City of Boulder Homeownership Programs
Realtor Program Guide 2014

In accordance with the provisions of the Equal Opportunity Act and the Boulder County Homeownership Programs' policies, there will be no discrimination against an applicant for these benefits on the basis of age, source of income, sex, race, marital status, sexual orientation, national origin, religion or handicap.

Updated: 7/21/2014

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Equal Housing

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Welcome!

Dear Real Estate Professional,

We are so pleased that you are working with a buyer or owner in City of Boulder's Affordable Homeownership program! This is a great community in which to live, and the citizens of Boulder have taken steps to ensure an inventory of permanently affordable homes and opportunities for ownership in our community.

The City of Boulder makes homes affordable through regulations and subsidies. As such there are a number of responsibilities to which program buyers and owners commit. This manual was developed to provide a program overview to Realtors, while giving specifics about the city's requirements and timeframes for approving and drafting documents for closing.

During the sale one city staff member will be assigned to the transaction. This staff member is charged with protecting the interests of the community, the buyers, and the sellers. It is their objective to be fair and neutral throughout. You should not hesitate to notify them with questions, or if you need assistance.

Sincerely,

The Homeownership Program Team
City of Boulder
Division of Housing

City of Boulder Homeownership Programs
Physical Address: 1300 Canyon Boulevard, Boulder 80302
Mailing Address: P.O. Box 791 Boulder, CO 80306
303-441-3157, ext. 2
homeownership@bouldercolorado.gov
www.boulderaffordablehomes.com

Equal Housing

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Eligibility Requirements: Homeworks Permanently Affordable

Below is an overview chart for the Homeworks Permanently Affordable Program.

Homeworks Permanently Affordable Program: Eligibility Requirements			
LOW-to-MODERATE INCOME HOUSEHOLDS	**Family Size**	**Income Limit**	**Asset Limit**
	1	$51,490	$55,000
	2	$58,850	$70,000
	3	$66,220	$85,000
	4	$73,520	$100,000
	Inquire for larger family sizes, or see below for special asset scenarios		
MIDDLE INCOME HOUSEHOLDS	**Family Size**	**Income Limit**	**Asset Limit**
	1	$76,400	$140,000
	2	$87,360	$155,000
	3	$98,330	$170,000
	4	$109,110	$185,000
	Inquire for larger family sizes, or see below for special asset scenarios		
INDIVIDUAL SCENARIOS THAT CAN AFFECT ASSET LIMITS	**Scenario**	**Asset Limit**	
	Recently Divorced	$85,000	
	Retired	$85,000	
	Permanently Disabled	$140,000	
	Additional Family Members	$15,000 added per person	
FEE	$25.00 application fee		
DEBT-TO-INCOME RATIO	Debt-to-Income ratio may not exceed 42% in most cases.		
BUYER'S MINIMUM CASH CONTRIBUTION	Buyers are required to contribute at least $2,000 of their own money. Lenders may have requirements beyond this minimum.		
HOMEBUYER EDUCATION	To participate in the program at least one person from each household must attend a 75-minute city Orientation, and a day-long Homebuyer Education class offered by certified housing counseling agencies. These classes are also available on-line. To purchase a Homeworks Permanently Affordable home, both requirements must be fulfilled before closing. Applicants may enter a lottery or submit a contract if their full application documentation has been received and approved, but the classes are not yet completed.		

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LENDER/MORTGAGE LOAN	Applicants must submit as part of their city application packet: • Copy of the mortgage loan application (as prepared by their lender, not handwritten) • Mortgage Preapproval Letter that lists maximum purchase price, loan amount, minimum down payment, estimated PITI, interest rate, and loan type
FIRST-TIME HOMEBUYER REQUIREMENT	• No requirement • Buyers may have owned a home in the past, or still own a home at time of application • Buyers must sell their home before closing on a Homeworks Permanently Affordable home
RESALE RESTRICTIONS	• **H**omes must be re-sold to an eligible buyer after a fair marketing period • Resale price will be based on the original purchase price, plus annual appreciation (up to 3.5% per year), plus approved capital improvements
OTHER REQUIREMENTS	• Property must be owner-occupied • Number of bedrooms may exceed number in household by one • Buyer must adhere to all covenant restrictions • At least one person in the household must work 30 or more hours per week

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City of Boulder Affordable Covenant Summary

All Homeworks Permanently Affordable homes come with affordable covenants that ensure the homes remain affordable into the future. The buyer must accept all terms of the covenant to be eligible to purchase the home.

