



How to Sell an Observatory Commons Condominium

Harvard's Faculty Real Estate Services¹ (FRES) team is committed to making the sale of your condominium go as quickly and smoothly as possible. We will work closely with you throughout the sales cycle to provide guidance and answer questions. This booklet provides an overview of the process and explains what you will need to do during each phase of the sale.

Overview

There are a few important points to keep in mind as you prepare to sell your condominium:

- Sales of the Observatory Commons condominiums are restricted to a subset of Harvard University faculty. To find out if your potential buyer is eligible, please send e-mail to fres@harvard.edu.
- Only FRES brokers are allowed to handle the sale of the Observatory Commons condominiums—private real estate agents are not allowed to participate in the sale of these units.
- If the Unit does not sell within 90 days of setting the asking price, the owner can offer it for sale to Harvard University by contacting FRES, which acts as the University's agent. Harvard will buy the condo back at the adjusted market price, adjusted for condition of the condominium determined by the inspection process.
- Contact FRES whenever you have questions by calling 617-495-8840 or sending e-mail to fres@harvard.edu.

STEP 1: Notification

The first step in selling your condominium is to send written notification to FRES notifying us of your decision.

- The letter should include your name, your unit number, and your contact information.
- You should allow a minimum of 90 days from setting the asking price for the sales cycle.
- Please provide as much notification as possible so we can help you meet your desired closing date.
- Mail to:
Faculty Real Estate Services
1350 Massachusetts Avenue, room 103
Cambridge, MA 02138
Attn: Assistant Director of Faculty Real Estate Services

¹ FRES is a division of Harvard University and is the agent for the Observatory Commons Condominiums.

STEP 2: Working with Faculty Real Estate Services

Upon receipt of the letter, a member of the FRES team will contact you to set up a meeting to explain our role in the sale. We will also make an appointment for a FRES broker to tour the unit so we will be better able to market and sell it. In addition, we will order a **Fair Market Appraisal** from a certified Real Estate Appraiser—not a real estate agent.

- FRES will appoint an appraiser upon receiving written notification of intent to sell. It will take no longer than 14 days to complete the Certified Appraisal Process.
- You have the right to obtain a 2nd appraisal, at your own expense. If the two appraised values are within 10% of each other, we will take the average of the two to determine the price.

STEP 3: Setting the Price

Based on the result of the Fair Market Appraisal, FRES will determine the **Adjusted Fair Market Value**² of the unit. Each condominium at Observatory Commons is discounted anywhere between 26%-39% below market. After the appraisal is completed, the adjusted market price is determined by discounting the appraised value by the discount associated with your specific condominium. Please check with FRES for the exact amount of the discount. After the adjusted market price is determined, the condominium documents allow for the owners to set the asking price at 10% above the adjusted market price.

Step 4: Eligibility

Once the asking price is determined it is time to get the word out. Please remember that:

- Sales of the Observatory Commons condominiums are restricted to a subset of Harvard University faculty. To find out if your potential buyer is eligible, please send e-mail to fres@harvard.edu.

Step 5: Marketing and Sales of Unit

The University has designated FRES as the selling agent for the Observatory Commons units. We will provide guidance on prepping your unit for sale and will be responsible for showing the unit to potential buyers. FRES receives a 2.5% sales commission on each unit sold.

FRES will market the unit in a number of ways. These can include:

- Assist in the preparation of your condominium for sale.
- Digitally photograph your unit for marketing purposes.
- Notify wider University community by:
 - Putting the sales information on the FRES web site.
 - Contacting current faculty recruits.
 - Contacting all Harvard University hiring personnel.
- Explain the details of a leasehold condominium sale to potential buyers.

² Adjusted Fair Market Value is an amount equal to (a) the Fair Market Value of a Unit, minus (b) the Land percentage multiplied by the Fair Market Value of a Unit.

