

Santa Fe County Housing Authority Board
June 25, 2013
Legal Conference Room
9:00 a.m.

AGENDA

- I. Call to Order**
- II. Roll Call**
- III. Introductions**
- IV. Approval of Agenda (Action)**
- V. Approval of Minutes (Action)**
- VI. Approval of Resolution 2013-06HB, Approval of Form HUD-52757, PHA Board Resolution Approving Operating Budget (Action)**
- VII. Approval of Resolution 2013-07HB, a Resolution of the Santa Fe County Housing Authority Board Adopting a Rent-to-Own Program and Policy and Delegating Signature Authority for Transactions Valued at \$250,000 and Below to the County Manager for the Negotiations, Sale, and Lease of Homes Under the Rent to Own Program (Possible Action)**
- VIII. Housing Authority Updates: (Discussion)**
 - (a) Site Improvement Plan/CFP Update**
 - (b) Vacancy Update**
 - (c) Director's Report**
- IX. Public Comments (Discussion)**
- X. Matters from the Board (Discussion)**
- XI. Executive Session (Discussion)**
- XII. Adjournment**

MINUTES OF THE
SANTA FE COUNTY
HOUSING AUTHORITY BOARD

May 28, 2013

This meeting of the Santa Fe County Housing Authority was called to order on the above-cited date in the Santa Fe County Legal Conference Room, at the County Courthouse at approximately 10:20 a.m. by County Commission Chair Kath Holian.

Roll call indicated the presence of a quorum with the following Board members present:

Members Present:

Kathy Holian, Commissioner
Miguel Chavez, Commissioner
Danny Mayfield, Commissioner
Liz Stefanics, Commissioner
Frances Ong, Resident Member
Joseph Loewy, Community Member [*appointed following executive session*]

Member(s) Excused:

Robert Anaya, Commissioner

Staff Present:

Katherine Miller, County Manager
Rachel Brown, Deputy County Attorney
Ron Pacheco, Housing Authority Director
Deanna Lopez, Housing Administrator
Tracey Young, Senior Accountant
Steve Brugger, Affordable Housing Director
Victor Gonzales, Housing Authority Staff
Tim Vigil, Assistant County Attorney
Chris Barela, Constituent Liaison
Molly Saiz, Finance
Lisa Roybal, Manager's Office
Lorraine Fede, Housing staff

III. Introductions

Those present introduced themselves.

IV. Approval of Agenda

Commissioner Stefanics moved to amend the agenda moving Items XI. Executive Session, and XII. Appointment of a Community Board Member, directly following approval of Minutes. Commissioner Chavez seconded and the motion passed by unanimous [5-0] voice vote.

V. Approval of Minutes: April 30, 2013

Commissioner Stefanics moved to approve the minutes from the above-cited date as presented. Her motion was seconded by Commissioner Chavez and passed by unanimous [5-0] voice vote.

XI. Executive Session Regarding Limited Personnel Issues – Discussion of Appointment of a Community Board Member

Commissioner Chavez moved to meet in Executive Session to discuss limited personnel issues. His motion was seconded by Commissioner Stefanics. Upon roll call vote with Board members Holian, Chavez, Mayfield, Stefanics and Ong all voting in the affirmative the Board met in closed session.

[The Board met in Executive Session from 10:22 to 10:45]

A motion was made to come out of executive session by Commissioner Mayfield, declaring the only item discussed was that of appointment of a community board member. Commissioner Stefanics seconded and the motion passed by unanimous voice vote.

XII. Appointment of a Community Board Member

Commissioner Chavez moved to appoint Joseph Loewy to the position of Community Board Member to the Santa Fe County Housing Authority. Commissioner Stefanics seconded and the motion passed by unanimous [5-0] voice vote.

Mr. Loewy was welcomed to the Board.

Mentioning the candidates were all exceptionally qualified, the Board directed staff to send each applicant a note thanking them for volunteering and asking if they would like the County to keep their application on file.

VI. Approval: MOU between Santa Fe Civic Housing Authority and Santa Fe County Housing Authority

Mr. Pacheco said the previous agreement expired and he was comfortable with the new agreement which gets the County 120 vouchers and establishes the 2010 City/County boundaries. He acknowledged County staff that worked on the agreement and said he was confident the County could work with this agreement for several years; however, he would continue to work for open jurisdiction.

If the County were to develop its Galisteo (Sawmill) property, Commissioner Stefanics asked whether it would stay within the County's jurisdiction. Ms. Miller said if the County owns the property, yes, the County would have jurisdiction.

Mr. Pacheco mentioned that he would be meeting with County Economic Development Coordinator Dave Griscom to discuss the Galisteo property.

Ms. Miller referred to a provision within the agreement citing that if the County builds more rentals additional vouchers are allocated.

Commissioner Chavez asked how the County could be proactive in protecting itself against a crisis occurring with the Civic Housing. Mr. Vigil said the County was able to freeze the boundaries for five years. In five years the boundaries will need to be reevaluated.

Mr. Loewy requested updates on the agreement under the director's report. Mr. Pacheco said the agreement calls for quarterly reports and the data can be provided at that point.

In response to Commissioner Mayfield's question of whether the agreement requires City Council approval, Mr. Vigil said Civic Housing Director Romero has the necessary authority.

Commissioner Stefanics moved to approve the MOU. Her motion was seconded by Commissioner Chavez and passed by unanimous [6-0] voice vote.

VII. Family Self-Sufficiency (FSS) Program Presentation

Ms. Fede said the FSS started in 1992 with Section 8 participants and expanded to public housing in 2002. FSS is a five-year program designed to help participants to move into financial independence. FSS helps the tenant to achieve the goals they set – homeownership, driver's license, GED, etc. She noted the Santa Fe County's FSS program requires a GED. Of the 32 families that have graduated the program 23 have achieved homeownership. She explained how the savings account program within FSS works and mentioned the success of a couple single mothers.

IX. Housing Authority Updates

A. Site Improvement Plan/CFP Update

Mr. Gonzales reported the following:

- A meeting with the engineer and architect is scheduled to discuss the extension of the main sewer line at the Jacob D. Martinez site
- Sub Surface will replace the sewer lines at the Santa Cruz site
- Reroofing at Valle Vista is complete
- Asbestos abatement work continues

Commissioner Chavez encouraged staff to investigate grant monies for asbestos and renovations in the units. He said legislators may be interested in helping with funding.

Chair Holian noticed a revenue decrease from what was budgeted for some of the voucher programs. Ms. Young said the budget was developed with the original expectations from HUD, however, HUD has cut funding to Section 8 vouchers payment and administrative fees. She attributed the decrease to sequestration.

Mr. Pacheco said staff has worked hard to insure the residents are not affected by the cuts.

B. Vacancy Update

Mr. Pacheco reported that during April and May the occupancy rate was at 96 and 97 percent.

C. Director's Report

Mr. Pacheco reported on the following:

- Staff is reviewing and updating the Admissions and Continued Occupancy Policy Manual (ACOP) last updated in 2006. This manual defines the daily duties of the Authority in the administration of the public housing program
- Staff is preparing for the annual REAC inspections – the three public housing sites will be inspected in July
- Humane capture and release of prairie dogs at the Jacob Martinez housing site appears to have been successful

Commissioner Mayfield remarked that the Santa Cruz site needs grounds improvements. Mr. Gonzales said once the sewer project is completed staff will determine if there is funding available for improvements.

Ms. Ong said she is working at the community garden and people are participating. Mr. Pacheco said the word has been spread about the gardens at the sites and he offered to promote the gardens further.

Commissioner Stefanics recalled the energy expended for the first garden effort and suggested it was needed at the other sites.

Chair Holian asked that when the ACOP is presented to this Board for action that the changes be highlighted.

Mr. Pacheco reminded the Board that at this afternoon's BCC meeting Victor Gonzales will be recognized for receiving the New Mexico Chapter of National Association of Housing and Redevelopment Officials (NAHRO) Maintenance Employee of the Year. Mr. Gonzales shares this award with the team he works with.

IX. Public Comments - None were offered.

X. Matters from the Board

In an effort to get residents involved, Commissioner Mayfield recommended holding an Authority Board meeting at the authority sites.

Commissioner Stefanics asked that affordable housing issues be brought before the Board. Mr. Pacheco said with the completion of the MOU with City Civic Housing he was ready to develop a team for affordable housing projects.

Commissioner Stefanics asked how the affordable housing issue will be handled in the future. Ms. Miller said affordable housing has been forwarded to the BCC during its regular meetings. Mr. Brugger will provide an update during the June BCC meeting.

Commissioner Stefanics recommended a special study session to discuss the affordable housing issues.

XVII. Adjournment

Having completed the agenda and with no further business to come before the Authority, Chair Holian adjourned the meeting at approximately 11:40 a.m.

Approved by:

Kathy Holian, Commission Chair
Housing Authority Board

ATTEST TO:

GERALDINE SALAZAR
COUNTY CLERK

Submitted by:

Karen Farrell, Wordswork

MEMORANDUM

Date: June 25, 2013

To: Housing Authority Board of Commissioners

From: James R. Pacheco, Executive Director 

Subject: Approval of Resolution No. 2013-06HB, Approving form HUD-52757,
PHA Board Resolution Approving Operating Budget

ISSUE

The Santa Fe County Housing Authority is required by the U.S. Department of Housing and Urban Development to submit form HUD-52575, PHA Board Resolution Approving Operating Budget annually. The form certifies that the Authority has an operating budget for fiscal year 2014 approved by the Housing Authority Board of Commissioners.

RECOMMENDATION

The Santa Fe County Housing Authority requests that the Housing Authority Board of Commissioners approve Resolution No. 2013-06HB for form HUD-52757, PHA Board Resolution Approving Operating Budget.

Santa Fe County Housing Authority Board Resolution No. 2013-06HB

PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 04/30/2016)

Public reporting burden for this collection of information is estimated to average 10 minutes 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. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Santa Fe County Housing Authority PHA Code: NM050

PHA Fiscal Year Beginning: July 1, 2013 Board Resolution Number: 2013-55

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on: May 28, 2013
Operating Budget submitted to HUD, if applicable, on:
Operating Budget revision approved by Board resolution on:
Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

- 1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Table with 3 columns: Print Board Chairperson's Name (Kathy Holian), Signature, Date (June 25, 2013)

SANTA FE COUNTY

Resolution 2013 - 55

A RESOLUTION ADOPTING THE INTERIM 2013-2014 (FY 2014) BUDGET

WHEREAS, the Santa Fe County Board of County Commissioners (BCC), the governing body in and for the County of Santa Fe, State of New Mexico, held an official meeting on May 28, 2013 for the study and review of a 2013-2014 (FY 2014) budget, with recognition of sources and uses of funds of said budget; and

WHEREAS, the meeting on May 28, 2013, was duly advertised in compliance with the State Open Meetings Act and the Federal Statements of Assurances pertaining to the requirements for revenue funds, and the budget was duly approved at the regular BCC meeting of May 28, 2013;

NOW, THEREFORE, BE IT RESOLVED, that the BCC hereby adopts the 2013-2014 (FY 2014) "Interim Budget" and respectfully requests approval from the Local Government Division of the Department of Finance and Administration.

APPROVED, ADOPTED AND PASSED this 28th day of May 2013.

BOARD OF COUNTY COMMISSIONERS

Kathy Holian
Kathy Holian, Chairperson

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC RESOLUTIONS
PAGES: 1

I Hereby Certify That This Instrument Was Filed for Record On The 29TH Day Of May, 2013 at 04:51:52 PM And Was Duly Recorded as Instrument # 1707219 Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Deputy Marcella Salazar Geraldine Salazar
County Clerk, Santa Fe, NM

ATTEST:

Geraldine Salazar
Geraldine Salazar, County Clerk

APPROVED AS TO FORM:

Stephen C. Ross
Stephen C. Ross, County Attorney



SEC CLERK RECORDED 05/29/2013

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Hollan
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

Date: June 11, 2013

To: Santa Fe County Housing Authority Board

From: Steven Brugger, Affordable Housing Administrator

Via: Robert Griego, Acting Growth Management Department Director
James R. Pacheco, Housing Authority Director

Re: Approval of Resolution 2013-07HB, a Resolution of the Santa Fe County Housing Authority Board Adopting a Rent-to-Own Program and Policy and Delegating Signature Authority for Transactions Valued at Two Hundred and Fifty Thousand Dollars (\$250,000) and Below to the County Manager for the Negotiation, Sale and Lease of Homes Under the Rent-to-Own Program

Background

A proposed rent-to-own program for County Housing Authority-owned units was discussed at the Housing Authority Board meeting on March 26. The discussion was positive and staff proceeded to perform additional research to insure that the program regulations proposed as part of this resolution were consistent with HUD rules.