Covenant Key Points

- The maximum income of a new buyer will be established in advance of sale or re-sale, and the home may not be sold to a buyer that exceeds the maximum income limit.
- The home has a Maximum Resale Price Limit which includes limiting appreciation.
- Buyer are required to maintain their affordable home in a manner that protects the health, safety and livability for the home's future owners.
- Eligible capital improvements for which a homeowner can receive credit are limited in amount and type, and must be pre-approved by the city to receive credit.
- The ability to refinance is limited to 93% of the Maximum Resale Price Limit. The city must be contacted prior to arranging refinancing with a lender to ensure this limit is not exceeded.
- The home must be occupied by the owner unless the city has approved a rental arrangement.
- The home cannot be rented in its entirety during the first five years of ownership.
- After five years of ownership, the home may be rented for one year out of every seven. The city needs to be contacted before this is done.
- A bedroom in the home may be rented at any time of owner occupancy, providing no city codes are violated.

A full version of the Covenant is available by request. For a copy please email us at homeownership@bouldercolorado.gov.

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Setting the Maximum Resale Value of Permanently Affordable Homes

The City of Boulder makes homes affordable through regulations and subsidies. When a buyer purchases a home through the city's program, they receive the benefit of these community investments in the form of a below-market price. The program requires that they pass those benefits on to the next buyer.

The resale formula that sets the maximum price strikes a balance between keeping the price affordable and allowing owners to receive a return on their investment in the property. Note that this formula focuses on keeping the homes affordable, and is not tied to the performance of the real estate market. Here is how the city calculates maximum resale values:

A. Start with the original purchase price

B. Subtract the amount of any Solution Grant monies received. This is now considered the purchase price.

C. Each year multiply the purchase price by the percentage change in the most recent Consumer Price Index or Area Median Income (whichever is less) The maximum increase for any given year is 3.5 percent, while the minimum increase for any given year is 1.0 percent.

D. Each year add the product of the multiplication described in (C) to the purchase price.

E. Add the cost of approved Capital Improvements up to the time of contract. Improvements to the home may be made at any time by the owner, but only pre-approved and eligible capital improvements will result in a higher selling price (see the Homeowner Manual at www.boulderaffordablehomes.com for the most updated eligible capital improvement list).

F. Deduct the amount of any excessive damage. Shortly before the Resale Price Limit is determined, the city shall have the right to inspect the Property. If after such an inspection, the city determines that the Owner has not fully complied with their maintenance obligation, the city shall determine the cost to complete repairs necessary to restore the property to a good, safe and habitable condition. This amount is called the Excessive Damage Assessment, and shall be included in the Resale Price Limit calculation.

G. Add the amount of the sale commission paid by the Owner, not to exceed the maximum allowable sales commission published by the City Manager on an annual basis.

The owner will not be required to sell below the maximum resale price unless the unit appraises for a lesser value. Market conditions may result in a seller deciding to sell for less than the maximum price.

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Example

Home Purchase Price:	$210,000
Solution Grant Received:	-$8,000
Starting Price for Resale:	$202,000
Appreciation Year One (2.3%):	$4,646 ($202,000 x 2.3%)
New Max Resale Price:	$206,646 ($202,000 + $4,646)
Appreciation Year Two (1.8%):	$3,636 ($202,000 x 1.8%)
Capital Improvement Credit:	$3,800
New Max Resale Price:	$214,082 ($206,646 + $3,636 + $3,800)

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If an owner owns a home with a deed restrictions that is not a part of the Permanently Affordable program please contact Homeownership Program staff for details on resale.

