

RESOLUTION No. 2006-158-504

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ALONG WITH ALL OTHER ATTENDANT DOCUMENTS ATTACHED HERETO AS COMPOSITE EXHIBIT "A" SUBJECT TO THE REVIEW AND APPROVAL OF THE CITY ATTORNEY FOR THE PURCHASE OF A \$1 HOME FROM HUD IN ACCORDANCE WITH THE HUD DOLLAR INITIATIVE PROGRAM; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, HUD's Dollar Homes Initiative ("Program") helps local governments to foster housing opportunities for low to moderate income families and address specific community needs by offering the opportunity to purchase qualified HUD-owned homes for \$1 each, and

WHEREAS, Dollar Homes are single-family homes that are acquired by the Federal Housing Administration (which is part of HUD) as a result of foreclosure actions, and

WHEREAS, the City of Miami Gardens Community Development Department has a particular home within the City's jurisdiction that it would like to purchase from HUD for \$1, and

WHEREAS, the City would like to rehabilitate the property using CDBG funding, and to sell the same to a low or moderate income first-time homebuyer, currently renting property in the City of Miami Gardens, and

WHEREAS, in accordance with the Program, the City intends to hire responsible local contractors to rehabilitate the property, using energy efficient standards, and

intends to reinvest the proceeds from the sale of the property into home improvement programs for other City of Miami Gardens residents, and

WHEREAS, the City Council would like to authorize the City Manager to execute the purchase and sell agreement with the U.S. Department of Housing and Urban Development and any and all attendant documents attached hereto as Exhibit "A",

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. AUTHORIZATION: The City Council of The City of Miami Gardens hereby authorizes the City Manager to execute a Purchase and Sales Agreement along with all other attendant documents attached hereto as Composite Exhibit "A" with the U.S. Department of Housing and Urban Development for the purchase of a \$1 home from HUD in accordance with the HUD Dollar Homes Initiative Program, subject to the review and approval of the City Attorney.

Section 3. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON DECEMBER 13, 2006.

ATTEST:


RONETTA TAYLOR, CMC, CITY CLERK


SHIRLEY GIBSON, MAYOR

Prepared by SONJA KNIGHTON DICKENS, ESQ.
City Attorney

SPONSORED BY: Dr. Danny O. Crew, City Manager

MOVED BY: Vice Mayor Braynon
SECONDED BY: Councilman Bratton

VOTE: 6-0

Mayor Shirley Gibson	<u> x </u> (Yes)	<u> </u> (No)	
Vice Mayor Oscar Braynon, II	<u> x </u> (Yes)	<u> </u> (No)	
Councilman Melvin L. Bratton	<u> </u> (Yes)	<u> </u> (No)	Not present
Councilman Aaron Campbell	<u> x </u> (Yes)	<u> </u> (No)	
Councilman Andre Williams	<u> x </u> (Yes)	<u> </u> (No)	
Councilwoman Sharon Pritchett	<u> x </u> (Yes)	<u> </u> (No)	
Councilwoman Barbara Watson	<u> x </u> (Yes)	<u> </u> (No)	

City of Miami Gardens

1515-200 NW 167th Street
Miami Gardens, Florida 33169



Mayor Shirley Gibson
Vice Mayor Oscar Braynon II
Councilman Melvin L. Bratton
Councilman Aaron Campbell
Councilwoman Sharon Pritchett
Councilwoman Barbara Watson
Councilman André Williams

MEMORANDUM

To: The Honorable Mayor and City Council
From: Dr Danny O Crew, City Manager
Date: December 13, 2006
Re: City purchase of HUD house for \$1.00

In September 2006, City staff became aware of U. S. Housing and Urban Development (HUD) owned property located within the Miami Gardens' city limits. The house, located at 1080 N.W. 185 Terrace, was eligible for purchase by the City under HUD's *Dollar Home program*. As part of our Community Development Program, a formal proposal was sent to HUD, outlining the City's intent to purchase the house, rehab it, and then sell it to a low to moderate income, first time homebuyer.

At this point, HUD's Miami Field Office, as well as their regional office in Atlanta has approved the proposal submitted. The final approval of the proposal will come from HUD headquarters in Washington, D.C. Upon final HUD approval, the City intends to do the following:

- Complete the purchase transaction (subject to City Council approval)
- Issue a Request for Proposals (RFP) for the rehabilitation work required on the property
- Select the lowest responsible bidder for the rehabilitation work (subject to City Council approval)
- Sell the house at 50% of the appraised value (approximately \$130k) to a low income, first time home buyer through a random lottery process

City staff has already begun a process to identify low to moderate income residents currently renting in the City by contacting several of the non-profit organizations that provide homebuyer counseling. We have also established some preliminary commitments from several local lenders who would be eligible to provide the first mortgage financing to the qualified first time homebuyer.

Recommendation: Staff recommends approval of the attached Sale and Purchase Agreement between the City of Miami Gardens and U.S. HUD for the purchase of the property located at 1080 N.W. 185 Terrace for \$1.00.



