

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-8000

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

Special Attention of:

Notice H 2001-06 (HUD)

All Homeownership Center Directors
All REO Directors
All Real Estate Owned Branch Chiefs
All Management and Marketing
Contractors

Issued: 06/11/01
Expires: 04/30/02

Cross References:

Subject: Extension of "\$I Home Sales to Local Governments Program"

Notice H 00-07 (HUD, issued April 28, 2000, Implementation of \$1 Home Sales to Local Governments Program, is extended to April 30, 2002.

In an effort to ensure that the local governments comply with the requirements of Notice H 00-07 to remove liens and fines they assessed against the property at no cost to HUD and to absorb all closing costs involved with the sale, a revision has been made to the Addendum to Sales Contract. By signing the attached Addendum for each \$1 Home sale, the local government affirms 1) that any liens and/or fines assessed against the property will be removed at no cost to HUD and 2) that as the purchaser, it will pay all closing costs in connection with the sale.

Effective immediately, this revised Addendum should be used for each offer submitted by a local government to purchase a \$1 Home.

If you have any questions regarding this Notice, please contact Wanda Sampedro of the Asset Management and Disposition Division at (202) 708-1672.

Sean G. Cassidy
General Deputy Assistant Secretary for Housing-
Deputy Federal Housing Commissioner

Attachment

HSIP Distribution: W-3-1, W-2(OGC)(11)(Z), W-3(A)(ii)(ZAOO), W-4(H), R-1, R-2, R-3, R-3-1(H)(RC), R-3-2, R-3-3, R-6, R-6-1, R-6-2, R-7, R-7-1, R-7-2, R-8, R-8-1

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

