



CHAPA's Policy Regarding Transfer of a 40B Unit to a Trust

As the Monitoring Agent for 40B developments, CHAPA ensures that 40B homeowners are adhering to the terms of the deed rider attached to their property. Several 40B homeowners have expressed an interest in transferring the ownership of their property to a Trust. CHAPA has developed the following policy in response to these requests.

The Affordable Housing Deed Rider, Section 1 “Definitions”, states that: “Eligible Purchaser means an individual or household...”

A Trust is a legal entity, not an individual or household, and therefore is not an eligible purchaser.

In addition, Section 2 “Owner-Occupancy/Principal Residence” states that: “The Property shall be occupied and used by the Owner’s household exclusively as his, her or their principal residence. Any use of the Property or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.”

A Trust, as an entity, is incapable of using the property as a residence, and therefore cannot comply with this requirement of the deed rider.

CHAPA has consulted with the Massachusetts Department of Housing and Community Development and has determined that, according to the deed rider, the transfer of a 40B property to a Trust is **not permitted**.

If you have any questions regarding this policy, please contact CHAPA.

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