As part of the research, staff performed an exhaustive review of all applicable requirements in the Code of Federal Regulations, including requirements set forth in Section 32 homeownership plans, along with the SFCHA Administrative Plan for the Housing Choice Voucher Program. As a result of this review, a few of the initial program recommendations have been revised to comply with HUD rules and achieve greater consistency with existing SFCHA administrative policies.

It is recommended that all of the homes to be sold under the proposed rent-to-own program be purchased by the County Housing Authority under the Foreclosure Prevention Program, enabled initially through Resolution No 2010-241 and then rescinded and adopted anew in Resolution 2012-83. This would include one or two of the homes remaining from the five homes purchased initially under this Program and would also include future homes to be purchased under the Program. The objective would be to have a minimum of one two bedroom home, one three bedroom home and one four bedroom home available for purchase under the rent-to-own program when the application period for the program is opened.

In order to address SFCHA concerns about holding costs for homes in inventory, it is proposed that only homes be purchased where maximum SFCHA funds expended at closing are less than \$120,000 for a 2 bedroom home; less than \$135,000 for a 3 bedroom home; and less than \$150,000 for a 4 bedroom home. Acquiring homes at such a low price would make it much easier to resell homes under this rent-

to-own program to income qualified households under the maximum housing cost/income ratios set forth in HUD regulations. Pricing the homes slightly over appraisal would be done to recover closing and settlement costs incurred during the property acquisition and to recover HOA fees projected to be expended by SFCHA during the lease term with the Tenant/Buyer. In addition, leases would be structured so that maintenance responsibilities are clearly assigned to the Tenant/Buyer.

Target Market for the Rent-to-Own Program

The target market for this rent-to-own program is households who income qualify for the program at under 80% of Area Median Income and who would have sufficient income to carry a mortgage and related housing costs for the homes being offered, but who are not yet buyer-ready and cannot qualify at the present time for a mortgage due to below-average credit scores, above-average non-housing related debt and insufficient down payment. These households would need some additional time, in a target timeframe of 12 to 24 months, to become buyer-ready, qualify for a mortgage and purchase a home. To be eligible for participation in this program, these households would be required to have an action plan for becoming buyer-ready, which would include repairing and reducing credit and building savings. Successful applicants would also be required to participate in homebuyer training and financial fitness classes with a local non-profit housing organization. Progress would be monitored by County staff on a monthly or quarterly basis.

How the Program Would Work

To initiate the program, the SFCHA would have available a minimum of one two bedroom home, one three bedroom home and one four bedroom home available for lease and purchase. Appraisals would be done on these homes and purchase prices would be set at levels sufficient to recover SFCHA acquisition costs and anticipated HOA costs over the projected holding period. Subsidy packages for purchase would be established at the time of offering, and set at levels whereby households below 80% AMI could qualify.

Applications for the lease and purchase of these homes would be invited during an open enrollment period advertised on the SFCHA and County websites, press releases, fliers, local newspapers and through advertised open houses. All advertising would be performed in compliance with HUD fair housing requirements. Applicants that submit a complete application with all required attachments, and who meet the program criteria set forth in the application package, will be placed on a waiting list in the order that their applications were received, by date and time. The open enrollment period would be closed when staff determines that there is an adequate applicant pool of households who meet all program eligibility requirements.

In the application, the applicant would be asked to identify preferences for the housing which is advertised as available during the open enrollment period, subject to the minimum household size requirements of the program. The minimum household size for a two bedroom unit is one; the minimum household size for a three bedroom unit is two; and the minimum household size for a four bedroom unit is three. Staff would work with the first applicants on the waiting list with the objective of executing a rental lease agreement and an option to purchase agreement for their preferred homes. Both of these agreements would need to be executed together. If the SFCHA and applicant cannot execute the agreements for a particular home, then the SFCHA would move on to the next person on the waiting list that expressed a preference for, and qualifies for, a particular home.

The rental lease agreement would be an adaptation of a standard HUD lease agreement. An option to purchase agreement would be presented for signature at the same time as the rental lease agreement. The current form of the option to purchase agreement is included as Exhibit 1. The option to purchase agreement gives the Buyer/Tenant the right to purchase the property at a specified price and terms. The Buyer/Tenant would exercise this right by providing the Seller/Landlord with a written notice of intent to purchase. This notice would initiate the purchase process and would specify a closing date at which property would transfer.

Program Minimum Requirements

HUD sets forth some minimum requirements for households purchasing a property under a homeownership program, including lease to purchase. Additional requirements may be set forth by the housing authority. These minimum requirements must be met by the applicant in order for the application to be placed on the waiting list.

Maximum and Minimum Income Requirement

An applicant for the program must have a maximum household income at or under 80% of Santa Fe Area Median Income (AMI) for the applicable household size, and a minimum household income greater than 50% of AMI for the applicable household size, as set forth by HUD. An income qualification would be performed as part of the application review process and an annual income recertification would be performed by staff to insure continued eligibility for the program.

Minimum and Maximum Assets Requirement

There are no minimum and maximum asset requirements for this program, although income from assets would be imputed according to HUD rules and the applicant would need to demonstrate sufficient funds to meet the down payment requirement described below.

Down Payment Requirement

The applicant must agree to contribute from its own resources a minimum of one percent (1%) of the purchase price, after subsidy, in down payment funds. If the applicant does not have these funds available at the time of application, a savings plan must be presented with the application which demonstrates how the funds will be accumulated prior to closing on the home purchase by the end of the lease term.

Housing Cost/Income Ratio

To determine applicant eligibility to purchase a particular home in the program, the applicant's estimated payments for mortgage principal, interest, taxes, insurance, homeowners association fees, and utilities must not exceed thirty five percent (35%) of the applicant's adjusted income, plus any subsidy that will be available for such payments. Staff will review an application for a particular home using the stated purchase price of the home, available subsidy package, applicant monthly income, current interest rates for a thirty year term mortgage, estimated down payment, and other factors to determine the applicant's ability to afford the home. If staff determines that the applicant can meet this HUD requirement, then the application is placed on the waiting list.

Minimum Credit Score

As part of its application, the applicant would provide credit scores from the three primary rating agencies. The minimum credit score for an applicant from the lowest of the rating agencies is 500. When there are two borrowers in the household with credit scores, each must meet this minimum requirement.

Not Buyer-Ready Determination and Action Plan Requirement

The rent-to-own program is designed for households who have the income to qualify for a mortgage loan, but who are not yet buyer-ready due to poor credit scores, high debt levels and lack of savings for a down payment. In the application, the applicant must provide a letter from a lender or a non-profit homebuyer counseling agency stating that the applicant is not yet buyer-ready and is not able at this time to qualify for a mortgage loan at market rates. Prior to submitting the application, the applicant must have worked with a local non-profit organization to create an action plan for reducing debt, improving credit scores, increasing savings and becoming buyer-ready. The action plan must be submitted as part of the application.

Owner Occupied

An applicant must provide a written certification that the Property will be their full-time residence.

First-Time Homebuyer

The applicant must provide a written certification that they are a first-time homebuyer, meaning that they have not owned a home in the past three years.

Requirement for Homebuyer Training and Financial Fitness and Work Plan

As part of the application, the applicant is required to work with a local non-profit housing organization to submit an action plan for reducing debt, improving credit scores, and increasing savings, so that an applicant can become buyer-ready, be approved for a mortgage loan and proceed to closing on the home purchase. As part of the action plan, the applicant must also agree to participate in one-on-one counseling with the non-profit staff. The applicant must also agree to enroll in and complete homebuyer training and financial fitness classes with that non-profit organization during the term of the agreement.

Employment

The applicant must be working with the same employer for a minimum of twelve months in order to qualify for the program.

Criminal Background Checks

The same requirements that the SFCHA uses for eligibility in regard to applicant's history of criminal convictions, evictions, etc. would be used for this program.

Summary of Lease Terms

An adaptation of a model HUD public housing authority lease agreement would be used. The most critical terms of the lease agreement are summarized below.

Monthly Rent

Buyer/Tenant rent is calculated by taking the lesser of the Fair Market Rent established by HUD for the particular housing type and 30% of the Buyer/Tenant's monthly adjusted income, then subtracting the HUD approved utility allowance for that housing type. The Buyer/Tenant is responsible for paying for all utilities. Rent is recalculated annually as part of an annual recertification process with the Buyer/Tenant. In addition, SFCHA must recalculate rent if a Buyer/Tenant reports a change in income, allowances or family composition.

Lease Term

The lease term shall be for a period of one year, after which time it may be extended on a month to month basis for up to an additional year at the sole discretion of the Buyer/Tenant, provided that the

Buyer/Tenant is in full compliance with all provisions of the Lease and the Option to Purchase Agreement, and provided that the Buyer/Tenant has executed a written notice of its intent to purchase with a closing date specified at a date no later than twenty four (24) months after execution of the agreements. If the Buyer/Tenant has not provided such notice of intent to purchase by the end of the one year period, then the lease may be extended on a month to month basis with the mutual consent of the Buyer/Tenant and Seller/Landlord. In any case, the Seller/Landlord shall have no obligation to extend the lease beyond the twenty four month anniversary date of the execution of the agreements.

Security Deposit

Buyer/Tenant agrees to pay an amount equal to one month's rent as a security deposit. The deposit will be held in escrow, with the Buyer/Tenant earning whatever the bank is paying in interest on the funds.

Utilities

The Buyer/Tenant is responsible for paying all utilities, although the monthly rent paid by the Buyer/Tenant is adjusted downward by the amount of a HUD approved utility allowance. Failure of Buyer/Tenant to promptly pay all utility bills, resulting in a service disconnection notice, shall be a breach of the lease agreement and may result in termination of the lease.

Buyer/Tenant Obligation to Provide True and Correct Information

Buyer/Tenant promises to provide Seller/Landlord with accurate information about family composition, age of family members, income of all family members, assets and all related information necessary to determine eligibility, annual income, adjusted income and monthly rent.

Seller/Landlord Obligation to Provide Unit in Decent, Safe and Sanitary Condition

At the beginning of the lease period, the SFCHA shall deliver to the Buyer/Tenant a unit that is in good and safe working order and condition in regard to electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances. SFCHA shall perform an HQS inspection prior to execution of the lease agreement and shall make all necessary repairs that had been identified during the inspection. In addition, Buyer/Tenant is responsible for commissioning an independent home inspection prior to the execution of the agreements. The home inspection would identify any items that may require repair prior to the move-in. SFCHA would review the report and may, at its option, make the identified repairs.

Buyer/Tenant Obligation to Maintain Unit in Decent, Safe and Sanitary Condition

Prior to move-in and as a condition of Seller/Landlord's execution of the agreements, Buyer/Tenant would need to accept the Property "as is" on the date of execution of the agreements. During the lease term, the Buyer/Tenant shall be responsible for all repairs, maintenance and improvements upon the property, both interior and exterior. Buyer/Tenant shall have the right to make such repairs, maintenance and improvements with the prior written consent of the Seller/Landlord. Buyer/Tenant shall pay the costs of all such repairs, maintenance and improvements. Any repairs, maintenance and improvements that do not pass the inspection of the Seller/Landlord may be repaired by Seller/Landlord, at Buyer/Tenant's expense. In the event that the need for a significant repair arises and the Buyer/Tenant does not have sufficient funds to pay for such repair, the Seller/Landlord has the option to make the necessary repairs at Buyer/Tenant's expense, which may take the form of a reduced rent credit, as set forth below.

Inspections

Seller/Landlord shall perform property inspections a minimum of every six months to insure that Buyer/Tenant is maintaining the unit in decent, safe and sanitary conditions. Any deficiencies identified by Seller/Landlord shall be corrected by Buyer/Tenant within thirty (30) days, or the Seller/Landlord may make such repairs at Buyer/Tenant's expense. Failure to correct such deficiencies shall constitute a breach in the agreement and may result in termination of the lease agreement.

Termination

The lease may be terminated for serious violations of material terms of the lease, including but not necessarily limited to the following: failure to pay rent when due; failure to pay utility bills when due; misrepresentation of family income, assets or composition; failure to supply in a timely fashion, any information on family income or composition needed to process annual recertification; failure to maintain the unit in a decent, safe and sanitary condition and/or to correct deficiencies within thirty days as identified by Seller/Landlord in any of its six month inspections; criminal activity by Buyer/Tenant or guest, including offensive weapons or illegal drugs seized on premises by a law enforcement officer.

