

## Steps by Step Process to Completing the Purchase

1. **Buyer Interest** – If you have interest in the property, please feel free to call us to schedule a time to show you the model unit. Please be sure to carefully review all of the information on the website prior to scheduling a showing to make sure you qualify for the program. If you have a broker you are currently working with, please feel free to have them call and set up the showing, we are happy to provide them with a referral fee.

**DISCLOSURE – HOLMESTEAD PROPERTIES IS WORKING AS A SELLERS AGENT, AND DOES NOT REPRESENT THE BUYER AT ANY TIME. HOLMESTEAD PROPERTIES ACTS IN A FACILITATION ROLE WITH THE BUYER ON UNIT ACCESS AND UNIT SELECTION, ALL NEGOTIATION WITH REGARD TO THE HOME INSPECTION, P&S, OR ANY OTHER ISSUE WITH REGARD TO THE TRANSACTION WILL BE DONE DIRECTLY WITH THE SELLERS COUNSEL OR LOTTERY AGENT.**

2. **Application** – Once Interest has been established, the buyer must obtain a preapproval letter from a lender of their choice, a few referrals have been offered on this site. The buyer must also fill out the provided application, once complete, must submit the application through Holmestead Properties to SEB for review.

Brian Engler  
SEB  
165 Chestnut Hill Ave.  
Unit 2  
Brighton, MA 02135  
Phone: 617.782.2300 x203  
Fax: 617.782.4500  
email: b.engler@s-e-b.com

3. **Unit Selection** – After the preapproval and application has been reviewed by SEB, and the buyer is deemed to have qualified for the program, unit selection can begin with our assistance. The buyer may now have access to all of the available units, and pick which one they would prefer. This selection process is done with Holmestead Properties, although we welcome the presence and input of your Real Estate Agent, if you would like. **Not until you sign the P&S Agreement and submit it to the seller counsel with your unit be reserved. A sample of the P&S is available on this website**

4. **Inspection** – The buyer may want to have a home inspection on the unit they are thinking about buying, and this may be done at their own expense. This inspection needs to be done prior to signing the P&S Agreement. This means you should set up your inspection As Soon As Possible. If the unit has to be accessed for the inspection, call Damian KokEnnen to schedule a time to meet. You will likely need to give him a few days notice.
5. **P&S Review**- It is recommended that all households obtain an attorney to review the Purchase and Sale Agreement, the Deed Rider and all other applicable documents. You may also have the bank that is offering your mortgage commitment review these documents. It is important that the lawyer (or bank) ensure that the taxes being assessed to the affordable unit are based on the affordable sales price and not the market-rate price of an equivalent unit. **Issue with the Purchase and Sale Agreement and/or condo/homeownership documents and/or inspection (if applicable) should be raised with the outside counsel of General Growth Properties (Sarah Larner).** Her contact information is below.
6. **P&S Signing - Not until you sign the P&S Agreement and submit it to Sarah Larner will your desired unit be reserved. There may be other households interested in the same unit as you who may also be in possession of a P&S. If they deliver a signed copy to Sarah Larner first, they will be given the first opportunity to purchase the unit.** Sarah Larner is council to the developer, General Growth Properties. Her contact information is the following:

Sarah Larner, Esquire  
Gilmartin, Magence & Ross  
376 Boylston Street  
Boston, MA 02116  
Phone: (617) 375-9000 x5607  
Fax: (617) 375-5700  
Email: slarner@gmr-law.com

Sarah Larner will notify the offices of SEB that they are in receipt of your signed P&S Agreement.

The P&S Agreement will set the closing date.