City of Miami Gardens

Shirley Gibson
Mayor

October 4, 2006

Oscar Braynon II
Vice Mayor

Ms. Cheryl Marken, Homeownership Liaison
U.S. Department of Housing and Urban Development
Miami Field Office
909 S.E. 1st Avenue, Room 500
Miami, FL. 33131-3028

Melvin L. Bratton
Council Member

RE: 1080 N.W. 185 Terrace

Aaron Campbell Jr.
Council Member

Dear Ms. Marken:

Ulysses Harvard
Council Member

This letter serves as our formal request to purchase the above referenced property from HUD under its Dollar Homes Initiative. Attached you will find our proposal, along with the forms you indicated were required to have the transaction approved. We trust that everything submitted is in order and meets your approval.

Sharon Pritchett
Council Member

Our office is planning an event on November 8, 2006 featuring this property. This event will also serve as the kick off the City's Community Development Programs as one of HUD's newest entitlement cities. We look forward to working with your office on this and other endeavors. Should you have any questions or need additional information, please feel free to contact me at your convenience at (305) 622-8000 ext. 2380.

Barbara Watson
Council Member

Sincerely,

Dr. Daany O. Crew
City Manager

Daniel A. Rosemond, Director
Department of Community Development

- CMC

C: Armando Fana, Director; Miami Field Office
Renee Farmer, Assistant City Manager



City of Miami Gardens, Florida

Proposal

HUD Dollar Homes Initiative
(1080 N.W. 185 Terrace)

Introduction

HUD's *Dollar Homes* initiative helps local governments to foster housing opportunities for low to moderate income families and address specific community needs by offering them the opportunity to purchase qualified HUD-owned homes for \$1 each.

Dollar Homes are single-family homes that are acquired by the Federal Housing Administration (which is part of HUD) as a result of foreclosure actions. Single-family properties are made available through the program whenever FHA is unable to sell the homes for six months.

Proposal Narrative

The City of Miami Gardens has identified a Dollar Home within its jurisdiction. This proposal requests HUD's approval for the sale of the above referenced property for \$1.00 in accordance with the program parameters. Below is narrative of what the City's Community Development Department will undertake upon approval of the sale of the property from the Federal Housing Commissioner:

The City of Miami Gardens intends to undertake the rehabilitation of the Property using CDBG funds in the most energy efficient manner possible to meet Energy Star® standards and will partner with other local entities to achieve that goal. The home will then serve as an Energy Star® model to showcase to the public, methods of energy

conservation. At the end of the demonstration, the Property will be sold to a qualified low- or moderate-income first time homebuyer family already renting in Miami Gardens.

The City of Miami Gardens will procure responsible local contractors who will rehabilitate the home to “turn key” status while increasing the energy efficiency of the home through various energy conservation methods, such as new Energy Star® rated appliances and fixtures, attic and window insulation, HVAC upgrades, duct, door and window sealing, etc. The property will also be equipped with appropriate hurricane safeguards and meet pool barrier safety requirements if the pool is retained.

Once the property is rehabilitated to energy efficient standards, a demonstration period of no longer than 30 days will showcase to the public the benefits of energy efficiency in home rehabilitation. Subsequent to the demonstration, the property will be sold to a low or moderate income family for fifty percent (50%) of the improved appraised value.

The proceeds of the sale of the home will be reinvested by the City of Miami Gardens in its home improvement programs for other Miami Gardens residents.

The home buying family will be selected from a screened lottery process.

The homebuyer must meet the following requirements:

Have a total household income not exceeding 80% of the Miami-Dade MSA;

Be a first time homebuyer in that they have not owned a home in the prior three years;
and

Between selection and closing, they will have completed a HUD-approved homebuyer education course and had one-on-one housing counseling to prepare them for the responsibilities of homeownership so that they are able to keep their home successfully over time.

Single Family Acquired Asset Management System (SAMS)
Payee Name and Address

U.S. Department of Housing and Urban Development
 Office of Housing
 Federal Housing Commissioner

Instructions: See Instructions on back for required attachments. Send completed form to HUD HOC, Attention: Director, Homeownership Center

I. Type of Application: (Items 1a - c)

1a. New Payee
 (Complete Item Nos. 2 or 3 through 16)

1b. Existing Payee
 (Complete Item Nos. 2 or 3, 4, and any changes)

1c. New NAID to Existing Payee
 (Complete Item Nos. 2 or 3, 5, 6 and 8)

II. Payee's Information: (Items 2 or 3 through 16)

Enter Either Payee's EIN and Business Name or SSN and Individual Name, NOT BOTH (Items 2 - 3)
 *1099 information to be forwarded to IRS under EIN/SSN and name shown in Items 2 or 3, and address shown in Item 8.