Summary of Option to Purchase Terms

The Option to Purchase Agreement is attached as Exhibit 1. The most critical terms of this agreement are summarized below.

Determination of Purchase Price

All homes would be sold at appraised value, plus the amount of closing and settlement charges paid by SFCHA at closing of the acquisition, plus estimated HOA fees to be incurred by SFCHA over the term of the option to purchase agreement. The appraised value would be determined by an appraisal performed by a certified residential appraiser selected by the County and with offices in Santa Fe. The appraisal would be completed prior to advertising the availability of the home for this rent-to-own program. The appraisal would be applicable for one hundred twenty (120) days and would be updated, if needed, within thirty (30) days of execution of the option to purchase agreement.

Recapture of Subsidies and Appreciation Control

The Buyer/Tenant must agree to sign a note and mortgage at closing which provides for SFCHA sharing in the appreciation from home sale, if the home is sold within a five (5) year period after closing. The appreciation share to be realized by the SFCHA is calculated by dividing the total subsidy provided to the homeowner by the contract sales price. After this five year period expires, the homeowner would no longer be required to share any appreciation from home sale with the SFCHA.

In addition, the Buyer/Tenant would be required to sign a note and mortgage at closing which allows the County or SFCHA to recapture any assistance provided to the homebuyer in the form of down payment assistance or other subsidy loan.

Term of Option to Purchase Agreement

The term of the option to purchase agreement would be the lesser of twenty four (24) months or the term of the lease agreement, including extensions. The term of the Option to Purchase Agreement may be extended beyond twenty four (24) months at the sole discretion of the Seller/Landlord. If the Buyer/Tenant has not exercised its right to purchase the property by providing Seller/Landlord with an executed written notice of intent to purchase within the term of the option to purchase agreement, the

option to purchase agreement would be null and void and the Seller/Landlord may retain the consideration paid for the option to purchase, as described below. Any violation of the rental lease agreement which would cause that agreement to be terminated would also result in termination of the option to purchase.

Option Consideration

The non-refundable consideration paid by the Buyer/Tenant to the Seller/Landlord for entering into the option to purchase agreement would equal one percent of the effective purchase price of the home (contract sales price minus the estimated amount of subsidy to be provided to the homeowner by the County or SFCHA). The amount that the Buyer/Tenant pays as security deposit for the rental lease agreement may be included in the total amount of Option Consideration, although the security deposit amount may be refunded to the Buyer/Tenant regardless of whether the option to purchase is exercised. The option consideration would be paid at the time the Buyer/Tenant executes the option to purchase agreement. The option consideration, including the security deposit amount, would be credited to the purchase price at closing under the conditions set forth in the option to purchase agreement.

Rent Credit

The rent credit is the amount of the Buyer/Tenant's monthly rent that is credited toward the Purchase Price. The amount of monthly rent credit would be calculated by taking the actual monthly rent paid by the Buyer/Tenant, per the lease agreement, and multiplying that amount by 0.5. The amount of the rent credit may be decreased to compensate the Seller/Landlord for the cost of property repairs which it makes during the term of the agreement.

Fiscal Impact

See attached fiscal impact report.

Staff Recommendation

Approve this Resolution 2013-07HB which would authorize and implement this rent-to-own program for use on Santa Fe County Housing Authority - owned homes purchased under the Foreclosure Prevention Program.

Attachments

Exhibit 1: Resolution No. 2013-07HB

Exhibit 2: Option to Purchase Agreement

Exhibit 3: Fiscal Impact Report

SANTA FE COUNTY
HOUSING AUTHORITY BOARD RESOLUTION No. 2013-07HB

A RESOLUTION OF THE SANTA FE COUNTY HOUSING AUTHORITY BOARD ADOPTING A RENT-TO-OWN PROGRAM AND POLICY AND DELEGATING SIGNATURE AUTHORITY FOR TRANSACTIONS VALUED AT TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000) AND BELOW TO THE COUNTY MANAGER FOR THE NEGOTIATION, SALE AND LEASE OF HOMES UNDER THE RENT-TO-OWN PROGRAM

WHEREAS, on December 14, 2010, the Board of County Commissioners and the Housing Authority Board approved Resolution No. 2010-241 and Resolution No. 2010-19HB approving the Foreclosure Prevention Program and Policy; and

WHEREAS, on July 31, 2012, the Board of County Commissioners and the Housing Authority Board approved Resolution No. 2012-83 and Resolution No. 2012-21HB which rescinded the 2010 resolutions and implemented a new Foreclosure Prevention Program and Policy; and

WHEREAS, one of the actions authorized under the Foreclosure Prevention Program and Policy calls for the acquisition of homes that are in default or foreclosure and which were purchased under the County affordable housing program;

WHEREAS, Santa Fe County Housing Authority has purchased 5 homes and sold 3 homes under the Foreclosure Prevention Program and Policy and has discovered that a strong first-time homebuyers market exists for homes priced, after subsidy, under \$150,000; and

WHEREAS, it is difficult for new homes to be produced and offered at a purchase price, after subsidy, of under \$150,000 and that most of the existing homes purchased under the County affordable housing program and now available for purchase and sale can be acquired for an after-subsidy price of below \$150,000;

WHEREAS, many first-time homebuyers who have sufficient income to qualify for an affordable home purchase find it difficult to purchase homes because of low credit scores, high debt levels and little money saved for down payment; and

WHEREAS, a rent-to-own program provides income qualified households with the opportunity, time and incentive to repair credit, reduce debt and increase savings necessary for down payment on an affordable home; and

NOW, THEREFORE, BE IT RESOLVED that the Santa Fe County Housing Authority Board hereby adopts the Rent-to-Own Program and Policy attached hereto as Exhibit "A".

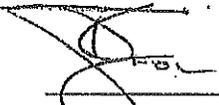
APPROVED, ADOPTED AND PASSED this _____ day of _____, 2013.

SANTA FE COUNTY HOUSING AUTHORITY BOARD

Kathy Holian, Chairperson

Geraldine Salazar, County Clerk

APPROVED AS TO FORM:



Stephen C. Ross, County Attorney

EXHIBIT A

Santa Fe County Rent-to-Own Program The Santa Fe County Housing Authority -and- The Santa Fe County Affordable Housing Program

Activity Description

Through its continuing purchases of affordable homes authorized under the Foreclosure Prevention Program and Policy, the SFCHA would make available homes for rent and purchase by low income households with incomes under eighty percent (80%) of Area Median Income. Upon selection, the household would execute both a rental lease agreement and an option to purchase agreement. The household would use the time during the rental period to work with trained homebuyer counselors to repair credit, reduce debt and build savings to be used as part of a down payment for purchase of the subject home. The purchase price of the home would be locked in at the time of execution of the option to purchase agreement, and a portion of the monthly rent would be applied as a credit against the purchase price.

The option to purchase agreement gives the household the right to purchase the property within a designated term. To exercise this right, the household must execute a notice of intent to purchase which would specify a closing date for the purchase. If closing does not occur within twenty-four months after execution of the option to purchase agreement, and lease agreement, the agreement would be terminated, unless SFCHA, in its sole discretion, chooses to extend the term of the option to purchase agreement and the rental lease agreement.

Eligibility Requirements

HUD sets forth minimum and maximum requirements for households purchasing a property under a homeownership program, including lease to purchase, with some flexibility in setting such requirements reserved for the local housing authority. Applications are reviewed to determine if these threshold requirements are met. The applicant must meet these requirements in order for the application to be placed on the waiting list.

Maximum and Minimum Income Requirement

An applicant for the program must have a maximum household income at or under 80% of Santa Fe Area Median Income (AMI) for the applicable household size, and a minimum household income greater than 50% of AMI for the applicable household size, as set forth by HUD. An income qualification would

be performed as part of the application review process and an annual income recertification would be performed by staff to insure continued eligibility for the program.

Minimum and Maximum Assets Requirement

There are no minimum and maximum asset requirements for this program, although income from assets would be imputed according to HUD rules and the applicant would need to demonstrate sufficient funds to meet the down payment requirement described below.

Down Payment Requirement

The applicant must agree to contribute from its own resources a minimum of one percent (1%) of the purchase price, after subsidy, in down payment funds. The applicant must illustrate that these funds are available. If the applicant does not have these funds available at the time of application, a savings plan must be presented with the application which demonstrates how the funds will be accumulated prior to closing on the home purchase by the end of the lease term.

Housing Cost/Income Ratio

To determine applicant eligibility to purchase a particular home in the program, staff will calculate the applicant's estimated monthly payments for mortgage principal, interest, taxes, insurance, homeowners' association fees, and utilities for the preferred housing type. The estimated total housing cost must not exceed thirty five percent (35%) of the applicant's adjusted income, plus any subsidy that will be available for such payments. Staff will review an application for a particular home using the stated purchase price of the home, available subsidy package, applicant monthly income, current interest rates for a thirty year term mortgage, estimated down payment, and other factors to determine the applicant's estimated housing cost ratio. If staff determines that the applicant can meet this HUD requirement, then the application is placed on the waiting list.

Minimum Credit Score

As part of its application, the applicant would provide credit scores from the three primary rating agencies. The minimum credit score for an applicant from the lowest of the rating agencies is 500. When there are two borrowers in the household with credit scores, each must meet this minimum requirement.

Not Buyer-Ready Determination and Action Plan Requirement

The rent-to-own program is designed for households who have the income to qualify for a mortgage loan, but who are not yet buyer-ready due to poor credit scores, high debt levels and lack of savings for a down payment. In the application, the applicant must provide a letter from a lender or a non-profit homebuyer counseling agency stating that the applicant is not yet buyer-ready and is not able at this time to qualify for a mortgage loan at market rates. Prior to submitting the application, the applicant must have worked with a local non-profit organization to create an action plan for reducing debt,

improving credit scores, increasing savings and becoming buyer-ready. The action plan must be submitted as part of the application.

Owner Occupied

An applicant must provide a written certification that the Property will be their full-time residence.

First-Time Homebuyer

The applicant must provide a written certification that they are a first-time homebuyer, meaning that they have not owned a home in the past three years.

Requirement for Homebuyer Training and Financial Fitness and Work Plan

As part of the application, the applicant is required to work with a local non-profit housing organization to submit an action plan for reducing debt, improving credit scores, and increasing savings, so that a applicant can become buyer-ready, be approved for a mortgage loan and proceed to closing on the home purchase. As part of the action plan, the applicant must also agree to participate in one-on-one counseling with the non-profit staff. The applicant must also agree to enroll in and complete homebuyer training and financial fitness classes with that non-profit organization during the term of the agreement.

Employment

The applicant must be working with the same employer for a minimum of twelve months in order to qualify for the rent-to-own program.

Criminal Background Checks

The same requirements that the SFCHA uses for eligibility for the housing choice voucher program in regard to applicant's history of criminal convictions, evictions, etc. would be used for this program.

Selection Process

Applications for the lease and purchase of these homes would be invited during an open enrollment period advertised on the SFCHA and County websites, press releases, fliers, local newspapers and through advertised open houses. All advertising would be performed in compliance with HUD fair housing requirements. Applicants that submit a complete application with all required attachments, and who meet the program criteria set forth in the application package, will be placed on a waiting list in the order that their applications were received, by date and time. The open enrollment period would be closed when staff determines that there is an adequate applicant pool of households who meet all program eligibility requirements.

In the application, the applicant would be asked to identify preferences for the housing which is advertised as available during the open enrollment period, subject to the minimum household size requirements of the program. The minimum household size for a two bedroom unit is one; the minimum household size for a three bedroom unit is two; and the minimum household size for a four

bedroom unit is three. Staff would work with the first applicants on the waiting list with the objective of executing a rental lease agreement and an option to purchase agreement for the households' preferred homes. Both of these agreements would need to be executed together. If the SFCHA and applicant cannot execute the agreements for a particular home, then the SFCHA would move on to the next person on the waiting list that expressed a preference for, and qualifies for, a particular home.

The rental lease agreement would be an adaptation of a standard HUD lease agreement, with terms as set forth in this narrative. An option to purchase agreement would be in a separate form, with terms described in this narrative. Both agreements would be compliant with all applicable HUD regulations.

Summary of Rental Lease Agreement Terms

An adaptation of a model HUD public housing authority rental lease agreement will be used for this program. The most critical terms of the rental lease agreement are summarized below.

