Twin Cities Habitat for Humanity®

Buyback Process

Volunteer and Learn

July 2026

Ice Breaker

Type in the chat how many years you have lived in your home.

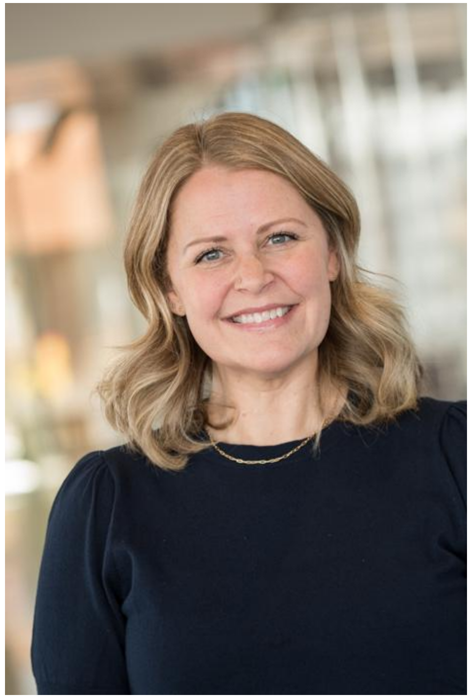
Introduction:

Brooke Buchanan

Mortgage Servicing Manager

Betsy Starkson

Rehab Program Manager

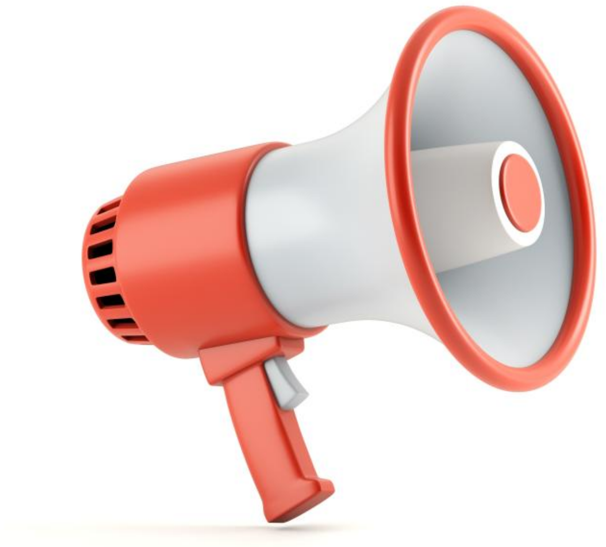


Disclaimer:

The information provided in this presentation is general guidance for homeowners who are considering selling their Habitat home. Because every homeowner's situation is unique, some of the information may not apply to your specific circumstances.

Please reach out to us directly for specific questions and concerns.

Loanservicing@tchabitat.org



Step 1: Written Notice

- Sent by mail or email.
- Include:
  - Name of borrower or borrowers
  - Address
  - Contact information (phone/email)
  - Reason for selling.

- Example:

Hello my name is Brooke Buchanan. I would like to sell my property at 1954 University Ave W St Paul, MN 55104.

My family is looking to downsize and are in the process of looking for a new home.

I can be reached at Loanservicing@tchabitat.org or 612-305-7193.

Step 2: Habitat Real Estate Team Reviews Request

- Reviews original project details, funding, deed restrictions, etc
- Schedule a walk through of the home
- Communicate if moving forward to appraisal or waiving buyback option right away

If TCHFH Declines:

- The homeowner will be given a letter stating they are free to sell their home on the open market and that TCHFH has declined their purchase option. This letter is valid for 1 year.

- We will have more information later in this presentation about steps to take if you are trying to sell your home on the open market with an agent.

If TCHFH Declines:

- It's possible that there is still an equity sharing fee that will be paid to Habitat when you sell. Talk to TCHFH to clarify your situation.

- Equity sharing means that Habitat shares in the benefit of the market equity increase of the home over time.

