



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000

OFFICE OF HOUSING

AUG 10 2010

Mr. Wayne A. Self  
President  
Leflore County Board of Supervisors  
Post Office Box 250  
Greenwood, MS 38935-0250

SUBJECT: Delta Apartments  
Leflore County, Mississippi.

Dear Mr. Self:

This is in response to your letter of July 28, 2010, regarding Leflore County's (County) interest in the purchase of Delta Apartments (the Property) located in Leflore County, Mississippi. In order for HUD to sell the Property to Leflore County, HUD will have to bid up to the outstanding indebtedness at the foreclosure sale and take title to the Property from the sale. On the same day as the foreclosure sale, the County must take title from HUD, under the terms and conditions of the Department's Right of First Refusal procedures for the sale of HUD-owned properties to State and local governmental entities.

Enclosed is a Contract of Sale outlining the terms and conditions of a sale from HUD to the County. The terms of the Contract of Sale are as follows:

1. The purchase price of the Property is \$1.00.
2. Performance under the Contract of Sale will be contingent on HUD's acquisition of title.
3. The County must accept title to the Property on the same day HUD obtains title to the Property.
4. If the County transfers or resells the Property, the County is required to conduct a disposition process consistent with the disposition procedures of the unit of local government.
5. The County must review any purchaser to ensure compliance with the enclosed "Qualification Requirements for Acquisition of Title from a Unit of Local Government."
6. Any purchaser of the Property from the County must submit the attached "Certification of Substantial Compliance" regarding any properties that are owned by the purchaser or its affiliates and are located in the same jurisdiction as Delta Apartments.

7. Any purchaser, other than a governmental entity, must be reviewed and approved under HUD's Active Partners Performance System, Previous Participation Certification, Form HUD-2530.



8. Any sale, conveyance, assignment, transfer, etc. for a profit above and beyond the costs incurred to rehabilitate and acquire the Property, will invoke equity participation. This means that a portion or all of any profit would be assigned back to HUD as the Seller.

9. The County will pay all expenses of closing including documentary stamp taxes, recording fees, and any costs in connection with a review of title or title insurance as may be required.



10. Since the County would be purchasing the Property under the Department's Right of First Refusal procedures, HUD may only transfer title to the Property to the County and the Contract of Sale and closing documents must be executed by the County.

11. The Property must be maintained as affordable housing for twenty-five (25) years.



12. The Property must be repaired within 24 months of transfer of title, in accordance with HUD's Post-Closing Repair Requirements that are set forth in the Contract of Sale. Repairs would include, but not be limited to, the abatement of any lead-based paint and/or asbestos hazards in accordance with EPA, State and local laws and regulations.

13. Relocation assistance must be provided to any resident required to relocate, either temporarily or permanently, in order to complete the repairs.

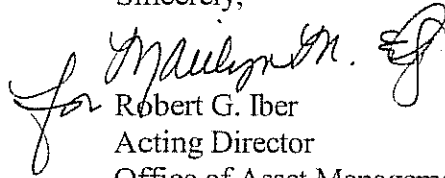
14. The Property will be sold with 100% project-based Section 8 assistance. Tenants currently receiving project-based assistance will continue to receive assistance if they are eligible and funds are available.

The County must execute three copies of the enclosed Contract of Sale and return them to the Atlanta Multifamily Property Disposition Center by August 20, 2010. The County should also include information on the proposed ownership entity and the manner in which the County or purchaser proposes to finance the completion of the repairs. The executed Contracts should be sent to:

William Melvin, Director  
Atlanta Multifamily Property Disposition Center  
U.S. Department Housing and Urban Development  
40 Marietta Street  
Atlanta, GA 30303

To discuss the necessary actions to complete this transaction, please contact Mr. William H. Melvin, Director, Atlanta Multifamily Property Disposition Center at (678) 732-2187.

Sincerely,

The signature is written in cursive and appears to read "for William H. Melvin".

Robert G. Iber  
Acting Director  
Office of Asset Management

Enclosures