Monthly Rent

Buyer/Tenant rent is calculated by taking the lesser of the Fair Market Rent established by HUD for the particular housing type and 30% of the Buyer/Tenant's monthly adjusted income, then subtracting the HUD approved utility allowance for that housing type. The Buyer/Tenant is responsible for paying for all utilities. Rent is recalculated annually as part of an annual recertification process with the Buyer/Tenant. In addition, SFCHA must recalculate rent if a Buyer/Tenant reports a change in income, allowances or family composition.

Lease Term

The lease term shall be for a period of one year, after which time it may be extended on a month to month basis for up to an additional year at the sole discretion of the Buyer/Tenant, provided that the Buyer/Tenant is in full compliance with all provisions of the Lease Agreement and the Option to Purchase Agreement, and provided that the Buyer/Tenant has executed a written notice of its intent to purchase with a closing date specified at a date no later than twenty four months after execution of the Lease Agreement and Option to Purchase Agreement. If the Buyer/Tenant has not provided such notice of intent to purchase by the end of the one year period, then the lease may be extended on a month to month basis with the mutual consent of the Buyer/Tenant and Seller/Landlord. In any case, the Seller/Landlord shall have no obligation to extend the Lease Agreement beyond the twenty four month anniversary date of the execution of the Lease Agreement and Option to Purchase Agreement.

Security Deposit

Buyer/Tenant agrees to pay an amount equal to one month's rent as a security deposit. The deposit will be held in escrow, with the Buyer/Tenant earning whatever the bank is paying in interest on the funds.

Utilities

The Buyer/Tenant is responsible for paying all utilities, although the monthly rent paid by the Buyer/Tenant is adjusted downward by the amount of a HUD approved utility allowance. Failure of Buyer/Tenant to promptly pay all utility bills, resulting in a service disconnection notice, shall be a breach of the Lease Agreement and may result in termination of the lease.

Buyer/Tenant Obligation to Provide True and Correct Information

Buyer/Tenant promises to provide Seller/Landlord with accurate information about family composition, age of family members, income of all family members, assets and all related information necessary to determine eligibility, annual income, adjusted income and monthly rent.

Seller/Landlord Obligation to Provide Unit in Decent, Safe and Sanitary Condition

At the beginning of the lease period, the SFCHA shall deliver to the Buyer/Tenant a unit that is in good and safe working order and condition in regard to electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances. SFCHA shall perform an HQS inspection prior to execution of the lease agreement and shall make all necessary repairs that had been identified during the inspection. In addition, Buyer/Tenant is responsible for commissioning an independent home inspection prior to the execution of the Lease Agreement and Option to Purchase Agreement. The home inspection would identify any items that may require repair prior to the move-in. SFCHA would review the report and may, at its option, make the identified repairs.

Buyer/Tenant Obligation to Maintain Unit in Decent, Safe and Sanitary Condition

Prior to move-in and as a condition of Seller/Landlord's execution of the agreements, Buyer/Tenant must accept the Property "as is" on the date of execution of the agreements. During the lease term, the Buyer/Tenant shall be responsible for all repairs, maintenance and improvements upon the property, both interior and exterior. Buyer/Tenant shall have the right to make such repairs, maintenance and improvements with the prior written consent of the Seller/Landlord. Buyer/Tenant shall pay the costs of all such repairs, maintenance and improvements. Any repairs, maintenance and improvements that do not pass the inspection of the Seller/Landlord may be repaired by Seller/Landlord, at Buyer/Tenant's expense. In the event that the need for a significant repair arises and the Buyer/Tenant does not have sufficient funds to pay for such repair, the Seller/Landlord has the option to make the necessary repairs at Buyer/Tenant's expense, which may take the form of a reduced rent credit, as set forth below.

Inspections

Seller/Landlord shall perform property inspections a minimum of every six months to insure that Buyer/Tenant is maintaining the unit in decent, safe and sanitary conditions. Any deficiencies identified by Seller/Landlord shall be corrected by Buyer/Tenant within thirty (30) days, or the Seller/Landlord may make such repairs at Buyer/Tenant's expense. Failure to correct such deficiencies shall constitute a breach in the agreement and may result in termination of the lease agreement.

Termination

The lease may be terminated for serious violations of material terms of the lease, including but not necessarily limited to the following: failure to pay rent when due; failure to pay utility bills when due; misrepresentation of family income, assets or composition; failure to supply in a timely fashion, any information on family income or composition needed to process annual recertification; failure to maintain the unit in a decent, safe and sanitary condition and/or to correct deficiencies within thirty days as identified by Seller/Landlord in any of its six month inspections; criminal activity by Buyer/Tenant or guest, including offensive weapons or illegal drugs seized on premises by a law enforcement officer.

Summary of Option to Purchase Terms

The most critical terms of the Option to Purchase Agreement which must be executed along with the rental lease agreement are summarized below.

Determination of Purchase Price

All homes would be sold at appraised value, plus the amount of closing and settlement charges paid by SFCHA at closing of the acquisition of the home, plus estimated HOA fees to be incurred by SFCHA over the term of the Option to Purchase agreement. The appraised value would be determined by an appraisal performed by a certified residential appraiser selected by the County and with offices in Santa Fe. The appraisal would be completed prior to advertising the availability of the home for this rent-to-own program. The appraisal would be applicable for one hundred twenty (120) days and would be updated , if needed, within thirty (30) days of execution of the option to purchase agreement.

Recapture of Subsidies and Appreciation Control

The Buyer/Tenant must agree to sign a note and mortgage at closing which provides for SFCHA sharing in the appreciation from home sale, if the home is sold within a five (5) year period after closing. The appreciation share to be realized by the SFCHA is calculated by dividing the total subsidy provided to the homeowner by the contract sales price. After this five year period expires, the homeowner would no longer be required to share any appreciation from home sale with the SFCHA.

In addition, the Buyer/Tenant would be required to sign a note and mortgage at closing which allows the County or SFCHA to recapture any assistance that it provided to the homebuyer in the form of down payment assistance or other subsidy loan.

Term of Option to Purchase Agreement

The term of the option to purchase agreement would be the lesser of twenty four (24) months or the term of the lease agreement, including extensions. The term of the Option to Purchase Agreement may be extended beyond twenty four (24) months at the sole discretion of the Seller/Landlord. If the Buyer/Tenant has not exercised its right to purchase the property by providing the Seller/Landlord with an executed written notice of intent to purchase within the term of the option to purchase agreement,

the option to purchase agreement would be null and void and the Seller/Landlord may retain the consideration paid for the option to purchase, as described below. Any violation of the rental lease agreement which would cause that agreement to be terminated would also result in termination of the option to purchase.

Option Consideration

The non-refundable consideration paid by the Buyer/Tenant to the Seller/Landlord for entering into the Option to Purchase agreement would equal one percent of the effective purchase price of the home (contract sales price minus the estimated amount of subsidy to be provided to the homeowner by the County or SFCHA). The amount that the Buyer/Tenant pays as security deposit for the rental lease agreement may be included in the total amount of Option Consideration, although the security deposit amount may be refunded to the Buyer/Tenant regardless of whether the option to purchase is exercised. The option consideration would be paid at the time the Buyer/Tenant executes the Option to Purchase agreement. The option consideration, including the security deposit amount, would be credited to the purchase price at closing under the conditions set forth in the option to purchase agreement.

Rent Credit

The rent credit is the amount of the Buyer/Tenant's monthly rent that is credited toward the Purchase Price. The amount of monthly rent credit would be calculated by taking the actual monthly rent paid by the Buyer/Tenant, per the lease agreement, and multiplying that amount by 0.5. The amount of the rent credit may be decreased to compensate the Seller/Landlord for the cost of property repairs which it makes during the term of this agreement.

Signatory Authority

The Santa Fe County Manager has the authority to execute rental lease agreements, option to purchase agreements and all closing documents necessary to complete the sale of a home pursuant to this program. At his or her sole discretion, the County Manager may delegate this responsibility to the Executive Director of the County Housing Authority. The County Manager may also delegate to the Executive Director of the County Housing Authority and staff the responsibility for administering the selection process for participants in this program.

Budget

The Foreclosure Prevention Program and Policy established a budget for the acquisition of homes to be leased and sold under this program. Any required operational expenditures under this program would be taken from lease revenue generated.

OPTION TO PURCHASE AGREEMENT

THIS OPTION TO PURCHASE AGREEMENT (the "Agreement"), dated this _____ day of _____, 2013, is made and entered into by and between Santa Fe County Housing Authority, a political subdivision of the State of New Mexico, whose address is 52 Camino de Jacobo, Santa Fe, New Mexico 87507 (hereinafter the "Seller/Landlord") and _____, a _____, whose address is _____ (hereinafter the "Buyer/Tenant").

WHEREAS, Seller/Landlord is the fee owner of certain property situated in Santa Fe County;

WHEREAS, Seller/Landlord and Buyer/Tenant have together executed a prior lease agreement for the Property ("Lease Agreement");

WHEREAS, Seller/Landlord and Buyer/Tenant intend that ownership of the Property shall transfer to the Buyer/Tenant upon the full completion of this Agreement;

NOW, THEREFORE, in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller/Landlord hereby grants to Buyer/Tenant an exclusive Option to Purchase the Property. The parties hereto agree as follows:

1. **DEFINITIONS.** As used in this Agreement and any exhibits annexed hereto, the following terms shall have the following meanings.

1.1. Cash: Cash shall mean legal tender of the United States, or a cashier's check or wire transfer of current funds into a bank account designated by Seller/Landlord.

1.2. Closing Date: Unless otherwise extended by written agreement of the parties, the Closing Date shall be as set forth in Buyer/Tenant's written notice of intent to purchase the Property from the Seller/Landlord.

1.3. County: Santa Fe County, a political subdivision of the State of New Mexico.

1.4. Day: The term "day" as used herein means a calendar day and the term "business day" means any day other than a Saturday, Sunday or legal holiday under the laws of the State of New Mexico.

1.5. Deed: A Special Warranty Deed.

1.6. Effective Date: The date that this Agreement is signed by the last of Seller/Landlord or Buyer/Tenant.

1.7. Escrow: An amount of money or property held conditionally by a third party title company and which is not released until specific conditions are met, as stated in the Agreement.

1.8. Escrow Agent: _____.

1.9. Hazardous Materials: Hazardous Materials are defined in Paragraph 6.1.7.

1.10 Inspection Period: The period commencing on the date that the Buyer/Tenant provides written notice to the Seller/Landlord of its intent to purchase the Property and terminating on the thirtieth (30th) day after this date, during which time the Buyer/Tenant may conduct the Inspection and Review described in Section 4 below.

1.11 Materials: All documents and reports concerning the Property to be provided by Seller/Landlord to Buyer/Tenant as provided in Paragraph 4.1.

1.12 Option to Purchase: The acquired right of the Buyer/Tenant to purchase the Property from the Seller/Landlord within a designated time period at a specified Purchase Price under the conditions set forth in the Agreement.

1.13. Property: The Property has a street address of _____, with a legal description as follows: _____

1.14. Purchase Price: The amount set forth in Section 2.6 of this Agreement.

1.15 Review: Buyer/Tenant's inspection of the Property including the review of studies, investigations, reports, lot configuration and all other evaluative investigations or studies deemed advisable by Buyer/Tenant and to be conducted by Buyer/Tenant during the Inspection Period.

1.16 Seller/Landlord: Santa Fe County Housing Authority
Katherine Miller, County Manager
52 Camino de Jacobo
Santa Fe, New Mexico 87507

1.17 Buyer/Tenant: _____

1.18 Title Policy: An Owner's Policy of Title Insurance with endorsements and exceptions acceptable to Buyer.

2. OPTION TO PURCHASE AND TERMS

2.1 Option Term. The Seller/Landlord hereby grants the Buyer/Tenant an exclusive Option to Purchase the Property. The Seller/Landlord agrees that it will not attempt the sale of the Property to any other party while this Agreement is in effect. The Option Term will begin on .

_____ and expire on _____. The Option Term may be extended at the sole discretion of the Buyer/Tenant provided that a written notice of intent to purchase has been executed prior to the expiration of the Option Term, with a closing date specified no later than twenty four months after execution of the Agreement. The Option Term may be extended with the mutual consent of Buyer/Tenant and Seller/Landlord if no written notice of intent has been executed. Seller/Landlord is under no obligation to extend the Option Term beyond the twenty four month anniversary date of this Agreement.