If TCHFH Decides to Proceed:

- Appraisal
  - Done by a licensed 3rd party, not Habitat employee
  - Schedule walk through with you of the entire house
  - Establishes the appraised value (sale price)
  - Expires after 6 months

Step 3: Appraisal and Transaction Estimate

- Sale price is non-negotiable
- Transaction Estimate- proceeds after payoffs and equity sharing
- Equity sharing keeps properties affordable for Habitat to buy back and provide opportunities for future homebuyers

Summary of Seller's Transaction		
Original Sale Price:		$250,000.00
Amounts due to Seller		
Sale Price (Appraised Value)		$325,000.00
	Total	$325,000.00
Amounts due from Seller		
Payoff of 1st Mortgage to Old National		$100,000.00
Payoff of 2nd Mortgage to MHFA		$20,000.00
Payoff of 3rd Mortgage to TCHFH		$40,000.00
Equity Sharing		$56,250.00
Settlement Fees		$1,200.00
Late Fees		$0.00
	Total	$217,450.00
Amounts due to Seller		$325,000.00
minus Amounts due from Seller		$217,450.00
equals **Amount due *to* Seller**		**$107,550.00**
Escrow hold back		($1,000.00)
equals Amount due to Seller at Closing		$106,550.00

Step 4: Appraisal Report Received

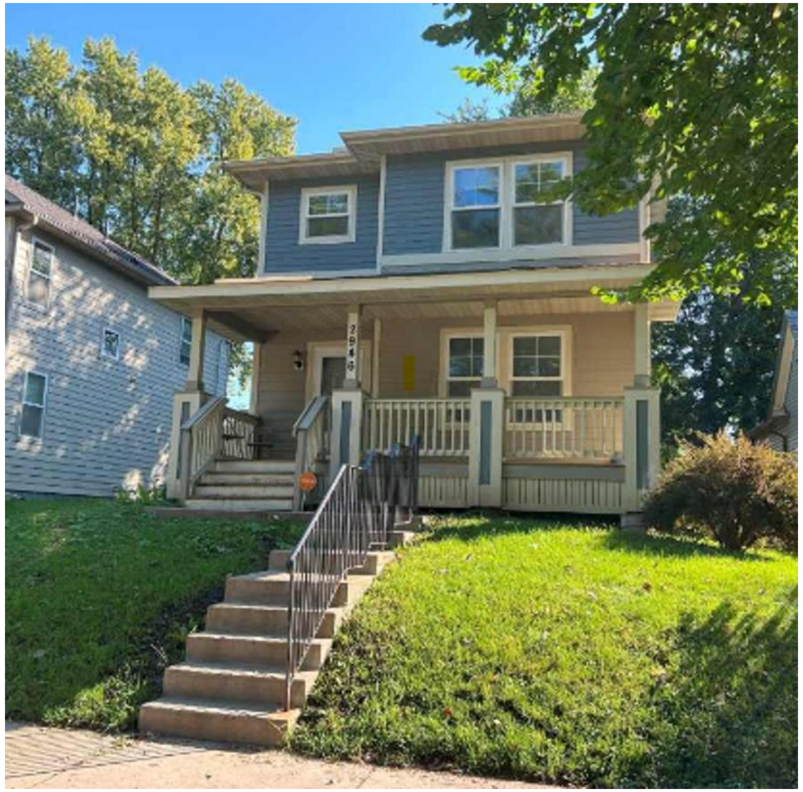
- Once the appraisal is received both the homeowner and Habitat can decide to continue with buyback process with the known purchase price or not. The purchase price is non-negotiable.
- If homeowner declines to move forward, they continue to own the home.
- If TCHFH declines to move forward, the homeowner will receive letter declining purchase option giving them permission to sell on open market.
- If both parties agree to move forward, the next step will be a purchase agreement.

Step 5: Purchase Agreement

- Habitat will draft the agreement
- Seller will review, sign and return
- Includes the details of the sale that we're both agreeing to
- Chose a closing date (schedule with closer)
- Closing date must be within 6 months of appraisal date.
- Order title work for review

Step 6: Preparing for Closing

- City-required inspections
  - Truth in Sale of Housing- TISH
  - Habitat will pay for the inspection and connect the homeowner to the inspector
  - Homeowner needs to schedule and arrange for access to the home.
- Communicate with the Title Company
  - Land Title in Roseville
  - Provide documentation ahead of closing (divorce decree, etc).
  - The Closer will guide you if you communicate with them.



