

AMENDED 4/16/15: Affordability of Units, Environmental Hazards and Attachment N (Mark to Market Use Agreement)



**Attachment A
PROPERTY AT A GLANCE**

Terrace Apartments FHA #: 117-35213

ADDRESS: **6640 NW 10th Street**
Oklahoma City, OK 73127
PARISH: **Oklahoma**

EARNEST MONEY: **\$100,000** SALES
TERMS: **"All Cash- As Is"; 30 calendar days to close**
LETTER OF CREDIT: **\$635,000** SALE: **Foreclosure**

PROJECT INFORMATION

Total Units	Residential	Commercial	Foundation:	Wood on Concrete Slab
205	Revenue 205		Roof:	Composition Shingle
	Non-Revenue		Exterior:	Brick Veneer Over Wood
Building/Site Type	Garden		Floors/Finish:	Vinyl Tile/Carpet

Number of Buildings	Stories	Year Built	Rehab Year	Approximate Site Acreage	Approximate Net Rentable Area
30	2	1968	1987	8	174,809

Mechanical Systems		Utilities		Parking	
Heating:		Air Conditioning	Public Water <input checked="" type="checkbox"/>	Street	Asphalt
Fuel System	Gas/Elec* Individual	Windows	Gas Main <input checked="" type="checkbox"/>	Curb	Concrete
Hot Water:			Electric <input checked="" type="checkbox"/>	Sidewalk	Concrete
Fuel System	Electric Individual		Sanitary Sewer <input checked="" type="checkbox"/>	Parking Lot	Concrete
			Storm Sewer <input type="checkbox"/>	Parking	2 Lots
			Septic Tank <input type="checkbox"/>	Spaces	254
Apartment Features	Community Features	Owner Expense		Tenant Expense	
<input checked="" type="checkbox"/> Air Conditioning	<input type="checkbox"/> Garage	Cold Water		Gas	
<input type="checkbox"/> Dishwasher	<input type="checkbox"/> Covered Parking			Heat	
<input type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Laundry Facility			Electricity	
<input type="checkbox"/> Garbage Disposal	<input type="checkbox"/> Cable/Sat Hookup			Hot Water	
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Tot Lot/Picnic Area				
Gas Range/Oven	<input checked="" type="checkbox"/> Pool				
<input type="checkbox"/> Drapes/Blinds	<input checked="" type="checkbox"/> Community Space				

OCCUPANCY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	38%	39%										
2014	79%	77%	79%	79%	79%	74%	72%	68%	67%	48%	39%	39%

ESTIMATED ANNUAL RENTAL INCOME and EXPENSE:

# of Units	Type (# of Bdrs)	Approx Square Feet	Current Gross Rent (Contract Rent plus UA)	Estimated Utility Allowance (UA)	After Sale Contract Rent (excluding UA)	Total After Sale Contract Rent (excluding UA)
52	1 Bdr	657	604	125	479	24,908
31	1 Bdr	725	604	125	479	14,849
10	1 Bdr	725	604	125	479	4,790
68	2 Bdr	985	686	120	566	38,488
8	2 Bdr	985	686	120	566	4,852
24	2 Bdr	910	686	120	566	13,584
12	3 Bdr	1185	905	169	736	8,832
Estimated/Possible Monthly Total						\$109,979

Total Estimated/Possible Annual Income	
Rent	\$1,319,748
Commercial	
Parking	
TOTAL	\$1,319,748
Estimated Annual Expenses	
Administrative	\$171,277
Utilities	170,877
Operating	92,435
Taxes/Insurance	251,478
Reserve/Replace	61,500
O&M Maintenance	2,500
Total	\$750,067

COMMENTS CONCERNING PROJECT INFORMATION:

A Housing Payment Contract (HAP) for 205 units will be provided to the High Bidder prior to Closing. Project-based assistance is predicated on the availability of funds.

*Gas heating is being phased out/conversion to electric heating.

Any questions related to the after-sale, HUD required repairs are to be directed to: Terry Barnes, Construction Analyst at (817) 978-5805 or via email at terry.a.barnes@hud.gov.

Due diligence should be performed in advance of submitting a bid. While care has been exercised to ensure accuracy, all information provided is solely for the purpose of permitting parties to determine whether or not the Project is of such type and general character as to interest them in its purchase. HUD makes no warranty as to the accuracy of such information.

