

January 13, 2015

SUBJECT:**ORIGINATING DEPARTMENT:****Neighborhood Stabilization Program Property
Acquisition and Sale****Department of
Community Services**

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POLICY:

In recognition of the need to facilitate home ownership to workforce families, the County is a participant within the Neighborhood Stabilization Program. Real Estate transactions within this program will follow the procedures established below, as well as comply with applicable local and State regulations.

PROCEDURE:**Acquisition of Neighborhood Stabilization Program Property**

- A. Properties identified for purchase must be located within the areas identified in the County's Neighborhood Stabilization Program application.
- B. Properties nominated for purchase shall be submitted by County Staff, not-for-profit organizations, for profit realtors or potential homebuyers. All properties submitted must be reviewed and approved by the County or its designated representative.
- C. The County or its designated representative shall conduct a due diligence evaluation to ensure the property meets all applicable County, State and Federal requirements of the Neighborhood Stabilization Program. Due diligence evaluation shall include, but not be limited to appraisal, title search, inspection and environmental review.
- D. Retention of vendors to provide due diligence services shall be solicited pursuant to the County's policy for small purchases. All quotes shall be submitted via direct delivery or fax.
- E. Properties will not qualify for purchase unless they meet the following criteria:
 1. Property must have undergone foreclosure within the past three years;
 2. Property must be located within the area identified in the County's Neighborhood Stabilization Program application;
 3. Purchase price must be at a discount of at least 1% of the appraisal value.
- F. The Housing Services Director shall review all potential property to confirm that all due diligence has been performed and found sound for purchase. Upon confirmation of the above, the Housing Services Director may authorize the County to enter into a real estate contract to purchase the foreclosed property.
- G. All contracts will be reviewed for legal sufficiency by the County Attorney's Office prior to closing.
- H. Upon formal acceptance of the contract by the seller, the County or its designated representative will schedule the acquisition closing.

- I. After transfer of the title to the County, the County will bid out any required rehabilitation of the home to qualified licensed contractors. The County will award rehabilitation contracts utilizing the standard procedures within the Housing Services rehabilitation programs.

Sale of Neighborhood Stabilization Program Property

- A. Housing Services will develop and maintain a list of potential Neighborhood Stabilization Program eligible applicants within a Neighborhood Stabilization Program purchasing pool. A potential applicant must meet all County, State, and Federal Neighborhood Stabilization Program regulations to be certified and included within the Neighborhood Stabilization Program purchasing pool.
- B. Only applicants whose household has a total income(s) below 120% of area median income, as verified through a County approved third party verification process, are eligible.
- C. Properties purchased and rehabilitated using the County Neighborhood Stabilization Program funds will be made available to applicants within the Neighborhood Stabilization Program purchasing pool on a first qualified basis.
- D. Home prices, down payment assistance options and second mortgage assistance will be available to qualified Neighborhood Stabilization Program purchasing pool applicants in conformance with the County adopted Neighborhood Stabilization Program Housing Assistance Plan.
- E. Purchase of Neighborhood Stabilization Program properties by qualified Neighborhood Stabilization Program purchasing pool applicants must be approved by the Board of County Commissioners by simple majority vote.
- F. A successful purchaser will receive a Statutory "Deed of Conveyance" approved by the Board of County Commissioners.
- G. Marketable title will not be guaranteed.