

Purchase Memo

TO: REALTOR
FROM: MACOMB COUNTY DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT
RE: MACOMB COUNTY NEIGHBORHOOD STABILIZATION PROGRAM HOMEBUYER ASSISTANCE REQUIREMENTS

The Macomb County Homebuyer Assistance Program is a federally funded program under the Housing and Economic Recovery Act of 2008 Neighborhood Stabilization Program dedicated to provide loans to homebuyers for down payment assistance, closing costs, home repairs or other financing associated with purchasing eligible vacant foreclosed single family homes located within select participating Macomb County communities.

_____ has applied for a loan for down payment assistance and home repair costs toward the purchase of a home through the Macomb County Homebuyer Assistance Program.

Should you have questions regarding this information, please contact Macomb County Homebuyer Assistance Hotline at: 586-469-6285.

The following requirements must be followed. Failure to comply **will** jeopardize the use of Macomb County Homebuyer loan funds.

- ❖ Subject to meeting all of the requirements of the Housing and Economic Recovery Act of 2008 Neighborhood Stabilization Program.
- ❖ Subject to the approval of the buyer for Homebuyer Program assistance.
- ❖ The house must be located in one of the communities participating in the Macomb County Homebuyer Assistance Program and funds must be available for housing purchase in that community.
- ❖ The purchase price of the house must be at least 15 per cent lower than the current market-appraised value of the house. Macomb County will have the house appraised at no cost to the homebuyer.
- ❖ The property must be able to pass a **HUD Housing Quality Standards (HQS) Inspection** and comply with all state and local building codes prior to the closing or upon completion of rehabilitation work. Macomb County staff will determine if the property can meet these requirements at a reasonable cost.
- ❖ Purchase is subject to Buyer's approval of a home inspection report. Said report will be obtained within 30 days. Home Inspector will be selected and paid for by Macomb County.
- ❖ The property cannot be located in a 100 year flood plain. A **Flood Plain Verification** is required and will be provided by Macomb County Department of Planning and Economic Development at no cost. Please contact Homebuyer Assistance Hotline at (586) 469-6285 for this verification.
- ❖ The buyer must contribute a cash contribution of (\$500 - 50% or less of AMI or \$1,000 if greater than 50% AMI) as earnest money, down payment money, or closing cost funds. Seller concessions may not be used to satisfy this requirement.
- ❖ The buyer must finance with a **fixed-rate first mortgage**.
- ❖ The mortgage closing must be within 75 days of the Purchase Agreement. If this is not met, there will be no penalties.
- ❖ The seller must complete and submit the following: **"Notification To Seller" (URA), certifying the sale is voluntary, and "Occupancy/Vacancy Certification", stating the property was not vacated as a direct result of a federally-assisted project.**
- ❖ The attached "Addendum" will be included as part of the purchase agreement.

I have reviewed and understand the conditions of this **Purchase Memo**.

Buyer : _____

Date _____

Realtor : _____

Date _____

Agency: _____

REALTOR: Return one signed copy

Macomb County Homebuyer Assistance Program for Vacant Foreclosed Properties

ADDENDUM TO PURCHASE AGREEMENT

This addendum is part of a Purchase Agreement dated _____, covering property located at _____ and legally described as: _____.

This Addendum is to be an integral part of the Purchase Agreement, which is hereby amended as follows:

- 1. Subject to meeting all of the requirements of the Housing and Economic Recovery Act of 2008 Neighborhood Stabilization Program.
2. Subject to the approval of the buyer for the Homebuyer Assistance Program by the Macomb County Department of Planning and Economic Development.
3. Subject to the house being located in one of the communities eligible to participate in the Macomb County Homebuyer Assistance Program with funds currently available to fund purchase in the community.
4. Subject to the house's current or future ability to comply with HUD Housing Quality Standards (HQS) and all state and local building codes, at a reasonable cost, based on an inspection paid for and initiated by Macomb County Department of Planning and Economic Development.
5. Subject to Buyer's approval of a qualified home inspection report provided by the Macomb County Department of Planning and Economic Development.
6. Subject to the selling price being at least 15 per cent lower than the current market-appraised value of the house as required in the Housing and Recovery Act of 2008. Appraisal to be initiated and paid for by Macomb County Department of Planning and Economic Development.
7. Subject to the buyer obtaining a fixed-rate first mortgage.
8. Subject to the mortgage closing within 75 days from the signing of the Purchase Agreement. If this is not met, there will be no penalties.
9. Subject to a Flood Plain Verification from Macomb County Department of Planning and Economic Development.
10. Subject to the buyer's cash contribution of (\$500-50% or less of AMI or \$1,000 if greater than 50% AMI) as earnest money, down payment money, or closing cost funds. (Please indicate all that apply and submit copy of deposit check).
11. Subject to the submission of: "Notification To Seller" (URA), certifying the sale is voluntary, and "Occupancy/Vacancy Certification", stating the property was not vacated as a direct result of a federally-assisted project.

All other terms and conditions of said Purchase Agreement to remain the same and in full force.

BUYER ACCEPTANCE: I/WE HEREBY ACCEPT THE REQUIREMENTS SPECIFIED ABOVE AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS ADDENDUM.

Date _____ Buyer

Witness _____ Buyer

SELLER ACCEPTANCE: I/WE HEREBY ACCEPT THE REQUIREMENTS SPECIFIED ABOVE AND ACKNOWLEDGE RECEIPT OF A COPY OF THIS ADDENDUM.

Date _____ Seller

Witness _____ Seller