Step 6: Preparing for Closing (continued)

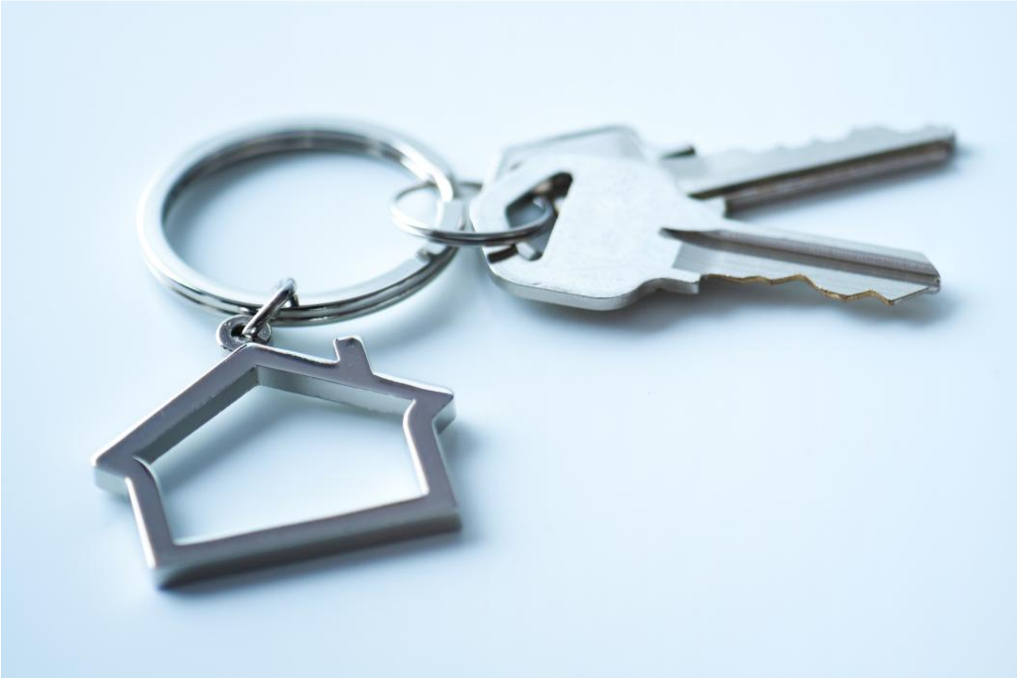
- Remove **ALL** personal property (furniture, clothing, trash etc) out of the house ahead of the closing.

- Do not remove fixtures of the home (dishwasher, garage door opener, landscaping, etc)
  - Unless an agreement has been made with Habitat ahead of time
  - Even if it is an item that you added to the home after closing (i.e. garage door opener).

- Habitat staff walk through on closing day, personal property or trash left at the house, will postpone the closing

Step 7: Closing

- This is when the sale is executed.
- You'll need to bring your photo ID and banking information.
- Money and keys are exchanged.
- Must move out of house by this date.
- Escrow money is held to cover outstanding utility bills.



5 Minute Break:

Type in the chat what you do or did love most about your home.