*2a. EIN
 11-3695944

*2b. Business Name for EIN in 2a.
 City of Miami Gardens, Florida

2c. Principal Broker's Name (if applicable)

*3a. SSN - OR -

*3b. Individual Name for SSN in 3a (Last, First, MI)

4. Payee's NAID (if existing payee)

5. HOC Area Identifier

6. Payee Type(s)
 GT

7. Business Phone Number (Area Code)
 (305) 622-8000

8. Business Address (include City, State, and Zip Code + 4)
 1515 N.W. 167 Street
 Building 5- Suite 200
 Miami Gardens, FL. 33164

Remittance Name and Address
 (Only if different from Business Name and Address)

9. Name

10. Address (include City, State, and Zip Code + 4)

11. Minority-owned? If Yes, check type Yes No

Black American (BL) Asian Indian American (AI)
 Asian Pacific American (AP) Native American (NA)
 Hispanic American (HI) Hasidic Jewish American (HS)

14. Name of Contact Person
 Daniel A. Rosemond

Email
 drosemond@miamigardens-fl.gov

Phone (Area Code) (305) 622-8000

Fax (Area Code)

12. Small Business Owned?
 Yes No

13. Woman Owned?
 Yes No

15. Names of Owners/Principals
 Dr. Danny O. Crew, City Manager

16. Family/External Business Relationship to HUD/M&M Contract employees?
 Yes No (If Yes, attach an explanation)

III. For HUD Use Only (Items 17 - 29) Do not send any attachments other than form SF-3881 to SAMS Service Contractor.

The HOC must take whatever measures it deems appropriate to verify that the prospective payee is a legitimate entity prior to approving this form. In addition to the Form W-9, the HOC may require the Form SSA-7028, Notice to Third Party of Social Security Number Assignment, or the IRS Letter 147C (verifying issuance of an EIN) or any other documents it deems appropriate to maintain sound internal controls over the establishment of payees in SAMS. HOC staff must ALWAYS obtain the Form W-9 and must NEVER approve any SAMS payee form until the name/TIN information on both forms matches.

17. Preparer's Signature (M&M Contractor/M&M GTR/M&M GTM/Closing Agent GTR)
 X

18. Title

19. Date (mm/dd/yyyy)

20. Phone (Area Code)

21. Selling Broker's Recertification Date

22. Approved for HOC Area(s):

Attach ACH Vendor/Miscellaneous Payment Enrollment Form (SF-3881) for Payee Types AP, CA, HA, NP**, PM, and TS.**

23. **Since our office does not intend to make payments to the subject vendor at this time, we have not included a form SF-3881 to enroll the vendor in the Electronic Funds Transfer Program. Should this situation change and it become necessary to make payments to this vendor, our office will immediately submit a completed form SF-3881 to the SAMS Service Contractor for processing.

24. Reviewer's Signature (Supervisory M&M Contractor/M&M GTR/Closing Agent GTR or Designee)
 X

25. Title

26. Date (mm/dd/yyyy)

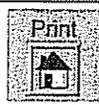
27. Phone (Area Code)

28. Approver's Signature (HOC Director or Designee)
 X

29. Date of Approval/Submission to Service Contractor (mm/dd/yyyy)

This information enables HUD to record and process financial transactions in its automated SAMS to dispose of acquired single-family properties. HUD reimburses M&M Contractors for their services in maintaining, marketing, and selling HUD homes, and HUD collects funds associated with the sales of these properties. The information enables HUD to create and maintain sound financial management practices and effective internal controls over the property disposition program. A response is required to obtain or maintain a benefit.

Privacy Act Statement. The Department of Housing & Urban Development (HUD) is authorized to collect the information on this form by the U.S. Housing Act of 1937, as amended. The Housing & Community Development Act of 1987, 42 U.S.C. 3543, authorizes HUD to collect Social Security Numbers (SSN). The information is being used as Payee reference information, IRS 1099 applicability, minority data collection information, payment remittance instructions and proof of business viability. The SSN is used as a unique identifier. HUD may disclose this information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law. Providing the SSN is mandatory. Failure to provide the information could result in a delay or rejection of your eligibility approval.



Instructions for Completing Form SAMS-1111

Preparer: Complete Items 1 and 2 or 3, and 7 thru 16 legibly in ink.

HUD Office Staff: Complete Items 4 thru 6, and 17 thru 29 legibly in ink. Sign Items 17, 24, and 28 in ink.

- 1a. **Add New Payee:** Check if new payee and complete items no. 2 or 3 through 16.
- 1b. **Change Existing Payee:** Check if changing information and enter existing payee name address identifier (NAID) in item 4. Items 2a-b or 3a-b and any changes must be completed.
- 1c. **Add New NAID for Existing Payee:** Check if linking a new NAID to an existing payee. Items 2a-b or 3a-b, 4, 5, 6, and 8 must be completed. Complete items 2a-c or 3a-b, NOT both.
- 2a. **EIN:** Enter the Employer Identification Number for the business.
- 2b. **Business Name:** Enter the name of the business as it should appear on checks or IRS form 1099-Misc.
- 2c. **Principal Broker's Name:** Enter the name of the principal broker as it should appear on checks or IRS Form 1099-Misc.
- 3a. **SSN:** Enter the individual's Social Security Number.
- 3b. **Individual Name:** Enter the name of the individual as it should appear on checks and IRS Form 1099-Misc.
- 4. **For HUD Use Only. Payee's NAID:** Enter the Name/Address Identifier (NAID) if existing payee.
- 5. **For HUD Use Only.** Enter the HOC Area Identifier (e.g., PA for Philadelphia Area A).
- 6. **For HUD Use Only. Payee Type:** Enter type code from below:
 AP = Appraiser NP = Nonprofit organization
 CA = Closing Agent PM = M&M Contractor
 GT = Local/State Government SB = Selling Broker
 HA = Homeowner Association TS = Trade/Service Vendor
 NB = Non-Business/Refund
- 7. **Business Phone Number:** Enter the area code and telephone number.
- 8. **Business Address:** Enter complete mailing address of the company or individual named in item 2b or 3b above.
- 9 and 10. **Remittance Name and Address:** Enter the Name and Address for remittance of compensation only if different from Name, Address, City, State and Zip in Item 8 above.
- 11. **Minority-owned?:** Check "Yes" if the company is minority-owned. Check "No" if not. If yes, check the appropriate minority code for the business. Check only one type.
- 12. **Small Business Owned?:** Check "Yes" if the company qualifies as a small business. Check "No" if not.

