



COVID-19 Temporary Policies and Procedures for Homeownership Programs

MOHCD Homeownership Programs Announcement 2020-01

Date of Announcement: April 6, 2020

Effective Date: described in each section below

In response to the coronavirus (COVID-19) pandemic, the City and County of San Francisco's (City) Mayor's Office of Housing and Community Development (MOHCD) has made temporary changes to the following policies and procedures related to homeownership programs. The changes are being made to ensure MOHCD can continue providing essential services that assist lower-income first-time homebuyers and homeowners during the [shelter in place](#) order.

- The following procedures are effected:
 - Open Houses
 - Lotteries
 - Applications and Documentations
 - Homebuyer Education
 - MOHCD Program Fees
 - Pre-Closing Appointments
- The following policies are effected:
 - Appraisals
 - Federal Income Tax Returns

Each of the temporary changes is described below.

Temporary Procedures

MOHCD's office is temporarily closed. All in-person visits and events have been cancelled until further notice.

Open Houses

To protect the safety of both the prospective buyer as well as the homeowner, open houses are temporarily cancelled. The prospective buyer is still required to enter into a sales contract within 7 business days from the date of issuance of a Conditional Approval Letter unless otherwise agreed between the buyer and the seller. In lieu of attending an open house in person, we suggest buyers review photos, descriptions, virtual tours (if available), and other marketing material regarding home details. Prior to the ratification of a sales contract, the prospective buyer or their agent should contact the seller to express any concerns related to COVID-19 and negotiate the terms of their offer. If the parties agree, a more specific COVID-19 Addendum ([C.A.R Form CVA, 3/20](#), or a similar form) can be executed to permit certain extensions and rights of the parties to cancel the contract in the event that COVID-19 related issues make it impossible or improbable to close.

Lotteries

Lotteries will continue to be held electronically and as scheduled, but will not be open to the public. However, MOHCD records a video of each lottery as it happens for future reference. Official lottery results will be posted on each [DAHLLIA](#) listing.

Applications and Documentation

- **Lottery Applications:** Paper lottery applications will not be accepted during the ongoing shelter-in-place order. If applicants need help filling out an online lottery application, they should contact their [housing counselor](#).
- **Post-Lottery Supplemental Applications:** The BMR Application and DALP Application are fillable and can be completed in PDF format. Click below to download the relevant forms which can also be found at <https://sfmohcd.org/housing-program-forms-and-documents>:
 - [BMR Homeownership Supplemental Application](#)
 - [Combined Downpayment Loan Application](#)

Homebuyer Education

Applicants will continue to be required to complete 10 hours of homebuyer education prior to applying for any homebuyer program administered by MOHCD which begins with a program orientation. To continue providing homebuyer education services at this time, [HomeownershipSF](#) and its member agencies are offering online homebuyer education as listed below.

- **Free 2-Hour Program Orientation:** The first online orientation with over 200 participants was scheduled on 3/31/2020. In the coming weeks, more online orientations will be posted at <https://homeownershipsf.org/homebuyers>.
- **6-Hour Homebuyer Workshop(s):** Two of the HomeownershipSF member agencies, Balance and San Francisco Development Corporation (SFHDC) offer the workshops online.
- **2-Hour Individual Counseling:** It can be arranged to take place via phone or other online services.

For updates and more information, please visit <https://homeownershipsf.org/homebuyers>.

MOHCD Program Fees

MOHCD program fees must be made in the form of a cashier's check or a check issued by the title company. The checks must be addressed to: "City and County of San Francisco." The fee must be delivered to our office **by US mail ONLY**. Please mail the program fee check to: Mayor's Office of Housing and Community Development, 1 South Van Ness Ave., 5th Floor, San Francisco, CA 94103. Attention: Program Name (For example, Subordination, or MCC).

During the shelter in place order, MOHCD is processing the program fee checks weekly, on each Thursday, and will need to confirm receipt of the fee before processing the request. For example, if a fee payment is received on a Friday, we will not process until after the following Thursday. Please plan accordingly to avoid processing delays.

The current fee can be found on our website at <https://sfmohcd.org/program-service-fees>.

Pre-Closing Appointments

The buyer's pre-closing appointments will be accommodated remotely via audio-video conferencing. Once MOHCD issues a final approval (known as a Purchase Commitment Letter), buyers review the City closing documents during a pre-closing appointment with MOHCD staff. All applicants who will be on the loan and title must be physically present at the video pre-closing appointment which covers MOHCD program requirements and restrictions particular to their property.

Temporary Policies

Flexibility for Appraisal

To allow for homes to be bought, sold, and refinanced during this time, in lieu of the interior and exterior inspection on both purchase and refinance transactions, MOHCD is temporarily accepting either an appraisal with an exterior-only inspection or a desktop appraisal. The flexibility will ONLY be granted when a buyer or lender cannot obtain an appraisal with an interior inspection due to COVID-19.

For refinances on a BMR home, MOHCD may, in its sole discretion, waive the appraisal report requirement if the refinance qualifies for an appraisal waiver granted from the Automatic Underwriting Systems (AUS). In such case, the lender may provide the AUS findings in lieu of the appraisal report.

These temporary appraisal policies are effective immediately for all purchase and refinance transactions in process and remain in place for closings with complete lender packages received on or before May 17, 2020.

COVID-19 Hardship for 2019 Federal Income Tax Return

While we understand that the Federal government has extended the 2019 tax filing deadline to July 15, 2020, MOHCD will require a copy of 2019 Federal Income Tax Return for all purchases and refinances. Buyers who are experiencing a hardship related to COVID-19, and are unable to complete their 2019 tax return may provide MOHCD with a hardship letter to request a waiver. Hardship waivers will be granted on a case-by-case basis, depending on the applicant's income and documentation used for qualifying. Resources on tax filing can be found on the IRS website:

- Electronic Filing Options for Individuals: <https://www.irs.gov/filing/e-file-options>
- Tax Information for Businesses: <https://www.irs.gov/businesses>

All tax transcript types are available online and can be requested at <https://www.irs.gov/individuals/get-transcript>.

Resources and Contact

All of the above information can be found on the MOHCD Announcement Webpage at: <https://sfmohcd.org/mohcd-homeownership-program-announcements>.

Below is a list of some of the key resources available to help homebuyers and homeowners.

Mortgage Relief: Over 200 financial institutions statewide are committed to providing immediate relief for property owners with upcoming mortgage payments that are due, or for families who need to withdraw funds from CD's. See the press release [here](#).

Income Tax Filing Extension: Both [Federal](#) and [State](#) income tax filings and payments have been extended to July 15, 2020.

Eviction Moratorium: The City has established a temporary moratorium on evictions for non-payment of rent by residential tenants directly impacted by COVID-19. Visit this [link](#) to learn more.

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

We thank you for your continued support and partnership.