars, boats, etc. -- only cash assets.
- Assets from retirement savings will not be counted toward your income but retirement statements must be included in your application to verify that they are retirement accounts.
- All money used toward downpayment and closing costs is counted as an asset and must be stated.
- All money given as a gift to a BMR buyer must be counted as an asset. Buyers must submit a gift letter with their application or a signed letter from the gift giver stating the amount to be given.
- Applicants must include any account that the adult holds for a person who is under 18 years old (custodial accounts) but for qualified college savings plans. Applicants may not transfer their savings to their children or other youth in order to qualify for a BMR unit.
- Assets must not change significantly from the time of applying for a BMR unit to the time when the unit is being purchased. MOH will compare the income and assets stated on the application with income and assets stated on the final loan documents. If MOH calculates a new income that exceeds the maximum allowed upon review of the loan documents, the household will be disqualified.
- Each applicant household is legally swearing to its current asset accounts and cash asset holdings. An application will be disqualified in its entirety if asset accounts are falsely represented.

___5: Certificate of completion from a certified first-time homebuyer workshop for at least one non-dependent household member who will hold title

All BMR ownership applicants for new or resale ownership BMR units must take a certificated first-time homebuyer workshop from one the 5 homeownership counseling organizations designated on our website before applying for a BMR unit. The certificate will be valid for 2 full years from the date of issuance. Applicants attending workshops that require a follow-up one-on-one counseling appointment may apply for the unit with a letter from the counseling agency stating that the one-on-one meeting is pending.

These homeownership-counseling agencies include the following:

Asian, Inc.
1167 Mission Street
San Francisco, CA 94103
(415) 928-5910
Nobby Cheng
ncheng@asianinc.org
www.asianinc.org

Mission Economic Development Agency (MEDA)
2301 Mission Street, Suite 301 (3rd Floor)
San Francisco, CA 94110
(415) 282-3334 x129
Elisa Baeza
ebaeza@medasf.org
www.medasf.org

Consumer Credit Counseling Service of San Francisco (CCCSSF)
595 Market Street, 15th Floor
San Francisco, CA 94105
(415) 788-0288 x 147
Matthew Rizzie
mrizzie@cccssf.org
www.housingeducation.org

San Francisco Housing Development Corporation (SFHDC)
4439 3rd Street
San Francisco, CA 94124-3117
(415) 822-1022 x112
Ed Donaldson
buyahome@sfhdc.org OR
ed@sfhdc.org
www.sfhdc.org

San Francisco Urban Community Housing Corporation (SF Urban CHC)
1730 O'Farrell Street Suite 124
San Francisco, CA 94115
(415) 252-0949 x111
Tiffany Frazier
tfrazier@sforbanchc.org
sforbanchc.org

___6: Loan Pre-qualification from a MOH-approved BMR Lender

Each buyer household must submit one loan pre-qualification from an approved BMR lender in order to apply for the lottery. Please see the list of approved lenders at www.sfgov.org/moh or ask the sales agent for a copy of the most current list.

___7: *Optional* -- Proof that one non-dependent household member lives or works in San Francisco

Live or Work Preference

All individuals and households may enter the lottery for a BMR unit. However, those households that live or work in San Francisco will be given *preference* in the lottery ranking process. If the number of units available exceeds the number of qualified applicants who live or work in San Francisco, the units will become available to other qualified applicants outside of San Francisco.

To be considered a household that lives or works in San Francisco, at least one applicant who will hold title or appear on the lease must provide the following proof of residency or employment with the submitted application:

Live –

- (1) One utility bill with a San Francisco address dated within the 45 days preceding the application deadline for the BMR unit. Utility bills can include gas, electric, garbage or water; or
- (2) Current paystubs with a San Francisco address; or
- (3) A current, formal lease with a San Francisco address.

Work –

MOH shall verify that a person works in San Francisco by reviewing an applicant's paystubs. If an applicant's employer is not based in San Francisco, or if a person's paystubs do not reflect a San Francisco work address, the applicant must

supply a notarized letter from the employer stating that the person works primarily in San Francisco and demonstrate that at least 75% of their working hours are in San Francisco.