Selling Your Home On The Open Market

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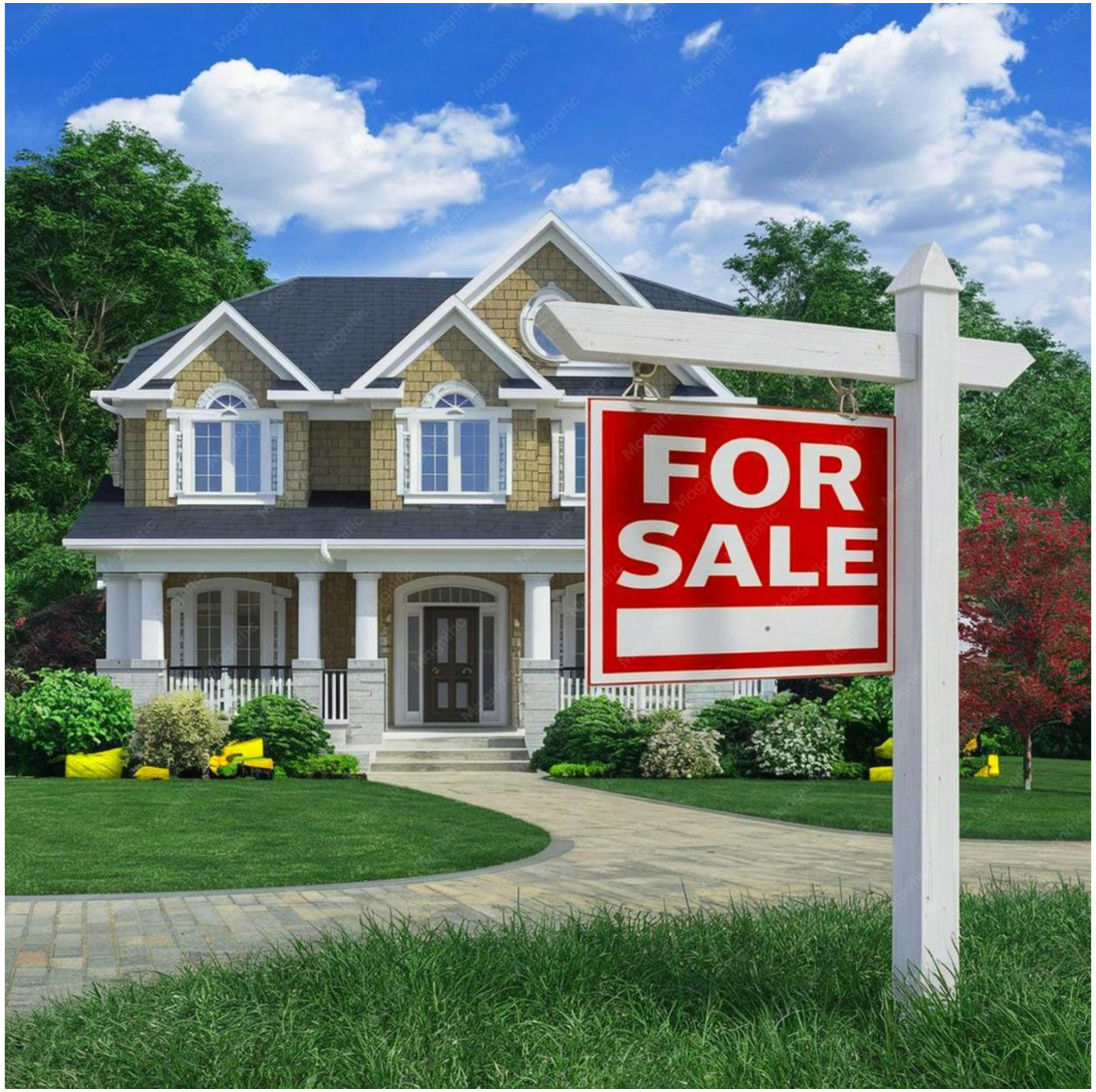
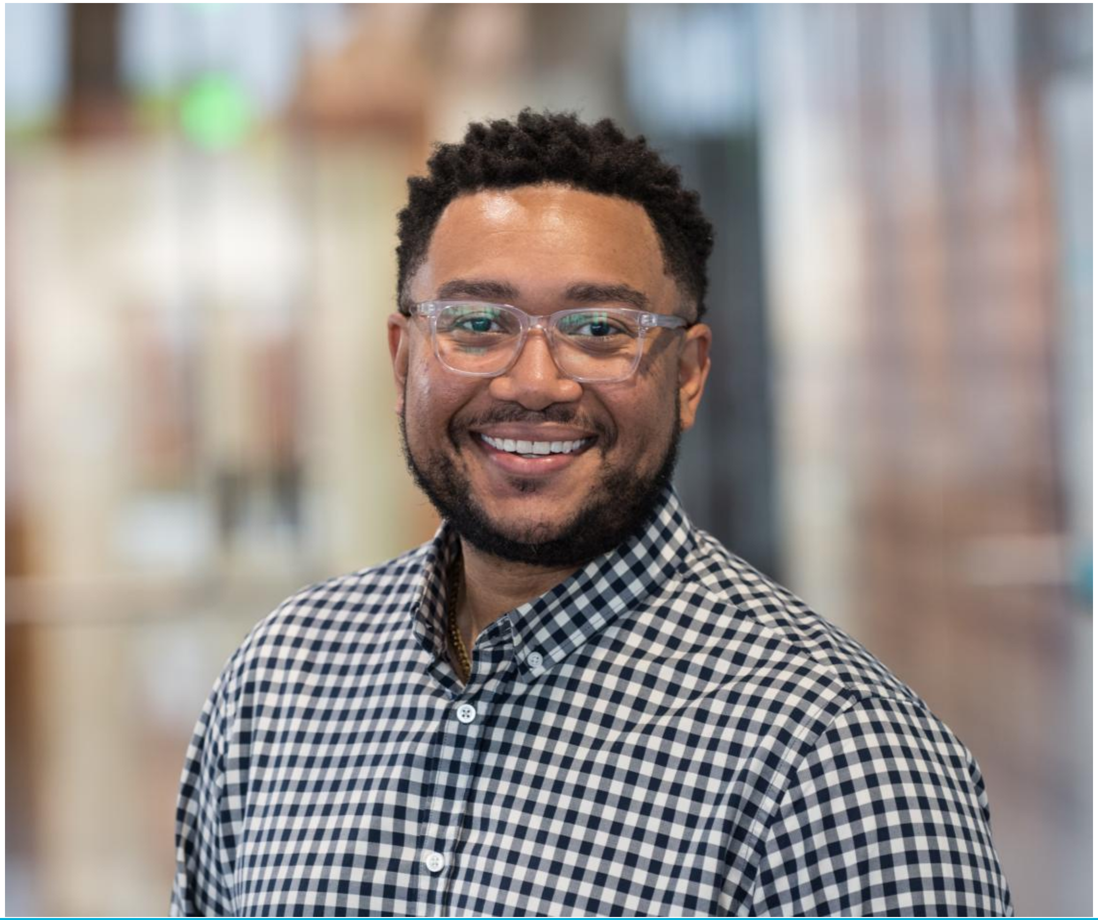
Selling Your Home On The Open Market