If an owner owns a Permanently Affordable Home with resale restrictions (the majority of homes in the program), please read all of the information below.

If an owner needs help determining which program their home is in or there are further questions about selling after the following has been read, please contact the Homeownership Team at homeownership@bouldercolorado.gov or 303-441-3157, ext. 2.

These procedures were put in place to ensure that another member of the community can benefit from the affordable housing program when an owner is ready to sell. Below are the steps to selling a Homeworks Permanently Affordable home, as well as things to keep in mind regarding the covenant recorded against these home. Once we have received the owners "Intent to Sell" form (found on our website) a Homeownership Team member will be assigned to the sale. This person will be designated to work with the owner and their agent until the home has changed ownership.

STEP ONE: DECIDE TO SELL WITH OR WITHOUT AN AGENT. Seller can choose to work with a professional real estate broker, or they can sell the home themselves. In either case, the maximum resale price will be increased by a set amount to help cover sales and closing costs. Here is information to help sellers decide what path to take:

Option One: Work with a Professional Real Estate Broker

Sellers may work with any realestate agent they like.

If a seller choose this option then we will add a 2.5 percent commission, to be split between seller's and buyer's agent, and $650 for closing costs to resale price. The city's website maintains a list of participating real estate agents who are familiar with our programs, though sellers are free to work with any real estate agent they choose. Please note that if the commission exceeds 2.5 percent, or the closings costs exceed $650, these costs will not be added to the resale price. These additional costs will come out of the sellers proceeds from the sale.

Option Two: Seller Sells the Home by Themselves (For Sale By Owner)

In this scenario, the seller markets the home, schedules showings for the property, and handle the contract responsibilities. The city does not represent the buyer or seller, or offer assistance with the sale. Sellers will likely hire a real estate attorney to help with the contract and other legal documents.

If a seller choose this option then we will add $550 for marketing and sales expenses and $650 for closing costs to the maximum resale price. If the marketing and sales expenses exceed $550, or the closings costs exceed $650, any additional costs will not be added to the resale price. A

checklist has been provided in the Appendix for those that wish to sell the home without the assistance of a real estate professional.

STEP TWO: DECIDE ON THE INSPECTION PROCESS. The covenant attached to the Homeworks Permanently Affordable homes requires owners maintain the home in good, safe and habitable condition. To ensure adequate maintenance has been carried out the home will be inspected. The owner will be given the option to repair items which do not meet this standard or reduce the resale price.

There are two inspection choices:

Option One: City Inspection Before Listing, and Buyer's Inspection After Contract

If a seller chooses to have the property inspected before listing then the city contracted inspector will check for damage and maintenance issues. The inspection will happen before we calculate the maximum resale price, and will be scheduled within two weeks of receiving the sellers Intent to Sell form. After reviewing a copy of the inspection report, we offer sellers the opportunity to fix items needed to restore the home to a good, safe and habitable condition. If a seller choose to not make the repairs then the maximum resale price of the home will be reduced to cover the cost of repairs for the buyer.

The buyer will also be required to have an inspection after going under contract to purchase the home, so sellers will have two inspections performed if they choose this option. If the buyer's inspection turns up items that need correction (even if they did not show up in the city inspection) then the city will require seller correct those items as well.

Pro of this option: Sellers can enter into the sale knowing that their home is adequately repaired. There is no expense to the seller as the city will pay for the first inspection.

Con of this option: Extra time is required before listing your home to accommodate the inspection and any repairs.

Option Two: Buyer's Inspection After Going Under Contract

Sellers can choose to forgo the city inspection and only have a buyer's inspection. If a seller choose to wait for the buyer's inspection, then they are agreeing that the maximum resale price of the home may decrease based on the buyer's inspection. We will review a copy of the buyer's inspection and the city will determine what items must be repaired to restore the home to a good, safe and habitable condition. The seller will be asked to make any repairs, or reduce the sales price, based on the findings of the inspection.

