

Neighborhood Stabilization Program Addendum

This Neighborhood Stabilization Program Addendum (Addendum) is to be made part of the Purchase Agreement (Agreement) dated _____, 20____, between _____ (Seller) and _____ (Buyer), for the property located at: _____, _____, MN, _____ (the Property).

A. Purchase Discount

The Buyer's obligation to close this transaction with federal assistance is expressly contingent upon the results of an appraisal ordered by Central MN Housing Partnership. The Buyer is using certain federal funds that require the purchase price to be at or below 99 percent of the current market appraised value on the appraisal ordered by Central MN Housing Partnership. The Buyer shall be allowed **10 days** after the date of this Agreement to cancel based on the appraisal if the condition cannot be met, in which event this Agreement will be null and void and the Seller shall return all earnest money to the Buyer.

B. Environmental Review

Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of a limited environmental review. This review consists of examining if there is a need for Historical Preservation and to determine if the property is located in a Flood Plain.

C. Minimum Property Standards

Seller shall allow Central MN Housing Partnership to complete an inspection of the property within **10 days** after the date of this Agreement to establish if the property will meet the NSP Inspection requirements as rehabilitation funds may be available for the property. If Central MN Housing Partnership determines that the property does not meet the Standards, the Buyer shall have the right to cancel this Agreement, in which event, this Agreement will be null and void and the Seller shall return all earnest money to the Buyer.

Seller's Initials _____

Buyer's Initials _____

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D. Disclosure to Seller with Voluntary, Arm's Length Purchase Offer

This is to inform you the Buyer would like to purchase the property under this Agreement to owner occupy, if a satisfactory agreement can be reached. This purchase may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD).

Please be advised that the Buyer 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, the Buyer will not pursue this proposed acquisition.

The property is listed for purchase at (\$)_____. The Buyer is prepared to offer you (\$)_____ to purchase your property and receive clear title to the property under the conditions described in the attached Agreement. The Buyer believes this amount represents the current market value of your property. Under NSP, we are required to purchase foreclosed property at a discount from its current appraised value. Depending upon the results of our appraisal, our final purchase offer may differ from the amount noted above.

Since the purchase would be a voluntary acquisition, arm's length transaction, you would not be eligible for relocation payments or other relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

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. 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 or a tenant lawfully occupied your property on or after February 17, 2009, we need to know immediately.** 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. Also, as indicated in the contract of sale, this offer is made on the condition that if the property is vacant then no tenant will be permitted to occupy the property before the sale is complete. By signing this Addendum you are also confirming that as successor in interest of the aforementioned property, you have provided any and all tenants a 90 day notice before evicting them as outlined in the ARRA notice of 2009 related to Tenants Rights.

Again, if you do not wish to sell the property, the Buyer will take no further action to acquire it. If you are willing to sell the property under the conditions described in this Agreement, please sign the Agreement and initial this Addendum. Your signature on the Agreement and your initials on this Addendum constitute acknowledgement that you have received this disclosure. Please contact the Buyer if you have any questions about this disclosure.

Seller's Initials _____

Buyer's Initials _____