



Property at a Glance



RIVERVIEW APARTMENTS FHA #: 092-35566

ADDRESS: **108 Baldwin Street** EARNEST MONEY: **\$25,000** SALES PRICE: **UNSTATED MINIMUM**
Granite Falls, MN 56178 TERMS: **All Cash - 30 days to close**
 COUNTY: **Chippewa** LETTER OF CREDIT: **\$32,000** SALE TYPE: **Verbal Bid**

PROPERTY INFORMATION

Total Units	Residential	Commercial	Foundation:	Concrete/crawl space
40	Revenue 39		Roof:	Flat w/single-ply membrane
	Non-Revenue 1		Exterior:	Concrete/CMU
			Floors/Finish:	Carpet/VCT

Elevator	Garden	Walk-up	Townhouse	Scattered Sites	Service Center	Mobile Home Park	Nursing Home	Vacant Land	Other:
X									

Number of Buildings	Stories	Year Built	Rehab Year	Approximate Site Acreage	Approximate Net Rentable Area
1	5	1971	1981		

Mechanical Systems				Utilities				Parking			
Heating:		Air Conditioning		Public Water	X	Street	Asphalt				
Fuel System	Gas	Windows	Insulated	Gas Main	X	Curb					
	Central			Electric	X	Sidewalk	Concrete				
Hot Water:				Sanitary Sewer	X	Parking Lot	Asphalt				
Fuel System	Gas			Storm Sewer		Parking Spaces					48
	Central			Septic Tank							

Apartment Features			Community Features			Owner Expense			Tenant Expense		
	Air Conditioning			Garage		Water				A/C unit	
	Dishwasher			Covered Parking		Electric					
	Microwave		X	Laundry Facility		Gas					
	Garbage Disposal			Cable/Sat Hookup							
X	Refrigerator			Playground							
X	Range/Oven			Pool							
	Drapes/Blinds			Community Space							

OCCUPANCY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	47%	47%	48%	48%	50%	53%	53%	50%	50%			
2009										50%	50%	50%

ESTIMATED ANNUAL RENTAL INCOME:

# 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)	Total Estimated/Possible Annual Income	
38	1 Bd		\$513		\$513	\$19,494	Rent	\$241,752
1	2 Bd		652		\$652	652	Commercial	
							Parking	
							TOTAL	\$241,752
							Estimated Annual Expenses	
							Administrative	\$44,000
							Utilities	50,000
							Operating	25,000
							Taxes/Insurance	36,000
							Reserve/Replace	11,700
							Estimated/Possible Monthly Total	\$20,146
							Total	\$166,700

COMMENTS CONCERNING PROPERTY INFORMATION:

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.

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 property 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 housing.

N/A Years rent cap protection for _____ residents.

PROJECT BASED SECTION 8

A Housing Payment Contract (HAP) will be provided to the high bidder prior to closing. Predicated on the availability of funds, assistance will be available for eligible residents in 39 units at the property. Bidders are cautioned that payments under the HAP Contract may not start immediately after closing, either due to HUD required repairs that must be completed by the purchaser or processing time required to determine that units meet HUD's Uniform Physical Condition Standards and tenants are eligible for the assistance. 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 project 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

- The purchaser must complete the repairs to HUD's satisfaction within **12** months after closing. The repairs are estimated to cost **\$128,165**.
- The purchaser must complete demolition to HUD's satisfaction within **N/A** months after closing. The demolition is estimated to cost _____.
- Closing is to be held **30** days after HUD accepts the bid. If HUD authorizes an extension of the closing, the purchaser must pay a fee which is the greater of 1.5% of the purchase price or HUD's holding costs of **\$22.85** per unit per day for each 30 day period.
- Riders placed in the Deed will include the following: **Lead-Based Paint, Asbestos Hazards, Non-discrimination against Multifamily Sec.8 Voucher Holders, Project-Based Sec.8 Assistance, Reserve Fund for Replacement Account, Affordability of Units, Rehab & Relocation, Mold Hazards, and Radon Hazards.**

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 & 1-800-342-5354. You may want to contact the Granite Falls Fire Marshall regarding these requirements. Potential investors should also check the Minnesota Depart. of Public Safety Carbon Monoxide Alarm Requirement and potential needs as relates to this property..

The Repair Requirements listed on the HUD9552 & the Work Write-up do not address repairs that may be required for compliance with the Elevator Code or the Carbon Monoxide Alarm Requirements.

NOTICE: Participants have the option to file the required Previous Participation Certification (aka Form HUD-2530) in digital (electronic) or paper format. For more information, contact a Realty Specialist.

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.

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

This is an "All Cash – As Is" sale. HUD is providing no financing for this sale. The purchaser must provide for payment of the full purchase price in cash at closing.

Submission of Bids: Bids for this property can only be considered for acceptance if submitted on the specific forms listed in the Bid Kit for this property, along with required earnest money. A Bid Kit may be obtained as indicated below.

Suspended or Debarred Parties: 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 CFR, SEC. 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 PROPERTY. (Principal and Affiliate are defined at 24 CFR 24.905.)

INSPECTION OF PROPERTY AND BIDDING INSTRUCTIONS

Prospective bidders are urged and invited to inspect the property prior to submitting a bid. Note: If this is a foreclosure sale, HUD may not have access to the property. Bids for this property can only be considered if properly submitted by following the bidding instructions provided in the FREE INFORMATION and BID KIT.

The FREE INFORMATION and BID KIT may be viewed or printed at <http://www.hud.gov/offices/hsg/mfh/pd/multifam.cfm>. You may also sign up for our electronic mailing list at this web address.

**BIDS for RIVERVIEW APARTMENTS
MUST BE PRESENTED ON:**

Thursday, May 5, 2011

at: 11:00 am local time

at: Sheriff's Office
Chippewa County Courthouse
Front Entrance
629 North 11th Street
Montevideo, MN 56265

HUD OFFICE:

U. S. Dept of Housing and
Urban Development
Multifamily PD Center
801 Cherry Str., Unit #45, Ste. 2500
Fort Worth, TX 76102

REALTY SPECIALIST:

Margaret Laakso
Phone : (817) 978-5821
margaret.laakso@hud.gov