



### Temporary Waivers to Expedite BMR Resales

#### MOHCD Homeownership Programs Announcement 2024-01

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The current stagnancy in the condominium market has presented challenges for [Below Market Rate \(BMR\)](#) homeowners attempting to sell their homes. Contributing factors includes high interest rates, a reduced pool of buyers, and increased competition from newly constructed BMR units.

To address these challenges and expediate the resale process, the Mayor's Office of Housing and Community Development (MOHCD) is implementing temporary adjustments to buyer eligibility rules. These adjustments include one-time waivers for BMR resales that meet the criteria outlined below.

#### Temporary Buyer Eligibility Waivers

- **Increase in Qualifying AMI:** Applicants can qualify with an Area Median Income (AMI) up to 20% higher than the AMI designated for the unit, but not exceeding 150%.
- **Removal of First-Time Homebuyer Requirement:** Buyers will no longer be required to be first-time homebuyers.
- **Exclusion of Income from Assets:** Income derived from assets may be excluded in the eligibility calculation.
- **Modification of Household Size Requirement:** Buyers may purchase a unit with up to one additional bedroom beyond their household size (e.g., a single person can purchase up to a two-bedroom unit).
- **Flexibility in Homebuyer Education:** The required first-time homebuyer education course may be completed after the initial application submission.
- **Lowering Minimum Financing Requirements:** Minimum financing thresholds for buyers may be reduced to facilitate purchase.

#### Conditions for Waiver Application

The above waivers will be granted under **one** of the following conditions:

- There are no eligible applicants from the resale lottery, and the sales price does not exceed the affordable price; or
- The sales price does not exceed the original purchase price plus closing costs (up to three percent (3%) of the original purchase price), provided this total does not exceed the affordable price.

It is important to note that these waivers are one-time allowances and will not apply to any future sales of the BMR unit. Homeowners must inform prospective buyers of the one-time nature of these qualifying exceptions.

#### Temporary Removal of Owner Occupancy Requirement

If the homeowner chooses not to lower the resale price, MOHCD may permit the temporary rental of the unit for up to one year, with prior written approval from MOHCD. Detailed temporary rental policies

are available in the Inclusionary Affordable Housing Program Monitoring and Procedures Manual governing the unit.

### **Effective Date**

These waivers are effective immediately and will expire on June 30, 2025, unless further extended by MOHCD.

### **More Information**

For additional details, please refer to the BMR program guidelines outlined in the [Procedures Manual](#).

View this Announcement at the [MOHCD Announcement Webpage](#).

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Please contact MOHCD Homeownership Programs at [sfhousinginfo@sfgov.org](mailto:sfhousinginfo@sfgov.org) with any further questions regarding this Announcement.