8: *Optional* -- Proof that one household holds a *Certificate of Preference

All individuals and households may enter the lottery for a BMR unit. However, those households in which one member holds a Certificate of Preference from the San Francisco Redevelopment Agency will be given highest *preference* in the lottery ranking process.

Certificate of Preference holders are primarily households displaced by Agency action in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action.

To be considered a Certificate of Preference (COP) holder, you must submit a copy of your certificate with the application. To verify that you are a COP holder, please visit the San Francisco Redevelopment Agency at www.sfraaffordablehousing.org or [415-749-2432](tel:415-749-2432).

CALCULATING HOUSEHOLD INCOME

MOH reviews the most recent three paystubs or other income statements (e.g. social security statements, unemployment income) for each applicant. The annual gross income is derived by dividing the current year-to-date gross income as stated on the most recent pay stub for the calendar year by the current pay period and then by annualizing the estimated pay period amount by the number of times the person is paid in a year.

Example:

Year-to-date income as stated on the most recent paystub for the calendar year is \$20,000.
It is the 10th pay period of the calendar year as determined by the end date of the most recent pay stub.
The total number of pay periods in a year for the applicant is 24.
The estimated pay period amount is \$20,000 divided by 10 = \$2,000.
The annualized pay is \$2,000 x 24 = \$48,000.

MOH will include all tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.

Sources of income include:

Wages(Gross)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Social Security/Pensions	Enter the annual amount of income from Social Security, Supplemental Security Income, pensions, military retirement, etc.
Public Assistance	Enter the annual amount of income received from public assistance (e.g., TANF, general assistance, disability, etc.).
Other Income	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.

In the case of a self-employed person, the Mayor's Office of Housing reviews an applicant's tax forms, current year Profit and Loss Statement or other relevant documents on a case-by-case basis. See BMR ownership application instructions for more information.

The Mayor's Office of Housing office must review income for all household members 18 years old or older, regardless of dependent status.

Asset Test for BMR Buyers

The Mayor's Office of Housing will apply an asset test to all applicants. Assets include all savings, checking accounts, gifts and other sources of money (cash) other than retirement accounts. (If your retirement account is currently generating income -- i.e. you are living off of your retirement -- you must count this money as income on the BMR application.) Assets also include any money that will be used toward a down payment on a BMR unit. 10% of all assets between \$30,001 and 130,000 will be added to the total household income; and 35% of assets above \$130,000 will be added to the total household income. Retirement savings will be excluded from the asset test, but all retirement statements should be included in the application package.

Example:

Household of 3 earns \$50,000 a year
Total household assets = \$150,000
First \$30,000 of assets is excused: \$150,000 - \$30,000 = \$120,000 remaining

10% of first \$100,000 remaining is added to income: $\$100,000 \times 10\% = \$10,000$
35% of all remaining assets is added to income: $\$20,000 \times .35 = \$7,000$
Total amount added to income: $\$10,000 + \$7,000 = \$17,000$
New total household income: $\$50,000 + \$17,000 = \$67,000$

- END OF DOCUMENT -

**CITY AND COUNTY OF SAN FRANCISCO
MAYOR'S OFFICE OF HOUSING
INCLUSIONARY HOUSING PROGRAM**

INCOME TAX AFFIDAVIT

1. I (We) the undersigned, being first duly sworn, state the following:

(Complete Paragraph 2 only if you were not required by law to file Federal Income Tax returns for any year during the preceding three years. Disregard if inapplicable.)

2. I (We) (name here) _____ hereby certify that I (we) was (were) not required by law to file a Federal Income Tax Return for the following year(s) _____ for the reason(s) below:

Affidavit must be accompanied with documented proof that the applicant was a renter during the specified period, i.e. notarized letter from the landlord or manager, canceled checks or rent receipts. If the applicant was a student, affidavit must be accompanied by a copy of the transcripts or diploma to support the status of the applicant for that period of time. If an applicant was out of the country, affidavit must be accompanied by proof of entrance into the country.

