<Grantee Information> **<DATE>**

<Grantee Information>

<Grantee Information>

<Grantee Information>

Dear <Grantee>:

SUBJECT: Grant Closeout and Recapture of Unspent Grant Funds

**Neighborhood Stabilization Program Round <number>**

Grant Number: <grant number>

The <Grantee Name> (hereinafter referred to as the “Grantee”) was awarded a Neighborhood Stabilization (NSP) <number> grant in the amount of $<grant award> pursuant to the <Housing and Economic Recovery Act of 2008, the American Recovery and Reinvestment Act of 2009 or the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010> on <date>, also identified as grant number <insert grant number>.

It appears that NSP activities are complete, and the grant is ready for closeout; <if applicable: our office is also in receipt of your request for closeout per communication as related to completion of your final Quarterly Performance Report submission>. In accordance with the grant closeout procedures found in the Notice of Neighborhood Stabilization Program Closeout Requirements and Recapture, and CPD Notice 22-14: Closeout Instructions for Community Development Block Grant Programs, any unspent <grant program> funds remaining in the account of an expired grant period are to be recaptured:

As of <date>, our records indicate that your <grant program> grant has a remaining balance of $<balance> in the line of credit; this amount will be recaptured. The Field Office will execute HUD Form 7082 Funding Approval/Agreement to deobligate returned funds from the Line of Credit as applicable. You are responsible for verification of the information in this form, and to return an electronically executed copy along with your closeout package.

OR

As of <date>, our records indicate that your <grant program> grant has been fully expended and no further action is required.

Additionally, effective June 14, 2016, per Federal Register Notice Volume 81 No. 114, and effective September 12, 2019, per Federal Register Notice Volume 84 No. 177, HUD authorized grantees to request approval of a transfer of NSP program income to the grantee’s Community Development Block Grant Program and expanded flexibility to include transfers of a future stream of program income from an activity. Please contact our office if you are interested in obtaining approval for a program income transfer; you may complete this action concurrent with grant closeout so long as you are able to verify the balance of grant compliance requirements. **In order to proceed with this grant closeout <and recapture of the remaining funds>, the following documentation should be submitted by the grantee:**

* An inventory of any real property and equipment purchased with grant funds
* An electronically executed version of the “Neighborhood Stabilization Program Grantee Closeout Certification” signed by the <Grantee>’s authorized representative (HUD Form 40178).
* An electronically executed version of the “Grant Closeout Agreement” (HUD Form 40180) that includes a fully executed Attachment D “25 Percent Set-Aside Worksheet for NSP Closeout Agreement” document.
* A completed Management Plan for Continued Affordability (HUD Form 40181) if applicable
* A Plan detailing how any property in a land bank will meet the 10-year maximum land holding requirement Neighborhood Stabilization Program Management Plan for Continued Affordability. This plan should include a list of all NSP property in the Land Bank if applicable.
* An electronically executed version of HUD Form 7082 Funding Approval/Agreement

An electronic version of the above items for your completion is available on the HUD exchange utilizing the NSP Closeout Crosswalk Tool at: <https://files.hudexchange.info/resources/documents/NSP-Closeout-Crosswalk.pdf>

**Partially executed file versions of these documents have also been prepared by the Field Office and included herein this electronic communication.**

The Grantee Closeout Certification and Grant Closeout Agreement have been partially completed for your review and your signature confirms the accuracy of the information. HUD retains the right to monitor and follow up on monitoring and audit findings. In addition, the Department may recover disallowed costs for ineligible activities or actions in 24 CFR Part 570, subpart I or O, or pursue other sanctions, if HUD determines that the information provided by the grantee was false, erroneous or did not meet statutory or regulatory requirements.

Please return the signed Certification and Agreement documents, and the other listed documents to our office as an electronic package. If you have any questions, please contact <FO staff name and title> at <e-mail> or <phone number>.

Sincerely,

<Director Name>

CPD Director