**EARNEST MONEY DEPOSIT WORKSHEET**

Project Name: ___________________________________________________

Project No:  ____________________________________________________

I. Sales to All Purchasers Except Those Buying Under a Resident Homeownership Program (All or part of the earnest money deposit may be waived at owner's discretion)

A. 1. Transfer Preservation Value (from Form HUD 9607, Item II)......................... $__________

   2. A.1. x 0.01 ............................... $__________

B. 1. Number of units at the project.............. __________

   2. B.1. x $500 ............................... $__________

C. $50,000........................................... $50,000

D. Lowest of A.2., B.2., or C ....................... $__________

E. Did owner waive or reduce required earnest money deposit? yes no

   1. No. Enter D .............................. $__________

      Go to F.

   2. Yes. To what amount? ........................ $__________

   3. Lower of D or E.2 ........................ $__________

      Go to F.

F. Earnest Money Deposit (from E.1. or E.3., whichever is completed)................................. $__________

II. Resident Councils Purchasing Under a Resident Homeownership Program
A. Number of units in project ...................... ____________
B. Number of occupied units ........................ ____________
C. 75 percent of occupied units (B x .75)........... ____________
D. $200 from each unit that represents
75 percent of occupied units (C x $200) ..........$__________

The amount in Line D is the earnest money deposit required. At owner's option, the earnest money deposit may come from pledged security deposits of at least $200 from each of 75 percent of occupied units.

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4350.6-CHG.1
APPENDIX 7-2

USE FIELD OFFICE LETTERHEAD

NOTIFICATION TO NONPROFIT ORGANIZATIONS OF THE AVAILABILITY FOR SALE OF A MULTIFAMILY HOUSING PROJECT

Please send to:     All Housing Sponsors, Other Nonprofit Organizations and Nonprofit Clearinghouses Which Have Expresed Interest in Purchasing Multifamily Housing Projects in (Name of Community)

Subject:  _________________________________________________________________

Name of project

Project address

State and Zip Code

Dear _______________________________,

Subject property is for sale under the Low-Income Housing Preservation and Resident Homeownership Program (Title VI of the National Affordable Housing Act) administered by the U.S. Department of Housing and Urban Development (HUD). This program is designed to preserve low-income affordability restrictions in multifamily housing projects. If you purchase the project you will be required to maintain its low-income affordability restrictions for the project's remaining useful life.
The project has the following number of units of each type:

- _____ One bedroom units
- _____ Two bedroom units
- _____ Three bedroom units
- _____ Four bedroom
- _____ Other: (specify below)

Transfer Preservation Value of the property ............... $____________

Required amount of earnest money deposit................. $____________

To obtain general information about the Low-Income Housing Preservation program under Title VI, you may request a copy of the HUD Handbook 4350.6, Processing Plans of Action Under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 from your local Field Office. For assistance with specific questions, such as information about (1) the procedure for submitting an Expression of Interest (EOI) in a property, or (2) the requirements for the times in which you may submit a bona fide offer, please contact the Chief of Loan Management at the HUD Office at the address shown on this letterhead.

Sincerely,

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Chief, Loan Management Branch