

Homebuyer Initiated Purchase Program Process (HIP)

Application Process:

In order to qualify for the HIP program, buyers must complete the WALT application process:

- Meet with Homebuyer Coordinator
- Complete application and other forms necessary including Release of Information, Individual Direct Benefit, Lead Based Paint and Conflict of Interest
- Attend Homebuyer Education class and provide copy of certificate to WALT
- Provide copies of pay stubs from past 30 days and previous years tax return
- Attend WALT orientation
- Obtain pre-qualification from an approved lender

Wait List:

Once qualified, HIP buyers are added to the HIP wait list on a 1st come, 1st served basis

Buyer Selection:

When a buyer is at the top of the wait list and all funds for their opportunity are secured:

- Buyer is notified, in writing, that they have been selected for the program
- Buyer will arrange a meeting with the Homebuyer Coordinator and their Realtor
- At this point, a buyer may need to get re-approved for financing and provide updated income information (pay stubs, tax returns)
- Approved lender must provide verification of buyer income to WALT

Meeting Purpose:

- Recap CLT Agreement
 1. HIP homes become WALT homes – that is, the buyer will take title to the home and other building(s) on the property, WALT will take title to the land and both will enter into a long term agreement to preserve affordability
 2. Provide a copy of the Ground Lease
 3. Let buyers know that they will need to meet with an independent attorney to review the ground lease once they enter into a purchase agreement
- Review HIP affordability grant amount and how this figure is determined
- Present HIP affordability grant letter as evidence of financing for purchase agreement
- Review HIP Property Criteria to make sure all parties understand that a home must meet these criteria at either time of closing or once rehab is complete
- Review HIP Program Parameters and have all parties sign-off that they understand & agree
- Review Contingency Addendum to be attached to the Purchase Agreement

Shopping for a home:

Buyers must check in with the WALT Homebuyer Coordinator every two weeks or so to determine how the search is going, gauge progress of search and to answer any questions the parties may have

Purchase Agreement:

- An offer is negotiated and a Purchase and Sales Agreement is signed including the WALT Contingency Addendum
- Applicant provides copy of fully executed Purchase and Sales Agreement to lender and WALT
- Realtor opens escrow with a title company
- Title Company develops preliminary title report and delivers copies to all parties
- Ensure that closing is within 45 days from date of purchase agreement

Pre-closing:

- WALT, Homebuyer and Realtor coordinate inspection
- Once property is inspected, scope of work is determined and cost of rehab is estimated
- Homebuyer negotiates necessary repairs with Seller
- WALT will provide buyer with letter indicating whether property is eligible for inclusion into the land trust and that it meets the Program Property Eligibility Criteria
- Lender will order appraisal and provide copies to all parties
- Applicant will review Ground Lease with attorney for review and sign-off. Applicant to provide signed Letter of Acknowledgment and Stipulations to WALT
- Lender to provide final verification of income for buyers
- Lender issues final loan commitment and provides complete copies of applicant's application package to WALT

Closing:

- WALT and Lender review final closing documents
- Closing date & time is verified
- Escrow to receive funds
- Deeds are recorded transferring title to appropriate parties
- **CONGRATULATIONS! You are a homeowner!**