

Supporting Statement to Paperwork Reduction Act Submission

HUD-Owned Real Estate – Sales Contract and Addendums

OMB #2502-0306

HUD-9544, HUD-9548, HUD-9548-B, HUD-9548-C, HUD-9548-D, HUD-9548-E, HUD-9548-F, HUD-9548-G, HUD-9548-H, HUD-9545-Y, and HUD-9545-Z

AND

SAMS-1100, SAMS-1101, SAMS-1103, SAMS-1106, SAMS-1106-C, SAMS-1108, SAMS-1110, SAMS-1111, SAMS-1111-A, SAMS-1117, SAMS-1120, SAMS-1204, SAMS-1205

A. JUSTIFICATION

1. The National Housing Act (P.L. 479, 48 Stat., 1246, 12 U.S.C., 1715z-11a) authorizes the Secretary of Housing and Urban Development to deal with, complete, rent, renovate, modernize, insure, or sell for cash or credit, at the Secretary's discretion, any properties conveyed to the Department under contracts of mortgage insurance. Regulations regarding the disposition of acquired properties by sale are contained in 24 CFR Part 291, Disposition of HUD-Acquired Single Family Property. This collection of information consists of the sales contracts and addenda that will be used in binding contracts between purchasers of acquired single-family assets and HUD.

Title X of the Housing and Community Development Act of 1992, Pub. L. 102-550, established the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852d). Section 1018 of that Act directs the Environmental Protection Agency (EPA) and HUD to jointly issue regulations requiring disclosure of known lead-based paint and/or lead-based paint hazards by persons selling or leasing before the phase out of residential lead-based paint use in 1978. Under that authority, EPA and HUD established requirements so that consumers can make more informed decisions concerning home purchase, lease, and maintenance to protect their families from lead hazard exposure (24 CFR part 35, subpart A) (the Lead Disclosure Rule).

2. The information collections contained in this request deal only with those sales of HUD-acquired properties that do not include special programs. Information is submitted by primarily by real estate brokers and in some cases directly by purchasers of HUD-Homes.

Disposition Forms

Form HUD-9544, Contract of Sale and Purchase (All Cash-Bulk Sale) is a sales contract specifically for the purpose of selling more than one property to a single purchaser. This form is completed by a real estate broker or one of its agents. The authority is 24 CFR 291.90 and Handbook 4310.5. Ch.10-14.H.3. Only one bulk sale per year.

Form HUD-9548, Sales Contract, is a form that is used as a contract between the purchaser of a single property and HUD. This form is used in all sales of HUD-acquired single family assets except as specifically provided otherwise by Handbook 4310. The form submitted with this request is substantially revised to bring it in line with current policies and programs and to incorporate key language formerly contained in Forms HUD-9548-D, HUD-9548-E, and HUD-9548-F. Real estate professionals (12,586, or about 75%) and individuals (500, or about 25%) complete these offers, as specified by specific property disposition special programs. See, Handbook 4310.5.8-33. An estimated 2 offers are received for each of the 61,640 sales.

Changes to the content of HUD-9548 incorporate text from Forms HUD-9548-D, Addendum to the Sales Contract, HUD-9548-E, Radon Gas and Mold Notice and Release Agreement, and HUD-9548-F, Purchaser's Rights and Responsibilities. By incorporating the relevant text from these forms into HUD-9548, the need to complete separate forms with the same property and purchaser information is

eliminated, and the language is updated and, in some cases abbreviated, to reflect current practices. The addition of the language does not increase the time or cost burden associated with the HUD-9548 and in fact saves the parties time overall by eliminating additional forms and required signatures. Upon approval of the revised HUD-9548, the three forms noted herein will be retired.

The form is also reformatted so that the need for a separate instruction sheet is eliminated. All areas are self explanatory and familiar to real estate sales brokers who are the parties primarily responsible for completion of the form.