- 13. **Woman Owned?:** Check "Yes" if the company qualifies as a woman owned business. Check "No" if not.
- 14. **Contact Person:** Enter the name, telephone number, fax number, and email address of the contact person.
- 15. **Names of Owners/Principals:** Enter the name(s) of the company's owner(s) or principal(s). Continue on separate page if necessary.
- 16. **Related Parties:** Enter "Yes" if the payee has either a family relationship or an external business relationship with any HUD/M&M Contract employee. Attach explanation. Enter "No" if no such relationship exists.
- 17-20. **Preparer's Signature:** Enter legible signature, title, date, and phone number of person completing this form.

For HUD Use Only.

- 21. **Selling Broker's Recertification Date:** Date of next scheduled recertification by HUD Office. Enter month and year.
- 22. **Approved for HOC Areas:** Enter the HOC areas in which the Payee is approved for work.
- 23. Check if vendor will never receive a payment from HUD.
- 24-27. **Reviewer's Signature:** Enter legible signature, title, date, and phone number of individual reviewing the form.
- 28-29. **Approver's Signature:** Enter legible signature of the HOC Director or designee approving form and date form is approved and submitted to the Service Contractor.

Note: 48 CFR 2426 sets forth the Department of Housing and Urban Development's policy to promote Minority Business Enterprise participation in its procurement program. Executive Orders 11625 and 12432 require monitoring and evaluation of performance and reporting to Congress and the President.

While completion of this data is not mandatory, we strongly encourage your cooperation. This data will be used only for reporting purposes.

A minority business enterprise is a business which is at least 51 percent owned by one or more minority group members; or, in case of a publicly-owned business, one in which at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. For this purpose, minority group members are those identified on the face of this form.

Attachments that must accompany this form to establish a new payee. When modifying an existing payee, attach applicable documentation relating to modification, e.g., change of banking institution, attach new Form SF-3881.

	Payee Type									
	AP	CA	GT	HA	NB	NP	PM	SB	TS	
For All Payees:										
Signed IRS Form W-9, Request for Taxpayer Identification Number (TIN) and Certification	√	√	√	√	√	√	√	√	√	√
In addition, for Payees not under formal contract with HUD:										
Copy of Driver's License	√	√					√	√	√	
Copy of first page of a recent telephone bill, utility bill, or bank statement	√	√					√	√	√	
Copy of Local or State business license for payee's trade, if applicable	√	√					√		√	
Copy of State Real Estate Broker's license								√		
Completed Form SF-3881, ACH Vendor/Misc Payment Enrollment Form	√*	√		√		√*	√			√
Completed Form SAMS-1111A, Selling Broker Certification								√		
IRS Ruling/Determination Letter						√**				
In addition, for Payees under formal contract with HUD:										
Copy of first page of your signed contract with HUD	√	√					√			√
Copy of first page of a recent telephone bill, utility bill, or bank statement	√	√					√			√

* If the HOC Area Office does not intend to make payments to the vendor, check box in Item 23 and do not include Form SF-3881.

** If nonprofit organization cannot show proof of tax-exempt status, the payee type must be listed as TS.

Single Family Acquired Asset
Management System (SAMS)
Selling Broker Certification

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

Public reporting burden for this collection of information is estimated to average 12 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This information enables HUD to record and process financial transactions in its automated Single Family Acquired Asset Management System (SAMS) to dispose of acquired single-family properties. HUD reimburses M & M Contractors for their services in maintaining, marketing, and selling HUD homes, and HUD collects funds associated with the sales of these properties. The information enables HUD to create and maintain sound financial management practices and effective internal controls over the property disposition program. A response is required to obtain or maintain a benefit.

Privacy Act Statement. The Department of Housing & Urban Development (HUD) is authorized to collect the information on this form by the U.S. Housing Act of 1937, as amended. The Housing & Community Development Act of 1987, 42 U.S.C. 3543 authorizes HUD to collect Social Security Numbers (SSN). The information is being used as vendor reference information, minority data collection, payment/remittance instructions and proof of business viability. The SSN is used as a unique identifier. HUD may disclose this information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law. Providing the SSN is mandatory. Failure to provide the information could result in a delay or rejection of your eligibility approval.

