

January 2001

Vermont Housing & Conservation Board

Single-Family Housing Resale Guidelines and Procedure

The following guidelines for fees and transactional costs will be employed in VHCB's review of resales of single family homes that are restricted by a VHCB Covenant:

- The nonprofit sponsor of the home shall submit an affordability worksheet and a letter. The letter shall explain how the restricted price of the property was determined. The worksheet shall include information regarding the proposed buyer, financing, rehabilitation and other characteristics of the transaction.
- Requests for approval of resales should be submitted to VHCB no less than two weeks in advance of the proposed closing. Resales that include requests for additional funding should be expected to take longer.
- VHCB staff shall review the proposed terms of the resale to determine if it is in conformance with the VHCB Housing Subsidy Covenant that restricts the property.
- Up to 6% of the appraised value of the property may be included in the sale price of the home for reimbursement of sponsor staff costs, real estate agent fees and other transactional costs if the amount of the original VHCB subsidy will not be reduced and property remains affordable to an income eligible buyer as established by the VHCB Housing Subsidy Covenant.
- Fees and transaction costs proposed for inclusion in the sale price of the home for reimbursement shall be evaluated on a case by case basis if the amount of the VHCB subsidy will be reduced or the property will not be affordable to an income eligible buyer.
- VHCB housing staff will notify VHCB legal staff of the approved resale transaction for preparation and mailing of VHCB documentation in advance of the closing.