3. I (We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining my (our) eligibility for a restricted unit under the San Francisco Residential Inclusionary Affordable Housing Program. I (We) acknowledge that a material misstatement fraudulently or negligently made in this affidavit or in any other statement made by me (us) in connection with an application for a restricted price/rent unit may constitute a federal violation punishable by a fine and/or denial of my (our) application for purchase/rental of this restricted price unit.

Dated: _____
Signature of Applicant

Subscribed and sworn to before me this _____ day of _____, 200__.

Notary Public in and for the City and County of San Francisco, California

My Commission Expires: _____

Notary Seal

CITY AND COUNTY OF SAN FRANCISCO
MAYOR'S OFFICE OF HOUSING
INCLUSIONARY HOUSING PROGRAM

SELF-EMPLOYED AFFIDAVIT

Before me this _____ day of _____, _____, personally appeared _____, who, being duly sworn, deposes and says:

I am currently self-employed and am submitting to the Mayor's Office of Housing for the purpose of applying for the San Francisco Residential Inclusionary Affordable Housing Program a Profit and Loss Statement from the most recent quarter that is a true and accurate reflection of my income.

I (We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining my (our) eligibility for purchasing/renting a restricted unit under the San Francisco Residential Inclusionary Affordable Housing Program. I (We) acknowledge that a material misstatement fraudulently or negligently made in this affidavit or in any other statement made by me (us) in connection with an application for purchase/rental of the San Francisco Residential Inclusionary Affordable Housing Program unit may constitute a federal violation punishable by a fine and/or denial of my (our) application for the unit.

I have been self-employed from the following month and year forward: _____ / _____

This affidavit must be accompanied by a signed and dated Profit and Loss Statement that reflects the most recent quarter. The Profit and Loss Statement must be modeled on Schedule C of the most currently available federal tax form.

Applicant Name

Applicant Signature

STATE OF CALIFORNIA

Before me personally appeared, _____ who acknowledged to me that he/she/they executed the foregoing instrument this _____ day of _____.

(NOTARIAL SEAL) Notary Public

CITY AND COUNTY OF SAN FRANCISCO
MAYOR'S OFFICE OF HOUSING
INCLUSIONARY HOUSING PROGRAM

UNEMPLOYED AFFIDAVIT

Before me this _____ day of _____, _____, personally appeared _____, who, being duly sworn, deposes and says:

I (name here) _____ am not presently employed, not currently receiving any income, and will not file for unemployment benefits in 200____ (current calendar year).

I (We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining my (our) eligibility for purchase/rental of a restricted unit under the San Francisco Residential Inclusionary Affordable Housing Program. I (We) acknowledge that a material misstatement fraudulently or negligently made in this affidavit or in any other statement made by me (us) in connection with an application for purchase/rental of the restricted unit under the San Francisco Residential Inclusionary Affordable Housing Program may constitute a federal violation punishable by a fine and/or denial of my (our) application for the unit.

Applicant/Resident Signature

STATE OF CALIFORNIA

Before me personally appeared, _____ who acknowledged to me that he/she/they executed the foregoing instrument this _____ day of _____.

(NOTARIAL SEAL) Notary Public

MAYOR'S OFFICE OF HOUSING
CITY AND COUNTY OF SAN FRANCISCO



**Below Market Rate ("BMR")
Affordable Housing Program**

GAVIN NEWSOM
MAYOR

Ownership Program Overview

DOUGLAS SHOEMAKER
DIRECTOR

BACKGROUND INFORMATION

The San Francisco Mayor's Office of Housing Below-Market-Rate ("BMR") Affordable Housing Program requires developers to sell or rent 15% of units in new developments at a "below-market-rate" price that is affordable to low or middle income households. The program is governed by [Planning Code 315](#) and by the [City and County of San Francisco Residential Inclusionary Affordable Housing Program Monitoring and Procedures Manual 2007](#) (referred to as the "Procedures Manual"). The program is administered by the Mayor's Office of Housing (known as "MOH") and currently includes approximately 800 ownership units and 300 rental units.