Change Details:

Current	Revised HUD-9548
HUD-9548-D – Individual Owner Occupant Certification	Language included under number 14. Owner Occupancy Certification.
HUD-9548-D – Broker Certification	Language included under number 24. Certification of Broker.
HUD-9548-E – Radon Gas and Mold Notice and Release Agreement	Language included under number 7. Property Conveyed AS-IS.
HUD-9548-F – Purchasers Rights and Responsibilities	Language included under numbers 7. Property Conveyed AS-IS 8. Property Condition Report; Appraisal 9. Inspection Contingency 11. Repairs 12. Non-Performance; Forfeiture of Earnest Money Deposits and 20. Notice to Purchaser

Note that the new Sales Contract provides a space on each page for the purchaser’s initials. As with any legal document or contract, it is common practice for signers to initial each page. This is currently the practice even though the existing form does not have a specific space designated for the initials. The addition of the space provides for more consistent location of the initials and acknowledges that the practice of initialing each page should continue.

Form HUD-9548-B, Addendum for Discounted Sales to Nonprofit Organizations and Governmental Entities was formerly titled Land Use Restriction Addendum. This form is required only when properties are sold to HUD-approved nonprofit organizations or participating local governments. This addendum includes new language that assists in assuring the program participants understand and fulfill their obligation to rehabilitate properties and resell or rent them in accordance with HUD’s mission and policy. Reporting requirements contained in this form are covered under OMB Control Number 2502-0540. Purchases made by nonprofits and government entities represent less than 1% of total HUD-owned property sales.

Form HUD-9548-C, Assignment of Sales Contract, an addendum to the Form HUD-9548, Sales Contract, is used when a local government or nonprofit organization is the purchaser of an acquired asset through the Officer Next Door Sales program and the Teacher Next Door Sales and must be assigned in accordance with 24 CFR 291.580. Transactions requiring this form have not occurred, and none are anticipated, at this time.

Forms HUD-9548-D, Addendum to the Sales Contract, **HUD-9548-E**, Radon Gas and Mold Notice and Release Agreement and **HUD-9548-F**, Purchaser’s Rights and Responsibilities - The content of these forms has been incorporated into the revised Sales Contract HUD 9548, as noted above. HUD requests these forms be cancelled upon approval of revised Form HUD-9548, Sales Contract.

Form HUD-9548-G, Addendum to Sales Contract, 203(k) Rehabilitation Financing Lead Agreement. This new form provides information necessary to administer the HUD Lead Safe Housing Rule (24 CFR Part 35 subpart F). Lenders providing 203(k) rehabilitation financing for HUD Homes sold with

deteriorated lead-based paint and constructed prior to 1978 should complete the form. The form requires the signature of the Lender, Purchaser, and Selling Broker.

Form HUD-9548-H, Addendum to Sales Contract, Completion of 203(k) Rehabilitation Financing Lead-Based Paint Stabilization and Clearance. This new form provides information necessary to insure compliance with the Lead Safe Housing Rule at 24 CFR Part 35, Subpart F.

Form HUD-9545-Y, Lead-Based Paint Disclosure Addendum. Seller Has Records Or Reports Pertaining To Lead-Based Paint and/or Lead-Based Paint Hazards. This form is used by the M&M contractor, the Selling Broker, and the Purchaser identifying pertinent information on HUD homes built prior to 1960 and listed for sale. The form is signed by the M&M contractor, the Selling Broker, and the Purchaser. Because the M&M contractor is acting as an agent of HUD, no burden is ascribed to the M&M contractor's time to complete the form.

Form HUD-9545-Z, Lead-Based Paint Disclosure Addendum. Seller Has NO Records Or Reports Pertaining To Lead-Based Paint and/or Lead-Based Paint Hazards. This form is used by the M&M contractor, the Selling Broker, and the Purchaser identifying pertinent information on HUD homes built from 1960 through 1977 and listed for sale. The form is signed by the M&M contractor, the Selling Broker, and the Purchaser. Because the M&M contractor is acting as an agent of HUD, no burden is ascribed to the M&M contractor's time to complete the form.

The following **SAMS** forms enable HUD to record and process financial transactions in its automated Single Family Acquired Asset Management (SAMS) to dispose of acquired single-family properties. HUD reimburses M&M Contractor for their services in maintaining, marketing, and selling HUD homes, and HUD collects funds associated with the sale of these properties. This information enables HUD to create and maintain sound financial management practices and effective internal controls over the property disposition program. A response is required to obtain or maintain a benefit.

