

Mayor's Office of Housing and Community Development
City and County of San Francisco



Edwin M. Lee
Mayor

Kate Hartley
Acting Director

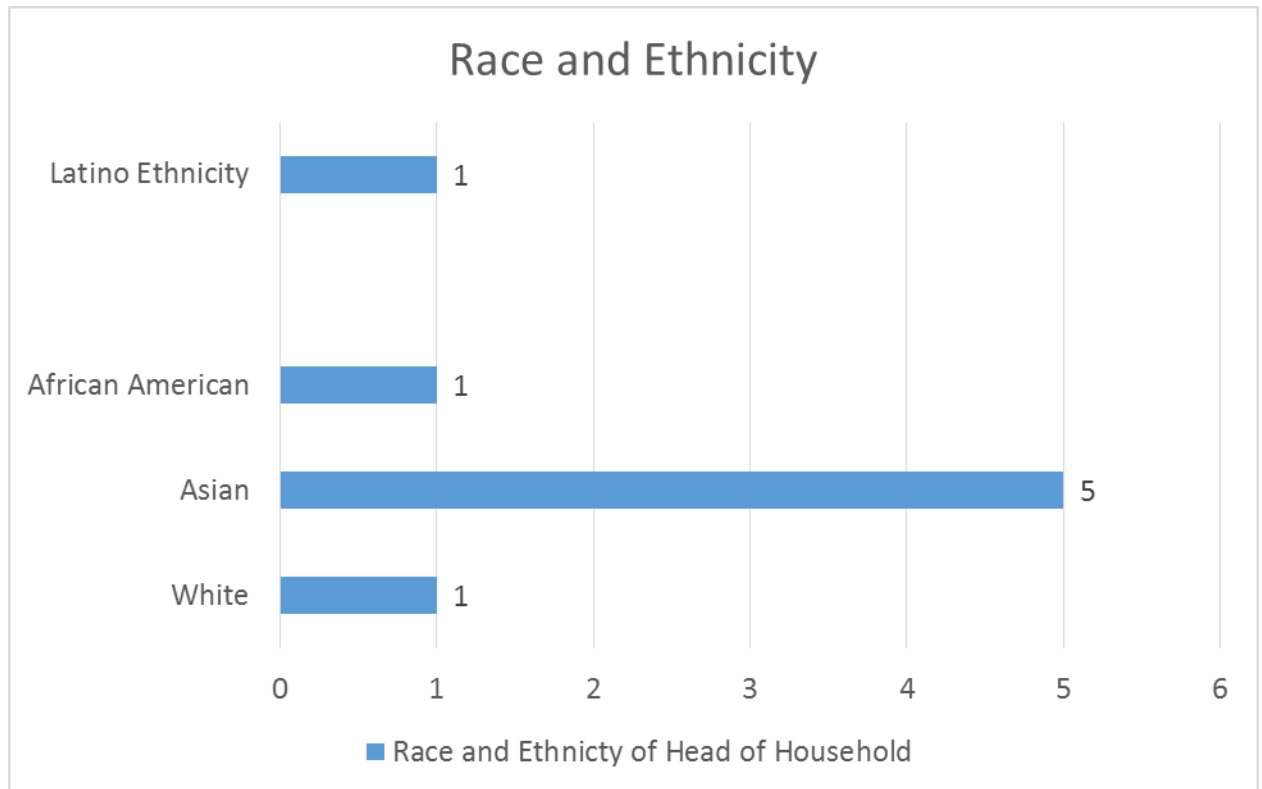
On May 6, 2014, the OCII Commission considered and approved the Memorandum of Understanding (“MOU”) between OCII and the Mayor’s Office of Housing and Community Development (“MOHCD”). The MOU requires a Marketing Outcomes Project Report subsequent to the initial sale of each OCII affordable housing development. The report for 72 Townsend Street follows.

Marketing Outcomes Project Report
July 3, 2017

Project name	72 Townsend Street
Project location	SOMA – South Beach
Project sponsor	Kaufman and Broad Homes (KB)
Project tenure	Inclusionary
Population type	Ownership
Total number of units	74
Total number of affordable units	(7 total units) 3 – 1 bedroom 4 – 2 bedroom
Total number of applicants	304
Affordability level(s)	95% of Area Median Income (AMI) – 100% AMI Qualifying Income
Sales Price Range:	\$177,000 - \$250,000 (market rate \$800,000 - \$1.5M)
Marketing start date	January 27, 2016
Construction completion date	2016
Final Sale Date	February 17, 2017
Occupancy preferences	1. Certificate of Preference 2. Ellis Act Preference 3. San Francisco Residents 4. General Population
How many COP holders applied	0
Total Number of People Housed in BMR's at 72 Townsend	16

