



INVITATION TO BID AT FORECLOSURE SALE

Colonial Beach Group Home
404 Santa Maria Ave
Colonial Beach, VA
One Former Group Home

- ❖ All cash as-is
- ❖ Purchaser to determine future use
- ❖ HUD is not offering financing with this sale



Oral bids will be accepted:

Date: Tuesday, July 14, 2020

Time: 3:00 p.m. (Local time)

Sale Location:

Westmoreland County Courthouse
Courthouse steps or other location designated by Westmoreland County Clerk of Court
175 Polk Street
Montross, VA 22520



U. S. Department of Housing and Urban Development
Multifamily Property Disposition
801 Cherry Street, Unit #45, Ste. 2500
Fort Worth, TX 76102

BIDDERS SHOULD PERFORM DUE DILIGENCE IN ADVANCE OF SUBMITTING A BID. WHILE HUD HAS EXERCISED CARE TO ENSURE ACCURACY, ALL INFORMATION PROVIDED IS SOLELY FOR THE PURPOSE OF ASSISTING INTERESTED PARTIES WITH DETERMINING 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 INFORMATION CONTAINED HEREIN.



DEFINITIONS

The following definitions apply to capitalized terms in this Invitation.

1. **APPS:** The Active Partners Performance System is a secure systems website that allows HUD's business partners to manage their entity and individual participation information and submit Previous Participation Certification requests directly to HUD for processing. More information can be found at: https://www.hud.gov/program_offices/housing/mfh/apps/appsmfhm.
2. **Acknowledgment By Bidder:** The document executed at the Foreclosure Sale by the High Bidder, obligating the High Bidder to the terms and conditions of the Foreclosure Sale. The form is attached to this Invitation as Attachment B.
3. **Act:** Multifamily Mortgage Foreclosure Act, 12 U.S.C. § 3701-15.
4. **Affiliate:** Persons are affiliates of each other if, directly or indirectly, either one controls or has the power to control the other or a third person controls or has the power to control both. The ways HUD may determine control include, but are not limited to (a) Interlocking management or ownership; (b) Identity of interests among family members; (c) Shared facilities and equipment; (d) Common use of employees; or (e) A business entity which has been organized following the exclusion of a person which has the same or similar management, ownership, or principal employees as the excluded person. (2 C.F.R. § 180.905 - Affiliate.)
5. **Approved High Bidder:** The High Bidder HUD determines, following a review of the Post-Bid Document Submittals, is qualified to purchase and own the Property.
6. **Business Partners Registration (BPR):** Registration in this System is required for access to HUD's secure systems (TRACS, Inspection retrieval, Financial Reporting) for companies that have never done business with HUD.
7. **Cash Due at Closing:** The bid price less the Earnest Money Deposit plus all initial deposits to escrow and/or reserve accounts HUD may require less any prorations and any outstanding encumbrance that survived the Foreclosure Sale. Funds shall be paid in the form of a money order, certified funds or a cashier's check made payable to: The U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.
8. **Certification of Substantial Compliance:** A certification by High Bidder that its other properties in the jurisdiction of the Property are in substantial compliance with state and local laws. Attachment G of this Invitation.
9. **Closing:** Date when legal title to the Property is transferred to the Approved High Bidder.
10. **Days:** Federal government business days, unless otherwise stated as calendar days.
11. **Earnest Money Deposit:** The amount of the deposit identified in the Property at a Glance that must be submitted at the Foreclosure Sale.
12. **Extension Fees:** Fee HUD assesses when the High Bidder requests an Extension Period for Closing. If authorized, the Approved High Bidder must pay for the entire Extension Period, the amount of which HUD determines, consistent with current policies and procedures.
13. **Extension Period:** A additional thirty (30) calendar day period that HUD may give for the Closing to occur.
14. **Foreclosure Commissioner:** An individual or entity HUD designates to conduct the Foreclosure Sale, pursuant to 12 U.S.C. § 3704 and 24 C.F.R. § 27.10.
15. **Foreclosure Deed:** The deed that transfers title of the Property to the Approved High Bidder. It will not contain any warranties of title.
16. **Foreclosure Sale:** Sale of the Property pursuant to 12 U.S.C. § 3710.
17. **High Bidder:** The bidder at the Foreclosure Sale that submits the highest responsive bid amount to the Foreclosure Commissioner
18. **Invitation:** This Invitation to Bid including all the accompanying exhibits, which sets forth the terms and conditions of the sale of the Property at the Foreclosure Sale and includes information about the documents and actions necessary to submit a complete and responsive bid and for HUD to approve a bidder as qualified.
19. **Letter of Credit (LOC):** An unconditional, irrevocable, and documentary assurance to HUD, issued from a recognized FDIC-insured lending institution, that serves as an incentive for the Approved High Bidder/Owner to satisfactorily complete the Post-Closing Repairs. The required amount is identified in the Property at a Glance.
20. **Owner:** The Approved High Bidder that completes the Closing and takes title to the Property through the execution and recordation of the Foreclosure Deed.
21. **Physical Condition Standards (PCS):** The Department's minimum physical condition standards required for either the units receiving Project-based Section 8 assistance or units occupied by tenants receiving Section 8 assistance at the Property. (24 C.F.R. § 5.703) These standards must be met within a specified number of calendar days after Closing and maintained thereafter subject to periodic HUD inspections.
22. **Post-Bid Document Submittals:** All documents, statements, and forms listed in the Invitation that must be submitted by the High Bidder and its principals and management company, if any, in order to be considered for HUD-approval to purchase and/or manage the Property.