Selling a home for the first time can seem daunting, but can be done effectively and efficiently.

When looking to sell your home, you can avoid pitfalls and potentially leaving money on the table by making sure you understand the process, hiring the right Real Estate Agent for your needs, and putting your best foot forward when marketing your home to the general public.



Introduction: Nick Harris



- Real Estate Sales Manager here at TCHFH (Joined October 2025)
- Licensed Realtor since 2017
- Also worked in residential and commercial property management prior to becoming a Realtor
- Experience with all types of buyers/sellers
- Experience selling all types of residential real estate

First Things First: Preparation

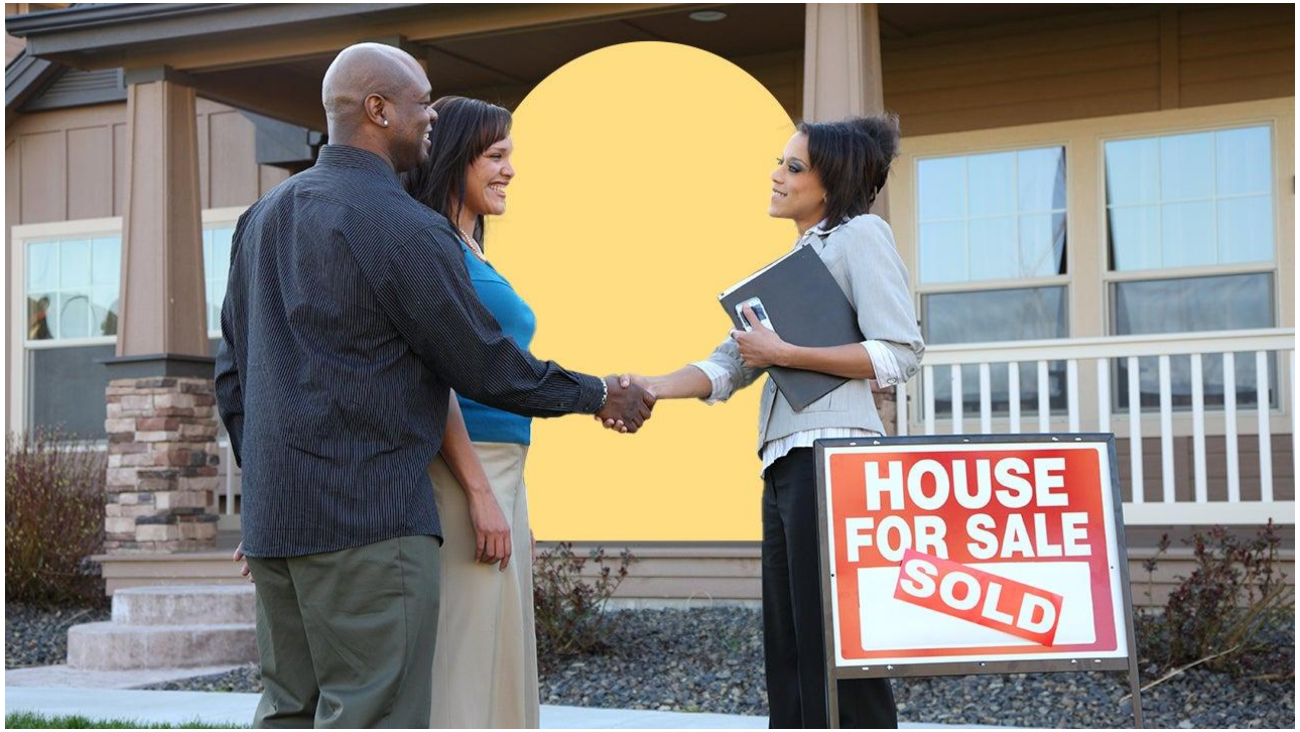
- Mental Preparation: make sure you are ready to take on the task and ready to make a move
- Financial Preparation: make sure you are ready for the financial aspect of selling your home
- Physical Preparation: make sure you are ready to put in the work needed to make the home look the best you can

PROCESS: Stages Of Selling Your Home

- Finding a Real Estate Agent
- Preparing the home for sale
- Actively marketing the home to the public
- Negotiating incoming offers
- The closing process

Step 1: Find & Hire A Real Estate Agent

- ***THIS IS BY FAR YOUR MOST IMPORTANT STEP!***
- Who you hire to represent you when selling your home will make or break your experience
- A well qualified agent will properly market your home, educate you throughout the process, and work exclusively on your behalf for the best deal



Step 1: Hiring An Agent (Continued)

- **Who:** You are looking for a licensed agent who is familiar with your area, your type of home, and experience in selling homes – and most importantly, someone you feel good with (someone you can trust and seems to understand your needs)

- **Where:** Personal references, Google searches, local brokerages, family & friends

- **How:** Interviews: reach out to at least 2 or 3 agents and invite them to interview for listing your home – make sure you have all your prepared questions ready to ask them

- **When:** A minimum of 60-90 days prior to when you are hoping to move

- **Why:** "Can I sell the home by myself?" technically, yes – but I strongly recommend hiring a professional so you can avoid any legal troubles, documentation mistakes, or leaving money on the table

IMPORTANT: Interviewing Real Estate Agents

What it looks like:

- A home tour
- Presenting their pricing analysis
- Presenting examples of their past transactions & experience
- Discussing and negotiating commissions

Key questions to ask:

- Years of experience
- Examples of past transactions
- How will they market your home
- What is their pricing recommendation
- What is the commission they charge

Step 2: Prepare Your Home For Sale

- **Next Up:** After you have found and hired your agent and agreed on a price to list your home for – you will need to get the home ready for pictures and for the public to come tour it
- **Curb Appeal & Pictures:** You need to put your best foot forward – the pictures of your home will be the first thing all buyers see, and will determine if they are interested enough to come and tour the home and decide if they want to make an offer
- **What To Focus On:** Your agent will help educate on what repairs, renovations, and touch-ups are necessary to make the home stand out and for you to receive top dollar offers
  - Decluttering, Painting, Cabinetry, Light Fixtures, Appliances, Flooring, Deep Cleaning, and Landscaping
- **What NOT To Focus On:** Not all renovations or repairs are created equal. Do not expect to receive dollar for dollar return on investment for every touch-up or repair
  - Full Remodeling Projects, Swimming Pools, Personalized Design Choices/Colors, etc.