USE RESTRICTIONS

20 Years affordable rental housing.

PROJECT BASED SECTION 8

A Housing Payment Contract (HAP) will be provided to the Purchaser prior to Closing. Predicated on the availability of funds, assistance will be available for eligible residents in 205 units at the Project. Bidders are cautioned that payments under the HAP Contract may not start for qualifying units immediately after Closing. However, HAP units must meet HUD's Physical Condition Standards within 180 calendar days of Closing. HUD will inspect these units to ensure compliance. Bidders are urged to review the Project Based Section 8 Assistance Rider, the HAP Contract and Use Agreement and Riders to obtain a complete understanding of the requirements and conditions of the Foreclosure Sale. Prior to receipt of the subsidy payments, Purchaser may not charge eligible tenants, who are slated to receive Section 8, more than the amount of Total Tenant Payment the tenant would be required to pay under Section 8 program. In addition, some tenants may have to be temporarily relocated due to HUD required repairs. HUD has already accounted for these and other costs in this Project's disposition process. Therefore, HUD is not obligated to make any monetary adjustments to cover any costs that may be incurred by the Purchaser. Bidders should compute their bids accordingly.

TERMS OF SALE

- This is an "All-Cash" – "As-Is" sale. HUD is not providing financing for this sale. Payment of the full bid price must be presented at Closing.
- No consideration will be given to a bid submitted by any party currently suspended or debarred from participating in HUD programs. As provided for in 24 C.F.R. Part 27, the defaulting mortgagor, or any principal, successor, affiliate, or assignee on the mortgage at the time of default shall not be eligible to bid on or otherwise purchase this Project. ("principal" and "affiliate" are defined at [24 C.F.R. § 200.215](#).)
- Bids for this Project will only be considered for acceptance if properly submitted by following the bidding instructions which includes but is not limited to submitting evidence of bidding eligibility, the Earnest Money Deposit, forms and statements as required in the Invitation. High Bidder will be reviewed to determine if qualified to purchase, own and manage the Project.
- The High Bidder must certify to HUD that any/all projects that are owned by the bidder or its affiliates and are located in the same jurisdiction (City or Town) where the Project is located are in substantial compliance with applicable state and local housing statutes, regulations, ordinances and codes. See Attachment G, Certification of Substantial Compliance.
- High Bidder has the option to file the required Previous Participation Certification (Form HUD-2530) in electronic or paper format. **For questions concerning APPS contact the Multifamily Housing Systems Help Desk at 1-800-767-7588. For questions concerning Secure Systems contact the REAC Help Desk at 1-888-245-4860.**
- Repairs estimated at \$2,540,820, must be completed to HUD's satisfaction within 24 months of Closing. Refer to the Use Agreement, Riders "Required Rehabilitation", "Project-Based Section 8 Assistance", "Environmental Hazards" and the Attachment E for more information.
- Closing is to be held thirty (30) calendar days after HUD notifies the High Bidder that they are qualified to purchase the Project being offered.
- If HUD approves an extension of the Closing, the Purchaser must pay a fee which is the greater of 1.5% of the bid price or HUD's holding costs of \$40.80 per unit per calendar day for each thirty (30) calendar day period.
- The Use Agreement will include the following Riders: Required Rehabilitation, Affordability of Units, Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders, Relocation, Project-Based Section 8 Assistance, Reserve Fund for Replacement Account, Enforcement and Environmental Hazards.

PROSPECTIVE BIDDERS SHOULD READ AND THOROUGHLY UNDERSTAND ALL INFORMATION PROVIDED HEREIN AND IN THE BID KIT PRIOR TO SUBMITTING A BID.

INFORMATION AND BID KIT

INFORMATION and BID KIT may be viewed or printed at [the Property Disposition web site](#).

You may also sign up for [our electronic mailing list](#). If you do not have access to the internet or cannot download a PDF file, you may contact the Realty Specialist identified below to obtain a copy of the bid kit.

Bids for Terrace Apartments:

MUST BE PRESENTED ON: Wednesday, May 13, 20115

At: 9:00 a.m. (local time)

Location of Foreclosure Sale:

Oklahoma County Courthouse
320 Robert S. Kerr
Outside Room 103
Oklahoma City, Oklahoma

HUD Office and Contact Information for submission of documents:

Fort Worth HUD Office
Property Disposition Division, 6AHLAT
801 Cherry Street, Unit #45, Ste. 2500
Fort Worth, TX 76102

Realty Specialist: Wil'Lwin Wallace

Phone: (817) 978-6023

Fax: (817) 978-6019

Email: wil'lwin.wallace@hud.gov

INSPECTION OF PROJECT

OPEN HOUSE: Thursday, April 23, 2015 from 1:00 p.m. to 4:00 p.m. local time.