23. Post-Closing Repairs: All HUD-required repair and/or rehabilitation work that the Approved High Bidder/Owner must perform after Closing in a workmanlike manner and compliant with state and local codes, laws, ordinances, regulations, and HUD's Physical Condition Standards.
24. Previous Participation Certification: Form HUD-2530 and required supporting documentation submitted by the High Bidder and principals after the Foreclosure Sale, containing information about the High Bidder's and principals' previous participation in HUD programs and, if applicable, other federal, state, or local housing programs. HUD uses the Previous Participation Certification, in combination with other factors, as a prerequisite to determine whether the High Bidder and its affiliates can participate in owning and/or operating the Property.
25. Principal: (a) an officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or (b) a consultant or other person, whether or not employed by the participant or paid with Federal funds, who (1) is in a position to handle Federal funds; (2) is in a position to influence or control the use of those funds; or, (3) occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction; or (c) a person who has a critical influence on, or substantive control over, a covered transaction, whether or not employed by the participant. (For complete definition see 2 C.F.R. § 180.995 – Principal, as supplemented by 2 C.F.R. § 2424.995.)
26. Property: The multifamily housing project for sale in this Invitation and all real and personal property appurtenant thereto.
27. Property at a Glance: Attachment A to the Invitation that contains information about the Property and contact information for the Realty Specialist.
28. Realty Specialist/Branch Chief: HUD staff member identified in the Property at a Glance who can be contacted for additional information concerning the Property or the Foreclosure Sale.
29. Second Highest Bidder: The bidder at the Foreclosure Sale that submits the second highest bid amount to the Foreclosure Commissioner. Bidders who submit a bid in an amount less than the second highest amount could ultimately be deemed Second Highest Bidder should HUD not approve the High Bidder or a higher bidder withdraws its higher bid.
30. Section 8: Section 8 of the United States Housing Act of 1937 and applicable regulations within Title 24 of the Code of Federal Regulations.
31. Statement of Experience: A written statement in the Post-Bid Document Submittals the High Bidder provides for HUD to determine whether to grant approval as Approved High Bidder of the Property.

SECTION 1 - INTRODUCTION AND GENERAL INFORMATION

1. **BID RESPONSIVENESS:** A bid must meet all the terms of the Foreclosure Sale to be responsive. Each bid shall be firm, unconditional, fixed in an amount certain, and not in the alternative. Special conditions, alterations, or deletions will render a bid non-responsive. The terms of the Foreclosure Sale are those set out in this Invitation. Lack of the Earnest Money Deposit will be cause for bid rejection.
2. **SALE TO HIGHEST QUALIFIED BIDDER:** Sale of the Property will be awarded to the highest bidder that HUD determines is qualified to purchase the Property. **Pursuant to 24 CFR 27.20, the defaulting owner of the Property, or any Principal, successor, Affiliate, or assignee thereof is not eligible to bid, or otherwise acquire, the Property.**
3. **NO REDEMPTION PERIOD:** This Foreclosure Sale is not subject to redemption by the defaulting owner of the Property.
4. **BID ACCEPTANCE OR REJECTION:** At any time prior to Closing, HUD reserves the right to reject any and all bids, to waive any informality in any received bid, and to reject the bid of any bidder HUD determines lacks the eligibility to bid, experience, ability, or financial responsibility necessary to own and manage the property in a manner acceptable to HUD.
5. **CANCELLATION OF SALE:** HUD reserves the unconditional right to cancel this Invitation and reject any and all bids at any time prior to the Closing of the Foreclosure Sale.
6. **BIDDER'S DUE DILIGENCE:** Bidders, their agents, and advisors should carefully review the information in this Invitation and any additional information made available by HUD and should undertake their own investigation of the Property to evaluate the benefits and risks associated with purchasing the Property.
7. **POST-CLOSING REQUIRED REPAIRS:** **HUD is not requiring specific repairs; the Property must be repaired to meet state and local codes and the Department's Physical Condition Standards.**
8. **OUTSTANDING ENCUMBRANCES THAT SURVIVE FORECLOSURE:** By entering its bid, the High Bidder agrees to assume all responsibility for paying all outstanding encumbrances and expenses, including, but not limited to, taxes, assessments, utility bills and any liens not extinguished by the Foreclosure Sale. Bidders are advised to determine outstanding expenses, taxes, utilities, assessments, and liens as part of their due diligence and consideration when bidding.
9. **ADDITIONAL INFORMATION:** For additional information, please contact the Realty Specialist identified in the Property At A Glance.

SECTION 2 –PREVIOUS PARTICIPATION CERTIFICATION FOR PARTICIPANTS IN HUD MULTIFAMILY PROGRAMS

1. **GENERAL:** The High Bidder, any management agent and any other participants HUD requires must file a Previous Participation Certification in either electronic or paper format. The High Bidder must comply with all Previous Participation Certification requirements as outlined in the Acknowledgment.
2. **ELECTRONIC FILING:** The High Bidder can use APPS to electronically file the Previous Participation Certification. Prior registration in APPS is not mandatory in order to bid at the Foreclosure Sale but is recommended. If the Organization/entity has not conducted business with HUD previously, access to HUD's secure systems will be required and the entity must first register with BPR. Click on the "Business Partner Registration HUD Multifamily" link on the APPS Home Page at the following URL to start the registration process. http://www.hud.gov/program_offices/housing/mfh/apps/appsmfhtm. After completing this registration process, wait at least 24 hours before registering for your Coordinator or User ID. Then allow approximately two (2) weeks to receive the User/Coordinator ID. Instructions for registering for both Secure Systems and APPS are located on the [Active Partners Performance System \(APPS\)](#) web site, accessible using the above cited URL. Once the Coordinator ID is received, details on requesting access key codes and other relevant information is provided in APPS Quick Tips available on APPS web site.
3. **PAPER FILING:** A High Bidder using paper format must submit the Previous Participation Certification and an organizational chart, in accordance with HUD NOTICE H 2016-15, of the proposed ownership entity to the Realty Specialist within the time limits outlined in Section 4 below. Applicants must identify controlling participants in compliance with 24 CFR Part 200, Subpart H, published on Friday, October 14, 2016.
4. **UPDATES:** If the High Bidder expects a management agent to participate in the management of the Property, or if the High Bidder is changing principals, adding principals, changing the name of the purchasing entity, or changing tax identification from information already recorded in the Previous Participation Certification, **it is the High Bidder's responsibility to ensure that all necessary changes are made to the Previous Participation Certification within the prescribed time frames.**