Pro of this option: This alternative allows us to more quickly calculate the maximum resale price and list the home.

Con of this option: Waiting for the buyer's inspection postpones correcting issues until after a buyer has been found, and can delay a closing.

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STEP THREE: SUBMITTING THE "INTENT TO SELL" FORM. Once a seller has chosen a real estate professional or decided on a For Sale By Owner transaction and determined their inspection preference, they will need to fill out and submit an "Intent to Sell" form. This form is on our website. Once this is received, we will send the seller a letter containing the maximum resale price or schedule an inspection.

STEP FOUR: MARKET AND SHOW THE HOME. The covenant on Homeworks Permanently Affordable homes requires that sellers abide by fair marketing procedures. In order to ensure fair public access to limited affordable homeownership opportunities, the city has developed standard marketing procedures. Please read the Marketing Procedures for Permanently Affordable Homes document found in the Appendix.

Home must be sold to a program qualified buyer and cannot be sold for more than the maximum price allowed. Interest in buying affordable homes varies, just as with market-rate homes. A seller's home will be "competing" with other affordable homes, both new and resale.

The seller's property will be listed on our website. To create this online listing we will use information from the City Website Marketing Information Form (found on our website). The information included in this form must be accurate and complete before we can list the home. Sellers will also need to identify whether their home will be available for showings, or only shown by Open House. The Homeownership team member assigned to the sale will work with the seller to collect photos and listing information.

STEP FIVE: LOTTERY, AVAILABLE HOMES, AND GOING UNDER CONTRACT

Lottery: Newly listed homes (both new development and resale properties) have a required 30-day marketing period. At the end of the marketing period a lottery is held on a published date. This date will be 30 days after the listing becomes public at on our website.

During the 30-day marketing period prospective buyers will view the home. If a household decides they would like to buy the home then they will submit a Lottery Entry Form. Lottery Entry Forms are only accepted from households that have been certified to purchase in the program. If Lottery Entry Forms are received from two or more buyers a lottery is held. If only one form is received than a lottery is not needed. If no forms are received the home is immediately available for contracts from city certified buyers anytime after the 30-day open marketing period.

At the lottery, entrants will be ranked by the city's preference system, and those with equal ranking will be drawn from sub-lotteries. Preference in lotteries will be given to applicants who live and/or work in the city of Boulder as detailed below (ranked from highest to lowest preference):
#1 – live + work + certified for the program for 1 year or more
#2 – live + work
#3 – work + certified for the program for 1 year or more
#4 - work only
#5 – live + certified for the program for 1 year or more
#6 - live only

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#7 – does not live or work in the city of Boulder + certified for the program for 1 year or more
#8—does not live or work in the city of Boulder + certified for the program for less than 1 year

In addition, some units may have unique preferences, such as Family Friendly (at least one minor household member), or Accessible (preference given to those with physical disabilities). In these scenarios lottery entrants will be ranked accordingly.

The Homeownership Team member in charge of the sale will develop a list of lottery entrants, their rankings, and their contact information. This information will be shared with the seller's agent or the seller if they are not working with an agent.

If a home does not sell at the time of lottery, then it is considered to be "Available", and a program certified buyer can immediately place an offer, regardless of their preference ranking. Homes with this status will be identified on the website as "Available" and will be categorized based on the number of bedrooms.

Going Under Contract If an applicant wins a lottery the seller must allow them at least 24 hours from the lottery to write a purchase contract and submit it to the seller. The seller may elect to wait longer than 24 hours for a contract. Alternatively, after 24 hours without an offer the seller may move onto the next person in the lottery. The seller can only reject the offer if:

a) it is lower than the maximum resale price
b) the buyer currently owns a home, even if for sale or under contract

The city recommends the seller counter an offer that is lower than the maximum resale price at least once before requesting to move onto the next buyer on the lottery list. If the seller receives a full-priced offer with no contingency of a home to sell but does not agree with other terms of the contract, the city expects the seller to counter at least one time before requesting to move onto the next buyer. Conversely, the seller's counter terms should be reasonable and in the realm of generally acceptable terms for transactions in the program – as determined by the city – before the city will allow the seller to move onto the next buyer on the lottery list.