To be eligible to purchase a "BMR" unit, a household must meet specific income and first-time homeowner requirements as detailed in this overview.

This document is an informal overview of the BMR program. The formal rules and requirements of the Mayor's Office of Housing BMR program are described fully in the [City and County of San Francisco Residential Inclusionary Affordable Housing Program Monitoring and Procedures Manual 2007](#) (referred to as the "Procedures Manual").

APPLYING FOR A BMR UNIT

You can learn about new BMR opportunities through postings listed on the Mayor's Office of Housing website or by signing up for our housing email alert system at www.sfgov.org/moh. You may also call us at (415) 701-5500.

New units are posted for at least 28 days before the application deadline. Once a unit is listed on the Mayor's Office of Housing website, you must contact developers directly to obtain an application for units available. Applicants must submit a complete application **to the developer** by an established deadline date. Residential developers work in partnership with the Mayor's Office of Housing to hold a public lottery for the available BMR units in each development. Placing high on the lottery list does not guarantee the unit, as applicants must still be qualified by the Mayor's Office of Housing, must be the correct household size for an available BMR unit, and must be able to secure a mortgage loan.

QUALIFICATIONS

Qualified Household Member

A household is defined in terms of financial relationships and can include any owner partnerships as long as their combined gross, annual income meets the eligibility guidelines. To be considered a member of a household, a person must either be (1) on the title and the loan documents for the unit or (2) claimed as a dependent on the tax returns of a household member who will appear on the title and loan for the BMR unit.

First-time Homebuyer

While the definition of first-time buyer can differ for various programs, for those units restricted under the BMR Inclusionary Housing Program, it is as follows:

*A qualifying household of which no member has owned **any** interest in a dwelling unit, any commercial real estate, or any land for a three-year period prior to applying to qualify for purchase of a BMR unit.*

This definition is a legal requirement and includes, among other properties, those in which an applicant's name appears on title regardless of whether or not that interest results in a financial gain, is in another state or country, or if they have ever used the property as a primary residence. If any purchaser has had their name on title of a property but it was sold more than three years ago, the program considers them a first-time buyer.

First-time Homebuyer Education Workshop

BMR applicants must attend an intensive first-time homebuyer workshop before applying for a unit. Currently approved workshops include those offered by Asian, Inc., Mission Economic Development Agency (MEDA), Consumer Credit Counseling Service of San Francisco (CCCSF), San Francisco Housing Development Corporation (SFHDC) and San

Francisco Urban CHC. Please visit our [first-time homebuyers](#) page for contact information. At least one applicant who will hold title to the unit must attend the workshop.

Loan Pre-qualification

In order to apply and enter the lottery for a BMR unit, a household must obtain a loan pre-qualification from an approved BMR lender and submit this pre-qualification with the application. The list of approved lenders can be found on our website at www.sfgov.org/moh. Click on the First-time Homebuyer link.

Size Requirements

The size of a household must be compatible with the size of the unit being purchased. A minimum of one person per bedroom is required. There is no restriction on purchasing a unit that has fewer bedrooms than the household size.

Maximum Income

The majority of projects will be available to households with a combined income of no more than 100% of median income, although some will be available to households whose income is at 80% or 120% of median income. The amounts are adjusted on an annual basis. Please note that San Francisco will be operating under two income tables for some time due to changes in the ordinance that governs the program. MOH will identify the applicable income table for new units as units are posted on the MOH website at www.sfgov.org/moh.

The following tables represent the current income maximums by household size. Our office will update these income maximums between March and May of each year. Please refer to each new homeownership listing to determine which income table is being used for each specific development.

2009 Qualifying Income Maximum Amounts

(Your household must make no more than these amounts by household size.)

100% of Median Income for the City and County of San Francisco 2009

A one person household can make no more than \$60,500
A two person household can make no more than \$69,100
A three person household can make no more than \$77,750
A four person household can make no more than \$86,400
A five person household can make no more than \$93,300
A six person household can make no more than \$100,200
A seven person household can make no more than \$107,150
(Please visit www.sfgov/moh for larger households.)

