

ADDENDUM

To the Residential Purchase/Sale Contract dated _____

Buyer: _____ Seller: _____

Property address: _____ Phoenix, AZ _____

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) CONTINGENCY CLAUSES Required for NSP HOMEOWNERSHIP ASSISTANCE PROGRAM (Program 1 and Program 2)

If the Buyer desires to apply for or has applied for *Neighborhood Stabilization Program Homeownership Downpayment Assistance (City Program 1)* OR the *Neighborhood Stabilization Program Homebuyer Assistance and Rehab Loan Assistance (City Program 2)*, this Addendum must be added to the Purchase/Sale Agreement between the REO Seller and the Buyer.

The items listed below are necessary in order to comply with the federal and *City of Phoenix Neighborhood Stabilization Program (NSP)* requirements.

NOTE: If the conditions below are not met, the Buyer will not be eligible for any of the *NSP Assistance Programs*.

This Purchase Contract is contingent upon the following:

1. The purchase price shall not exceed 99% of the "as is" appraised value of the Property as determined by an appraisal conducted by a qualified appraiser within 60 days prior to closing and in accordance with 49 C.F.R. 24.2(a)(3) and 49 C.F.R.24.103 (URA Appraisal) and pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP). The lender's appraisal will be used.

2. If the property is built before January 1, 1978, the seller must provide a signed "Lead Disclosure Form." A Housing Quality Standards (HQS) Inspector must have access to the property to conduct the appropriate inspection(s) to assess the paint condition of the home. Lead paint repairs must comply with requirements in the Lead Disclosure Rule (24 CFR part 35, subpart k).

3. The Property shall be in compliance with the City of Phoenix Neighborhood Preservation Codes (also described in a City brochure at phoenix.gov/CLEANPHX/topseng).

The City Code sections of the NPO that are cited in the brochure are: **39-6B** – Unsound fence; **39-7A** – Trash, litter or debris; **39-7B** – Litter or Vegetation in the right-of-way; **39-7D** – Vegetation; **39-7G** – Non-Dustproof Parking; **39-7H** – Outside storage (building, landscaping materials, machinery, appliances, inoperable vehicles, storage of personal property visible beyond the bounds of the property and does not include that portion of the yard behind the primary structure); **39-8B** – Nuisance of vacant and unsecured buildings; **39-10B** – Graffiti.

4. The Property must pass a Housing Quality Standards inspection as defined by the U.S. Department of Housing and Urban Development Office of Public and Indian Housing, authorized under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f).

5. All items in Paragraphs 1 through 4 above must be completed prior to close of escrow unless the remediation is required to be completed after close of escrow as part of Buyer's FHA 203(k) loan provisions (under City of Phoenix Program 1), or required as part of Buyer's FHA 203(k) loan provisions (under City of Phoenix Program 2), or required as part of the City of Phoenix Rehab Loan provisions (under City of Phoenix Program 2).

REO Seller's initials _____

Buyer's initials. _____

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