Resident Homeownership Plan Checklist

A. Did the RC submit: (see Para. 9-10)

1. The Resident Homeownership Plan (RHP) within six months of the owner's acceptance of a bona fide offer in the case of a voluntary sale or within six months of the owner's receipt of a bona fide offer in the case of a mandatory sale?

YES NO

2. Six copies of the RHP?

YES NO

3. A RHP summary to residents?

YES NO

4. A RHP summary to HUD?

YES NO

5. Certification that a copy of the RHP was sent to the State or local government officials to whom the Initial Notice of Intent (NOI) was submitted?

YES NO

B. Was the following information included in the submitted RHP in accordance with Paragraphs 9-12 and 9-13?

1. Evidence that the residents worked with a HUD-approved nonprofit organization to organize a RC?

YES NO

2. A plan for the management of the project, including?

YES NO

a. A statement that the RC has ultimate responsibility for the management of its project, regardless of whether it is the manager?

YES NO

3. Descriptions of outstanding findings of noncompliance and violations and documented resolution of findings or proposed resolution?

YES NO

or

A certification of no violations?

YES NO

4. Two tenant income profiles (see Para. 9-12.F.)?

a. One profile representing tenants as of the date of RHP submission? and

b. One for tenants as of January 1, 1987? or

YES NO

c. A tenant income profile for a subsequent year along with a certification that the January 1, 1987 profile is unavailable?

YES NO

5. Methods and schedules for project conversion, including the type of homeownership contemplated? (E.g., fee simple, condominium, cooperative)

YES NO

6. Statements regarding unit values, selling prices, homeowner fees, closing costs, and down payments?

YES NO

7. Statement about the homeownership's eligibility and underwriting standards?

YES NO

8. Methods of financing the sale of individual units?

YES NO

9. Issues regarding resale of units? (E.g., RC purchase, equity appreciation, methods, and restrictions on resale)

YES NO

10. A list of prospective purchasing tenants?

YES NO

a. Along with their certification that they intend to purchase? and

YES NO

11. A financial plan including a four-year budget projection with documentation?

YES NO

12. An affirmative marketing plan for vacant, unsold units?

YES NO

13. Identification of nonpurchasing tenants and plans for their relocation activities?

YES NO

14. Plans for rehabilitation activities?

YES NO

15. The scope of technical assistance, training and counseling for the RCs, homebuyers, and nonpurchasing tenants?

YES NO

16. A statement that the RC will comply with:

(a)	The Fair Housing Act;	YES	NO
(b)	Title VI of the Civil Rights Act of 1964;	YES	NO
(c)	Executive Order 11063;	YES	NO
(d)	Age Discrimination Act of 1975;	YES	NO
(e)	Section 3 of the Housing and Urban Development Act of 1968	YES	NO
(f)	Section 504 of the Rehabilitation Act of 1973 and all regulations promulgated under such statutes and authorities; and	YES	NO

C. Does the RHP contain copies of all forms, guidelines, and worksheets developed by the RC to make annual reports to HUD and implement the Resident Homeownership Program in compliance with applicable Federal regulations?

YES NO

D. Did the RC indicate that it will establish a Homeowners Association, Condominium Association or Housing Cooperative by the time it receives the HUD grant?

YES NO

Evaluation of Resident Homeownership Plan

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APPENDIX 9-2

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Worksheet for Individual Resident Homeownership Feasibility

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Summary Worksheet for Resident Homeownership Feasibility

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Limited Equity Plan of Action Checklist

I. Did the LEC submit:

1. A Limited Equity Plan of Action (LEP) within six months of the owner's acceptance of a bona fide offer in the case of a voluntary sale or within six months of the owner's receipt of a bona fide offer in the case of a mandatory sale (Para. 9-24)?

YES NO

2. Six copies of the LEP (Para. 9-24)?

YES NO

3. A LEP summary to tenants?

YES NO

4. A LEP summary to the Loan Management Branch?

YES NO

5. Certification that a copy of the LEP to the State or local government official to whom the Initial NOI was submitted?

YES NO

II. Plan of Action Requirements. Was the following data included in the submitted LEP consistent with the requirements of a Plan of Action?

1. A. Description of proposed changes in the status or terms of the mortgage or regulatory agreement?

YES NO

OR

B. A statement of no proposed changes?

YES NO

2. A. A request for waivers?

YES NO

OR

B. A statement that no waivers were requested?

YES NO

3. List of incentives (assistance) requested and methods to fund listed incentives?

YES NO

4. Projected budgets for four years?

YES NO

5. A management plan?

YES NO

6. Occupancy policy?

YES NO

7. Requested utility allowance?

YES NO

8. Other information and conditions/criteria specified by the Loan Management Branch as necessary for evaluating the LEP?

