



# OakCLT Home Sale Process

Updated May 2024

If you are interested in purchasing a home within the Oakland Community Land Trust (OakCLT), you are likely wondering what to expect the process to look like. How long does it take? What do I need to do? How does OakCLT determine who gets to purchase a home? Our home sale process includes 7-8 key phases, each of which involves several steps:

1. Prepare for Homeownership
2. Review Available Home(s)
3. Submit Application
4. OakCLT Screens Applicants for Baseline Eligibility + Selection Criteria
5. OakCLT Identifies Buy + Enters into Contract
6. City Reviews Buyer (if City Assisted Project)
7. Prepare for Closing
8. CLOSE!

Each phase and step is described below in detail. We recommend that you review the *OakCLT Homebuyer Selection Criteria & OakCLT Purchase Manual* in conjunction with this document. If you have any further questions please reach out to us at [apply@oakclt.org](mailto:apply@oakclt.org).

## 1. Prepare for Homeownership<sup>1</sup>

- a. Attend OakCLT Homebuyer 101 Info Session
  - This is required for all primary buyers. If there is a co-buyer, they are not *required* to attend but we highly recommend that they do.
- b. Complete HUD-Certified 8-Hour Homebuyer Education Course
  - All co-buyers must complete this.
  - Participate in 1-on-1 financial counseling to review your budget (recommended).
  - Any HUD-certified housing counseling agency that offers an 8-hour program meets these requirements, but we recommend [A-1 Community Housing Services, Operation Hope](#), or [Richmond Neighborhood Housing Services](#) because OakCLT has met with them and they have a better understanding of the CLT model. These courses are generally offered for free.
  - You can also pay (\$99) for an online course connected to these agencies through [eHome America](#). Note that some down payment assistance programs have additional requirements regarding housing counseling agencies.
- c. Get Pre-Approved by an OakCLT-approved lender.
  - Lenders will help you to identify and qualify for down payment assistance.
  - You must work with an OakCLT-approved lender. Applications that include pre-approval letters with unapproved lenders will not be considered. OakCLT's approved lenders are:
    - Diversified Mortgage Group - Contact Sam Forbes

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<sup>1</sup> These items can be done in any order, and must be completed by the time the application is submitted (Step 3).

- (510) 427-1397
  - sforbes@divmg.com
  - Guild Mortgage Company - Contact Sandra Smith
    - (510) 301-0198
    - sandras@guildmortgage.net
  - Tomo Mortgage - Contact Ted Volynets
    - (214) 617-2354
    - ted@hellotomo.com
- d. Choose your Realtor. OakCLT's realtor can represent you if you choose, though you may want to have your own realtor to represent you as your sole agent. The choice is up to you!

## 2. Review Available Home(s)

- a. Direct your realtor to request a disclosure packet and arrange a tour of the property by emailing Stephanie Christmas - OakCLT's realtor - at 1realchristmas@gmail.com.
- b. Review all disclosures.
- c. Determine if you qualify and if you would like to apply.

## 3. Submit Application

- a. *Read all included disclosures.*
- b. Prepare OakCLT Homebuyer Application, which will include:
  - Name, address, contact information, household size, household income, assets, and supporting documentation.
  - Additional questions regarding *OakCLT Homebuyer Selection Criteria*, with supporting documentation. See *Homebuyer Selection Criteria* for more information.
  - Attachment of certificate(s) of completion for HUD-certified 8-hour Homebuyer Education Course (for all borrowers)
  - Attachment of Pre-Approval Letter from OakCLT-approved lender. *Please note that lenders need ample time to receive and process your loan pre-approval application and your supporting documents before they can issue a pre-approval letter to you and any other applicants for an OakCLT housing opportunity. While lenders may have some flexibility, we highly recommend that you submit all of your documentation to your lender(s) of choice at least 10 days before OakCLT applications are due. Lenders reserve the right to not process your application if you do not give them ample time to do so. OakCLT does not require that you get pre-approval for down payment assistance programs before OakCLT's application deadline.*
  - Signed Authorization to Release Information. This allows OakCLT to share information with your lender, housing counseling agency, and the City (if applicable).
- c. Submit completed application online or mail to:

OakCLT ATTN: Application  
101 Broadway, Suite 310  
Oakland, CA 94607

## 4. OakCLT Screens Applicants for Baseline Eligibility + Selection Criteria

- a. OakCLT reviews each applicant's information and verifies that they:
  - Can qualify for a mortgage

- Are at or below 80% AMI based on reported income & household size
  - Have enough funds to cover the down payment requirement
  - Have enough funds to cover closing costs
  - Have a debt-to-income ratio under 40-45% (depending on specific requirements)
  - Meet minimum household size requirements
- b. If any applicants appear to not meet baseline eligibility, OakCLT will contact them through email and/or phone to notify them of which criteria they did not meet and offer an opportunity to respond and clarify any discrepancies.
  - c. All eligible applicants have their prioritization points totalled, creating their Selection Criteria Score (SCS). This process may take 5-8 days depending on application volume.
  - d. OakCLT arranges applicants in order of most scored points to least based on their SCS.
  - e. The top scoring set of applicants will be directed to CalHome for pre-approval as OakCLT further processes their documentation.

## 5. OakCLT Identifies Buyer + Enters into Contract

- a. Top scoring applicants are contacted and have 3 business days to respond to any request for additional documentation. OakCLT will move to the next ranked applicant if:
  - Applicant does not respond
  - Applicant does not submit documentation within timeframe
  - After reviewing documentation, OakCLT determines that applicant does not meet baseline requirements
  - After reviewing documentation, OakCLT determines that the applicant does not meet applicable selection criteria and must be re-ordered based on a lower accurate SCS.
- b. This may take an additional 5-10 days depending on the range of scores and applicant responsiveness, after which the approved highest scoring applicant is invited to meet with OakCLT Staff to ask any questions and review the CLT model.
- c. Applicant receives formal invitation to submit a contract to purchase the home.
- d. Applicant has 3 business days to submit a contract to purchase.
- e. If the home is a City Assisted Project, the contract to purchase must include a contingency for City approval (see Phase 6, which happens parallel to Phase 7 below).

## 6. City Reviews Buyer (if City Assisted Project)

- a. When a home has an affordability agreement with the City of Oakland, the City must approve the sale to OakCLT's identified buyer. The City will review Buyer's household income, household assets, and Buyer's loan terms to ensure everything aligns with the requirements of the home's affordability agreement.
- b. Additionally, the City requires the signed submission of:
  - Lender Application
  - Buyer Application
  - Signed Program Disclosure
  - *if applicable*, Statement of No Income, Income Tax Affidavit (if household has adult non tax-filers), Spousal Acknowledgement (if Buyer's spouse will not be on title).
- c. Your lender will assemble and submit this packet for you.
- d. Once the completed packet is received, the City will issue an approval letter in 4-10 business days.

- e. See *City of Oakland Supplemental Homeownership Programs Manual for BMR* for more details.

## 7. Prepare for Closing

- a. This is where your realtor, lender, and the title company work together to steward you through the purchase process, which includes, but is not limited to:
  - Open escrow & deposit earnest money (1% of purchase price) within 3 business days
  - Apply for additional funding programs (e.g. WISH)
  - Property Appraisal
  - Finalize Lender Financing
  - City Reviews Documentation & Approves Purchase (if a City-funded project).
  - Find homeowners insurance
- b. Buyer can request additional meetings with OakCLT if questions arise.
- c. Contract period is estimated to be 45-60 days.

## 8. CLOSE!

- a. Applicant becomes an OakCLT Homeowner!
- b. OakCLT retains ownership of the land and provides additional support to homeowner(s) as needed, keeping the property affordable for future residents.

## Future Opportunities

OakCLT does not maintain a waitlist for single-family and limited equity condominiums, but applicants who applied for an opportunity but did not receive housing will be notified of future housing opportunities and receive more points as part of the *OakCLT Homebuyer Selection Criteria*.