- **Failure of any participant to submit a Previous Participation Certification or other required document(s) within the time frame specified in Section 4 below may be grounds for HUD to reject the bid.**
- **HUD must approve the High Bidder's experience, qualifications and capacity in order for the High Bidder to purchase the Property. This includes, but is not limited to, Previous Participation Certification approval.**

SECTION 3 - FORECLOSURE SALE PROCEDURES AND SUBMISSION OF BIDS

1. **GENERAL:** The Foreclosure Sale is an oral, open bid sale that takes place at the date, time and place indicated on the cover of this Invitation. HUD has designated a Foreclosure Commissioner to conduct the sale of this Property.
2. **BIDDING AT THE FORECLOSURE SALE:**
A bidder must either:
 - a. State a bid price orally at the sale, or
 - ib. Submit a sealed written bid with Earnest Money Deposit to the Foreclosure Commissioner at least two (2) days before the published date of the Foreclosure Sale. Written bids, if received, will be read aloud before oral bids are accepted. Refer to Property at a Glance for mailing instruction.
3. **CORRECTIONS:** Any changes or erasures made to a written bid must be completed and initialed by the bidder or bidder's agent at least 24 hours prior to the published start time for the Foreclosure Sale.
4. **E-MAILED OR FACSIMILE BIDS:** E-mailed or facsimile bids and/or bid modifications will not be considered.
5. **ITEMS THAT MUST BE SUBMITTED AT THE FORECLOSURE SALE:**
Earnest Money Deposit:
 - i. The Earnest Money Deposit in the amount specified in the Property at a Glance must be submitted directly to the Foreclosure Commissioner or his designee before the start of the Foreclosure Sale and prior to presenting an oral bid or simultaneously with a written bid.
 - ii. The Earnest Money Deposit must be in the form of a money order, certified funds, or cashier's check payable to: **THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**. No other method of payment is acceptable.
 - iii. A financial organization submitting a bid on its own behalf must have the Earnest Money Deposit drawn on another financial organization.
 - iv. A bidder's lack of proper Earnest Money Deposit is cause for HUD to reject any bid.
6. **NOTIFICATION TO THE HIGH AND SECOND HIGH BIDDER:** After reviewing all the written and oral bids, the Foreclosure Commissioner will orally notify the High Bidder and Second High Bidder of their bidding positions immediately after the Foreclosure Sale.
7. **ACKNOWLEDGMENT BY BIDDER:** Immediately after the Foreclosure Sale, the High Bidder must submit a signed copy of the Acknowledgment to the Foreclosure Commissioner.

SECTION 4 - POST-FORECLOSURE SALE PROCEDURES

1. **CONTINUANCE OF OFFERS:** All bids shall be deemed to be continuing offers from the time of the Foreclosure Sale until bid-rejection by HUD or until Closing.
2. **POST-BID DOCUMENTS SUBMITTALS:** The High Bidder must submit the following items to the Realty Specialist as stated below:
 - a. **Within Five (5) Days After Foreclosure Sale:**
 - i. Previous Participation Certification
 - a) **Electronic filing:**
Electronic filers already registered in Secure Systems and APPS, submit e-2530 using Active Partners Performance System (APPS) and provide submission ID to the Realty Specialist.
Note: If not registered in BPR previously, required deadlines will not allow sufficient time to file electronically.
 - b) **Paper filing:**
 - (i) **If not already registered in BPR, High Bidder must register and notify HUD of the registration by providing the TIN of the proposed purchasing entity to the Realty Specialist.** Register by clicking on the Business Partner Registration HUD Multifamily Link on the APPS Web Page at http://www.hud.gov/program_offices/housing/mfh/apps/appsmfhtm.
 - (ii) **Form HUD-2530:** A completed paper form, with original signatures, for the High Bidder and any and all controlling principals. Proposed ownership must have an established tax identification or social security number; **and**

- (iii) **Organizational Chart:** A flow chart reflecting all Principals of the High Bidder and each principal's percentage of ownership.
 - ii. **Certification of Substantial Compliance:** A completed and original certification found as Attachment G to this Invitation. If HUD determines that properties disclosed by the High Bidder are not in substantial compliance with federal regulations and state and local codes, HUD may determine the High Bidder is not qualified to purchase the Property. The Earnest Money Deposit may be forfeited.
 - iii. **Written Statement of Experience:** The High Bidder must submit a written Statement of Experience. Instructions for preparing the written Statement of Experience are provided in the Acknowledgment.
- b. **Within Ten (10) Days After Foreclosure Sale:** The High Bidder must submit the documents checked below:
- Previous Participation Certification (Form HUD 2530) for a principal of High Bidder, if not previously submitted under 2a) above
 - Personal Financial and Credit Statement (Form HUD 92417), for each proposed principal
- c. **Within Fifteen (15) Days After Foreclosure Sale:** Previous Participation Certification for the management agent or the High Bidder's ownership entity must be completed and a signed copy provided to the Realty Specialist.