2.2 Notice of Intent to Purchase Required. To exercise the Option to Purchase the Property, the Buyer/Tenant must deliver to the Seller/Landlord written notice of Buyer/Tenant's intent to purchase. This written notice must specify a Closing Date. If this written notice is not executed prior to the end of the Option Term, this Agreement may be extended with the mutual consent of the Buyer/Tenant and Seller/Landlord, provided that the Closing date is set no later than twenty four months after execution of the Agreement.

2.3 Option Consideration. As consideration for entering into this Option to Purchase, the Buyer/Tenant shall pay the Seller/Landlord a non-refundable fee of _____ (\$_____) receipt of which is hereby acknowledged by the Seller/Landlord. The security deposit received by Seller/Landlord as part of the rental lease agreement shall also be included as Option Consideration. This amount shall be credited to the Purchase Price at closing if the Buyer/Tenant timely exercises this Option to Purchase and provided that the Buyer/Tenant is not in default of the Lease Agreement and closes the conveyance of the Property. The Seller/Landlord shall retain the Option Consideration, not including the security deposit, if the Buyer/Tenant defaults on the Lease Agreement or this Agreement, does not exercise the Option to Purchase or fails to close the conveyance within the Option Term.

2.4 Exclusivity of Option. This Option to Purchase is exclusive and non-assignable and exists solely for the benefit of the Seller/Landlord and the Buyer/Tenant. Should the Buyer/Tenant attempt to assign, convey, delegate or transfer this Option to Purchase without the Seller/Landlord's express written permission, any such attempt shall be deemed null and void.

2.5 Purchase and Sale. Upon satisfaction of all terms and conditions of this Agreement, Seller/Landlord agrees to sell, convey, assign, transfer and deliver to Buyer/Tenant free and clear of all claims, encumbrances, leases, debts, liabilities, obligations and the like, other than those disclosed in the title commitment and final policy, and Buyer/Tenant agrees to purchase from Seller/Landlord the Property, for the price and upon all the terms and conditions set forth in this Agreement.

2.6 Purchase Price. The Purchase Price is _____ Dollars (\$_____). Buyer/Tenant and Seller/Landlord agree that _____ Dollars (\$_____) of each month's rent shall be credited toward the Purchase Price, provided that each payment is current, according to the terms of the Lease Agreement. Credit shall not be provided for any late payment of rent. Buyer/Tenant and Seller/Landlord agree that the full amount of the Option Consideration, including the security deposit applied as part of the Lease Agreement, shall be credited toward the Purchase Price provided that all terms and conditions of this Agreement and the Lease Agreement are met.

2.7 County Affordability Mortgage and Lien. To secure a loan of _____ Dollars (\$ _____) provided to Buyer/Tenant by County at closing under its affordable housing program, the Buyer/Tenant agrees, at closing, to execute a note and second mortgage in favor of the County. Buyer/Tenant understands that this assistance is a loan and must be repaid to the County according to the terms of the note and mortgage.

2.8 Housing Authority Appreciation Share Lien. The Buyer/Tenant agrees, at closing, to execute a note and third mortgage in favor of the Housing Authority which secures the right to share in a proportionate amount of appreciation realized from home sale within a five (5) year period after the closing of the purchase. The amount of appreciation to be shared with the Housing Authority shall be calculated by dividing the total subsidy provided to the homeowner by the contract sales price. After the expiration of the five (5) year period, the note and mortgage shall be forgiven.

2.9 Tenant/Buyer Responsibility for Repairs, Maintenance and Improvements. Buyer/Tenant is responsible for paying for an independent home inspection prior to the execution of the Agreement. Buyer/Tenant accepts the Property to be in workable condition "as is" on the date of execution of this Agreement, after any repairs that the Seller/Landlord chooses to perform, at its discretion, as a result of the home inspection. As of the date of this Agreement, Buyer/Tenant shall be responsible for all repairs, maintenance and improvements upon said Property, both interior and exterior. Buyer/Tenant shall have the right to make such repairs, maintenance, and improvements as Buyer/Tenant shall deem necessary, with the prior written consent of the Seller/Landlord. Buyer/Tenant shall pay the costs of all such repairs, maintenance and improvements. Repairs that are not performed as required or that do not pass the inspection of the Seller/Landlord may be repaired by Seller/Landlord, at Buyer/Tenant's expense. In the event the Buyer/Tenant exercises the Option to Purchase through provision of its written notice of intent to purchase and through no fault of the Buyer/Tenant, the Seller/Landlord fails to convey the Property to Buyer/Tenant in accordance with the terms of the Agreement, the Buyer/Tenant shall be entitled to reimbursement for the cost of all prior approved repairs, maintenance and improvements. If Buyer/Tenant cannot make required repairs, maintenance and improvements, the Seller/Landlord may make the repairs, maintenance and improvements at Buyer/Tenant's expense, which may take the form of a reduced rent credit, as set forth in Section 2.6.

2.10 Financing. Seller/Landlord makes no representations or warranties as to the availability of financing regarding this Option to Purchase. Buyer/Tenant is solely responsible for obtaining financing in order to exercise this Option to Purchase. Both parties acknowledge that it is impossible to predict the availability of obtaining financing for the purchase of the Property. Obtaining financing shall not be held as a condition of performance of this Agreement.

2.11 Personal Property Included. The Property will include the following, if existing on the Property, unless excluded as stated in Section 2.12: smoke, fire, security and water conditioning systems (if owned by Seller/Landlord); heating, ventilating and air conditioning systems; landscaping; sprinklers/irrigation equipment; storm windows and doors, screens, window coverings and rods; TV antennas, satellite dishes and receiver with access card (if

owned by Seller/Landlord and if transferable); light fixtures; ceiling fans; range; oven; dishwasher; garbage disposal; attached mirrors; attached floor coverings; awnings; mailboxes; fireplace grate and screen; garage door openers and controls; outdoor plants and trees; washer and dryer; microwave; and refrigerator.

2.12. Personal Property Excluded. The following items are excluded from the sale:

3. TITLE AND SURVEY.

3.1. Procedure for Approval of Title. Within five (5) business days after the Seller/Landlord's receipt of the Buyer/Tenant's written notice of intent to purchase per Section 2.2, Seller/Landlord shall deliver to Buyer/Tenant a commitment for an Owner's Title Insurance Policy showing title to the Property in Seller/Landlord and proposing to insure the Buyer/Tenant in the amount of the Purchase Price and issued by the Escrow Agent along with legible copies of all underlying documents referred to therein. The commitment and all matters affecting title to, or use of, the Property shall be subject to Buyer/Tenant's approval or disapproval in writing on or before the conclusion of the Inspection Period, as follows: If Buyer/Tenant shall fail to approve the commitment, any exceptions, the survey (as hereinafter defined) and any of the other title matters with respect to the Property by written notice given to Seller/Landlord on or before the conclusion of the Inspection Period, the condition of title to the Property shall be deemed disapproved by Buyer/Tenant. If, before the conclusion of the Inspection Period, Buyer/Tenant shall disapprove by written notice any particular matter affecting title to the Property or the condition of the property, Seller/Landlord may, at Seller/Landlord's discretion, agree to use its best efforts to eliminate promptly (but in no event later than ten (10) days after such notice) such disapproved matter. If Seller/Landlord does not agree to eliminate such disapproved matter by written notice thereof to Buyer/Tenant within ten (10) days, Buyer/Tenant shall have the right to waive its prior disapproval, in which event such previously disapproved matter shall be deemed approved. If Buyer/Tenant shall fail to waive its prior disapproval before the conclusion of the Inspection Period or the date ten (10) days after the Buyer/Tenant's notice of disapproval if after the conclusion of the Inspection Period, then (a) such disapproval shall remain in effect; (b) this Agreement and the escrow shall thereupon be terminated; (c) the Escrow Agent shall immediately return all documents to the parties; and (d) the parties shall be relieved of any further obligation to each other with respect to this Agreement and the Property. Both parties agree to execute promptly those documents reasonably requested by Escrow Agent to evidence termination of this Agreement.

3.2. Buyer's Title Policy. Buyer/Tenant's title to the Property shall be evidenced by an Owner's Policy of Title Insurance, paid for by Buyer/Tenant and reasonably acceptable to Buyer/Tenant and including such other endorsements as are available in New Mexico and as Buyer/Tenant reasonably requires, for the purchase of the Property insuring Buyer/Tenant, as owner of fee title to the Property free and clear of all liens, encumbrances, leases, debts, liabilities, obligations and the like, subject only to any matters approved or waived by Buyer/Tenant.

3.3. Survey. Within ten (10) business days after the Seller/Landlord's receipt of the Buyer/Tenant's written notice of intent to purchase per Section 2.2, Buyer/Tenant shall pay for a survey procured by Seller/Landlord, sufficient to cause the Title Company to remove Survey Title Exceptions from the title policy.

4. INSPECTION AND REVIEW.

4.1. Review. Immediately upon the Seller/Landlord's receipt of the Buyer/Tenant's written Option to Purchase, Seller/Landlord shall make available to Buyer/Tenant all documents ("the Materials"), presently available to Seller/Landlord or within their control concerning the Property, including without limitation:

- (a) any leases, easements, reservations, conditions, covenants, restrictions, rights-of-way, homeowners association material and other documents, whether recorded or unrecorded and surveys;
- (b) any subdivision plans and floor plans currently available to Seller/Landlord;
- (c) County assessed value and property taxes levied in the previous year on the Property;
- (d) declaration of Covenants, Conditions and Restrictions recorded against the property and Bylaws, Design Guidelines and other related information for the _____ Homeowners Association.
- (e) note and mortgage documents to be used by the County to secure any subsidy loan and down payment assistance that may be provided to the Buyer/Tenant at closing.
- (f) a Housing Quality Standards (HQS) inspection that is prepared per Department of Housing and Urban Development regulations, or an equivalent assessment which discloses pertinent information on the building.

Buyer/Tenant acknowledges the receipt of the documents referenced in (a), (b), (c), (d), (e) and (f) above by initialing here. _____

Buyer/Tenant has commenced and may continue, at its cost and expense, its own investigation of the Property and the suitability of the Property for Buyer/Tenant's purposes ("the Review"). Such investigation may include, without limitation a review of "the Materials," a study of the feasibility of Buyer/Tenant's acquisition of the Property, and other matters related to building inspection, including but not limited to the following: structural integrity, electrical, heating/air conditioning, plumbing, roof, lead-based paint evaluation, pool/spa/hot tub equipment, wood destroying insects, dry rot, radon, mold, square foot measurement, water and sewer line

inspections, phase one environmental inspection and soil tests. It is strongly recommended that Buyer/Tenant make any other investigations that Buyer/Tenant may deem necessary or appropriate under the circumstances, in Buyer/Tenant's sole and absolute discretion. Buyer/Tenant, in its sole discretion, may terminate the contract during the inspection and all documents belonging to Buyer/Tenant and in Seller/Landlord's possession shall be returned to Buyer/Tenant. If this Agreement is terminated without any material breach of this Agreement by Seller/Landlord, Buyer/Tenant shall return the Materials to the Seller/Landlord.

Buyer/Tenant understands that although conditions and defects are often difficult to locate and discover, all real property and improvements contain defects and conditions which may not be readily apparent and which may affect the value or desirability of the Property. Buyer/Tenant acknowledges Buyer/Tenant's own affirmative duty to exercise reasonable care to protect themselves in all matters regarding inspection of the Property.

4.2. Approval of Review. This purchase shall be subject to Buyer/Tenant's approval or disapproval, in Buyer/Tenant's sole and absolute discretion, until 5:00 p.m. (MST) on the date of the termination of the Inspection Period. Buyer/Tenant shall provide written notice of disapproval to Seller/Landlord and Escrow Agent on or before the termination of the Inspection Period. In the event Buyer/Tenant provides written notice of disapproval to Seller/Landlord and Escrow Agent, then: (a) the Materials shall be returned to Seller/Landlord; (b) this Agreement shall be deemed terminated and the escrow canceled; and (c) the parties shall be relieved of any further obligations to each other with respect to the purchase and sale of the Property. Buyer/Tenant's failure to provide written notice of disapproval shall be deemed an approval of the Review. Both parties shall execute promptly those documents reasonably requested by Escrow Agent or the other party to evidence termination of this Agreement.

4.3. Inspection Period, Extension. The Inspection Period shall begin on the date of Seller/Landlord's receipt of Buyer/Tenant's written notice of intent to purchase and shall have a term of thirty (30) days. The Inspection Period may be extended by Buyer/Tenant upon written notice to Seller/Landlord at any time prior to the conclusion of the thirty (30) day period for an additional fifteen (15) days, in Buyer/Tenant's sole and absolute discretion, to continue the Review, subject to the limitations of Section 2.2.