Step 3: Market The Home For Sale

- **Next Up:** Now that the home is ready and looking its best, your agent will officially list the home for sale and interested buyers will begin to come see the home.
- **Quick Tips:** There are a few things during this phase you will want to be aware of that you should remember when it comes time for buyers to tour your home.
- **DO:**
  - Make sure you leave the home for every single showing
  - Make sure you remove or lock away any personal items (I.e. medicines, jewelry, cash, etc.)
  - Make sure you are as flexible about how often your home is available for showings
  - Make sure the home is always clean and ready for a showing at any time
  - Remove or cage any pets for any and all showings
- **DON'T:**
  - Record audio of any buyers and their agents
  - Leave personal or dangerous items lying out
  - Limit the times that your home is available to buyers for showings

Step 4: Reviewing and Negotiating Offers

- Once you have received an offer or multiple offers, your agent will review each one with you
- Your agent will go over each detail of each offer and help you understand the pros/cons of each offer to help you decide what is best for you – you can also negotiate with a counter-offer
- Each offer (aka Purchase Agreement) will outline who the buyer is, how much money they are offering you, what their financing is, when they want to close on the home, and what is included in the sale (i.e. appliances, etc.)
- Once you have accepted an offer, you will sign the Purchase Agreement, and your agent will notify the buyers and their agent, and you will officially be under contract to sell the home

Step 5: Transaction & Closing Process

Inspection Period: Typically 7-10 days where buyers will conduct a home inspection

→ **Inspection Negotiations:** Negotiate with buyers to either fix specific items or reduce price (or nothing at all)

→ **Appraisal:** Buyer's lender will require an appraisal to be done on the home

→ **Title Work:** The title companies do their job behind the scenes to transfer title

→ **Closing:** Clear to close! Seller's typically pre-sign ahead of closing date

→ **Keys:** After officially signing and the bank has funded the transaction, the buyers receive keys and the transaction is finished

Recap: Important Things To Remember

- Make sure you are ready and prepared mentally and financially
- The real estate agent you choose is the most important piece of the transaction
- Pricing is extremely important, do not overprice
- Presentation is everything! Make sure the home looks its best before listing for sale

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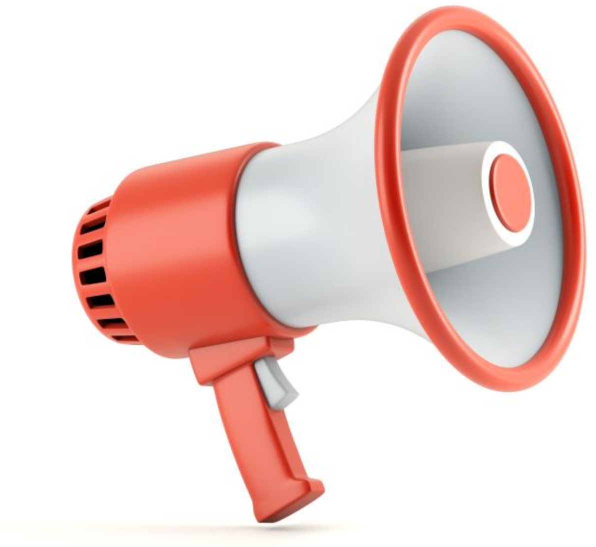

Twin Cities Habitat for Humanity®

Questions?

Learn More…

Volunteer and Learn

**Build community. Learn together.
Stay involved.**

National Night Out

Learn more about how you can join a local National Night out event or host your own!