Instructions: Send completed form to local HUD HOC. Attn: Director, REO Division

Earnest Money Deposit

As a condition to participate in HUD's single family REO sales program, I agree to abide by the Department's earnest money policy.

Should HUD instruct me to collect earnest money deposits from prospective buyers, I agree to do so at the time the contract is written and, according to HUD's instructions, deposit such funds either in my escrow account (or client's trust account) or in such other manner as HUD may direct no later than the close of the next banking day; or forward such deposits to HUD with the contract.

I understand that I am fully responsible for any deposit accepted and placed in my escrow account (or client's trust account). I also understand that any deposit accepted and forwarded to HUD with a contract will only be in the form of a cashier's check, certified check, or money order with no termination date or cancellation provision.

Earnest money deposits being held in my escrow account (or client's trust account) shall be accounted for at the sales closing, unless the contract is terminated. I agree to immediately comply with HUD's instructions for the ultimate disposition of each earnest money deposit.

I agree to fully explain to each purchaser, prior to a contract being written, HUD's earnest money forfeiture policy.

Broker's Signature (Required) & Date (mm/dd/yyyy)

X

Non-Discrimination

The undersigned broker participating in the sales of HUD-owned properties agrees that neither she/he nor her/his sales or rental personnel, employees or others authorized to act for her/him, in violation of Title VIII of the Civil Rights Act of 1968 (the "Fair Housing Act" Title VIII or Public Law 90-284) or Executive Order 11063, will decline to show or will discriminate in the sale or rental of any property now or hereafter listed with her/him.

It is further agreed that the undersigned will: (1) refrain from discrimination on the basis of race, color, creed, religion, sex, national origin, age or handicap in the sale or rental of property; (2) instruct their staffs in the policies of nondiscrimination and all applicable local, State, and Federal fair housing laws; (3) prominently display the Fair Housing Poster in all offices in which sale and rental activity takes place; (4) use the HUD-approved Equal Housing Opportunity logo, slogan, or statement in all advertising in conformance with the Advertising Guidelines for Fair Housing; (5) utilize any available minority media (in addition to other media that is used) when advertising HUD-owned properties; and (6) maintain a nondiscriminatory hiring policy in affirmatively recruiting from both minority and majority groups for staff.

Violation of any of the above provisions shall be subject to debarment procedures set forth in 24 CFR 24.

Broker's Signature & Date (mm/dd/yyyy)

X

I am a signatory to a voluntary affirmative marketing agreement between HUD and the local board named:

For this reason, I am exempt from signing the non-discrimination portion of this certification.

Broker's Name (Please print or type)

Telephone Number (include area code)

Broker's License Number

TIN/SSN

Company's Name & Mailing Address (include City, State, and Zip Code)

For HUD Use Only

NAID

This form is to be kept on file in the HUD HOC.
Previous editions are obsolete

form SAMS-1111-A (03/2004)
ref Handbook 4310.5

Instructions for Sales Contract

Property Disposition Program

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No 2502-0306 (exp. 09/30/2008)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required in order to administer the Property Disposition Sales Program (24 CFR Part 291). The collection of information is required in order to provide a binding contract between the property purchaser and HUD. A real estate broker or one of its agents completes this form. If this information were not collected, HUD would not be able to administer the Property Disposition Sales Program properly to avoid waste, mismanagement, and abuse. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Privacy Act Notice – The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested on this form by virtue of Title 12, United States Code, Section 1701 et seq. The Housing and Community Development Act of 1987, U.S.C. 3543 authorized HUD to collect Employer ID and/or Social Security Numbers. These numbers are used to provide information to the IRS regarding payment of commissions or other fees. HUD may also disclose this information to Federal, State, and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law. Failure to provide the Employer ID Number or Social Security Number could affect your participation in HUD's Property Disposition Program.

This Sales Contract, identified as form HUD-9548, must be prepared and transmitted in accordance with the following instructions. The form provides an original for fiscal and legal review, signed copy for the Purchaser, and unsigned information copies for the Purchaser, the selling Broker, and HUD's designated representative.

Remove this Instruction Sheet and type the HUD Case Number in the box in the upper right.