5. **CONDITIONS TO PERFORMANCE OF AGREEMENT; REMEDIES**

5.1. Conditions to Buyer/Tenant's Obligations. Buyer/Tenant's obligation to purchase the Property is conditioned upon satisfaction (or waiver in writing by Buyer/Tenant) of each of the following conditions, even if the failure of any condition occurs after the Inspection Period:

5.1.1. All representations and warranties made by Seller/Landlord in this Agreement shall be complete and accurate at and as of the Closing Date;

5.1.2. Buyer/Tenant shall have approved the purchase on or before the termination of the Inspection Period (or the extension thereof);

5.1.3. Seller/Landlord shall deliver a Deed to the Property and such other documents as are sufficient to convey title to the Property to Buyer/Tenant. The Deed shall be in a form that is reviewed by and acceptable to Buyer/Tenant prior to closing;

5.1.4. The Escrow Agent has irrevocably committed in writing to issue the Title Policy in form and content required under the commitment approved by Buyer/Tenant;

5.1.5. The conditions set forth in Paragraph 6.1 below shall have been satisfied;

5.1.6. Seller/Landlord shall have removed all personal property from the Property to the satisfaction of the Buyer/Tenant prior to the Closing Date.

5.1.7. Buyer/Tenant executes a County Affordability Mortgage and Lien in an amount of _____ (\$_____); and Buyer/Tenant receives a first mortgage loan from a private lender up to an amount of _____ (\$_____).

5.1.8. Buyer/Tenant executes a note and mortgage which secures the right of the Housing Authority to share in the appreciation of the Property, if the Property is sold within a five (5) year period following closing, as set forth in Section 2.8.

5.1.9. Buyer/Tenant shall not be obligated to complete the purchase of the Property if the purchase price exceeds the current estimated market value as established by a real estate appraiser approved by the lender.

5.2. Conditions to Seller/Landlord's Obligations. Seller/Landlord's obligation to sell the Property to Buyer/Tenant is conditioned upon satisfaction (or waiver in writing by Seller/Landlord) of each of the following conditions:

5.2.1. All representations and warranties made by Buyer/Tenant in this Agreement shall be complete and accurate at and as of the Closing Date;

5.2.2. Buyer/Tenant's delivery of the Purchase Price for the Property and all other funds and documents required of Buyer/Tenant to comply with its obligations hereunder; and

5.2.3. The conditions set forth in Paragraph 6.2 below.

5.2.4. Buyer/Tenant certification that the Property shall be used as Buyer/Tenant's primary residence; by signing this purchase agreement, Buyer/Tenant certifies that the Property shall be used as Buyer/Tenant's primary residence.

5.2.5. Buyer/Tenant's execution of a note and mortgage securing the subsidy loan provided by the County and the appreciation share due the Housing Authority over the five (5) year period following closing.

5.2.7. Buyer/Tenant's compliance with all of the terms of the Lease Agreement for the Property.

5.3. Material Breach – Remedies.

5.3.1. Seller/Landlord's Breach. In the event Seller/Landlord commits any material breach of this Agreement and fails to cure such material breach within ten (10) days following Buyer/Tenant's written notice to Seller/Landlord describing such breach and what cure is deemed necessary, then Buyer/Tenant, at its option, upon ten (10) days written notice to Seller/Landlord and Escrow Agent, may elect to: (a) terminate this Agreement in which case Seller/Landlord shall be obligated to reimburse Buyer/Tenant for its reasonable and necessary out-of-pocket costs and expenses incurred pursuant to this Agreement, including the Option Consideration per Section 2.3, the Rent Credit per Section 2.6, and all Buyer/Tenant's expenditures made on behalf of the Seller/Landlord per Section 2.8 or (b) waive such material breach and proceed to close; provided, however, that if Seller/Landlord refuses (or is unable due to Seller/Landlord's deliberate act or omission) to sign and deliver the Deed or to sign and deliver any other document which Seller/Landlord is required to sign and deliver, then Buyer/Tenant, in addition to its option to terminate this Agreement or to waive Seller/Landlord's breach as provided above, shall also have the option to seek specific performance (if the remedy of specific performance is available) of Seller/Landlord's agreement to sign and deliver the Deed and other documents required to be signed and delivered by Seller/Landlord at closing; or (c) pursue an action for damages.

If Buyer/Tenant elects to terminate this Agreement, (a) the escrow shall be cancelled; (b) all documents shall be returned to the parties which deposited them in Escrow and (c) Option Consideration, Rent Credit and Buyer/Tenant's expenditures made on behalf of the Seller/Landlord per Section 2.8 shall be paid by Seller/Landlord to Buyer/Tenant.

5.3.2. Buyer/Tenant's Breach. In the event Buyer/Tenant commits any other material breach of this Agreement, and in each case fails to cure such material breach within ten (10) days following Seller/Landlord's written notice to Buyer/Tenant describing such breach and what cure is deemed necessary, then Seller/Landlord, at its option and as its sole remedy, upon ten (10) days written notice to Buyer/Tenant and Escrow Agent, may elect either to terminate this Agreement or to waive the material breach and proceed to closing. If Seller/Landlord elects to terminate this Agreement:

- (a) the escrow shall be canceled;
- (b) the Buyer/Tenant shall return the Materials to the Seller/Landlord; and
- (c) all other documents shall be returned to the parties who prepared or deposited them.

(d) the Option Consideration paid by Buyer/Tenant, less the security deposit amount, and the amount of rent paid by Buyer/Tenant that would otherwise be applied as rent credit toward the purchase price shall be retained by the Seller/Landlord.

(e) all repairs, maintenance and improvements made by the Buyer/Tenant shall remain on the Property for the benefit of the Seller/Landlord and the Buyer/Tenant shall not be due any reimbursement.

6. REPRESENTATIONS, WARRANTIES AND MUTUAL COVENANTS.

6.1. Representations and Warranties of Seller/Landlord.

Seller/Landlord hereby represents and warrants to Buyer/Tenant that the following statements are true and correct as of the date hereof and shall be as of the Closing Date, and the truth and accuracy of such statements shall constitute a condition to all of Buyer/Tenant's obligations under this Agreement;

6.1.1. Seller/Landlord has full right, power and authority to enter into this Agreement for the sale of the Property and all documents contemplated hereby or delivered or to be delivered in connection herewith and to perform its obligations hereunder;

6.1.2. The sale of the Property has been authorized by all necessary action on the part of Seller/Landlord, and the persons who have executed and delivered this Agreement and all other instruments required under this Agreement on behalf of Seller/Landlord have been duly authorized to execute the same on behalf of Seller/Landlord;

6.1.3. Seller/Landlord is not in breach or violation of, and the execution, delivery and performance of this Agreement will not result in a breach or violation of, any of the provisions of Seller/Landlord's operating agreement, as amended to the date of this Agreement, or other governing documents or any agreement to which it is a party or otherwise bound, or constitute a violation of any law, rule, regulation or any court order or decree applicable to Seller/Landlord or result in acceleration of any lien or encumbrance upon the Property or any part thereof, except for such rights of acceleration that may arise under a mortgage upon a conveyance of the Property;

6.1.4. This Agreement for the sale of the Property is the legal, valid and binding obligation of Seller/Landlord enforceable against Seller/Landlord in accordance with its terms, except in each case as such enforceability may be limited by general principles of equity, bankruptcy, insolvency, moratorium and similar laws relating to creditors' rights generally;

6.1.5. There is no action, claim, litigation, proceeding or governmental investigation pending against Seller/Landlord or the Property or, to Seller/Landlord's best knowledge, threatened, against Seller/Landlord which might directly or indirectly, have a material adverse effect upon the use, title, operation or development of the Property;

6.1.6. Seller/Landlord has received no written notice or, to Seller/Landlord's best knowledge, oral notice of any proposed or contemplated condemnation of the Property, or any part thereof, and Seller/Landlord has received no written notice or, to Seller/Landlord's best knowledge, oral notice of the intent or desire of any governmental or public or private authority or public utility to appropriate or use the Property, or any part thereof;

6.1.7. Neither Seller/Landlord nor, to Seller/Landlord's best knowledge, any other person has used, generated, manufactured, stored or disposed of, on or under the Property or any part thereof, or in the immediate vicinity thereof, or transferred to or from the Property or any part thereof, any "Hazardous Materials." For purposes of this Agreement, "Hazardous Materials" are defined as any radioactive materials, hazardous waste, toxic substances, petroleum products or by-products, or any other materials or substances which under federal, state or local statute, law, ordinance, governmental regulation or rule would require Buyer/Tenant's removal, remediation or clean up, including, without limitation, substances defined as "extremely hazardous substances," "hazardous substances," "hazardous materials," "hazardous waste," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, *et seq.*; the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. §§11001-11050; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, *et seq.*; the Resources Conservation and Recovery Act, 42 U.S.C. §6901, *et seq.*; and in the regulations adopted and publications promulgated pursuant to said laws; together with any substance, product, waste or other material of any kind or nature whatsoever which may give rise to liability under any federal, state or local law, ordinance, rule or regulation relating thereto, or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability, or under any reported decision of any federal or state court.

6.1.8. Seller shall deliver a Deed of the Property sufficient to convey good marketable title to the Property in fee simple, free and clear of any and all liens and encumbrances and as otherwise provided in this Agreement.

6.2. Representations and Warranties by Buyer/Tenant. Buyer/Tenant hereby represents and warrants to Seller/Landlord that the following statements are true and correct as of the date hereof and shall be as of the Closing Date, and the truth and accuracy of all such statements shall constitute a condition to all of Seller/Landlord's obligations under this Agreement:

6.2.1. Buyer/Tenant has full right, power and authority to enter into this Agreement and all documents contemplated hereby or delivered or to be delivered in connection herewith, and to perform its obligations hereunder; and

6.2.2. The execution and delivery of this Agreement and consummation of the sale contemplated hereby will not conflict with any agreement to which Buyer/Tenant is bound, or result in any breach or violation of any law, rule, regulation or any court order or decree applicable to Buyer/Tenant.

6.3. Mutual Covenants. Following the mutual execution of this Agreement:

6.3.1. Seller/Landlord and Buyer/Tenant shall deliver to each other and Escrow Agent any documents reasonably requested by Escrow Agent evidencing that each has the authority to enter into this Agreement and to consummate the transactions contemplated hereby.

6.3.2. Buyer/Tenant shall maintain the Property and all portions thereof in its current condition, and condition after inspection by Buyer/Tenant under the terms of the Lease Agreement.

6.3.3. Seller/Landlord shall enter into no new leases, contracts, agreements, encumbrances, or instruments or make any material modifications to any existing leases, contracts, agreements, encumbrances or instruments which, in either case may: (a) further encumber, affect the ownership, use or development of the Property, or (b) by its terms would not be fully performed before the Closing Date, without the prior written consent of Buyer/Tenant: and

6.3.4. Seller/Landlord and Buyer/Tenant shall not use, generate, manufacture, store or dispose of, on or under the Property or any part thereof, or transfer to or from the Property or any part thereof, any Hazardous Materials.

6.4. Survival of Representations and Warranties. The representations and warranties of the Seller/Landlord set forth in Paragraph 6.1 and the representations and warranties of the Buyer/Tenant set forth in Paragraph 6.2 shall survive the Closing Date for the full period of the applicable statute of limitations.

7. **ESCROW.**

7.1. Agreement Constitutes Escrow Instructions. This Agreement shall constitute escrow instructions with respect to the Property and a copy hereof shall be deposited with the Escrow Agent for that purpose as provided in Paragraph 7.2 below.

7.2. Escrow Agent. The escrow for the purchase and sale of the Property hereunder shall be opened by depositing an executed copy or executed counterparts of this Agreement and the Buyer/Tenant's written notice of intent to purchase with the Escrow Agent, and shall occur not later than five (5) business days following the receipt by Seller/Landlord of the Buyer/Tenant's written notice of intent to purchase, per Section 2.2. This Agreement shall be considered as the escrow instructions between the parties, with such further instructions as Escrow Agent requires in order to clarify the duties and responsibilities of Escrow Agent. In the event of a conflict between the provisions of this Agreement and the provisions of such general conditions, the provisions of this Agreement shall control.

7.3. Closing Date. The Closing Date shall be as set forth in Buyer/Tenant's written notice of intent to purchase, per Section 2.2, providing all conditions precedent have been satisfied and unless the parties otherwise mutually agree.