100% of Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent Area (HMFA) that contains San Francisco 2009

A one person household can make no more than \$67,750
A two person household can make no more than \$77,450
A three person household can make no more than \$87,100
A four person household can make no more than \$96,800
A five person household can make no more than \$104,550
A six person household can make no more than \$112,300
A seven person household can make no more than \$120,050
(Please visit www.sfgov/moh for larger households.)

To view income limits at 80% and 120% of median income, please visit the Inclusionary Housing Program webpage at www.sfgov.org/moh.

Income maximums are based on "gross" income derived from all sources as detailed in the City and County of San Francisco Residential Affordable Housing Monitoring Procedures Manual 2007.

Basis for Determining Income Eligibility

For purposes of determining household income, each person who is 18 years or older in an applicant household must present: (a) a complete set of past three years' federal (only) Income Tax Returns (signed & dated) and W-2 forms; (b) three recent and consecutive pay stubs; and, (c) three recent and consecutive statements from each savings, checking or any other type of account in which each person has money saved. (Retirement savings will be excluded from the asset test, but should be included in the application package.) The Mayor's Office of Housing will determine final income eligibility based on your household's current income and assets.

How the Mayor's Office of Housing Calculates Household Income

MOH reviews the most recent three paystubs or other income statements (e.g. social security statements, unemployment income) for each applicant. The annual gross income is derived by dividing the current year-to-date gross income as stated on the most recent pay stub for the calendar year by the current pay period and then by annualizing the estimated pay period amount by the number of time the person is paid in one year.

Example:

Year-to-date income as stated on the most recent paystub for the calendar year is \$20,000.
It is the 10th pay period of the calendar year as determined by the end date of the most recent pay stub.
The total number of pay periods in a year for the applicant is 24.
The estimated pay period amount is \$20,000 divided by 10 = \$2,000.
The annualized pay is \$2,000 x 24 = \$48,000.

In the case of a self-employed person, please see the BMR ownership application instructions for more information.

The Mayor's Office of Housing office must review income for all household members 18 years old or older, regardless of dependent status.

Asset Test for BMR Buyers

The Mayor's Office of Housing will apply an asset test to all applicants. Assets include all savings, checking accounts, gifts and other sources of money (cash) other than retirement accounts. (If your retirement account is currently generating income -- i.e. you are living off of your retirement -- you must count this money as income on the BMR application.) Assets also include any money that will be used toward a down payment on a BMR unit. Ten percent (10%) of all assets between \$30,001 and 130,000 will be added to the total household income; and thirty-five percent (35%) of assets above \$130,000 will be added to the total household income. Retirement savings will be excluded from the asset test, but all retirement statements should be included in the application package.

Example:

Household of 4 earns \$70,000 a year
Total household assets = \$140,000
First \$30,000 of assets is excused: \$140,000 - \$30,000 = \$110,000 remaining
10% of first \$100,000 remaining is added to income: \$100,000 x 10% = \$10,000
35% of all remaining assets is added to income: \$10,000 x .35 = \$3,500
Total amount added to income: \$10,000 + \$3,500 = \$13,500
New total household income: \$70,000 + \$13,500 = \$83,500

FINANCING

Allowable Loan Types

All BMR buyers must be able to secure a loan through an approved loan officer or mortgage broker for a BMR unit. Approved lenders are listed on our webpage at www.sfgov.org/moh. BMR buyers must use 15, 30- or 40-year, fully amortizing, fully documented, fixed rate loans. MOH BMR buyers are not able to use FHA, CalHFA or VA first loans at this time.

A BMR household must take out a loan for a BMR unit and cannot pay for the entire unit in cash. The loan must equal at least 33% of the household's monthly income. The total amount of household debt that is paid off each month (housing expenses plus all other household debt) must not exceed 48% of the monthly loan amount.

