

Public reporting burden for this collection of information is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to the Reports Management Officer, Office of Policy Development and Research, REE, Department of Housing and Urban Development, 451 7th St SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0075. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number. Do not send this form to the above address. Responses to the collection are necessary for HUD to review applications for removals of public housing property proposed through homeownership under Section 32 of the U.S. Housing Act of 1937 (1937 Act) and 24 CFR part 906. HUD will use this information to review Public Housing Agency (PHA) requests, as well as to track removals for other record keeping requirements. Please refer to the instructions for guidance on completing this form. There is no personal information contained in this application. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when disclosure is not required. The information collected will not be held confidential.

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| A. Overview of Homeownership Plan: | |
| <i>Attach a narrative overview of the proposed Homeownership Plan in accordance with the requirements of 24 CFR part 906.</i> | |
| B. Units Proposed for the Homeownership Plan: | |
| 1. Does the PHA propose to sell units under the Homeownership Plan? | Yes |
| | Number of Existing ACC Units: Number of Non-ACC Units (Acquisition): |
| | No (Financing Assistance Only) |
| Total Number of Units: | |

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| C. Homeownership Plan |
| <i>Attach a Homeownership Plan that complies with 24 CFR 906.39, and includes all the applicable supporting documentation required by 24 CFR 906.40 and 24 CFR 906.41.</i> |

Instructions Homeownership Addendum Form HUD-52860-C
Refer to SAC website at www.hud.gov/sac for more information

All PHAs applying for homeownership under 24 CFR part 906 are required to submit through this form a Homeownership Plan that meets the requirements of 24 CFR 906.39 and includes the applicable supporting documentation required by 24 CFR 906.40 and 24 CFR 906.41.

24 CFR § 906.39 Contents of a homeownership program.

A homeownership program must include the following matters, as applicable to the particular factual situation:

(a) Method of Sale: The PHA should indicate how units will be sold, including a description of the exact method of sale, such as, for example, fee simple conveyance, lease-purchase, or sale of a cooperative share. PHAs may sell units directly to a tenant or eligible family directly or via a bona fide lease-purchase arrangement. The PHA must indicate whether it, or a PRE will sell units to families directly or via such lease purchase method. If the PHA or PRE will use a lease-purchase method the proposal should indicate the terms of the lease-purchase arrangement. The terms of the lease-purchase arrangement shall include, but are not limited to the periodic documentation to be provided to the family regarding the amount they have accrued toward the down payment, and the length of the lease period (with regard to PREs the sales must be completed within the statutory 5-year period.);

(b) Property description.

(1) If the program involves only financing assistance to the family purchasing the unit, the PHA need not specify property addresses, but it must describe the area(s) in which the assistance is to be used;

(2) If the PHA is selling existing public housing, it must describe the property, including identification of the property by project number, or street address if there is no project number, and the specific dwellings to be sold, with bedroom distribution by size and type broken down by development;

(3) If the PHA is acquiring units with 1937 Act funds to sell under the program, it must comply with the provisions of §906.40 concerning this element of the program;

(c) Repair or rehabilitation. If applicable, a plan for any repair or rehabilitation needed to meet the requirements of §906.7, based on the assessment of the physical condition of the property that is included in the supporting documentation. The restriction in 906.5(c) of this part applies to such repair or rehabilitation;

(d) Purchaser eligibility and selection. The standards and procedures to be used for homeownership applications and the eligibility and selection of purchasers, consistent with the requirements of §906.15. If the homeownership program allows application for purchase of units by families who are not presently public housing or Section 8 residents and not already on the PHA's waiting lists for those programs, the program must include an affirmative fair housing marketing strategy for such families, including specific steps to inform them of their eligibility to apply, and to solicit applications from those in the housing market who are least likely to apply for the program without special outreach, including persons with disabilities;

(e) Sale and financing. Terms and conditions of sale and financing, including any below-market financing under §906.29;

(f) Consultation with residents and purchasers. A description of resident input obtained during the resident consultation process required by the PHA Plan under part 903 of this title. If the PHA is one whose Plan does not require information regarding homeownership under §903.11(b)(1) of this title, the PHA must consult with the Resident Advisory Board or Boards regarding the homeownership plan, and provide the information required in this paragraph;

(g) Counseling. Counseling, training, and technical assistance to be provided to purchasers;

(h) Sale via PRE. If the program contemplates sale to residents by an entity other than the PHA, a description of that entity's responsibilities and information demonstrating that the requirements of §906.19 have been met or will be met in a timely fashion;

- (i) Non-purchasing residents. If applicable, a plan for non-purchasing residents, in accordance with §906.23;
- (j) Sale proceeds. An estimate of the sale proceeds and an explanation of how they will be used, in accordance with §906.31;
- (k) Records, accounts, and reports. A description of the recordkeeping, accounting, and reporting procedures to be used, including those required by §906.33;
- (l) Budget. A budget estimate, showing any rehabilitation or repair cost, any financing assistance, and the costs of implementing the program, and the sources of the funds that will be used;
- (m) Timetable. An estimated timetable for the major steps required to carry out the program;
- (n) Deed restrictions. A deed restriction or covenant running with the land that will assure to HUD's satisfaction that the requirements of §§906.27 and 906.15(b) are met.