7.4. Costs of Escrow.

7.4.1 Seller/Landlord shall pay:

- (a) one-half the cost of all escrow and closing fees,
- (b) one-half the cost of all recording fees, and
- (c) the cost of any other obligations of Seller hereunder.

7.4.2 Buyer/Tenant shall pay:

- (a) the cost of required home inspection and costs associated with procuring financing;
- (b) the cost of a standard owner's title policy;
- (c) the cost of a survey;
- (d) one-half the cost of all escrow and closing fees;
- (e) one-half the cost of all recording fees;
- (f) additional title insurance premium for deletion of standard exceptions 1-4 and 6-7, if Buyer/Tenant desires to have these deleted from the title policy;
- (g) prepaid insurance and taxes required by lender;
- (h) the cost of any other obligations of Buyer/Tenant hereunder, including any required initial contributions to the homeowners association, and other similar charges.

7.5 Prorations. The following, as applicable, will be prorated and adjusted between Seller/Landlord and Buyer/Tenant as of the date of closing, excluding any delinquent items, interest and penalties: current taxes computed on a fiscal year basis, hazard, flood and/or mortgage insurance, water, sewer and solid waste disposal charges, homeowners association fees, and other similar charges.

8. **DISCLAIMER.**

8.1. Brokerage Commissions. There shall be no brokerage commission associated with this transaction. Seller/Landlord and Buyer/Tenant both represent and agree that there shall be no commission, compensation and remuneration, whether related or unrelated to brokerage,

paid to any party claiming by, through or under Seller/Landlord or Buyer/Tenant, as may apply, other than typical closing costs.

8.2 Disclaimer. Buyer/Tenant acknowledges that the Property is sold in its current condition with no warranty granted by the Seller/Landlord, expressed or implied, and that Buyer/Tenant will have had full and fair opportunity to inspect and judge all aspects of the Property with professional assistance of Buyer/Tenant's choosing prior to closing and is purchasing the Property based solely upon Buyer/Tenant's inspection and judgment and not by reason of any representation made to Buyer/Tenant by Seller/Landlord or the County unless expressly set forth in this Agreement.

9. **INCORPORATION OF EXHIBITS.**

All exhibits attached hereto and referred to herein are incorporated in this Agreement as though fully set forth herein.

10. **NOTICES.**

All notices, requests, demands and other communications given, or required to be given, hereunder shall be in writing and shall be given as follows: (a) By personal delivery with a receipted copy of such delivery; (b) by certified or registered United States mail, return receipt requested, postage prepaid; or (c) by facsimile transmission with an original mailed by first class mail, postage prepaid, to the following addresses:

If to Seller/Landlord:

Santa Fe County Housing Authority
ATTN: Katherine Miller, County Manager
52 Camino de Jacobo
Santa Fe, New Mexico 87504-0276

And:

Santa Fe County
Attn: Stephen Ross, County Attorney
102 Grant Avenue
P.O. Box 276
Santa Fe, New Mexico 87504-0276

If to Buyer/Tenant:

Any such notice sent by registered or certified mail, return receipt requested, shall be deemed to have been duly given and received seventy-two (72) hours after the same is so addressed and mailed with postage prepaid. Notice sent by recognized overnight delivery service shall be effective only upon delivery to the office of the addressee set forth above, and any such notice delivered at a time outside of normal business hours shall be deemed effective at the opening of business on the next business day. Notice may not be sent by facsimile. Any party may change its address for purposes of this paragraph by giving notice to the other party and to Escrow Holder as herein provided. Delivery of any copies as provided herein shall not constitute delivery of notice hereunder.

11. ASSIGNMENT.

This Agreement shall be binding upon the parties hereto and their respective heirs, successors or representatives; provided, however, that this Agreement may not be assigned by either party without the prior express written consent of the other party.

12. ENTIRE AGREEMENT.

This Agreement contains all of the agreements of the parties hereto with respect to the matters contained herein and all prior or contemporaneous agreements or understandings, oral or written, pertaining to any such matters are merged herein and shall not be effective for any purpose.

13. WAIVER.

Failure of either party at any time or times to require performance of any of the provisions of this Agreement shall in no way affect its right to enforce the same, and a waiver by either party of any breach of any of the provisions of this Agreement shall not be construed to be a waiver by such party of any prior or succeeding breach of such provision or a waiver by such party of any breach of any other provision.

14. HEADINGS AND CONSTRUCTION.

The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of this Agreement. This Agreement has been negotiated at arm's length and between persons (or their representatives) sophisticated and knowledgeable in the matters dealt with herein. Accordingly, any rule of law or legal decision that would require interpretation of any ambiguities contained herein against the party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the parties and this document.

15. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument. This Agreement shall

be binding upon the parties only when a copy or a counterpart has been signed by each party and delivered to each other party. Signatures, copies and counterparts may be transmitted by mail, facsimile or overnight courier service and when so transmitted are as effective as if a manually-signed, original document had been delivered.

16. APPLICABLE LAW, JURISDICTION AND VENUE.

This Agreement shall, in all respects, be governed by and construed according to the laws of the State of New Mexico applicable to agreements executed and to be wholly performed therein.

17. FURTHER DOCUMENTS.

Each of the parties hereto shall, on and after the Closing Date, execute and deliver any and all additional papers, documents, instructions, assignments and other instruments, and shall do any and all acts and things reasonably necessary in connection with the performance of its obligations hereunder and to carry out the intent of the parties hereto.

18. SEVERABILITY.

Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail but the provision hereof which is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law and all other provisions hereof shall remain in full force and effect.

19. NO OBLIGATION TO THIRD PARTIES; NO FIDUCIARY RELATIONSHIP OR DUTIES.

The negotiation, execution, delivery and performance of this Agreement shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, to obligate either of the parties hereto to any person or entity other than each other, or to create any agency, partnership, joint venture, trustee or other fiduciary relationship or fiduciary duties between Buyer/Tenant and Seller/Landlord.

20. CONSTRUCTION.

For all purposes of interpretation or construction of this Agreement, the singular shall include the plural, the plural shall include the singular, and the neuter shall include the masculine and feminine. As used in this Agreement, the term "and/or" means one or the other or both, or any one or all, or any combination of the things or persons in connection with which the words are used; the term "person" includes individuals, partnerships, limited liability companies, corporations and other entities of any kind or nature; the terms "herein," "hereof" and "hereunder" refer to this Agreement in its entirety and are not limited to any specific provisions; and the term "including" means including, without any implied limitation.

21. DATES OF PERFORMANCE.

If under this Agreement the date upon which an event is scheduled to occur or the last date on which a party's performance of any obligation is required falls on a nonbusiness day, then such date shall be deemed to be the immediately following business day.

22. TIME OF ESSENCE.

Time is of the essence hereof and of all the terms, provisions, covenants and conditions hereof.

23. FAIR HOUSING.

Buyer/Tenant and Seller/Landlord understand that the Fair Housing Act and the New Mexico Human Rights Act prohibit discrimination in the sale or financing of housing on the basis of race, age, color, religion, sex, sexual orientation, gender identity, familial status, spousal affiliation, physical or mental handicap, serious medical condition, national origin or ancestry.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth herein.

BUYER/TENANT: _____

Date: _____

Date: _____

SELLER/LANDLORD: Santa Fe County Housing Authority

Katherine Miller, County Manager

Date: _____

Approved as to Form:

Stephen C. Ross, County Attorney

Acknowledgement

This instrument was acknowledged before me this ____ day of _____, 2013,
by _____ of Santa Fe County, New Mexico

My Commission Expires:

Acknowledgement

This instrument was acknowledged before me this _____ day of _____, 2013,
by _____ of Santa Fe County, New Mexico

My Commission Expires:

Acknowledgement

This instrument was acknowledged before me this ___ day of _____, 2013,

by _____ of Santa Fe County, New Mexico

My Commission Expires:

Memorandum

To: Santa Fe County Housing Authority Board
From: Victor Gonzales, Project Manager
Via: James R. Pacheco, Executive Director
Date: 6/12/13
Re: CFP Report

Extension of the Main Sewer Line at the Jacob D. Martinez Site

In order to accommodate the removal of the sewer lift pump station, a new sewer line will be constructed further into the housing site than what was originally planned. The consulting engineer has informed the housing authority that the existing line does not have the needed drop to accommodate anticipated flow. A purchase order was issued in the amount \$1,969.01 to pay engineering costs associated with the removal of the sewer lift. The drawings should be complete by the end of the month. The estimated cost of the project is \$120,000.

Sewer Lines at Santa Cruz Site

There are two streets at the Santa Cruz housing site, Camino de Quintana and Camino don Roberto. Sewer line replacement on Camino de Quintana is complete. The contractor began working on Camino don Roberto on June 10, 2013 and will be complete on June 14, 2013. Forming of the clean outs is also complete. The project should be completed by the end of the June. The total cost of the project is \$113,876.00.

Abatement and Renovation of 154 Camino de Quintana

Staff received quotes for the renovation of the unit. The lowest bidder was Big Rock Builders with a quote of \$15,496.87. Renovation is tentatively scheduled to begin on Monday, June 17, 2013.

Upcoming Projects

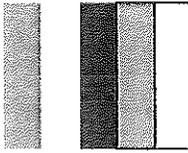
- Construction of the Jacob D. Martinez site sewer line
- Solicitation of professional services from a landscape architect to landscape both the Valle Vista and Santa Cruz sites
- Procure roofers to have on contract for roof replacement, preventive maintenance, and emergency roof repair.

**SANTA FE COUNTY HOUSING AUTHORITY
VACANCY REPORT**

April 2013 – September 2013

	April	May	June	July	August	September
Total Units Available for Lease	199	199	199			
Units Off-line Due to Modernization	1	1	1			
Vacant Units (ready for occupancy)	1	0	1			
Total Vacant Units (preparing for occupancy)	6	4	3			
Vacant Units per Site						
<u>Valle Vista</u>	1	2	4			
Santa Cruz	4	3	1			
<u>Camino de Jacobo</u>	2	0	0			
Total Units Under Lease	192	194	194			
	4%	3%	3%			

SANTA FE COUNTY HOUSING AUTHORITY
 VACANCY AND U... TURNAROUND
 Valle Vista/50-1/50-2
 FY 2012-2013
 June 17, 2013



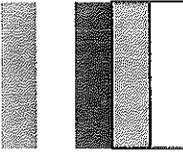
Units / Modernization
 Units / Make Ready
 Units Ready for Lease Up
 Scheduled Lease-up
 Units Leased FY 2012-2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tentative Tenant	Comment
13A LL	2	7/9/12	7/9/12	9/4/12	9/4/12	9/5/12	1	57	58	A. Sena	Moved out	N. Martinez	
13 B T	2	7/12/12	7/13/12	9/18/12	9/18/12	9/20/12	2	68	70	G. Gomez	Evicted	J. Duran	
10 LL	4	7/14/12	7/14/12	2/25/13	2/25/13	3/1/13	4	226	230	L Grajeda	abandoned	Ramona Flores	unit was down for
4 LL	3	8/9/12	8/9/12	10/24/12	10/24/12	10/24/12	0	76	76	Sandoval	MO	Gamboa	
11 SMW	4	7/23/12	7/23/12	12/6/12	12/6/12	12/13/12	7	136	143	N. Quintana	transfer to	G. Ponce	Need days unit down
10AVV	2	9/4/12	9/4/14	9/6/12	9/6/12	9/6/12	0	2	2	V Maes	S8	K. Saiz	
18 SPN	4	9/10/12	9/10/12	12/6/12	12/6/12	12/11/12	5	87	92	A. Alvarado	evicted	B. Crowder	
9 SMW	3	4/3/12	4/3/12	10/23/12	10/23/12	10/23/12	0	203	203	B. Chavarria	Transfer	P. Otero	
9A Tusa	1	10/1/12	10/1/12	12/27/12	12/27/12	1/11/13	15	87	102	Mendoza	Moved out	E. C de Baca	
20A SPN	2	11/2/12	11/2/12	1/18/13	1/18/13	1/18/13	0	77	77	P. Otero	transfer to	Officer Ames	
20B SPN	2	10/3/12	10/3/12	1/18/13	1/18/13	1/18/13	0	107	107	C. Martinez	evicted	E. Romero	
3ALL	1	10/31/12	11/31/13	2/20/13	2/28/13	2/28/13	0	112	112	R.Hall	deceased	Snow	

