



**Attachment A
PROPERTY AT A GLANCE**

Valley View Apartments

FHA No: 092-EH043

ADDRESS: **200 Tenth Ave East
Lamberton, MN 56152**
PARISH: **Redwood**

EARNEST MONEY: **\$25,000** SALES PRICE: **Unstated Minimum**
TERMS: **"All Cash- As Is"; 30 calendar days to close**
LETTER OF CREDIT: **\$26,200** SALE: **Foreclosure**

PROJECT INFORMATION

Total Units	Residential	Commercial	Foundation:	Concrete Block
36	Revenue 36		Roof:	Asphalt Shingle
	Non-Revenue		Exterior:	Brick/Stucco/Cedar Siding
Building/Site Type	Mid-Rise Elevator		Floors/Finish:	Vinyl and Carpet

Number of Buildings	Stories	Year Built	Rehab Year	Approximate Site Acreage	Approximate Net Rentable Area
1	3	1980		1.15	21,092

Mechanical Systems

Heating:	Air Conditioning
Fuel System: Gas Central	Windows: Sleeves Screen/Storm
Hot Water:	
Fuel System: Electric Central	

Utilities

Public Water	<input checked="" type="checkbox"/>
Gas Main	<input checked="" type="checkbox"/>
Electric	<input checked="" type="checkbox"/>
Sanitary Sewer	<input checked="" type="checkbox"/>
Storm Sewer	<input type="checkbox"/>
Septic Tank	<input type="checkbox"/>

Parking

Street	Asphalt
Curb	Concrete
Sidewalk	Concrete
Parking Lot	Asphalt
Parking Spaces	1 Lot 39

Apartment Features

<input checked="" type="checkbox"/>	Exh/Fan Kitchen
<input checked="" type="checkbox"/>	Microwave
<input checked="" type="checkbox"/>	Refrigerator
<input checked="" type="checkbox"/>	Range/Oven

Community Features

<input checked="" type="checkbox"/>	Laundry Facility
<input checked="" type="checkbox"/>	Community Space
<input checked="" type="checkbox"/>	Parking
<input checked="" type="checkbox"/>	Cable TV/ hookup

Owner Expense

Water/Sewer
Gas
Refuse Removal

Tenant Expense

Electricity

OCCUPANCY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	36%	36%	36%	36%	36%	36%						
2013	42%	42%	42%	42%	42%	42%	42%	44%	44%	44%	39%	36%

ESTIMATED ANNUAL RENTAL INCOME and EXPENSE:

# of Units	Type (# of Bdrs)	Approx Square Feet	Current Gross Rent (Contract Rent + UA)	Estimated Utility Allowance (UA)	After Sale Contract Rent (excluding UA)	Total After Sale Contract Rent (excluding UA)
35	1 Bdr	573-655	\$646	29	\$617	\$21,595
1	2 Bdr	678	776	33	743	743
Estimated/Possible Monthly Total: \$22,338						

Total Estimated/Possible Annual Income	
Rent	\$268,056
Commercial	1,680
Parking	
TOTAL	\$269,736
Estimated Annual Expenses	
Administrative	\$80,600
Utilities	37,600
Operating	35,600
Taxes/Insurance	30,600
Reserve/Replace	10,800
O&M Maintenance	800
Total	\$196,000

COMMENTS CONCERNING PROJECT INFORMATION:

At Closing the Purchaser will be required to pay all utility, cable, tax and elevator arrearage for the Property. The past due amounts are estimated and do not include any penalty fees for late payment: Taxes due through 3/31/14 \$21,598.47, Minnesota Energy (gas) \$3,879, Alliant Energy (electric) \$1,398, Clara City (cable) \$1,047, MEI (elevator service) \$2,716, and water \$2,999.54. For more information concerning the water charges contact Steve Flaig, City of Lamberton (507) 752-7117.

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

HUD does not own or operate the Property and cannot grant access for viewing. Viewing is at the discretion of the Owner/Management Agent. Property Manager: Alyssa Johnson (612) 701-7058

Any questions related to the after-sale, HUD required repairs are to be directed to Edward Grego, Construction Analyst at (817) 978-5821 or via email at: edward.c.grego@hud.gov.

In 2007, Minnesota made significant changes to the Elevator Code including a number of retroactive codes. Please check the following sources for information: www.dli.MN.gov/CCLD/elevator.asp & www.dps.state.MN.US/fmarshal/html. State Fire Marshal phone numbers (651) 248-5005 & (800) 342-5354. Potential investors should also check the Minnesota Department of Public Safety Carbon Monoxide Alarm Requirement and potential needs as related to this property. The Repair Requirements listed on the HUD 9552 & Work Write-up do not address repairs that may be required for compliance with the Elevator Code or the Carbon Monoxide Alarm Requirements.

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 **36** 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 the 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 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 \$112,549, must be completed to HUD's satisfaction within 12 months of Closing. Refer to the Use Agreement, Riders "Required Rehabilitation", "Environmental Hazards", "Project-Based Section 8 Assistance" and 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: Enforcement; 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; 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 [website](#). 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 Valley View Apartments:

MUST BE PRESENTED ON: August 26th, 2014

At: 11:00 a.m. (local time)

Location of Foreclosure Sale:
Redwood County Sheriff's Office
Law Enforcement Center (Lobby)
303 East 3rd Street
Redwood Falls, MN 56283

HUD Office and Contact Information for submission of documents:

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

Realty Specialist: Brigitte Banks
Phone: 817-978-5815
Fax: 817-978-6019

Email: brigitte.l.banks@hud.gov

INSPECTION OF PROJECT

HUD does not own or operate this facility and cannot grant access for viewing. Viewing is at the discretion of the current owner. Contact for viewing: Property Manager, Alyssa Johnson (612) 701-7058. No Open House has been scheduled for this sale.