Form SAMS-1100, Cash Transmittal. This HUD form is used to forward all checks and money orders collected by the M&Ms along with designated explanation codes to HUD for processing in SAMS).

Form SAMS-1101, Define Lessees/Lease. This HUD form is used for reporting on a real estate owned property when the acquired single-family property is under lease with occupants.

Form SAMS-1103, Request to Wire Transfer Funds. This HUD form is used for the wire transfer of funds on a real estate owned property when the acquired single-family property has sold and settlement has occurred.

Form SAMS-1106, Invoice Transmittal. This HUD form is used for reporting of maintenance, management and reimbursement costs associated with the management and marketing by M&M on a real estate owned property.

Form SAMS-1106-C, Invoice Transmittal Continuation. This HUD form is used as an additional form for the continuation of maintenance, management and reimbursement costs associated with the management and marketing by M&M on a real estate owned property.

Form SAMS-1108, Eviction Status. This HUD form is used for the reporting of eviction status from the initial eviction beginning, through the process and the final eviction of a real estate owned property by the M&M.

Form SAMS-1110, Taxing Authority Profile. This HUD form is used for reporting the taxing authority associated with a real estate owned property by the M&M.

Form SAMS-1111, Payee Name and Address. This HUD form is used for setting up and modifying information on companies that conduct business with the M&M's. It is also used for listing/selling brokers, non-profits and local governments on real estate owned property.

Form SAMS-1111-A, Selling Broker Certification. This HUD form is used for certify selling broker's that conduct business with the M&M's on behalf of HUD. They are to abide by HUD's standard of ethical practices.

Form SAMS-1117, Payee Deactivation Request. This HUD form is used for deactivating any payee previously set up to conduct business with the M&M's and HUD.

Form SAMS-1120, Funds Reclassification. This HUD form is used for reclassifying/changing any funds that have been transmitted to HUD in error with an incorrect designation.

Form SAMS-1204, Authorized Signature(s) for Payee File Maintenance. This HUD form is used for the purpose of establishing authority to HUD staff by the HOC Director to perform file maintenance on SAMS.

Form SAMS-1205, Authorized Signature(s) for Funds Reclassification. This HUD form is used for the purpose of establishing authority to HUD staff by the REO Director to perform reclassification of funds on SAMS.

3. This information is collected electronically and submitted by email to from contractor to the M&M, then to HUD. Sales contracts and addendums requiring original signatures will be submitted to HUD in hard copy.
4. The Single Family Property Disposition Sales Program is the only HUD program that disposes of single-family acquired properties. Therefore, the information collection forms are unique to this program, and the information collected is not duplicative.
5. The information collected does not have a significant economic impact on a substantial number of small entities. HUD-approved real estate brokers with active Name Address Identifiers (NAID) (identification numbers) submitting offers on behalf of prospective program participants may include small entities. The equipment required to access and process the information collection tools is desk top or equivalent computers typically found in any real estate sales office. An additional burden is not imposed on the small entity.
6. Information collected is the minimum needed to acquire and dispose of single-family properties using appropriate management control tools to protect against fraud and abuse.
7. Each information collection is unique to the respondent who is required to complete the form and the frequency is usually on a one-time or as-needed basis. Form HUD-9548 (with addenda) requires original and 3 copies each, giving the authorization to act on the sales contract. Only one copy is retained by HUD. The other three copies go to the real estate broker, the closing agent, and the purchaser.
8. In accordance with 5 CFR 1320.8(d), HUD published a notice soliciting public comments in the *Federal Register* on November 2, 2006. No comments were received.

HUD held consultations through telephone conversations with Real Estate Sales Brokers, Arthur Cirignani, William Barnes, Blair Winn, and John Molta regarding the revised Sales Contract, form HUD-9548 and the Addendum for Discounted Sales to Nonprofit Organizations and Governmental Entities form HUD-9548-B. Discussions included the information currently collected and information to be collected. No comments were received.

9. Other than remuneration of contractors and sales commission payments to brokers submitting selected offers, no gift or other type payments are made to the respondents.
10. These information collections take into consideration the need to assure data confidentiality and provide adequate Privacy Act Notice statements where needed.
11. This information collection does not contain any questions of a sensitive nature.
12. The following are the estimates of the burden hours of the collection of information.