- Item 1: Type Purchaser(s) name and complete property address.
- Item 2: Enter name(s) and style in which title will be taken.
- Item 3: Enter Bid Amount and amount of earnest money Purchaser has deposited.
Enter holder of earnest money deposit in accordance with Seller's instructions.
- Item 4: Enter when appropriate, strictly in compliance with Seller's offering. If Seller has offered the property with insured financing available, and Purchaser is buying under such means, check the first block and the applicable type of insured financing, and complete the down payment and mortgage information. If the insured mortgage involves a repair escrow (and has been so offered by Seller), also check the appropriate block and insert the amount of the repair escrow.
Note: The amounts shown for "cash due at closing" and "balance by mortgage" do not include the FHA Mortgage Insurance Premium, prepaid expenses or closing costs Seller has agreed to fund into the mortgage.
Note: If Purchaser is paying cash or applying for conventional or other financing not involving FHA, check appropriate block.
- Item 5: Enter amount of financing/closing costs Seller is expected to pay.
Note: If the amount stated in Item 5 exceeds actual and typical allowable financing and/or closing costs, such excess shall not be paid by Seller and may not be used by Purchaser to reduce amount(s) owing to Seller.
- Item 6: Enter dollar amount Seller is expected to pay, including any selling bonus if offered by Seller. The commission will be paid by Seller upon completion of closing.
- Item 7: Enter net amount due Seller (purchase price [Item 3], less Items 5 and 6). Contract will be awarded on the basis of the greatest acceptable net return to Seller.
- Item 8: Enter appropriate occupancy information. If left blank, Purchaser will be considered as an investor. If purchaser qualifies for discount, enter percent. Discount will be reduced by amounts, if any, on Line Items 5 and 6. (Do not enter discounted price on contract.)
- Item 9: Enter in accordance with HUD's instructions.
- Item 10: Enter appropriate back-up offer information.
- Item 11: Enter if an addendum is to be attached to and made a part of this contract.
Note: Addendum not previously approved by Seller may not be made a part of this Contract. Approved addendum must be signed by, and in the same style as, those signing as Purchaser(s).
- Item 12: Purchaser(s) must initial in appropriate space.
- Other:
- Failure of the Purchaser to perform in accordance with this contract may cause the Seller to retain all or a portion of the earnest money deposit. Broker must be certain this is fully explained to and understood by the Purchaser(s).**
 - Enter Selling Broker's Name and Address Identifier (NAID). If broker has not been issued a SAMS NAID, complete forms SAMS-1111, Payee Name and Address, and SAMS-1111-A, Selling Broker Certification, along with required documentation, and attach to this contract. Contact HUD's local designated representative.**
 - The Broker is required to inform Purchaser of the Conditions of Sale on the reverse of the Sales Contract, and particularly of Purchaser's right and responsibility for satisfying itself as to the full condition of the property prior to submitting an offer to purchase and that Seller will provide no warranty or perform any repairs after acceptance of the Contract.**

Signatures: Sign Original, leaving carbon inserts intact, making certain that the signature(s) appears on all copies.

Transmittal: Forward the Original with Copies 1 and 2 to HUD's designated representative. Copies 3 and 4 are to be retained by Broker and Purchaser as information copies. Upon acceptance, HUD's designated representative will return the signed Copy 1 to Broker for delivery to Purchaser(s). HUD's designated representative will retain Copy 2.

Sales Contract
Property Disposition Program

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

HUD Case No.

1. I (We), _____
(Purchaser(s)) agree to purchase on the terms set forth herein. the following property, as more particularly described in the deed conveying the property to the Secretary of Housing and Urban Development:

(street number, street name, unit number, if applicable, city, county, State)
2. The Secretary of Housing and Urban Development (Seller) agrees to sell the property at the price and terms set forth herein, and to prepare a deed containing a covenant which warrants against the acts of the Seller and all claiming by, through or under him. Title will be taken in the following name(s) and style: _____
3. The agreed purchase price of the property is _____ > 3. \$ _____
Purchaser has paid \$ _____ as earnest money to be applied on the purchase price, and agrees to pay the balance of the purchase price, plus or minus prorations, at the time of closing, in cash to Seller. The earnest money deposit shall be held by _____
4. Purchaser is applying for FHA insured financing [203(b), 203(b) repair escrow, 203(k)] with a cash down payment of \$ _____ due at closing and the balance secured by a mortgage in the amount of \$ _____ for _____ months (does not include FHA Mortgage Insurance Premium, prepaid expenses or closing costs Seller has agreed to fund into mortgage.)
 Said mortgage involves a repair escrow amounting to \$ _____
 Purchaser is paying cash or applying for conventional or other financing not involving FHA
5. Seller will pay reasonable and customary costs, but not more than actual costs, nor more than paid by a typical Seller in the area, of obtaining financing and/or closing (excluding broker's commission) in an amount not to exceed _____ > 5. \$ _____
- 6a. Upon sales closing, Seller agrees to pay to the broker identified below a commission (including selling bonus, if offered by seller) of _____ > 6a. \$ _____
- 6b. If broker identified below is not the broad listing broker, broad listing broker will receive a commission of: _____ > 6b. \$ _____
7. The net amount due Seller is (Purchase price [Item 3] less Items 5 and 6) _____ > 7. \$ _____ 0.00
8. Purchaser is: owner-occupant (will occupy this property as primary residence) investor
 nonprofit organization public housing agency other government agency Discount at closing: _____ %
Discount will reduced by amounts, if any, listed on Line Items 5 and 6.
9. Time is of the essence as to closing. The sale shall close not later than _____ days from Seller's acceptance of contract. Closing shall be held at the office of Seller's designated closing agent or _____
10. If Seller does not accept this offer, Seller may may not hold such offer as a back-up to accepted offer.
11. Lead based paint addendum is is not attached; Other addendum is is not attached hereto and made part of this contract.
12. Should Purchaser refuse or otherwise fail to perform in accordance with this contract, including the time limitation, Seller may, at Seller's sole option, retain all or a portion of the deposit as liquidated damages. The Seller reserves the right to apply the earnest money, or any portion thereof, to any sums which may be owed by the Purchaser to the Seller for rent. Purchaser(s) Initials: _____ Seller's Initials: _____
13. This contract is subject to the Conditions of Sale on the reverse hereof, which are incorporated herein and made part of this contract.
Certification of Purchaser: The undersigned certifies that in affixing his/her/its signature to this contract he/she/it understands: (1) all the contents thereof (including the Conditions of Sale) and is in agreement therewith without protest; (2) he/she/it is responsible for satisfying itself as to the full condition of the property; and (3) that Seller will not perform repairs after acceptance of this contract.

