



Citizens' Housing and Planning Association

One Beacon Street, 5th Floor, Boston MA, 02108
(617) 742-0820 | chapa.org

CommonWealth Builder Selling Your Home

As monitoring agent for your CommonWealth Builder affordable home, Citizens' Housing and Planning Association (CHAPA) will assist you in selling your property to a new eligible purchaser. The following outlines CHAPA's role and your responsibilities in the resale process. The resale process can be time-consuming; you should therefore prepare for this accordingly.

This policy provides only general guidance; the process and sale restrictions for homes can vary significantly. You can request information specific to your home [through this form](#). This policy also only applies during the term of your Affordability Deed Restriction, often covering the first fifteen (15) years of ownership. For more information on reselling after that period, please see the "[CWB Shared Appreciation Deed Rider Policies](#)" policy.

If you are ready to start the resale process, please contact: Ron McCormick, Senior Program Manager, (781)285-6081, rmccormick@chapa.org.

CHAPA's ROLE

- **Setting the resale price.** CHAPA will set your Maximum Resale Price according to the formula contained in your deed rider. Most often, this is the price affordable to a household earning up to 80% or 100% of the Area Median Income. Maximum Resale Prices are not guaranteed and represent the maximum amount you could receive. CHAPA will also calculate the resale fee, paid to CHAPA at closing, pursuant to your deed rider.
- **Notifying your municipality and MassHousing.** CHAPA will notify your municipality and MassHousing that you intend to sell your property. The Municipality and MassHousing will have an option to purchase your property at the Maximum Resale Price within 30 days of your resale notice.
- **Advertising the property.** CHAPA will direct efforts to locate a new eligible buyer for your home. CHAPA will market the property on affordable housing websites, social media, as well as distribute the listing to our email lists. CHAPA's brokerage subsidiary, CHAPA Portfolio Realty, will list your home on the Multiple Listing Service (MLS), the primary listing tool used by real estate agents to find homes for sale. The total cost to you for the CHAPA Portfolio Realty listing is \$500 plus compensation of 1% to the buyer's agent. CHAPA will coordinate communication between you and the eventual approved buyer, and keep you informed of your responsibilities as seller. However, CHAPA and CHAPA Portfolio Realty will not represent you, the seller, or the buyer, as a real estate agent. If you need additional support in selling or do not want to pay these

advertising fees, you may choose your own real estate agent to market the home on MLS, represent you in the transaction, and assist you with other seller responsibilities. CHAPA will still coordinate the resale, including our own marketing and managing buyer approval, but your agent will help you complete your seller responsibilities and be your primary point of contact. The cost of hiring a real estate agent can vary but can be roughly 5% of your sale price. You are responsible for the additional cost of hiring your own real estate agent in addition to the CHAPA Resale Fee.

- **Sending out applications.** CHAPA will create, distribute and collect applications as well as answer questions from interested parties.
- **Selecting an Eligible Purchaser.** Applications from potential buyers will be reviewed and a purchaser will be approved according to CHAPA policy. This often is done through a random selection lottery and eligibility review. The selection is conducted in a fair and impartial manner. You will be notified once CHAPA has verified an applicant as an Eligible Purchaser. If this Eligible Purchaser later decides not to purchase your home, CHAPA will approve another Eligible Purchaser. *As seller, you may not choose the buyer for your property.*
- **Providing documents for closing.** CHAPA will provide you or your attorney with an Affordable Housing Deed Restriction, Shared Appreciation Restriction, and Restriction Mortgage to be recorded at closing. CHAPA will also issue a Compliance Certificate for the purchaser which needs to be recorded.

HOMEOWNER'S RESPONSIBILITIES

- **Providing a letter stating your intention to sell.** To begin the resale process, you must send CHAPA a letter of intent with a brief description of your home, including the number of bedrooms, the monthly property tax, the monthly condominium fee and the monthly homeowner's insurance amount, if any. The letter should also include your contact phone number, email address, and signature.
- **Filling out a property information form and letter of intent.** CHAPA will provide this form to you. It is important that you fill the form out completely and accurately. This information will be used to advertise your property.
- **Providing photos of your home.** These photos will be used for marketing purposes. Please include both interior and exterior photos.
- **Resale fee deposit.** You will be asked to pay a \$300 deposit towards your resale fee. This money is NOT refundable if you decide not to sell your property.
- **Fixing any damage to your property.** The resale price of your home will be set assuming that the property is in the same or comparable condition as when you purchased. Damage beyond normal wear and tear must be repaired before selling or your Maximum Resale Price will be adjusted accordingly. Any property condition issue that constitutes a substantial health or safety issue must be addressed prior to closing or negotiated with the buyer to their satisfaction.
- **Paying off any solar panel obligations.** The cost of solar panels cannot be passed on to the buyer of your home. Any leases or loans associated with solar panels must be paid in full at your cost, prior to closing.
- **Showing your property.** You must allow approved buyers to see the home.
- **Selling your property to the selected household.** You must give the Eligible Purchaser selected by CHAPA an opportunity to purchase the home at reasonable terms and

conditions. You may not deny them the opportunity to purchase the property.

- **Providing a Purchase and Sale (P&S) Agreement.** You will be responsible for preparing the P&S agreement. CHAPA strongly recommends that you hire an attorney to prepare the P&S agreement for you, as it is a legally binding contract between you and the buyer. Additionally, CHAPA recommends that you require no more than \$1,000 as a deposit at the time of signing the P&S.
- **Providing access for the purchaser's appraiser and home inspector.** It will be your responsibility to provide the buyer's appraiser and home inspector with access to your property.
- **Keeping CHAPA informed about the closing.** You will need to provide CHAPA with the closing date and contact information of the closing attorney, to ensure the necessary documents can be provided by CHAPA, approximately two weeks prior to close. Failure to do this will delay your closing.
- **Providing the other necessary documents for closing.** You are responsible for providing the new deed and any other documents that will be required. For example, the condominium documents, the 6-D certificate showing that you do not owe any money to the condominium association, etc. The condo association may charge a fee to provide you with these documents; your attorney or agent can help you obtain them.
- **Paying the resale fee due to CHAPA and the advertising costs at closing.** You must pay CHAPA the resale fee as provided in your deed rider, (minus \$300 resale fee deposit if you have already paid this). If the resale fee is not paid at closing, you will still be responsible for it. You will also be responsible for the advertising costs mentioned above.
- **Selling to an Ineligible Purchaser.** If an Eligible Purchaser is not located within the period specified by your deed rider (and you have fulfilled all of your responsibilities), you may be able to sell the property to an ineligible purchaser subject to the affordability restrictions. Preference will be given in the following order: (i) Eligible Purchasers if any are found, (ii) Ineligible Purchasers earning no more than 140% of the Area Median Income who are first-time homebuyers, and (iii) other Ineligible Purchasers earning no more than 140% of the Area Median Income. In this case, you must sell the property at the affordable resale price. CHAPA will still coordinate buyer selection.

Please direct all resale questions to:

Ron McCormick
Senior Program Manager
Phone: (781) 285-6081
Email: rmccormick@chapa.org