Important

- Not all mortgage-lending institutions are willing to underwrite BMR loans. Please check with your institution to assure that it can underwrite a BMR buyer. The restrictions on BMR units will survive foreclosure.
- A BMR buyer is not approved until they receive an approval letter from our office. Lenders should refrain from charging BMR buyers for loans until this letter is secured. Please contact the sales team for each development to obtain a copy of the letter. The sales team is always emailed a copy of the approval letter.
- The BMR lien must always take second place after the buyer's primary mortgage. This means that a BMR buyer may not be able to use a second mortgage if that second mortgage must sit second on title.
- All BMR titleholders must appear on the title and loan for the unit.

Loan Types Not Allowed

NO "stated income" loans
NO interest-only loans
NO negative amortizing loans

NO adjustable rate loans
NO "balloon payment" loans

Downpayment Requirements

MOH does not require a buyer down payment, but many lenders will require a down payment that is between 5% and 20% of the purchase price. MOH does require a 2.5% buyer down payment when using our down payment assistance program. Loan amounts must never exceed the maximum sales price of the unit.

Additional Assistance for BMR Buyers

A buyer may use second loans that can take third or greater priority lien position on title, as the BMR lien must take second place on title only after the primary mortgage at all times.

- **BMR Downpayment Assistance Loan Program (BMR DALP), Teacher Next Door Loan Program and Police in the Community Loan Program** - Depending on fund availability and qualifications, BMR buyers may be eligible from between \$20,000 and \$36,000 from the Mayor's Office of Housing to assist with downpayment and closing costs. Buyers must apply through a certified lender and meet certain income requirements. See www.sfgov.org/moh for more information. BMR DALP funds are currently unavailable as of February of 2010.
- **Mortgage Credit Certificate (MCC)** - This state program allows first time homebuyers to deduct a portion of their monthly interest payments from their taxes, thereby lowering their monthly mortgage payment. This program is coordinated through MOH and our office must approve lender institutions in order for lenders to offer the MCC to the BMR buyers. (Please visit www.sfgov.org/moh for more information.) All BMR buyers are encouraged to apply for MCC as BMR DALP funds are unavailable as of February of 2010.
- **CalHFA CHDAP Program** – The California Homebuyer's Downpayment Assistance (CHDAP) Program offers a deferred-payment junior loan of an amount up to the lesser of three percent (3%) of the purchase price of a unit. (Visit www.calhfa.ca.gov for more information.) All BMR buyers are encouraged to apply for CHDAP as BMR DALP funds are unavailable as of February of 2010.

Other forms of downpayment assistance outside of MOH may be available to BMR buyers now and in the future. Please ask your lender for suggestions.

INITIAL PRICING

BMR units are priced to be affordable to low or median income households spending no more than 33% of their income on housing expenses. The unit is priced using the variables of condominium association fees, property taxes, a certain interest rate assumption, and an assumption of a 10% down payment. There is no down payment requirement for the program; however, if a buyer is not able to qualify for as large a mortgage as needed to purchase the unit, it may require a larger personal down payment to meet the purchase price. The City does not fix the price of the units but merely establishes the maximum price by this formula.

RESTRICTIONS ON BMR UNITS

Period of Restriction

BMR units will be restricted in their resale price and other applicable restrictions for the life of the project unless otherwise noted in the planning approvals or other use restrictions for the project.

Documents that Govern the BMR Buyer

Once a buyer is approved by the Mayor's Office of Housing and able to secure an acceptable loan, BMR buyers will sign four documents that restrict the unit and that acknowledge that the buyer understands the program. The following explanations of these documents are not legal definitions and cannot replace the actual language in the documents. To review these documents, visit www.sfgov.org/moh.

Promissory Note – This document states that the BMR owner owes a lien (like a loan) to the City. However, the lien cannot be repaid unless the owner lives in the BMR unit for a full 50 years in the case of units under that restriction period. For units that are restricted for the life of the building, the lien can never be repaid.

The lien is based upon the difference between Appraised Fair Market Value and below market rate actual sales price, ensuring compliance with the resale restrictions on the unit. Again, the BMR owner may not repay the lien. This lien is used to ensure that the unit remains restricted in its resale price. When a BMR unit resells, the first buyer is forgiven of the lien once the next buyer assumes the lien.