## **7. Final Steps to Closing After P&S Signing**

*Once the P&S is signed, you should get started immediately on the following two steps as they need to be completed at least two weeks before closing.*

### **A. Obtain Mortgage Commitment**

Despite what your lender may tell you, **you need to do this immediately because you have to submit all documentation to SEB at least two weeks before you close on your home.** Mortgage pre-approval does not ensure a mortgage commitment. **No matter what your lender told you, you do not have your mortgage commitment yet.** Only after a household has a signed Purchase and Sale Agreement, can they go back to their lender that issued them their preapproval letter and obtain a Mortgage Commitment. Households do not need to go back to the same lender that gave them their pre-approval letter but it is recommended. If households decide to go with a different lender we would recommend Maria Rancourt at Middlesex Savings Bank in Natick (508.315.5423) or Liza Miller at Wells Fargo(617.363.4619) as both are familiar with this program. They offer great mortgage products and they should be very helpful in guiding you through these final steps properly. Please note that each lender will handle the Mortgage Commitment differently and this letter only serves as a guide through this process. Generally, the lender will want to see the Purchase and Sale Agreement, the Master Deed, the Condominium Documents and **the SAMPLE Deed Rider** (the actual Deed Rider will be provided by DHCD just before closing, see below). The lender will also do an appraisal of the property once the property is ready to move into. Once the appraisal is complete, the lender will be able to finalize the mortgage commitment and the household will be able to close on the home. The household will need to obtain a copy of the mortgage commitment that shows the terms of the mortgage and has the signatures of the bank and/or lender. Remember, mortgage commitments must meet the following standards:

### **B. Mortgage Standards**

The loan must have a fixed interest rate through the full term of the mortgage.

The loan must have a current fair market interest rate.

*(No more than 2 percentage points above the current MassHousing rate\*)*

The loan can have no more than two points.

The buyer must provide a down payment of at least 3% - half of which must come from the

buyer's own funds.

If Heads of Household are not married, the names of all Heads of Household must be on the

Mortgage

\*MassHousing: (617) 854-1000 or [www.masshousing.com](http://www.masshousing.com)

Be sure to show the above Mortgage Standards to your lender. If your mortgage commitment does not clearly abide by the above standards, you will not be able to close on your affordable home!

### **C. Final Review for Program Eligibility (three weeks prior to closing)**

Before a household can close on their affordable unit, The Department of Housing and Community Development (DHCD) and SEB must do a final review of the household's eligibility in order to prepare the Resale Price Certificate and Deed Rider that must be recorded at the closing.

In order to prepare the Certificate, DHCD requires the following documents at **least 2 weeks before the loan closing date:**

a copy of the PURCHASE AND SALE AGREEMENT

a copy of the MORTGAGE COMMITMENT LETTER from the buyer's lender including

interest rate, points, length of loan, and annual percentage rate

Contact information for the loan CLOSING ATTORNEY including name, address, phone and fax numbers.

**Your attorney or lender needs to send all above information to SEB at the following address:**

SEB

Re: DHCD Approval, Natick Lottery

165 Chestnut Hill Ave, Unit 2

Brighton, MA 02135

**Additionally, you will need to complete the enclosed Final Review Application and submit it along with all required income and asset documentation to SEB.**

You can send in the **Final Review Application** at any time between now and 3 weeks prior to closing although we recommend you send it in As Soon As Possible. SEB will review all income and asset documentation to ensure that your household is still eligible for an affordable unit.

SEB will also forward all P&S and mortgage information to DHCD upon receipt. DHCD will mail and fax the Resale Price Certificate to the buyer's closing attorney. In addition, DHCD shall provide the deed rider for use at the closing.

The closing attorney will record the deed, Deed Rider, and Resale Price Certificate and, within 10 days, submit a copy of both signed documents, with recording information to the above LIP address.

#### **8. Closing and Move-in**

The Purchase and Sale Agreement will set the Closing Date. If all the steps above are followed, the closing should go smoothly. At the closing, in addition to all the typical closing documents, **make sure that you sign the Deed Rider and the Resale Price Certificate. Also make sure that your lawyer records them after the closing.** Your lender and lawyer will be able to guide you through the above steps. Once you have closed on the unit, you may move in!