72 Townsend Sales Demographics

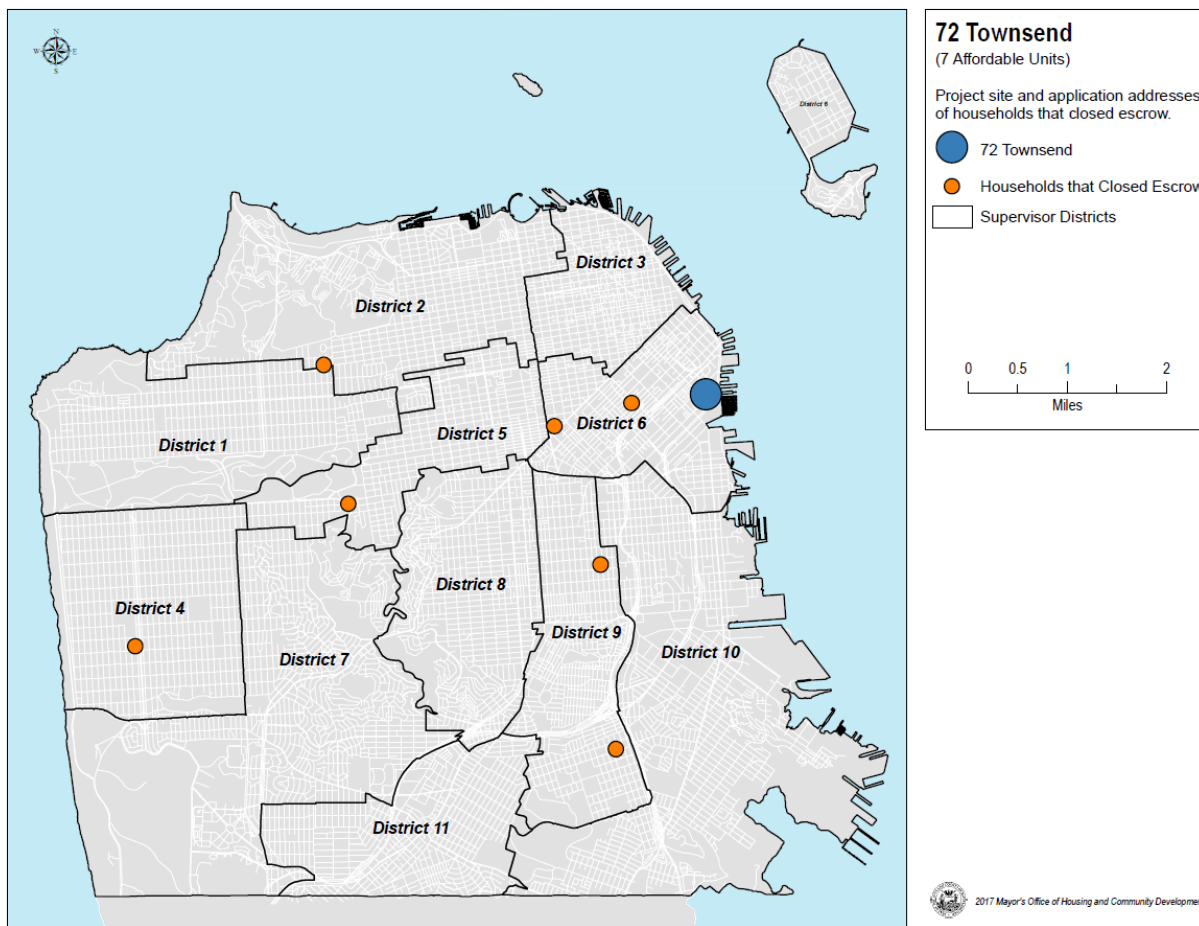
MOHCD uses the same categories as HUD to identify race and ethnicity demographics among applicant head of households. Each applicant is asked to identify a race and they are also asked if they are of Latino ethnicity. Over 70% of successful households identified their race as Asian. With regard to ethnicity, one of the head of household's identified as having Latino ethnicity. 72 Townsend was not subject to OCII's early outreach practices because project approval occurred before OCII adopted an early outreach policy.



The average household income of the successful homeowners is 85% AMI or \$71,601. The average household size of the seven households is 3. Three of the seven households had children and there were no seniors housed in Below Market Rate (“BMR”) units at 72 Townsend.