FAILURE TO SUBMIT THE REQUIRED DOCUMENTS WITHIN THE INDICATED TIME FRAME MAY BE GROUNDS FOR REJECTION OF THE BID. HUD RESERVES THE RIGHT TO REJECT THE BID AND RETAIN THE BIDDER'S EARNEST MONEY DEPOSIT.

3. **QUALIFICATION, ACCEPTANCE, REJECTION OF BID:**
- a. **Required Bidder Qualifications to Purchase Property:**
 - i. Submission and approval of Previous Participation Certification,
 - ii. Submission of Certification of Substantial Compliance.
 - b. **Bidder Approval:**
 - i. Upon HUD's determination that the High Bidder is qualified, the High Bidder will be confirmed and identified as the Approved High Bidder;
 - ii. Upon HUD's determination that the High Bidder is not qualified, HUD will notify the High Bidder in writing;
 - iii. If HUD rejects the High Bidder, HUD may in its sole discretion elect to contact the Second Highest Bidder, which may include succeeding bidders as bidders withdraw or do not qualify, to purchase the Property. If contacted, the Second Highest bidder or succeeding bidder will be offered the opportunity to purchase the Property and will be given twenty-four (24) hours to submit evidence of eligibility to bid, the Earnest Money Deposit and execute the Acknowledgment, and thereby will become the High Bidder. HUD will then review the Post-Bid Document Submittals, which must be submitted within the same timeframes detailed in Section 4 of this Invitation beginning from the date the Acknowledgment is executed, in order to determine if the new High Bidder is qualified to purchase the Property;
 - iv. HUD's notification of rejection due to lack of eligibility and/or qualifications, if applicable, shall be given when mailed to the individual or entity that executed the Acknowledgment; and
 - v. HUD's rejection of a bid will be made as promptly as possible and generally within thirty (30) days after the date of the Foreclosure Sale.
4. **EARNEST MONEY DEPOSIT:** Immediately following the Foreclosure Sale, the Earnest Money Deposit will be returned to all bidders except the High Bidder. HUD will not pay interest on Earnest Money Deposits.
- a. If HUD determines that the High Bidder is qualified, the Earnest Money Deposit will be credited toward the Cash Due at Closing.
 - b. If HUD rejects the bid because the amount is unacceptable, the bidder's Earnest Money Deposit will be refunded.
 - c. If HUD determines the High Bidder is not qualified to purchase the Property and the High Bidder has complied with the requirements of this Invitation, the Earnest Money Deposit will be refunded.
 - d. If, during the review of the High Bidder, HUD finds that the High Bidder has made any misrepresentation or material omission(s) in its submission of evidence of eligibility and/or documentation, the Earnest Money Deposit will be forfeited
 - e. If the High Bidder fails to comply with the provisions of the Invitation, the Earnest Money Deposit will be forfeited.
5. **CLOSING DATE:** The date and place for Closing will be determined by HUD and the Foreclosure Commissioner and occur within the time period specified in the Acknowledgment. HUD reserves the right to extend the Closing as set forth in the Acknowledgment.

SECTION 5 – CLOSING

1. **CASH DUE AT CLOSING:** At Closing, the Approved High Bidder will pay all Cash Due at Closing. Cash Due at Closing is the bid price less the Earnest Money Deposit received, less any prorations, plus all initial deposits to

escrows and/or reserve accounts, if applicable. Any outstanding encumbrance amount that survives the Foreclosure Sale is also due.

2. **PRORATIONS:**

- a. Approved High Bidder is responsible for paying all taxes, assessments, liens, and utility bills including but not limited to, water, sewer, gas and electric, and any other encumbrances not extinguished by the Foreclosure Sale. These amounts will not be prorated.
- b. If Extension Fees were paid, and the Closing occurs prior to the expiration of an Extension Period, the prorated amount of the Extension Fees for the unused portion of the Extension Period will be credited toward the Cash Due at Closing.

3. **CLOSING EXPENSES:** HUD will pay all recordation fees for the Foreclosure Deed. Irrespective of local custom, the Approved High Bidder shall pay all remaining Closing expenses, including, but not limited to, all documentary stamp taxes, and any costs in connection with a review of title or title insurance.

4. **METHOD OF PAYMENT:** Cash Due at Closing shall be paid only in the form of certified funds, or cashier's check made payable to:

THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

5. **CONVEYANCE:** Conveyance of the Property shall be by Foreclosure Deed at Closing. The Foreclosure Deed will not contain any warranties of title.

SECTION 6 DISCLAIMERS

1. **DISCLAIMER:**

- a. This is an "all-cash, as-is" sale. As stated above, all bidders are expected to perform their own due diligence to arrive at conclusions as to physical condition, number and occupancy of revenue producing units, estimates of operating costs, repair costs (where applicable), and any other factors bearing on valuation of the Property. **HUD shall consider any bid submitted to have been made with full knowledge of all the terms, conditions and requirements contained in this Invitation.**
- b. While HUD has exercised care to assure accuracy, all information provided is solely for potential bidders to determine whether or not the Property is of such type and general character as might interest them. **HUD makes no warranty as to the accuracy of such information.** The failure of any bidder to be fully informed as to the condition or value of the Property, or conditions of sale, will not constitute ground for any claim, demand, adjustment or withdrawal of a bid.

2. **UNAUTHORIZED ORAL STATEMENT OR MODIFICATIONS:** Any oral statement or modification by any HUD representative that changes or supplements this Invitation, or any condition hereof, is unauthorized, unenforceable, and shall confer no right upon any bidder, including the Approved High Bidder.

