



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Deval L. Patrick, Governor ♦ Aaron Gomstein, Undersecretary

SELLING YOUR LOCAL INITIATIVE PROGRAM HOME

Dear Local Initiative Program (LIP) Homeowner:

The following is a summary on how to sell your home under the LIP program. *We wish to emphasize that before you may begin the process of selling your LIP unit, your town/city and the Department of Housing and Community Development (DHCD) must review your written request to sell, and issue a written response.*

To begin the review process, please mail the following information to both your town/city and DHCD:

- Written notice of your intent to sell (Conveyance Notice).** Your written notice should include your name, the property address and a phone number where you can be reached during the day.
- A copy of the **Deed Rider** for your LIP Mortgage. If you did not keep a copy, you can obtain one at your local Registry of Deeds.
- A clear **color photograph** of the exterior of your LIP unit for posting on the DHCD Affordable Units for Sale web page.
- A copy of the completed **Property Information Form** (attached).

The above documents should be mailed to the following addresses:

The Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114
Attn: Division of Housing Development - LIP Program
Elsa.campbell@state.ma.us

Karen Margolis
Sudbury Housing Office
Flynn Building - 278 Old Sudbury Road
Sudbury, MA 01776
margolisk@sudbury.ma.us

MAXIMUM RESALE PRICE

After receiving the Conveyance Notice, DHCD will send a written response to you stating the price for which you may sell your home. This price is called the *Maximum Resale Price*, and is determined based on the formula in your Deed Rider. The maximum resale price of your home is calculated by multiplying the appropriate current median income by the maximum resale price multiplier factor listed in the deed rider.

For a period of 90 days, the local community and DHCD reserve the right to restrict the sale of the home to a buyer who is income-eligible under the LIP program. If an eligible buyer is located, but is unable to secure financing within the 90-day period, DHCD has an additional 60 days to locate another eligible buyer.

MARKETING THE UNIT

During the 90-day period, the local community will market the unit to its list of eligible buyers. For communities that do not maintain such a list, DHCD will assign the unit to a local non-profit agency or resale agent for marketing and qualifying applicants.

DHCD will post information about your property on its "Units For Sale" web page as well.

THE NEW BUYER

The new buyer must be income eligible under the LIP program. The local community or resale agent will verify eligibility. When the buyer's eligibility has been verified and has been approved for financing, both the seller and the buyer should retain legal counsel and sign a purchase and sale agreement. DHCD must receive a copy of the purchase and sale agreement, and the loan commitment for the buyer, in order to prepare the closing documents.

If an eligible buyer is not located during the 90-day period (or subsequent 60-day period), you may sell your home to an ineligible buyer, although preference must be given to a household earning between 80% and 120% of area median income. The price to the ineligible buyer is the Maximum Resale Price. The new buyer must sign a deed rider identical in form and substance to the seller's deed rider, and they are subject to the same rights and restrictions.

For more information, please contact Elsa Campbell of DHCD's Division of Housing Development at 617- 573-1321 or elsa.campbell@state.ma.us.