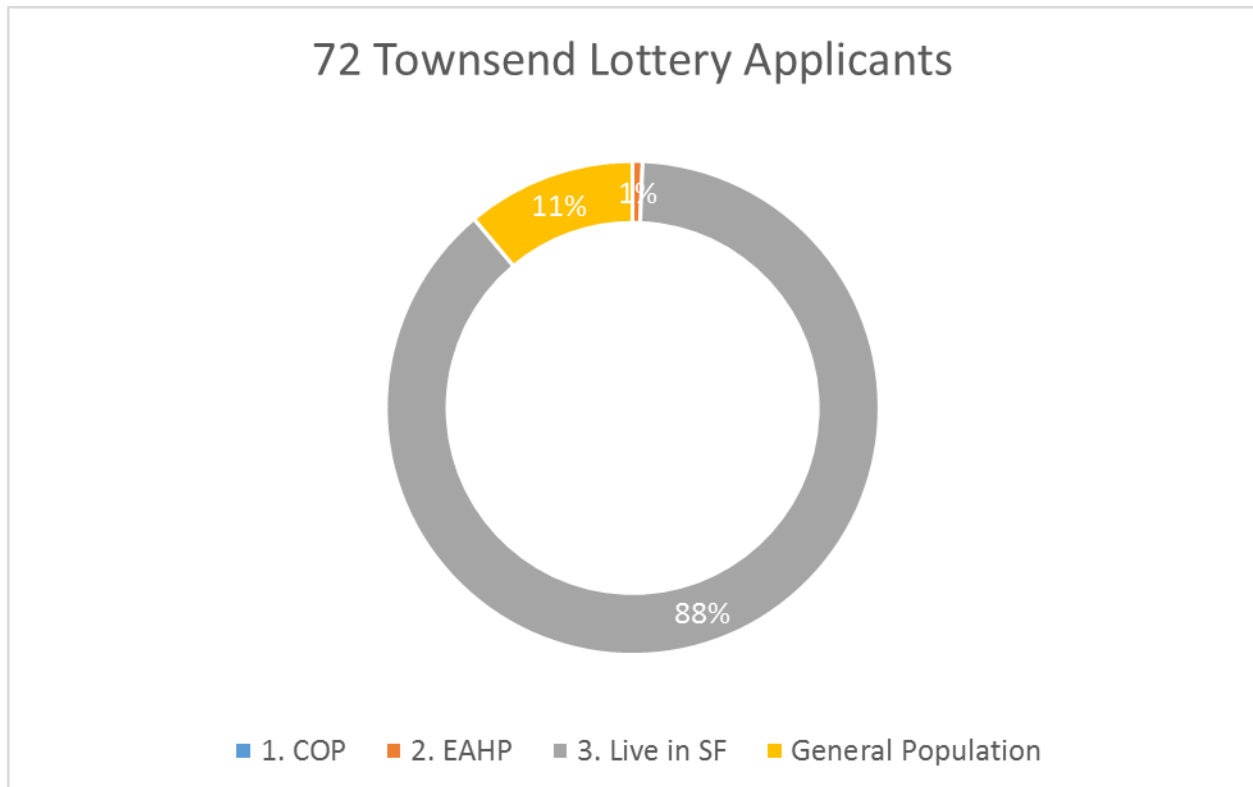
Location of Origin of Successful Applicants

The 7 homebuyers who successfully purchased came from several locations throughout the City with Districts 9 and 6 having two each. Unfortunately, none of the applicants were from Districts 10, 1, 3, 7, 8 or 11.



Affordable Housing Lottery Preferences and Sales

304 households applied to 72 Townsend for 7 units of housing. Two Ellis Act Housing Preference certificate holders applied and one purchased a home. All other homeowners were selected from the “Live in San Francisco” preference.



There were many delays in the sale of 72 Townsend units. KB Home had a difficult time securing a sales team for the BMR units and finally settled upon HomeownershipSF to assist them with marketing and application process last summer. HomeownershipSF is a collaboration of MEDA, SFHDC, Balance, the LGBT Center, and Asian Inc. The units began closing in September 2016 with the final home sold in February of this year. Contributing to the delays were three lengthy appeal processes. Two for households who were found to be over income and one for a household whose financial situation changed during escrow and they were no longer mortgage ready.

Success Stories

The Smith family was successful for the housing lottery at the Mosso building at 5th and Howard in 2014. The Mosso is a market rate building with several City BMR Inclusionary units. At that time, the family of three was at 50% AMI. Since securing the affordable housing, Mr. Smith found new higher earning employment and raised the family’s income to 85% AMI. Since they had been successful in the rental lottery world, they attended the first time homebuyer counseling and decided to start applying for ownership opportunities and after several tries, they found success at 72 Townsend.