3. **HUD LIABILITY:** HUD's liability shall not exceed the bid amount submitted by the High Bidder.

ATTACHMENTS

- ATTACHMENT A:** Property at a Glance
- ATTACHMENT B:** Terms and Requirements of Foreclosure Sale – Acknowledgment by Bidder
- ATTACHMENT C:** Reserved
- ATTACHMENT D:** Reserved
- ATTACHMENT E:** Reserved
- ATTACHMENT F:** Reserved
- ATTACHMENT G:** Certification of Substantial Compliance
- ATTACHMENT H:** Reserved
- ATTACHMENT I:** Reserved
- ATTACHMENT J:** Reserved
- ATTACHMENT K:** Reserved

THESE FORMS ARE AVAILABLE AT
https://www.hud.gov/program_offices/administration/hudclips/forms
OR USE THE URL PROVIDED BELOW TO OBTAIN THE FORM

<input checked="" type="checkbox"/>	Previous Participation Certification (Form HUD-2530) https://www.hud.gov/sites/documents/2530.PDF
<input checked="" type="checkbox"/>	Personal Financial and Credit Statement (Form HUD-92417) for each proposed principal and/or partner https://www.hud.gov/sites/documents/92417.PDF

FAILURE TO SUBMIT THE REQUIRED DOCUMENTS WITHIN THE INDICATED TIME FRAME SHALL BE GROUNDS FOR REJECTION OF THE BID. HUD RESERVES THE RIGHT TO REJECT THE BID AND RETAIN THE HIGH BIDDER'S EARNEST MONEY DEPOSIT



**Attachment A
PROPERTY AT A GLANCE**

Colonial Beach Group Home FHA #: 051-HD075

ADDRESS: **404 Santa Maria Ave** EARNEST MONEY: **\$10,000** SALES PRICE: **Unstated Minimum**
Colonial Beach, VA 22443 TERMS **"All Cash- As Is"; 30 calendar days to close**
 COUNTY: **Westmoreland** LETTER OF CREDIT: **n/a** SALE TYPE: **Foreclosure**

PROJECT INFORMATION

Total Units	Residential	Commercial	Foundation:	Concrete
4	Revenue		Roof:	Asphalt shingles
	Non-Revenue		Exterior:	Vinyl siding
Building/Site Type			Floors/Finish:	Wood/Vinyl/Carpet

Number of Buildings	Stories	Year Built	Rehab Year	Approximate Site Acreage	Approximate Net Rentable Area
1	1	1991	n/a	2.582 Acres	

Mechanical Systems

Heating:	Air
Fuel: <input type="text" value="electric"/>	Conditioning <input type="text" value="electric"/>
System: <input type="text" value="Heat pump"/>	Windows: <input type="text"/>
Hot Water:	
Fuel: <input type="text" value="electric"/>	
System: <input type="text"/>	

Utilities

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

Parking

Street	<input type="text"/>
Curb	<input type="text"/>
Sidewalk	<input type="text"/>
Parking Lot	<input type="text"/>
Parking	<input type="text" value="Yes"/>
Spaces	<input type="text"/>

Apartment Features

<input checked="" type="checkbox"/>	Air Conditioning
<input checked="" type="checkbox"/>	Dishwasher
<input type="checkbox"/>	Microwave
<input checked="" type="checkbox"/>	Garbage Disposal
<input checked="" type="checkbox"/>	Refrigerator
Elec	Range/Oven
<input type="checkbox"/>	Drapes/Blinds

Community Features

<input type="checkbox"/>	Garage
<input type="checkbox"/>	Covered Parking
<input checked="" type="checkbox"/>	Laundry Facility
<input type="checkbox"/>	Cable/Sat Hookup
<input type="checkbox"/>	Playground
<input type="checkbox"/>	Pool
<input type="checkbox"/>	Community Space

Owner Expense

n/a

Tenant Expense

n/a

OCCUPANCY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	vacant											
2019	v	a	c	a	n	t	v	a	c	a	n	t
2018	v	a	c	a	n	t	v	a	c	a	n	t

ESTIMATED ANNUAL RENTAL INCOME and EXPENSE:

# of Units	Type (# of Bdrs)	Approx Square Feet	Current Gross Rent	Total Estimated/Possible Annual Income	
4	1		\$289	Rent	\$4,740
				Commercial	
				Parking	
				TOTAL	\$4,740
				Estimated Annual Expenses	
				Administrative	
				Utilities	
				Operating	
				Taxes/Insurance	
				Reserve/Replace	
				Total	
Estimated/Possible Monthly Total			\$1,156		

COMMENTS CONCERNING PROPERTY INFORMATION:

HUD cannot provide any financial information regarding the operations of the property beyond what is reflected in this "Property at a Glance"

USE RESTRICTIONS

None

Bidders should perform due diligence in advance of submitting a bid. While HUD has exercised care to ensure accuracy, all information provided is solely for the purpose of assisting parties with determining whether or not the Property is of such type and general character as to interest them. HUD makes no warranty as to the accuracy of such information.

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. § 27.20(f), 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.
- Bids for this Property will only be acceptable if properly submitted according to the Invitation which includes but is not limited to submitting evidence of bidding eligibility, the Earnest Money Deposit, and other forms and statements as required. The High Bidder will be reviewed to determine if eligible to bid, and qualified to purchase, own and manage the Property.
- The High Bidder must certify to HUD that any and all properties that the High Bidder or its Affiliates owns, located in the same city or town of the Property 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 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.**
- Closing is to be held within thirty (30) calendar days after HUD notifies the High Bidder that they are qualified to purchase the Property.
- If HUD approves an extension of the Closing, the Approved High Bidder must pay a fee which is the greater of 1.5% of the bid price or HUD's holding costs of \$8.01 per unit per calendar day for each thirty (30) calendar day period.