Deed of Trust – This deed is subordinate to the primary deed, executed by the buyer as trustor, for the benefit of the City to secure the City Promissory Note.

Grant of Right of First Refusal – This document requires the seller to notify the Mayor’s Office of Housing (or assigned agency) upon resale, giving the City the option to resell the unit through a lottery system to a qualified buyer.

Acknowledgement of Restrictions – This document verifies that the buyer has been advised of the terms of the affordability on the unit. Buyers must review the [City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual 2007](#) before signing this document.

Owner Occupancy

BMR units are intended to be owner-occupied at all times and used as a principal residence for the duration of ownership.

Renting

BMR units are intended to be owner-occupied and never used as investment property. However, it is recognized that there are circumstances in which an owner may be forced to relocate from his primary residence for employment reasons. In cases of verified job relocation for a period of less than six months, it is possible to rent the unit with approval from MOH and for a rent as specified in the City and County of San Francisco Affordable Housing Monitoring Procedures Manual.

Title Changes

A BMR owner cannot add or remove a person to or from the title of a BMR unit. MOH may grant the owner an exception in the case of marriage or divorce or commencement or dissolution of a certified Domestic Partnership. BMR owners must contact MOH before making any changes to the title of a BMR unit.

Refinancing BMR Units and Taking Cash Out

In general, BMR owners may refinance their units only to take advantage of a new loan that benefits the owner financially (e.g. a lower rate or lower monthly payments). Owners must contact our office for prior approval of all refinancing and must work with an approved BMR lender.

Because BMR owners often have very little equity in their units, BMR owners may take cash out on a BMR unit only under certain circumstances. Generally, BMR owners cannot “cash out” an amount on their home that is larger than the amount they have paid down on their unit.

Estate Planning

In the case of death, a BMR owner may leave their unit to a *qualified* adult child only. This new owner must be income qualified, a first-time homebuyer and otherwise qualified under the BMR program.

Re-Selling BMR Units

A BMR owner is required to re-sell a BMR unit at a restricted price established by MOH guidelines to a new qualified buyer. The owner will contract with a realtor to list the unit on the Multiple Listing Service (MLS) and work through MOH to resell the unit in a lottery process. MOH will add eligible capital improvements to the resale price. MOH will also add 5% to the base resale price to pay the seller and buyer’s realtor commission. Please review MOH’s [resale guidelines](#) for more information.

Pricing BMR Units for Resale

A BMR unit will be resold at a restricted affordable price to a household that meets the first-time homebuyer and income qualifications for the program. Most units are priced at a level that is affordable to households earning 100% of area median, but there may be variations. New BMR units will be re-priced according to change in the median income from the time of the current owner’s purchase to the time of sale. Specific pricing methods vary by development per the Planning Approval for each development.

The price of a BMR unit at resale is not guaranteed to exceed the initial purchase price of the unit. However, most long term BMR owners tend to see some appreciation on their units upon resale. Appreciation gained on a BMR unit upon resale belongs to the BMR owner minus all loans and closing costs.

See [MOH’s re-pricing guidelines](#) for more information.

Capital Improvements

Owners may add eligible capital improvements and special assessments to their resale price only if the improvements are (1) eligible and (2) made after the unit is 10 years old. There may be an exception for special assessments that are levied before the 10-year period. Please review [MOH’s capital improvements policy](#) for more information.

LOTTERY FOR UNITS

All individuals and households may enter the lottery for a BMR unit. However, those households in which one member holds a Certificate of Preference from the San Francisco Redevelopment Agency will be given highest preference in the lottery ranking process. Households that live or work in San Francisco will be given second highest preference in the lottery ranking process.

If the number of units available exceeds the number of qualified applicants who hold a Certificate of Preference or who live or work in San Francisco, the units will become available to other qualified applicants outside of San Francisco.

Certificate of Preference holders are primarily households displaced by Agency action in Redevelopment Project Areas during the 1960's and 1970's, but may also include other persons displaced by Agency action. Please contact the San Francisco Redevelopment Agency for more information at [415-749-2432](tel:415-749-2432).