24 CFR § 906.40 Supporting documentation. The following supporting documentation must be submitted to HUD with the proposed homeownership program, as appropriate for the particular program:

- (a) Supporting documentation—PREs. In approving homeownership programs in which the PHA contemplates selling public housing units to a PRE for operation as public housing during the 5 year interim period the department will require evidentiary materials including but not limited to: (1) Organizational documents of the PRE; (2) Regulatory and operating agreement between the PHA and PRE regarding the provision of operating subsidy and the operation of the public housing units in accordance with all applicable public housing requirements; (3) Management agreement and plan; (4) Financing documents, if any; (5) A description of the use of operating subsidy during the PRE's period of ownership, in the form of an operating pro forma; (6) A mixed-finance ACC amendment governing these units; (7) A deed restriction or covenant running with the land that will assure to HUD's satisfaction that the PRE will operate the units in accordance with public housing laws and regulations, including §906.19. (8) A bond for repairs or proof of insurance to cover any damage to the property during the period of PRE ownership and operation; (9) Such other materials as may be required by HUD.
- (b) Physical assessment. An assessment of the physical condition of the properties, based on the standards specified in §906.7;
- (c) Feasibility. A statement demonstrating the practical feasibility of the program, based on analysis of data on such elements as purchase prices, costs of repair or rehabilitation, accessibility costs, if applicable, homeownership costs, family incomes, availability of financing, and the extent to which there are eligible residents who are expected to be interested in purchase (See 24 CFR § 906.45(a)).
- (d) PHA performance in homeownership. A statement of the commitment and capability of the PHA (and any other entity with substantial responsibility for implementing the homeownership program) to successfully carry out the homeownership program. The statement must describe the PHA's (and other entity's) past experience in carrying out homeownership programs for low-income families, and (if applicable) its reasons for considering such programs to have been successful. A PHA that has not previously implemented a homeownership program for low-income families instead must submit a statement describing its experience in carrying out public housing modernization and development projects under part 905 of this title, respectively;
- (e) Nondiscrimination certification. The PHA's or PRE's certification that it will administer the plan on a nondiscriminatory basis, in accordance with the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Executive Order 11063, other authorities cited in §5.105(a) of this title, and the implementing regulations, and will assure compliance with those requirements by any other entity that may assume substantial responsibilities for implementing the program;
- (f) Legal opinion. An opinion by legal counsel to the PHA, stating that counsel has reviewed the program and finds it consistent with all applicable requirements of federal, state, and local law, including regulations as well as statutes. At a minimum, the attorney must certify that the documents to be used will ensure sales only to eligible families under

§906.15, compliance with the 5-year PRE sale guarantee in §906.19(d), and compliance with the restriction of use of resale proceeds of §906.27;

(g) Board resolution. A resolution by the PHA's Board of Commissioners, evidencing its approval of the program;

(h) Section 8(y). In any case where the PHA plans to provide families with assistance under the Section 8(y) homeownership option in connection with homeownership under this part, a certification that the PHA will comply with the requirements of the Section 8(y) statute and implementing regulations;

(i) Other information. Any other information that may reasonably be required for HUD review of the program.

24 CFR § 906.41 Additional supporting documentation for acquisition of non-public housing for homeownership.

(a) Proposal contents. The PHA must submit an acquisition proposal to the HUD field office for review and approval before its homeownership plan containing acquisition of non-public housing can be approved. This proposal must contain the following:

(1) Property description. A description of the properties, including the number of housing units, unit types, and number of bedrooms, and any non-dwelling facilities on the properties to be acquired;

(2) Certification. If the housing units were constructed under a contract or an agreement that they be sold to the PHA, a certification that the developer/owner complied with all Davis-Bacon wage rate requirements under §906.37, including all required contractual provisions and compliance measures, and that the PHA received all applicable HUD environmental approvals and all applicable HUD releases of funds before executing the contract or agreement, in accordance with §906.47(d);

(3) Site information. A description of the proposed general location of the properties to be acquired, or where specific properties have been identified, street addresses of the properties;

(4) Property costs. The detailed budget of costs for acquiring the properties, including relocation and closing costs, and an identification of the sources of funding;

(5) Appraisal. An appraisal of the proposed properties by an independent, state-certified appraiser (when the sites have been identified);

(6) Property acquisition schedule. A copy of the PHA acquisition schedule;

(7) Environmental information. (i) The environmental information required by §906.47(f), where HUD will perform the environmental review under 24 CFR part 50, or a statement identifying the responsible entity that has performed or will perform the review under 24 CFR part 58. This paragraph (a)(7)(i) does not apply to a property where a contract or agreement for sale to the PHA has already been executed and HUD has already given prior approval of the property following environmental review under 24 CFR part 50. (ii) Where the PHA's homeownership program is submitted for approval to HUD and contemplates acquisition of properties not identified at the time of submission or approval, the procedures at §906.47(e) apply;

(8) Market analysis. An analysis of the potential market of eligible purchasers for the homeownership units';

(9) Additional HUD-requested information. Any additional information that may be needed for HUD to determine whether it can approve the proposal.