If a seller refuses a contract then the next person in line (second place in the lottery) will have 24 hours from when they are notified of their opportunity to present a purchase contract to the seller. The seller may elect to wait longer than 24 hours for a contract. Alternatively, after 24 hours without an offer the seller may move onto the next person in the lottery.

Lottery entrants are not directly contacted if a home goes under contract before they had the opportunity to write an offer. To know if a home is "off-the-market" please check for the phrase "Under Contract" on the web page for the home. This information will be updated after the buyer and seller have reached agreement, and the home is no longer available.

Please include the following additional provision in the contract under "Additional Provisions"

Buyer understands this property is covenant restricted. The City of Boulder Division of Housing will provide the Buyer with a copy of the Affordable Housing Covenant by the Title Deadline. Buyer has until the Title Objection Deadline to object to the Covenant terms. If Buyer has no objection, it is assumed he/she agrees to all conditions of such covenant including limitations on resale and occupancy requirements.

STEP SIX: CONTRACT PERIOD AND CLOSING Once a buyer has put a contract on a home they are not eligible to enter other lotteries. The seller and buyer, along with their real estate agents, lenders, inspectors, appraisers, Homeownership Program staff, and the title company will work together to complete the transaction. Typically 30-45 days elapse between contract and closing. We require 30 days be allowed from contract to closing unless seller and buyer mutually agree to a different time line.

A copy of the final contract should be sent to our office within 48 hours of it being signed. The city will need to approve the terms of the contract, and prepare to work within the timeframes established for the sale.

Once the buyer has had their inspection the city will need to receive it for review. We will determine whether any mandatory corrections will need to be made based on the sellers covenant agreement to maintain the home in good, safe, and habitable condition. If corrections are identified the seller must either repair the items within the timeframe already specified in the contract, or agree to reduce the sales price if the buyer agrees to make the repairs after closing.

In preparation for closing, the city will prepare documents that, at closing, will release the seller from their obligations to the community with regard to the affordable home. These obligations will be transferred to the new owner when they sign the Covenant and other city documents at closing.

Other Important Notes:

In accordance with the provisions of the Fair Housing Act and the City of Boulder's Human Rights Ordinance, sellers cannot discriminate against a potential buyer based on their age, sex, race, creed, color, marital status, religion, national origin, ancestry, handicap, sexual orientation or familial status.

Although unlikely to occur, the covenant gives the City of Boulder the right to purchase a Homeworks Permanently Affordable home once the owner informs us of their intent to sell. If the seller decide to list with a Professional Real Estate Broker, the listing contract needs to exempt the Real Estate Broker's commission in the event that the city purchases the home as it will not be added to the maximum resale price.

How much should a Homeworks Permanently Affordable home be valued at for purposes of property taxes?

The Boulder County Assessor's office recognizes the maximum resale price as the value of the home for tax purposes. The City Housing Division sends an updated list to the Assessor's office annually. If the Notice of Valuation from the Assessor is significantly different from the maximum resale price, please contact us.

Can an owner rent their home?

Generally, an owner must live in their home for at least five years before they are eligible to rent. The owner may generally rent for a period or periods of time totaling 12 months out of every seven years of ownership. If an owner intends to rent they should contact us for requirements.

In order to rent a home, an owner may need a Rental License from the City of Boulder. Please be aware that some loans, such as CHFA or Habitat for Humanity loans, may restrict an owner's ability to rent their home. Owners must also abide by any HOA requirements.

How should an appraiser go about valuing the home?

Appraisers should use standard market comparable properties. Fannie Mae has issued appraisal guidelines to this effect. See "Ann. 06-03: Properties Subject to Resale Restrictions or Located on Land Owned by Community Land Trusts (03/22/06)." A copy of these guidelines can be found on our website.