Purchaser(s): (type or print names & sign) _____ Purchaser(s) Address: _____

Purchaser(s) Social Security Number (SSN) or Employer Identification Number (EIN) (include hyphens) Phone No: _____	Date Purchaser(s) Signed Contract: _____
Seller: Secretary of Housing and Urban Development By: (type name & title, & sign) _____ X	Date Contract Accepted by HUD: _____

Certification of Broker: The undersigned certifies that: (1) neither he/she nor anyone authorized to act for him/her has declined to sell the property described herein to or to make it available for inspection or consideration by a prospective purchaser because of his/her race, color, religion, sex, familial status, national origin, or disability; (2) he/she has both provided and explained to the purchaser the notice regarding use of Seller's closing agent; (3) he/she has explained fully to the purchaser the entire terms of the contract, including Condition B on the reverse hereof; and (4) he/she is in compliance with Seller's earnest money policy as set forth on HUD forms SAMS-1111, Payee Name and Address, and SAMS-1111-A, Selling Broker Certification, which he/she has executed and filed with Seller.

Broker's Business Name & Address: (for IRS reporting) (include Zip Code) _____	Broker's EIN or SSN: (include hyphens) _____	SAMS NAID: _____
Signature of Broker: X		Broker's Phone No: _____

Type or print the name and phone number of sales person: _____

This section for HUD use only. Broker notified of: <input type="checkbox"/> Acceptance <input type="checkbox"/> Back-Up No. _____ <input type="checkbox"/> Rejection <input type="checkbox"/> Return Earnest Money Deposit X	Authorizing Signature & Date: _____
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Conditions of Sale

- A All assessments, including improvement assessments which are available for payment without interest or penalty for advance payment, taxes, rent, and ground rent, if any, shall be prorated as of the closing date.
- B. Seller makes no representations or warranties concerning the condition of the property, including but not limited to mechanical systems, dry basement, foundation, structural, or compliance with code, zoning or building requirements and will make no repairs to the property after execution of this contract. Purchaser understands that regardless of whether the property is being financed with an FHA-insured mortgage, Seller does not guarantee or warrant that the property is free of visible or hidden structural defects, termite damage, lead-based paint, or any other condition that may render the property uninhabitable or otherwise unusable. Purchaser acknowledges responsibility for taking such action as it believes necessary to satisfy itself that the property is in a condition acceptable to it, of laws, regulations and ordinances affecting the property, and agrees to accept the property in the condition existing on the date of this contract. It is important for Purchaser to have a home inspection performed on the property in order to identify any possible defects. If FHA insured financing is used, up to \$200 of the cost to perform the inspection may be financed into the mortgage. Names of home inspection companies can be found in the yellow pages of your telephone directory under the heading "Home Inspection Services.
- C. If financing is involved in this transaction (Item 4), Purchaser agrees that should he/she/it fail to provide documentation indicating that proper loan application was made in good faith within 10 calendar days of the date this contract was accepted by Seller, and/or thereafter otherwise to put forth good faith efforts to obtain necessary financing, Seller shall have the option of rescinding this contract and retaining all or a portion of Purchaser's earnest money deposit.
- D Seller may rescind this contract and return all or a portion of Purchaser's earnest money deposit under the following conditions:
1. Seller has not acquired the property.
 2. Seller is unable or unwilling to remove valid objections to the title prior to closing.
 3. Seller determines that purchaser is not an acceptable borrower.
- Tender of the deposit shall release the Seller from any and all claims arising from this transaction.
- E Purchaser may not perform repairs nor take possession of the property until sale is closed. Risk of loss or damage is assumed by Seller until sale is closed, unless Purchaser takes possession of the property prior thereto, in which case State law shall apply. (1) If sale involves FHA insured financing and after damage the property no longer meets the intent of Minimum Property Standards (MPS), Seller may, at its option, perform repairs or cancel the contract and return Purchaser's full earnest money deposit. If, after damage, the property still meets the intent of MPS, Purchaser has the option of accepting the property as-is, with a purchase price adjustment at Seller's sole discretion, or cancelling the contract and receiving refund of full earnest money deposit. (2) If sale does not involve FHA insured financing, Seller will not repair damage but may, at Seller's sole discretion, reduce the sale price. Purchaser has option to cancel the contract and receive refund of full earnest money deposit. Tender of the earnest money shall release Seller from any claims arising from this transaction.
- F. If this property is being offered with FHA insured mortgage financing available, Seller's acceptance of this contract constitutes a commitment to insure, conditioned upon Purchaser being determined by Seller or Direct Endorsement Underwriter to be an acceptable borrower and further conditioned upon Seller's authority to insure the mortgage at the time the sale is closed
- G. Purchaser understands that Seller's listing price is Seller's estimate of current fair market value.
- H. No member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit
- I. Purchaser and Seller agree that this contract shall be binding upon their respective heirs, executors, administrators, successors or assigns but is assignable only by written consent of the Seller
- J. If this property was constructed prior to 1978, Seller has inspected for defective paint surfaces (defined as cracking, scaling, chipping, peeling or loose paint on all interior and exterior surfaces). Seller's inspection found no defective paint surfaces, or if defective paint surfaces were found, Seller has treated or will treat such defective surfaces in a manner prescribed by Seller prior to closing. Purchaser understands and agrees that the Seller's inspection and/or treatment is not intended to, nor does it guarantee or warrant that all lead-based paint and all potential lead-based paint hazards have been eliminated from this property. Purchaser acknowledges that he/she/it has received a copy of a pamphlet which discusses lead-based paint hazards and has signed, on or before the date of this contract, the Lead-Based Paint Addendum to Sales Contract - Property Built Before 1978. Purchaser understands that the Lead-Based Paint Addendum must be signed by all Purchasers and forwarded to Seller with this contract. Contracts which are not in conformance with these requirements will not be accepted by Seller.
- K. The effective date of this contract is the date it is accepted (signed) by the Seller
- L. If the amount stated in Item 5 exceeds actual and typical financing and/or closing costs, such excess shall not be paid by Seller and may not be used by Purchaser to reduce amount(s) due Seller.
- M. Seller's policies and requirements with regard to earnest money (including forfeiture thereof), extensions of time in which to close the sale, back-up offers, and allowable financing and/or closing costs are detailed in instructions issued to selling brokers.
- N. Seller makes no representations or guarantees that the property will, in the future, be eligible for FHA insured mortgage financing, regardless of its condition or the repairs which may be made.
- O. Warning: Falsifying information on this or any other form of the Department of Housing and Urban Development is felony. It is punishable by a fine not to exceed \$250,000 and/or a prison sentence of not more than two years. (18 U.S.C. 1010, 3559; 3571)**
- P. This contract contains the final and entire agreement between Purchaser and Seller and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this contract.