OTHER HOUSING RESOURCES

Where can I find more information about City programs?

For further information about BMR units available and other City sponsored rental programs, please refer to our current listings on our website at www.sfgov.org/moh. Or, please contact our office for brochures and current listings of available properties at (415) 701-5500. Another helpful source for affordable housing options may be found through the San Francisco Redevelopment Agency at www.ci.sf.ca/sfra. To learn about all new units available through the City as they are posted, please sign up for our housing email alert system at www.sfgov.org/moh.

Finding More Information about Housing Programs

The best way to find information on all housing programs available in San Francisco is to call a local housing counseling agency, The Mayor's Office of Housing works with 5 primary housing counseling agencies. A list of these agencies can be found on the Mayor's Office of Housing website at www.sfgov.org/moh. Please look under the "First-time Homebuyers" link.

THANK YOU!

**City and County of San Francisco
Mayor's Office of Housing (MOH)
Below Market Rate ("BMR") Inclusionary Housing Program Ownership Units**

Application Process

- Potential qualified BMR buyers learn of new BMR units through Mayor's Office of Housing website at <http://www.sfgov.org/site/moh> and through marketing conducted by the developer of the BMR units. Potential buyers can receive email alerts from the Mayor's Office of Housing when new units become available by signing up for the [Email Alert](#) system.
- Applicant attends a [certified first-time homeownership workshop](#) from one of 5 approved local housing counseling agencies in order to apply. Only one titleholder need attend unless applying for downpayment assistance money through the City. (In this case, all titleholders must attend.)
- Applicant obtains a loan pre-qualification through an [approved BMR lender](#) who is listed on the MOH website at www.sfgov.org/moh.
- Applicant contacts **developer** of BMR units to obtain a Mayor's Office of Housing application or visits www.sfgov.org.
- Applicant submits **complete** BMR application packet directly to developer or developer's sales team by a specified deadline and before a public lottery for the units. Incomplete applications will not be entered into the lottery. **Please do not submit applications to the Mayor's Office of Housing.** Thank you.
- Public lottery is held. Mayor's Office of Housing conducts lottery. Applicants are not required to attend.
- Developer sales team contacts lottery winners and lottery winners may contact sales team for results, as well.
- Developer sales team compiles and sends completed buyer application packets to MOH for qualification for the program.
- MOH reviews and approves/disapproves buyers within 15 working days of receipt of a **complete** packet from sales team.
- BMR buyer secures a loan for financing the unit through an [approved BMR lender](#) who is listed on the MOH website at www.sfgov.org/moh.
- Buyer's lender submits sales contract; final appraisal; preliminary title report; and final loan application to MOH.
- MOH drafts closing documents to be reviewed and signed by BMR buyers within 7-10 days of receiving a complete loan, appraisal, title report and sales contract packet. Turnaround time is longer for applications including downpayment assistance from the City.
- Title Company works with BMR buyer to review and sign documents that restrict the resale of the BMR unit and that establish a lien on the property. Buyer will also sign all other closing documents associated with the sale.
- Title Company returns signed, notarized and recorded closing documents to MOH within 30 days of close of escrow.
- Unit closes escrow and buyers move into unit!

For specific questions regarding a current development and submitting your application, please contact the development or developer's sales team directly.

For questions regarding the completion of the BMR applications or the requirements of the program, please contact us at (415) 701-5500. Thank you!



555 Bartlett Lenders

Met Life

Carrie Mickelson
649 Mission Street, Suite 500
San Francisco, CA 94105
Phone: 415.655.4988
Email: CMickelson@metlife.com

Wells Fargo

David Belluomini
410 Townsend Street, 1st Floor
San Francisco, CA 94107
Phone: 415.247.1276
Email: David.Belluomini@wellsfargo.com

Bank of America

Patty Theodorides
225 Bush Street, Suite 130
San Francisco, CA 94104
Phone: 415.333.7499
Email: Patty.Theodorides@bankofamerica.com