



## Selling your MACLT Home

**IMPORTANT:** Please contact MACLT as soon as you are thinking of selling your home. We will explain the steps and support you in the process.

MACLT contact info:

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### WHAT ARE THE BASIC STEPS TO SELL YOUR MACLT HOME?

**STEP 1** Read through the written agreements you signed when you purchased your MACLT home. Those documents may include a Ground Lease, Declaration of Restrictive Covenants, and/or a Letter of Acknowledgement.

**STEP 2** Contact MACLT and submit the required letter of intent to sell and appraisal. We will help walk you through the entire resale process!

**STEP 3** MACLT will send you a letter stating the maximum price you can accept for your home, and whether or not MACLT will exercise its option to repurchase your home, or to assign that right to a Buyer on the MACLT waiting list.

**STEP 4** Either MACLT will repurchase your home or assign option to purchase to an eligible buyer in our prospective homebuyer queue, who will purchase your home.

**OPTION TO PURCHASE** MACLT has the legal right to buy your home or assign this right to an eligible buyer at the Purchase Option Price (POP) when you sell your home.

**PURCHASE OPTION PRICE** According to the terms of your ground lease, MACLT has the option to purchase your home at the Purchase Option Price (POP). The POP price is equal to (a) what you paid for your house, plus (b) 25% of the increase in the appraised value of your home, plus (c) 100% of the appraised value of any approved Qualified Capital Improvements (QCIs) based on the MACLT QCI policy. The City of Madison property tax assessment value is designed to roughly correlate with the POP price, but is only an approximate figure. The POP price will be calculated using the appraisal at the time of resale.

### MACLT'S TIMETABLE FOR MAKING A REPURCHASE DECISION AND COMPLETING THE PURCHASE.

- MACLT has the option to purchase your home for a period 45 days from the date you provide MACLT with both (a) a letter stating your intent to sell, and (b) an appraisal that complies with

the Fannie Mae Community Land Trust appraisal guidelines. This appraisal is paid for by the homeowner. MACLT can refer you to an appraiser who is familiar with the Fannie Mae CLT guidelines, and who has experience appraising CLT homes.

- According to the ground lease, if MACLT does use or assign its option to purchase, MACLT has another 60 days to go to closing.
- *The maximum amount of time allowed by the ground lease between initial notification by the homeowner and closing on repurchase by the MACLT is 105 days.*

**WHAT IF MACLT OR AN ASSIGNED BUYER ARE NOT ABLE TO PURCHASE YOUR HOME?** MACLT will inform the homeowner within 45 days from initial notification that we do not have a buyer to repurchase your home. We would still work closely with you to assist you in the resale process. Your ground lease details the agreements and timeline regarding income and price restrictions.

If MACLT assigns its Option to Purchase to a buyer and they fail to close on the house within 60 days, you and MACLT may choose to extend the 60 days by mutual agreement, or else the Option to Purchase will terminate. In that case, you may sell the home yourself by following the guidelines in the ground lease regarding income and price restrictions, with guidance and support from MACLT in your process.

**WHAT IF YOU WANT TO BUY ANOTHER HOME BEFORE SELLING YOUR MACLT HOME?** If you can afford to do this, you can,. However, buying another home before selling your MACLT home can create serious financial challenges for you. For example, you may get stuck paying two mortgages if MACLT does not repurchase your home and it takes a lengthy time before a buyer comes along for your MACLT home.