Case #: _____

Electronic Filing of HUD-9548 Contract Addendum

Purchaser(s) and Broker have elected to use HUD-9548 contract form electronically downloaded and printed for the submission of their bid _____ for case number _____
(Confirmation number) (Case Number)

By doing so, all parties to this agreement certify, warrant, and represent that no information and/or content of the HUD-9548 contract has been altered or omitted in any manner. They further certify, warrant, and represent this is a true and accurate copy of the HUD-9548 contract.

The broker and purchaser(s) further agree that (i) they read and understand their responsibilities, as stated in the "Conditions of Sale," which is a part of the HUD-9548 Sales Contract and (ii) *no* contract or binding agreement exists unless and until a written HUD-9548 Sales Contract, executed by the U.S. Department of Housing and Urban Development is returned to purchaser.

The broker and purchaser(s) knowingly executed this addendum with the full understanding that "falsifying information on this or any other form of the Department of Housing and Urban Development is a felony. It is punishable by a fine not to exceed \$250,000 and/or a prison sentence of not more than two years (18U.S.C.1010,3559,3571)."

Certification of Accuracy

The following parties have received the information above and certify to the best of their knowledge it is true and accurate, and that they agree to all terms and provisions hereof.

Purchaser

Date

Print Name (Purchaser)

Purchaser

Date

Print Name (Purchaser)

Broker/Agent

Date

Print Name (Broker/Agent)

ADDENDUM TO SALES CONTRACT

\$1 Home Sales to Local Governments Program

PROPERTY ADDRESS: _____

FHA CASE NUMBER: _____

* The proposed disposition strategy, goals and objective for purchasing this property are: (Purchaser may list a number of alternative strategies here)

* By signing this addendum, I/We affirm that all profits from sales of HUD homes will go to support local housing/community development initiatives.

* By signing this addendum, I/We affirm that any liens assessed against the property and any fines assessed by or on behalf of the purchaser or any of its subdivisions will be removed at no cost to HUD in an effort to facilitate the sale. I/We further affirm that it is our responsibility, as the purchaser, to pay all closing costs in connection with this sale.

* The following local government programs will benefit from the proceeds in excess of the cost to rehabilitate the property received from purchasing and subsequently selling the property:

* By signing this addendum, I/We agree to provide HUD's Homeownership Center (HOC) Program Support Staff Director with an annual report that provides the status and details on all properties purchased under this program. The report must include information on the ultimate purchaser, the amount of profit realized on the final sale and where the profit was put back into local housing/community development.

Signature of Purchaser and Date