What happens in the event of foreclosure?

The city's resale restrictions terminate upon foreclosure. The security value of the home is its unrestricted market value.

Why does the City of Boulder hold a $10 note and deed?

Most of the properties sold through the program have been deemed permanently affordable. In order to be notified of any legal transactions related to the property and to continue to secure the community's interest in the property, the city records a $10 note and deed.

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Appendix A

SAMPLE **MAXIMUM RESALE LETTER**

7/15/2013

Sherry Boulder
2917 Bolder Boulder Dr.
Boulder, CO 80304

Dear Ms. Boulder:

Thank you for sending written notice of your intent to sell your home located at 2917 Bolder Boulder Dr, Boulder, CO 80304. The maximum resale price for your home as of 10/15/2013 has been calculated as follows:

CPI-U/AMI Appreciation / Depreciation Calculation:

	Effective Start and End Dates		Allowed Percent	Allowed Dollar	
Year	**Start Date**	**End Date**	**Change**	**Change**	**Pro-Rated**
2005	07/27/2005	12/31/2005	0.10%	$74	Yes
2006	01/01/2006	12/31/2006	0.00%	$0	No
2007	01/01/2007	12/31/2007	1.10%	$1,885	No
2008	01/01/2008	12/31/2008	2.20%	$3,770	No
2009	01/01/2009	12/31/2009	2.40%	$4,113	No
2010	01/01/2010	12/31/2010	1.00%	$1,714	No
2011	01/01/2011	12/31/2011	1.87%	$3,205	No
2012	01/01/2012	12/31/2012	1.40%	$2,399	No
2013	01/01/2013	10/15/2013	1.00%	$1,352	Yes
				$18,512	

Maximum Resale Price Calculation:

Description	**Amount**
Purchase Price:	$171,371
Appreciation:	$18,512
Post-2007 Improvements:	$941
Closing Fee:	$650
Resale Price:	**$191,474**
Realtor Commission 2.50%:	$4,910
Resale Price w/Realtor:	**$196,384**

This price reflects the maximum price for which your home may be sold. As with any property that is sold, the condition of the home and closing terms may result in a selling price that is below this maximum resale price.

Summary of Improvements and Damages Assessed:

The table below shows the actual value of all improvements that have been approved for this home, along with any damage assessments. Note that for improvements prior to 2008 the amount included in the resale price is subject to an annual cap that accumulates each year.

Date	**Type**	**Amount**
10/28/2011	Flooring	$941
		$941

In order to qualify to purchase your home the buyer must be income certified by the City of Boulder Housing Division. The income limits for your home will be posted on the details page for your home on our website at www.BoulderAffordableHomes.com.

If you have questions please contact me at 303-441-3157 ext. 2.

Sincerely,
Homeownership Program Coordinator

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Appendix B

Open Marketing Procedures for Permanently Affordable Homes

In order to ensure fair public access to permanently affordable homeownership opportunities, the Division of Housing has developed required marketing procedures. When a seller is ready to market their Permanently Affordable home, these are the steps to follow:

1. The owner or their real estate agent should contact the Division of Housing at least 60 days before they hope to close on the sale of your home. We will ask for more information about the sale of the home and will then provide a letter containing the maximum resale price for the home. We will market the home on our website.

2. Owners must market their home for a minimum of 30 days to all potential buyers (Open Marketing Period). The Open Marketing Period cannot begin until we have received written notice of the owners intent to sell, along with the "City Website Marketing Information" form and photos. After receipt of that information the city needs up to 5 days to list the property and begin the Open Marketing Period.

3. An owner may not commit to sell to any buyer during the Open Marketing Period.

4. During the Open Marketing Period the owners must either list their home on the MLS or advertise at least twice in a local daily general publication. The Division of Housing will post the home on our website and may notify specific groups of income-certified buyers by email. If the owner selects the advertising option then the marketing period cannot begin until the ads are scheduled.