SANTA FE COUNTY HOUSING AUTHORITY
 VACANCY AND UNIT TURNAROUND
 Valle Vista/50-1/50-2
 FY 2012-2013
 June 17, 2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tentative Tenant	Comment
16 T	3	1/29/13	1/29/13	2/15/13	2/26/13	2/26/13	0	17	17	H. Perea	Moved out	C. Ortiz	
7BT	2	11/22/12	11/22/12	1/18/13	1/18/13	1/28/13	10	57	67	Navarez	Moved out	K. Miera	
15A Tusa	1	1/25/13	1/25/13	1/30/13	1/31/13	1/31/13	0	5	5	A. Ames	transfer	T. Solano	
7B SPN	2	1/8/13	1/8/13	2/1/13	2/1/13	2/1/13	0	24	24	V Pena	Section 8	B. Barba	
12 B VV	1	3/8/13	3/8/13	3/18/13	3/18/13	3/18/13	0	10	10	J. Ludi	evicted	F. Ortiz	
REDACTED													
5 A Tusa	1	3/12/13	3/12/13	4/12/13	4/12/13	4/23/13	11	31	42	R. Piefer	abandoned	C Jaramillo	
6 SPN	3	4/26/13	4/26/13				0		0	F Ortiz A	transfer	Transfer S Vigil	
8A SMW	2	5/20/13	5/20/13							Atchison H	MO		
10B SMW	2	5/20/13	5/20/13							Stomper	MO		

Santa Fe County Housing Authority
 Vacancy and Unit Turnaround
 Santa Cruz
 FY2012-2013
 June 17, 2013



Units / Modernization
 Units / Make Ready
 Units Ready for Lease Up
 Scheduled Lease-up
 Units Leased FY 2012-2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tentative Tenant	Comments
124 Q	4	6/30/12	6/30/12	8/23/12	8/23/12	8/31/12	8	54	62	D. Lazoya	moved out	P Perkins	
138 Q	3	8/9/12	8/13/12	10/31/12	10/31/12	10/31/12	0	83	83	F. Harris	Moved to Civic	M Zimmerman	
133 Q	3	6/6/12	6/6/12	8/15/12	8/15/12	8/16/12	1	70	71	L. Jacquez	Moved Out	M. Casillas	
110 DR	2	8/28/12	8/29/12	11/13/12	11/13/12	11/15/12	2	77	79	K. Williams	abandoned	A. Gabadon	
112 DR	2	9/19/12	9/20/12	1/25/13	1/25/13	1/29/13	4	128	132	C. Valdez	moved out	A. Atencio	
147 Q	2	10/23/12	10/24/12	1/31/13	2/19/13	2/19/13	19	100	119	F. Martinez	moved out	S. Maes	
140 Q	3	11/1/12	11/2/12	1/29/13	1/29/13	1/29/13	0	89	89	A. Espinoza	moved out	Talavera	
143 Q	2	8/31/12	9/20/12	1/31/13	1/31/13	2/19/13	19	153	172	E. Cruz	moved out	J. Brown	
141 Q	2	1/2/13	1/3/13	1/25/13	1/25/13	1/29/13	4	23	27	G. Martinez	moved out	J. Lawson	
124 Q	4	2/5/13	2/6/13	2/20/13	2/20/13	2/26/13	6	15	21	P. Perkins	moved out	Y. Serna	
107 DR	2	3/12/13	3/12/13	4/11/13	4/11/13	4/16/13	5	30	35	A. Valenzuel	moved out	Islas	
142 Q	3	3/8/13	3/8/13	4/1/13	4/9/13	4/9/13	8	24	32	E. Ramirez	abandoned	Sisneros	
132 Q	3	4/1/13	4/2/13	5/2/13	5/2/13	5/6/13	4	31	35	Y. Montoya	moved out	E. Varela	
160 Q	3	4/1/13	4/2/13	5/17/13	5/17/13	6/7/13	21	46	67	M. Cuevas	lease term	A Maes	

Santa Fe County Housing Authority
 Vacancy and Unit Turnaround

Santa Cruz

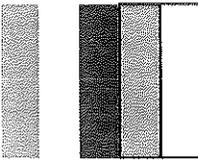
FY2012-2013

June 17, 2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tenative Tenant	Comments
113 DR	2	5/5/13	5/6/13	6/10/2013	6/10/2013	6/10/2013	0	36	36	J Armijo	moved out	Herrera	
162 Q	3	4/1/13	4/2/13	4/18/13	4/18/13	4/30/13	12	17	29	A. Mirels	lease term	A. Fernandez	

SANTA FE COUNTY HOUSING AUTHORITY
 VACANCY AND UNIT TURNAROUND
 Camino de Jacobo/50-1/50-2

FY 2012-2013
 June 17, 2013



Units / Modernization
 Units / Make Ready
 Units Ready for Lease Up
 Scheduled Lease-up
 Units Leased FY 2012-2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tentative Tenant	Comment
59 CDJ	2	5/1/12	5/1/12	7/9/12	7/9/12	7/10/12	1	69	70	S. Valdez	moved out	A. Najera	
19 CDJ	2	5/19/12	5/19/12	7/20/12	7/20/12	7/20/12	0	62	62	M. Perez	Transfer	M. Tapia	
18 CDJ	3	6/2/12	6/2/12	7/20/12	7/20/12	7/20/12	0	48	48	J. Tongate	Transfer	N. Quintana	
68 CDJ	2	5/26/12	5/26/12	8/27/12	8/31/12	8/31/12	4	97	101	E. Tapia	moved out	Santistevan	
25 CDJ	1	7/20/12	8/24/12	10/15/12	10/15/12	10/19/12	4	87	91	R. Martinez	deceased	T. Clokey	
69 CDJ	2	8/21/12	8/21/12	11/14/12	11/14/12	11/16/12	2	85	87	M Serrano	moved out	E. Sanchez	
22 CDJ	2	10/3/12	10/3/12	12/17/12	12/17/12	12/21/12	4	75	79	M. Crespin	evicted	G. Armijo	
17 CDJ	3	5/4/12	5/4/12	8/2/12	8/2/12	8/3/12	1	90	91	A. Montoya	evicted	Altamirano	
13 CDJ	3	8/1/12	8/1/12	10/3/12	10/3/12	10/3/12	0	63	63	M. Tapia	transfer	R. Crawford	
64 CDJ	2	1/7/13	1/7/13	1/29/13	1/29/13	1/29/13	0	22	22	G Bernal	evicted	J. Montoya	

SANTA FE COUNTY HOUSING AUTHORITY
 VACANCY AND UNIT TURNAROUND
 Camino de Jacobo/50-1/50-2
 FY 2012-2013
 June 17, 2013

Address	Bdrm Size	Move Out Date	Date to Maint	Date Unit Completed	Make Ready Date	Lease-Up Date	# of Days Lease-Up	Make Ready	# of Days Vacant	Tenant	Comment	Tentative Tenant	Comment
37 CDJ	1	3/22/13	3/22/13	4/25/13	4/25/13	5/8/13	13	34	47	M. Romero	evicted	Pamela Smith	
18 CDJ	3	4/1/13	4/1/13	4/16/13	4/16/13	4/25/13	9	15	24	N. Quintana	evicted	C.Hernandez	
15 CDJ	2	5/1/13	5/1/13	5/9/13	5/9/13	5/9/2013	0	8	8	EJ Alderete	moved out	J Urban	

Memorandum

To: Santa Fe County Housing Authority Board
From: Ron Pacheco, Housing Executive Director
Date: 6/14/2013
Re: Director's Report

Galisteo Street Discussions and Research

In support of the Economic Development Office and in conjunction with the Office of Affordable Housing we are taking another look at the possibility of a mixed housing project at the Galisteo Street property owned by the County. Meetings have occurred on-site and research is being conducted to determine if this site could accommodate a housing project that includes housing authority clients and housing authority funding. As this site is centrally located with access to transportation and community resources we believe it deserves another detailed look. As this process moves forward we will be informing the Housing Board of what we are able to determine and whether or not this site will accommodate this type of project.

Update on the Valle Vista Housing Site

Housing Staff are working to secure CFP funding to provide landscaping improvements at the Valle Vista housing site. This site currently includes public housing surrounded by private property owners. As current Capital fund projects are completed staff is looking into the possibility of using the remaining dollars to provide outdoor improvements to the Valle Vista Housing site and the Santa Cruz Housing site.

Linkages Program Update

At the April Meeting of the Housing Board staff informed the board of the RFP request for the Linkages Program. Since that time it is our understanding that the only local agency to apply for this grant was the Life Link. The Life Link is proposing to work with a former executive director of housing at Bernalillo County to take on the role of administrator that was formally held by our office. MFA (Mortgage Finance Authority) will make a determination at the end of this month to determine the provider and we will keep the board informed as this decision is made.

**Housing Programs
Actual vs Budget
May 2013**

HCV & VASH Fiscal YTD			
	Actual	Budget	Better/ (Worse)
Revenue			
Repayment agreement	7,699	14,667	(6,968)
Investment income	650	0	650
Port-in vouchers	46,814	260,333	(213,519)
Port-in admin fees	3,484	18,333	(14,850)
Housing assist. pmt	1,500,255	1,981,375	(481,120)
FSS coordinator grmt	63,250	31,625	31,625
Admin fees	189,323	67,833	121,490
Total revenue	1,811,474	2,374,167	(562,692)
Expenditure			
Salaries & benefits	225,854	243,364	17,510
Travel	0	5,500	5,500
Vehicle expense	2,265	2,601	335
Maintenance	0	0	0
Audit contract	7,000	6,417	(583)
Software	2,000	2,750	750
Vouchers paid	2,009,283	2,301,102	291,820
Admin fee port-out	22,235	20,291	(1,944)
Supplies	1,128	1,558	430
Utilities	3,585	9,678	6,094
Seminars, dues, pstge	2,803	3,991	1,188
Total expense	2,276,153	2,597,252	321,099
Net	(464,679)	(223,085)	(241,594)
UML	3,037	3,036	(1)

Home Sales Fund Fiscal YTD			
	Original Amount	Used thru 5/31/13	Balance Remaining
Site Improvements	1,000,000	646,708	353,292
Foreclosure Prvntn	1,000,000	557,512	442,488

LRPH Fiscal YTD			
	Actual	Budget	Better/ (Worse)
Revenue			
Rent, repayments, etc.	376,770	320,833	55,937
Investment income	1,261	0	1,261
FSS coordinator grmt	51,344	51,871	(527)
Operating subsidy	324,659	344,862	(20,203)
Total revenue	754,034	717,567	36,468
Expenditure			
Salaries & benefits	516,164	614,372	98,208
Travel	49	2,383	2,334
Vehicle expense	19,787	31,369	11,582
Maintenance	43,420	152,950	109,530
Audit contract	14,000	12,833	(1,167)
Software	4,144	5,005	861
Other contractl svc	0	642	642
Supplies	2,451	5,171	2,720
Utilities	113,692	139,089	25,397
Utility reimbursemnts	15,505	18,873	3,368
Seminars, dues, pstge	5,456	9,901	4,445
Insurance	24,427	23,568	(858)
Total ops expense	759,094	1,016,157	257,063
Net before captl & RP	(5,060)	(298,590)	293,530
UML	2,109	2,189	(80)
Capital expense	5,069	8,805	3,736
Stipends	2,750	3,392	642
RP supplies	(5)	1,008	1,014
RP capital expense	0	0	0
Total expense	766,908	1,029,362	262,454
Net after capital & RP	(12,873)	(311,795)	298,922

CFP Fiscal YTD			
	Grants @ 7/1/12	5/31/13 YTD	Grants @ 5/31/13
Revenue			
HUD subsidies	289,709	285,970	575,679
Expenditure			
1406 Operations	38,508	14,228	52,736
1408 Mgmt imprvmts	6,370	3,680	10,050
1410 Administration	31,049	25,905	56,954
1730 Fees & costs	10,192	0	10,192
1450 Site imprvmts	7,465	0	7,465
1460 Dwelling strcets	198,937	224,588	423,525
1465 Dwelling equip.	19,806	10,796	30,602
1475 Non-dwllg equip	0	3,500	3,500
Total expense	312,327	282,697	595,024
Net	(22,618)	3,273	(19,345)

Linkages & Bridge Fiscal YTD			
	Actual	Budget	Better/ (Worse)
Linkages:			
Revenue	89,592	119,167	(29,575)
Expense	88,076	119,167	31,091
Net	1,516	0	1,516
Linkages UML	97	110	(13)
Bridge:			
Grant remng at 7/1/12	77,624	77,624	0
Expense	15,970	45,833	29,864
Grant remng at 5/31/13	61,654	31,790	29,864
UML	26	44	18