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

INFORMATION AND INVITATION

INFORMATION and INVITATION may be viewed or printed at
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/pd/mfplist.

You may also sign up for our electronic mailing list at
<https://www.hud.gov/subscribe/signup?listname=Multifamily%20Property%20Disposition&list=MFPD-L>. 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: Colonial Beach Group Home

MUST BE PRESENTED ON: Tuesday July 14, 2020

At: 3:00 p.m. (local time)

Location of Foreclosure Sale:

Westmoreland County Courthouse

Courthouse steps or other location designated by

Westmoreland County Clerk of Court

175 Polk Street

Montross, VA 22520

HUD Office and Contact Information for submission of documents:

Fort Worth HUD Office

Multifamily Property Disposition, 6AHMLAT

801 Cherry Street, Unit #45, Ste. 2500

Fort Worth, TX 76102

Realty Specialist: Janet Osterloh

Phone: (817) 978-5656

Email: janet.k.osterloh@hud.gov

Contact the Foreclosure Commissioner **only if submitting a written bid:**

Name: Richard R, Foust, Esq.

Phone: 336-834-0510

Email: rfoust@rfoustlaw.com

INSPECTION OF PROPERTY

HUD does not own or operate this facility and cannot grant access for viewing. Viewing is at the discretion of the current owner. No Open House has been scheduled for this sale.

ATTACHMENT B

TERMS AND REQUIREMENTS OF FORECLOSURE SALE - ACKNOWLEDGMENT BY BIDDER

PART I

BID PRICE - The Undersigned, _____, (the "High Bidder") submits a bid of _____ dollars (\$) (the, "Bid") at the Foreclosure Sale of Colonial Beach Group Home (the "Property"), the legal description of which is included as Exhibit A, to be paid as follows:

1. **EARNEST MONEY:** \$ 10,000 in the form of a money order, certified funds, or cashier's check, as the Earnest Money Deposit, which has been submitted at the Foreclosure Sale to the Foreclosure Commissioner, and which shall not earn interest, **and**
2. **BALANCE OF THE BID:** \$ _____, to be paid by the High Bidder at Closing, in the form of a money order, certified funds, or cashier's check in accordance with the Acknowledgment. The Closing will be held at a place, date and time established in accordance with Part II, paragraph 4 below.
3. **CLOSING COSTS, DEPOSITS, REPAIR ESCROW:** In addition to the above, the High Bidder will be required to pay all Closing costs at Closing, regardless of local custom, and, where applicable, deposits to reserve accounts, and/or Letters of Credit as described in the Invitation, and Riders incorporated herein.
4. **PRORATIONS:**
 - a. High Bidder is responsible for paying all taxes, assessments, liens, and utility bills including, but not limited to, water/sewer, gas and electric, and any other encumbrances not extinguished by the foreclosure. These amounts will not be prorated.
 - b. If Extension Fees were paid, and the Closing occurs prior to the expiration of the Extension Period, the prorated amount of the Extension Fees for the unused portion of the Extension Period shall be credited against the amount owed by the High Bidder at Closing.

PART II

The High Bidder, by executing this Acknowledgment, accepts the following requirements as conditions of purchasing the Property:

1. **ACKNOWLEDGMENT OF TERMS:** High Bidder affirms to have full knowledge of all the terms, conditions and requirements of the Foreclosure Sale contained herein, including Invitation, which are incorporated by reference in this Acknowledgment.
2. **POST-BID DOCUMENTS SUBMITTALS:** The High Bidder must submit the following items to the Realty Specialist/Branch Chief as stated below:
 - a. **Within Five (5) Days After Foreclosure Sale:**
 - i. **Previous Participation Certification**
 - a) **Electronic filing:**

Electronic filers already registered in Secure Systems and APPS, submit e-2530 using Active Partners Performance System (APPS) and provide submission ID. Note: If not registered in BPR previously, required deadlines will not allow sufficient time to file electronically.
 - b) **Paper filing:**
 - (i) **If not already registered in BPR, High Bidder must register and notify HUD of the registration by providing the TIN of the proposed purchasing entity to the Realty Specialist.** Register by clicking on the Business Partner Registration HUD Multifamily Link on the APPS Web Page at http://www.hud.gov/program_offices/housing/mfh/apps/appsmfhm.
 - (ii) **Form HUD-2530:** A completed paper form, with original signatures, for the High Bidder and any and all controlling principals. Proposed ownership must have an established tax identification or social security number; **and**
 - (iii) **Organizational Chart:** A flow chart reflecting all Principals of the High Bidder and each principal's percentage of ownership.
 - ii. **Certification of Substantial Compliance:** A completed and original certification found as Attachment G to this Invitation. If HUD determines that properties disclosed by the High Bidder are not in substantial compliance with federal regulations and state and local codes, HUD may determine the High Bidder is not qualified to purchase the Property. The Earnest Money Deposit may be forfeited.

Written Statement of Experience: The High Bidder must submit a written Statement of Experience. Instructions for preparing the written Statement of Experience are provided in the
 - iii. Acknowledgment.
 - b. **Within Ten (10) Days After Foreclosure Sale:** The High Bidder must submit the documents checked below:

Previous Participation Certification (Form HUD 2530) for a principal of High Bidder, if not previously submitted under 2a) above

Personal Financial and Credit Statement (Form HUD 92417), for each proposed principal

- c. **Within Fifteen (15) Days After Foreclosure Sale:** Previous Participation Certification for the management agent or the High Bidder's ownership entity must be completed and a signed copy provided to the Branch Chief/Realty Specialist.