5. The owner or their Realtor® must make arrangements to show the home by appointment to all interested buyers *and/or* schedule at least two open houses. If the owner chooses not to show by appointment, they must select at least two dates for open houses with at least one within the first two weeks of listing. At least one open house must be during evening hours. We request owners keep a list of all buyers who see the home.

6. Interested buyers who have received preliminary certification letters from the Division of Housing and have seen the home should submit a Lottery Entry Form during the Open Market Period. Any buyers who have not applied to the city for certification should do so by the deadline listed on the city's web page for the home.

7. If there is more than one interested purchaser the city will conduct a lottery.

8. The Division of Housing will provide lottery results as applicable. The owner must give the household selected in the lottery a chance to sign a contract in the order selected. The first person drawn will have 24 hours to submit a contract. If this person fails to do so, the owner may offer the unit to the second person drawn and so on. Owners must provide interested buyers with at least 30 days between the end of the marketing period and closing unless both of owner and buyer agree to a quicker closing.

9. Once the owner has completed a contract with a buyer, forward a copy to the Division of Housing. At that time we will provide the buyer with a final certification of eligibility to purchase the home.

10. In accordance with the provisions of the Equal Opportunities Act and the City of Boulder's Human Rights Ordinance, an owner cannot discriminate against a potential buyer based on their age, sex, race, creed, color, marital status, religion, national origin, ancestry, handicap, sexual orientation or familial status.

Appendix C - For Sale by owner Check List

Marketing:

____ Submit an Intent to Sell form and City Website Marketing Information form with photos.

____ Receive Maximum Resale Price from the member the Homeownership Team assigned to your sale. Review the form and report any inaccuracies.

____ Once the listing has been made public at www.boulderaffordablehomes.com:

- Confirm selection preferences for the home if any
- Confirm maximum resale price
- Confirm listing information, contact information, and descriptions are all correct

____ Hold Open Houses, or schedule showings as needed, per the terms agreed to in the City Website Marketing Information form.

Contract:

____ Receive lottery ranking information from the Homeownership team member assigned to the sale. Initiate contact with the lottery winner to initiate the process.

____ If after 24 hours a contract has not been received, the offer is not a full-priced offer, or the lottery winner has a home to sell then the seller may move to the next person on the list. NOTE: These are the ONLY reasons that a seller may move to another buyer.

____ Use the Colorado Real Estate Commission-approved form when writing a contract.

____ We require 30 days be allowed from contract to closing unless seller and buyer mutually agree to a different time line.

____ Inclusions must include any capital improvements for which credit was given.

____ No more than $2000 earnest money can be requested.

____ Arrange for Title Insurance to cover standard exceptions; ensure that the Homeownership team contact is on the title circulation list.

____Common Interest Community (HOA documents) review period required.

____Closing costs split 50/50.

____Prorate property taxes on most recent mill levy.

____Liquidated damages provision to be used if Buyer is in default.

____Include in the contract the city's additional provisions as listed here:

-Buyer understands this property is covenant restricted and that the Covenant is available from the City of Boulder Division of Housing upon request. Buyer has until the Title Objection Deadline to object to the Covenant terms. If Buyer has no objection, it is assumed he/she agrees to all conditions of such covenant including limitations on resale and occupancy requirements.

-It is understood that the Seller will provide the Buyer with a clean unit upon delivery of the deed.

____ Send a copy of your contract to the Homwownership Coordinator assigned to the sale

____ Send the Homeownership Coordinator a copy of any amendments or extensions to the contract including inspection items.

Closing:

____ Buyer and Seller agree a convenient time for closing and schedule with the title company.

____ Coordinator MUST be given 5 working days notice of any change in the closing date.

____ Remember to take photo ID with you to the closing.

Equal Housing

In accordance with the provisions of the Equal Opportunity Act and the Boulder County Homeownership Programs' policies, there will be no discrimination against an applicant for these benefits on the basis of age, source of income, sex, race, marital status, sexual orientation, national origin, religion or handicap.