YES NO

9. A. Description of assistance from State or Local Government Agencies, which may not include LIHTCs, and an analysis of any cost reduction for HUD?

YES NO

OR

B. A statement that no assistance will be received?

YES NO

10. Two tenant income profiles:

A. One as of the date of submission of the LEP?

YES NO

AND

B. i. One as of January 1, 1987?

YES NO

OR

ii. A tenant income profile for a year other than 1987 along with a certification that the January 1, 1987 profile is unavailable?

YES NO

11. A certification that the LEP has submitted or will submit all required loan applications?

YES NO

12. A complete Transfer of Physical Assets package?

YES NO

III. Resident Homeownership Program. Was the following information included in the submitted LEP pursuant to the applicable requirements of the Resident Homeownership Program?

1. Evidence that the residents worked with a HUD-approved nonprofit organization to organize a RC?

YES NO

2. A plan for the management of the project, including?

YES NO

a. A statement that the RC has ultimate responsibility for the management of its project, regardless of whether it is the manager?

YES NO

3. Statements regarding membership fees for initial and subsequent members?

YES NO

4. Issues regarding transfer of memberships? (E.g., LEC purchase of membership, equity appreciation, methods and restrictions on resale)

YES NO

5. A financial plan including a four-year budget projection with documentation?

YES NO

6. Identification of nonpurchasing tenants and plans for their relocation activities?

YES NO

7. Plans for rehabilitation activities?

YES NO

8. The scope of technical assistance, training and counseling for the LEC, members, and nonpurchasing tenants?

YES NO

9. A statement that the LEC will comply with:

(a) The Fair Housing Act; YES NO

(b) Title VI of the Civil Rights Act of 1964; YES NO

(c) Executive Order 11063; YES NO

(d) Age Discrimination Act of 1975; YES NO

(e) Section 3 of the Housing and Urban Development Act of 1968; YES NO

(f) Section 504 of the Rehabilitation Act of 1973; and YES NO

(g) All regulations promulgated under such statutes and authorities. YES NO

C. Does the LEP contain copies of all forms, guidelines, and worksheets developed by the RC to make annual reports to HUD and implement the Resident Homeownership Program in compliance with applicable Federal regulations?

YES NO

D. Did the RC indicate that it will establish a Limited Equity Cooperative by the time it receives the HUD grant?

YES NO

Evaluation of Plan of Action for
Limited Equity Cooperatives
Assuming an Existing Mortgage

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Worksheet for Individual Resident Homeownership Feasibility

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Summary Worksheet for Resident Homeownership Feasibility

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USE FIELD OFFICE LETTERHEAD

NOTIFICATION TO NON-PURCHASING TENANTS
OF AVAILABLE PROTECTIONS

The owner of your project is going to sell name of your project to your Resident Council. After purchasing the project, the Resident Council will develop a Resident Homeownership Program that will enable residents to become homeowners. This means that those tenants who have expressed an interest in buying their units will be able to do so under this program. If you do not wish to buy your unit, you may continue to rent at (name of project) under reasonable terms and conditions for as long as you choose. You are also entitled to certain other protections.

1. The Resident Council will not displace you from the project as a result of the Resident Homeownership Program. You may only be evicted for serious or repeated violation of the terms and conditions of the lease, violation of applicable Federal, State or local law, or other good cause.

2. HUD will make sure that Section 8 rental assistance is available, if you qualify.

3. If you do not qualify for Section 8 rental assistance and your rent increases, the new rent will not exceed 30 percent of your adjusted monthly income or the Section 8 existing fair market rent, whichever is lower.

4. If HUD's approval of the Resident Homeownership Plan (RHP) results in an increase in rents (except for increases made necessary by increased operating costs), the Resident Council must phase-in the rent increase as follows:

   A. If the total rent increase is at least 30 percent of your current total rental payment, the Resident Council must phase-in the increase in equal proportions over a period of not less than three years;

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B. If the total increase is greater than ten percent but less than 30 percent of your current total rental payment (rent plus utility costs), the Resident Council must phase-in the rent in proportions that are no more than ten percent of your current total rental payment each year.

If you were living in the project on (date of RHP approval) and have decided to move, the Resident Council, after getting estimates from moving and utility companies, will advise you in writing of its method for estimating your relocation expenses and how much it will pay for. They will inform you of the types of expenses that are eligible for reimbursement or may offer you a moving expense and dislocation allowance. If you move out of the area, the Resident Council does not have to pay more than it would have if you were moving within area. Costs for "special needs" due to a disability may be included in the moving expense allowance.

If you need additional information about the Resident Homeownership Program, please contact the Chief of the Loan Management Branch:

U.S. Department of Housing and Urban Development
ADDRESS, CITY, STATE AND ZIP CODE.

Sincerely,

Chief, Loan Management Branch

cc: For Posting