NOTICE: It is the High Bidder's responsibility to ensure compliance with form and document submission as required in this Invitation and Acknowledgment. Failure to comply with all requirements of the Invitation or Acknowledgment may result in High Bidder being declared ineligible to purchase the Property. In such case, the Bidder shall forfeit the Earnest Money Deposit and any Extension Fees paid.

3. All forms and instruments referred to in this Acknowledgment are standard HUD forms prepared by HUD, used by HUD in the Property's jurisdiction, and contain additional covenants and conditions required by the Invitation.

ESTABLISHMENT OF CLOSING DATE, TIME AND PLACE:

- a. Time is of the essence.
 - b. If HUD finds the High Bidder qualified based on all required Post-Bid Document Submittals, the High Bidder will be identified as the Approved High Bidder and notified in writing. The Closing **shall be within thirty (30) calendar days of such notification**, unless extended pursuant to paragraph 9 below.
 - c. The Closing date and place will be determined by the Foreclosure Commissioner and/or HUD and will take place within the time period specified above. The Approved High Bidder will be notified of said date and place by HUD and/or the Foreclosure Commissioner.
4. **CLOSING, CLOSING EXPENSES AND TRANSFER OF POSSESSION:**
- a. The sale and transfer of title and possession of the Property shall be effective upon Closing.
 - b. Notwithstanding any local custom, Approved High Bidder shall pay all Closing costs and expenses, excluding fees for recording the Foreclosure Deed. Recording fees for the Foreclosure Deed shall be paid by HUD.
5. **PAYMENTS DUE AT CLOSING:** The Approved High Bidder shall pay any remaining balance of the Bid at Closing in the form of a money order, certified funds, or cashier's check made payable to: **THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**. If necessary, the Approved High Bidder shall also make the appropriate deposits to escrow and reserve accounts.
6. **LIQUIDATED DAMAGES:** Should the Approved High Bidder fail to perform all obligations hereunder for any reason including, but not limited to, failure to establish the legal entity to take title in a timely manner, HUD reserves the right to retain the Earnest Money Deposit.
7. **EXTENSION FEES:** HUD has the sole and absolute discretion to grant extensions allowing more time for Closing to occur. Any extension, will be on the following conditions:
- a. A written request, which clearly states the reason for the Approved High Bidder's inability to close the sale on or before Closing, or any Extension Period, must be received within ten (10) days prior to Closing, or within any Extension Period. The request **must be accompanied by the payment** of the required Extension Fees and sent to the following address:
Multifamily Property Disposition
Attn: Jovanna M. Morales, Director
801 Cherry Street, Unit #45, Ste. 2500
Fort Worth, TX 76102
 - b. Approved High Bidder will be notified in writing of all granted Extension Periods.
 - c. For each Extension Period Approved High Bidder requests and HUD approves, Extension Fees shall be equal to; \$ **5.75**, per unit, per calendar day, which is \$ **23.00** daily, a cost of \$ **690.00**, which covers the Extension Period,
or
one and one-half percent (1.5%) of the bid price, whichever is greater.
 - d. Extension Fees are not credited against the Cash Due at Closing. However, if the Closing is held prior to the expiration of an Extension Period, the prorated amount of the Extension Fees for the unused portion of the Extension Period shall be credited toward the Cash Due at Closing.
 - e. HUD shall not be obligated to grant an additional Extension Period because it has previously granted one or more Extension Period.
 - f. If Approved High Bidder does not submit any HUD-required form within sufficient time for HUD's review and such delay necessitates an Extension Period, Extension Fees shall be paid for this period.
 - g. Extension Fees must be submitted by money order, certified funds or cashier's check made payable to:
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

8. BIDDER RESTRICTIONS
 - a. No member of/or delegate to Congress, resident commissioner of the Property, or local elected official, shall be allowed to share in any part of this Foreclosure Sale, or to any benefit arising from it. However, this provision does not apply to the Foreclosure Sale to the extent that Approved High Bidder is a corporation and the Foreclosure Sale is for the corporation's general benefit.
 - b. If the High Bidder is, or becomes suspended, debarred, or temporarily denied from participating in HUD programs prior to Closing, this Foreclosure Sale may be terminated. In addition, if such suspension, debarment or temporary denial of participation occurs either before or after High Bidder's execution of this Acknowledgment, any Extension Fees paid under paragraph 9 shall be retained by HUD as liquidated damages.
 - c. Pursuant to 24 C.F.R. Part 27.20(f), the defaulting mortgagor, or any Principal, successor, Affiliate, or assignee thereof, on the multifamily mortgage being foreclosed, shall not be eligible to bid on, or otherwise acquire, the Property .
9. AS-IS SALE; NO REPRESENTATIONS:
 - a. Approved High Bidder shall accept the Property "as is." HUD makes no representations or warranties concerning the physical condition of the Property. In addition, HUD does not represent or warrant the number and occupancy of revenue producing units, or any factor bearing upon the value of the Property or otherwise.
 - b. High Bidder acknowledges that the Bid is based on its own evaluation of the Property and not upon any representations by HUD. High Bidder's failure to inspect, or to be fully informed as to any factor bearing upon the valuation of the Property, shall not affect the liabilities, obligations or duties of HUD, nor be a basis for termination of this Foreclosure Sale or for the return of any Earnest Money Deposit or Extension Fees paid to HUD.
10. RISK OF LOSS AND RIGHTS OF RESCISSION: In the event of any substantial damage to the Property prior to Closing by any cause including, but not limited to, fire, flood, earthquake, tornado and significant vandalism other than willful acts or neglect, HUD, in its sole discretion, may negotiate with the High Bidder for a reduction in the Bid corresponding to the estimated amount of damages. If the Bid reduction cannot be negotiated or if the High Bidder and HUD are unable to agree on the amount by which the Bid should be reduced or on the amendment to the Post-Closing Repair requirements, High Bidder may withdraw the bid. In such case, the Earnest Money Deposit and any Extension Fees paid will be returned, *unless* there is cause to retain the Earnest Money Deposit based on breach of the Invitation and/or Acknowledgment.
11. LIMITATION OF LIABILITY: In no event shall HUD's liability exceed the portion of the Bid paid to HUD.
12. ANTI-COLLUSION CERTIFICATION:
 - a. The High Bidder certifies that:
 - i. The Bid was arrived at independently, without any consultation, communication, or agreement with any other bidder relating to:
 - (a) the bid price;
 - (b) the intention to submit a bid price; or
 - (c) the methods or factors used in calculating the bid price.
 - ii. The Bid has not been and will not be knowingly disclosed, directly or indirectly, to any other bidder or competitor before or during the actual time of the bid event, unless otherwise required by law; **and**
 - iii. No attempt has been made or will be made to induce any other bidder to submit or not to submit a bid for the purpose of restricting competition.
 - b. If the Foreclosure Sale requires or permits written bids, each signature on the Bid is considered to be certification by the signatory that the signatory:
 - i. Is the person in the High Bidder's organization with authority to bid and that the signatory has not participated and will not participate in any action contrary to paragraph a. above; **or**
 - ii. Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraph a., above;

