

▶ SECTION 4 ◀

4. SUBMITTAL FOR FINAL APPROVAL

Final Approval

Purchase Contract

Purchase Agreement Addendum

Attachment 4-1: Seller's Occupancy Certification Under the Protecting Tenants at Foreclosure Act (For Vacant Property Only)

This form should be completed by the seller along with the Purchase Agreement.

Attachment 4-2: Addendum to Purchase and Sale Agreement

This form should be completed by the seller and buyer along with the Purchase Agreement.

Appraisal (showing a value at least 101% of contract price)

Finance Plan

NEPA Review (includes photos & detailed Scope of Work)

Flood Zone _____

Appendix A _____

Complies with SHPO Programmatic Agreement

Yes No

If **no**, send to Northwest Information Center

Voluntary Acquisition Letter

Attachment 4-3: NSP Voluntary Acquisition of Foreclosed Property (Informational Notice)

This letter should be sent to the bank whenever you are making a purchase offer.

Detailed Rehabilitation Scope of Work

Detailed Rehabilitation Budget

BID Inspector Initials on Scope and Budget

Total Estimated Budget

**SELLER'S OCCUPANCY CERTIFICATION UNDER
THE PROTECTING TENANTS AT FORECLOSURE ACT**

(FOR VACANT PROPERTY ONLY)

*[To be completed and signed by the **seller** of the property.]*

Address of Property ("Property")

City, State

Zip

The undersigned, Seller of the Property certifies to _____ (Buyer) that

1. Seller has complied with the provisions of the *Protecting Tenants at Foreclosure Act*, Title VII of the *Helping Families Save Their Homes Act of 2009* ("PTFA") in connection with the Property, including any requirements of the giving of notice to vacate ("Notice") as required pursuant to PTFA to any bona fide tenant of the Property if any such tenant was in possession of the Property prior to Seller's notice of foreclosure; and

2. At the time of the acquisition of the Property by the buyer/grantee, the Property will be delivered vacant, unoccupied and without any party in possession or with a right to possession to the Property.

Further, if the Property is not occupied at this time, the Seller also certifies and agrees that it has not now and will not after the date hereof allow any person, including the former owner, to occupy the Property under a lease or any other agreement for possession of the Property either oral or written.

Signature of Seller

Date: _____

By: _____

Its: _____

**NOTES TO SELLER'S OCCUPANCY CERTIFICATION UNDER
THE PROTECTING TENANTS AT FORECLOSURE ACT**

1. A bona fide tenant is a tenant under a bona fide lease. A "bona fide" lease is considered a bona fide lease only if:
 - a) the mortgager (or the child, spouse, or parent of the mortgagor) under the contract (lease) is not the tenant;
 - b) the lease or tenancy was the result of an arms-length transaction; and
 - c) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property or the unit's rent is reduced or subsidized due to a Federal, State, or local subsidy. PTFA Section 702(b)
(Note the Bridge Notice provides for a slightly difference definition at 1 (a)).

2. Generally, the PTFA requires that the initial successor in interest (typically the Seller) provide a 90-day notice to vacate to a bona fide tenant of the foreclosed property acquired by the successor in interest. If the tenant has an existing bona fide lease, the tenant may occupy the premises until the remaining term of the lease or 90 days after receipt of the 90-day notice, whichever is longer. However, the successor in interest may terminate the tenant's lease (even a lease for a greater remaining term than 90 days) if the successor in interest sells the unit to a purchaser who will occupy the unit as a primary residence, and the successor in interest provides 90-day notice to the tenant. PTFA Section 70 (a) (2).

3. Notice given under the PTFA is notice given as required by state law.

4. The effective date of the requirements of PTFA are May 20, 2009, however the original requirements for protection of tenants was found in the so called Stimulus Bill ("ARRA") which had an effective date of February 17, 2009.

ADDENDUM TO PURCHASE AND SALE AGREEMENT

PROPERTY ADDRESS _____

DATE OF PURCHASE AND SALE AGREEMENT _____

PURCHASER _____

SELLER _____

Pursuant to Paragraph 17 of the Purchase and Sale Agreement captioned above, PURCHASER and SELLER agree to the following change(s) to the Purchase and Sale Agreement:

17. (b) (ii) **Conditions to the Parties Performance** is deleted and replaced with:

17(b)(ii) If Purchaser is using NSP funds, notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until Contra Costa County has provided Purchaser and/or Seller with a written determination, on the basis of a federally required environmental review and an approved request for release of federal funds, that purchase of the property by Purchaser may proceed, subject to any other Contingencies in this Contract, or may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property. Contra Costa County shall use its best efforts to conclude the environmental review of the property expeditiously.

SELLER:
[Seller's Name]

PURCHASER:
[Purchaser's Name]

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

GUIDEFORM
- NSP VOLUNTARY ACQUISITION OF FORECLOSED PROPERTY -
- Informational Notice -
(Agencies/Persons **without** Eminent Domain Authority)
with a presumption of acquiring only vacant properties

Grantee or Agency Letterhead

(date)

Dear _____:

(Name of Agency/Person) _____, is interested in acquiring property you own at (address) _____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Neighborhood Stabilization Program (NSP).

Please be advised that (Name of Agency/Person) _____ does not have authority to acquire your property by eminent domain. In the event we cannot reach an amicable agreement for the purchase of your property, we will not pursue this proposed acquisition.

The subject property is listed for purchase at \$_____. We currently believe \$_____ to be the price we will pay for the property.

Under the NSP, we are required to purchase foreclosed property at a discount from its current market appraised value. Depending on the results of our appraisal, our purchase offer may differ from the amounts noted above.

Please contact us at your convenience if you are interested in selling your property. Please note that we are interested only in acquiring vacant properties, because we do not wish to displace tenants nor take on responsibilities for complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). URA can apply to our acquisitions because we intend to use federal NSP funds.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. However, a tenant-occupant who moves as a result of a voluntary acquisition for a federally-assisted project may be eligible for relocation assistance. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable federal, state, and local law. If your property is currently tenant-occupied, we need to know immediately because we have no interest in purchasing occupied properties. Further, you should not order current occupant(s) to move, or fail to renew a lease, in order to sell the property to us as vacant.

If you have any questions about this notice or the proposed project, please contact (name)_____, (title)_____, (address)_____, (phone)_____.

NOTES to NSP Voluntary Acquisition Notice (Agency/person without Eminent Domain authority).

1. The case file must indicate the manner in which this notice was delivered (e.g., certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3 J of Handbook 1378)
2. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) – Initiation of negotiations, and 49 CFR 24 Appendix A - 24.2(a)(15)(iv).
3. See 49 CFR 24.206 regarding eviction for cause.
4. This guideform may only be used if all of the requirements of 49 CFR 24.101(b)(2)(i) and (ii) or 49 CFR 24.101(b)(3) are met.
5. This is a guideform. It should be revised to reflect the circumstances

Note to users of this form: If a buyer is negotiating for the purchase of non-foreclosed, vacant or abandoned properties – also eligible for purchase in NSP programs – references to foreclosed properties and discounts should be amended. The HUD form from which this form was adapted can be found at:

<http://www.hud.gov/offices/cpd/library/relocation/nsp/pdf/nspnoeminent.pdf>

A different form must be used in the event that the buyer is an agency that has eminent domain authority. A different guideform for buyers with eminent domain authority should be used. NCST has distributed a form which may be used. The HUD Guideform can be found at:

<http://www.hud.gov/offices/cpd/library/relocation/nsp/pdf/nspwitheminent.pdf>