Information Collection	Number of Respondents	Frequency of Response (Averages)	Total Annual Responses	Hours per Response	Total Annual Hours	Cost per Hour	Total Annual Cost
HUD-9544	1	1.0	1	0.25	.25	\$25	\$6
HUD-9548	13,136	9.4	123,478	0.50	61,739	\$25	\$1,543,480
HUD-9548-B		Varies*	500	0.08	40	\$25	\$1,000
HUD-9548-G		Varies*	129	0.20	26	\$25	\$645
HUD-9548-H		Varies*	129	0.16	21	\$25	\$516
HUD-9545-Y		Varies*	28,481	0.20	5,696	\$25	\$142,405
HUD-9545-Z		Varies*	12,755	0.10	1,275	\$25	\$31,888
SAMS-1100	18	Varies*	176,760	0.20	35,352	\$25	\$883,800
SAMS-1101		Varies*	500	0.30	150	\$25	\$3,750
SAMS-1103		Varies*	88,380	0.10	8,836	\$25	\$220,950
SAMS-1106		Varies*	265,140	0.50	132,570	\$25	\$3,314,250
SAMS-1106-C		Varies*	0	-----	0	0	0
SAMS-1108		Varies*	50	0.50	25	\$25	\$625
SAMS-1110		Varies*	88,380	0.20	17,676	\$25	\$441,900
SAMS-1111		Varies*	500	0.20	100	\$25	\$2,500
SAMS-1111-A		Varies*	500	0.20	100	\$25	\$2,500
SAMS-1117		Varies*	50	0.20	10	\$25	\$250
SAMS-1120		Varies*	50	0.20	10	\$25	\$250
SAMS-1204**	0	0	0	0	0	0	0
SAMS-1205**	0	0	0	0	0	0	0
Totals	13,155		785,783		254,626.25		\$6,590,715

Real estate listing agent costs are assumed at \$25 per hour.

*Based on actual amounts received from periodic reports received in SAMS.

**SAMS-1204 and 1205 are for internal HUD usage in designating authority.

13. There are no additional costs to the respondents.

14. Cost to the Federal Government.

Information Collection	Total Annual Responses	Hours per Response	Total Annual Hours	Cost per Hour	Total Annual Cost
HUD-9544	1	1.00	1	\$26	\$26
HUD-9548	123,780	0.50	61,890	\$26	\$1,609,140
HUD-9548-B	500	0.02	10	\$26	\$260
HUD-9548-G	129	0.02	3	\$26	\$78
HUD-9548-H	129	0.02	3	\$26	\$78
HUD-9545-Y	28,481	0.20	5,696	\$26	\$148,096
HUD-9545-Z	12,755	0.10	1,276	\$26	\$33,176
SAMS-1100	176,760	0.02	3,535	\$26	\$91,910
SAMS-1101	500	0.02	10	\$26	\$260
SAMS-1103	88,380	0.02	1,768	\$26	\$45,966
SAMS-1106	265,140	0.02	5,303	\$26	\$137,878
SAMS-1106-C	0	0	0	0	0
SAMS-1108	50	0.02	1	\$26	\$26
SAMS-1110	88,380	0.02	1,768	\$26	\$45,966
SAMS-1111	500	0.02	10	\$26	\$260
SAMS-1111-A	500	0.02	10	\$26	\$260
SAMS-1117	50	0.02	1	\$26	\$26
SAMS-1120	50	0.02	1	\$26	\$26
SAMS-1204	0	0	0	0	0
SAMS-1205	0	0	0	0	0
Totals	786,085		81,286		\$2,113,432

15. This is a revision and extension of a currently approved information collection. The HUD forms previously listed on this collection have been updated with new figures to represent the Departments current HUD REO activity. Also the Department has included a already established SAMS forms that are directly involved with the maintenance and marketing of single-family acquired properties, better known as HUD (REO) Homes. This revision results in an overall increase in the numbers associated with respondents, burden hours, and costs.

16. These collections of information do not include results that will be published.

17. HUD is not seeking to display the expiration date for OMB approval of this information collection.

18. There are no exceptions to the certification statement.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS.

No statistical methods are employed in the collection of this information.