Name: _____

Title: _____

Organization responsible for determining bid: _____

(a) As an authorized agent, does certify that the principals named in the above have not participated, and will not participate, in any action contrary to paragraph a. above;

and

(b) As agent, has not personally participated, and will not participate, in any action contrary to paragraph a. above.

13. FAILURE TO COMPLY: Upon the failure or refusal of the High Bidder to comply with any of the requirements listed above or elsewhere in this Invitation, HUD may declare the High Bidder ineligible to purchase the Property. In which case the High Bidder shall forfeit the Earnest Money Deposit and any Extension Fees paid. **HUD reserves the right to approve or reject the proposed management.** If HUD determines that the High Bidder is not qualified to operate the Property, HUD, in its sole discretion, may either reject the Bid or require the High Bidder to obtain the services of a property management firm satisfactory to HUD. If HUD chooses the latter, the High Bidder must provide HUD with evidence prior to Closing that a qualified property management firm has been retained. HUD must approve management prior to Closing. If the High Bidder does not meet this obligation, HUD reserves the right to reject the Bid and retain the High Bidder's Earnest Money Deposit and any Extension Fees paid.
14. SEVERABILITY: If for any reason one or more of the provisions contained in the Invitation, including this Acknowledgment, or any other attachments or exhibits thereto, shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision(s) of the Invitation, but the Invitation shall be construed as if such invalid, illegal or unenforceable provision(s) had never been included therein.
15. ASSIGNMENT: The High Bidder may not assign its rights and responsibilities under this Acknowledgment without the prior written approval of HUD.
16. CONFLICTING TERMS: In the event that there are terms or conditions herein that conflict with terms or conditions contained in the Invitation incorporated herein by reference, the terms or conditions of this Acknowledgment shall control.
17. EXECUTION
 - a. By signature below, High Bidder acknowledges and agrees to the terms and conditions of this Foreclosure Sale.
 - b. In the case where an agent or representative of the High Bidder submitted the Bid, the signatory attests to be duly authorized to submit the Bid on behalf of the High Bidder and to execute this Acknowledgment.

WARNING: It is a crime to knowingly make false statements to the United States in this document or any other document related to this Foreclosure Sale. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code, Section 1001 and Section 1010.

Executed by the Bidder on the _____ day of _____, 20____.

Witness: _____

By: _____

Typed Name: _____

Typed Name: _____

Address: _____

City, ST Zip: _____

Phone No. with Area Code:(____)____ - _____

Exhibit A
Legal Description

ALL those certain lots or parcels of land situate, lying and being in the Town of Colonial Beach, Westmoreland County, Virginia, designated and described by metes and bounds as Lot Numbers One (1) and Two (2) on a plat of survey of RIVERSIDE MEADOWS by Jacoby & Associates, Inc., and Arthur D. Whittaker, C.L.S. dated May 8, 1972, and recorded in the Office of the Clerk of the Circuit Court of Westmoreland County, Virginia, with a Certificate of Owners consent to Subdivision in Deed Book 229, at page 36.

BEING the same property conveyed to Heart Havens/Colonial Beach, Inc., a Virginia corporation, by deed of gift from Heart Havens, Inc., a Virginia corporation, dated December 1, 2000, recorded in the Clerk' s Office, Circuit Court, County of Westmoreland, Virginia, on even date herewith but prior hereto.

LEGAL DESCRIPTIONS ARE PROVIDED AS INFORMATION ONLY

Certification of Substantial Compliance

TO: The United States Department of Housing and Urban Development

FROM: _____

I Certify to HUD that any and all properties that are owned by _____, or its affiliates, and located in _____ (City or Town where the Property being purchased is located) is/are in substantial compliance with

applicable state and/or local housing statutes, regulations, ordinances and codes and are listed on Schedule A attached hereto.

WARNING: It is a crime to knowingly make false statements to the United States in this document or any other document related to this sale. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code, Section 1001 and Section 1010.

By: _____
Owner Name

Title

Address

Telephone Number

Date

STATE OF:)
COUNTY OF:)
Came before me this _____ day of _____, 20____. **Notary Seal**

Schedule A: All properties owned by _____ or affiliates.

List each property name	List name of principal or affiliate with ownership of property.	List property address