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**Moderator: Les Warner
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1:00 pm CT**

Operator: Good day everyone and welcome to the Department of Housing and Urban Development NSP Uniform Relocation Act and Tenant Protections Webinar.

Today's Web seminar is being recorded; however, you will be muted until there are instructions for taking questions. We will take questions after the content portion of the Webinar. If you have a question, please change your feedback box from green to purple to let us know that you have a question.

The feedback box is in the upper right corner of the Live Meeting. In order to ask your question you must press star 1 on your telephone keypad which will put you in the queue. If your question has been answered please remove yourself from the queue by pressing star 2.

Please wait until we indicate intervals for the question and answer period. Once you've finished asking your questions, please change your feedback box back to green.

At this time, I'd like to turn the Web seminar over to Les Warner from ICF International who will be moderating today's Web seminar. Please go ahead, sir.

Les Warner: Good afternoon. Just a little overview of how we're going to operate today's Webinar. We're going to work our way through - we have just a few slides to give some basic information about the regulations and the requirements.

And I think to help make this a little easier for folks I think we will go through the acquisition portion, then open it up for questions and then go back and talk about relocation issues, take questions related to relocation and then cover the tenant protection.

So I would suggest that you wait until we get through the initial slides on the acquisition section. Or as you have questions during that section go ahead and get in the queue for that so that our questions will be related to the section of slides that we have just gone through.

So today, we're going to be talking about the Uniform Relocation Assistance and Real Property Acquisitions Policy Act, which generally is referred to as either Uniform Act or URA. And we'll also be talking about the NSP Tenant Protections that are a part of the Recovery Act.

Okay so this is Les Warner as the operator mentioned. I'm with ICF. And we also have on the line Joan Morgan and Bryan O'Neill from HUD.

And as we answer your questions they'll be working with me to make sure that we have a good grasp of your scenario and make sure that we get you good detailed information. So - again, as the operator mentioned, to ask a question we essentially need you to do two things.

In the right hand corner under feedback, change your status to purple to indicate in the system that you have a question. And then also press star 1 so that you essentially will be queued up to ask your question.

And when we get to the question section we'll ask the operator to give us the next person and you'll be able to verbally ask your question. In the meantime, if there are logistical questions - if you see on the top of your screen there is a Q&A on the - I think probably the left hand side of your screen.

So if you had a question about, you know, I'm having trouble accessing the slides or a question about, you know, how - what button do I press again to ask a question you could do that online and get an emailed response back for that.

And again, once we get to your question, if your is answered or somebody else's question actually provides you an answer to your question - if you would go back in and change your status back to green and change your - and do star 2 that'll help us know how many people actively still have a question that we need to try to address.

So the Uniform Relocation Act - when is it triggered? When are you - and do you have a liability under this requirement. Any time you're purchasing property - so of course under NSP - and we're doing a great deal of acquisitions, also covers individual persons and we'll be talking just briefly.

It could also be covering a business or a nonresidential entity that would be displaced as a result of the acquisition of the property or you're demolishing it or rehabbing it in some way. And this is at any point that you have federal funding in the project.

We'll talk a little bit more as we get into the slides. But this is not only when you are directly funding an acquisition. But if you're some part of that overall project then the Uniform Relocation Act is going to be triggered for your project and you would need to assure compliance on that.

And that is following the funding. So whether it's you as a government entity or you have an NSP sub-recipient or you have a developer who is undertaking an activity on your behalf.

It also covers the individual buyer who if you were providing direct financial assistance and they were going to go out and purchase a property - because there are federal dollars assisting them in making the purchase of that - of that property then the Uniform Relocation Act is going to be triggered by that.

So you would have to make sure that both the acquisition and the issue of have I displaced anyone as a result of my project. Those are going to be factors in implementing your project appropriately.

So the Uniform Relocation Act essentially has sort of two channels or categories that you would be fitting into. We have an involuntary and a voluntary acquisition. Generally the involuntary transactions are transactions where you have the power of eminent domain and you are not giving it up.

So if you were for instance under a CDBG program and you were doing, I don't know, a water sewer project or something and you needed a specific property, you may do this as a negotiated sale. But you're not going to give up your eminent domain because you need that specific property.

If you are doing this as a voluntary acquisition - so this is going to be a voluntary negotiated transaction. If you and the seller of the property cannot reach an agreement on this you're going to walk away. You will not take other actions to try to take ownership of that property.

This can be documented as a voluntary acquisition. And essentially the requirements are - and the process is somewhat more simplified. But to be able to qualify it as a voluntary transaction you need to have the appropriate documentation in place and follow those requirements.

And we'll go through in a moment, a sample of some of the documentation that you would need to be utilizing to make sure that you have appropriate documentation in place.

One of the things to remember is that if you are doing a voluntary transaction then that owner occupant is not going to be eligible for relocation benefits. Now for NSP many of our properties that we are acquiring are vacant or foreclosed.

But now that we have short sales as part of our eligible purchases we might have some owners in those properties. So if we have a voluntary transaction they would not be eligible for relocation. But any time that you have a tenant in that unit it's never voluntary for the tenant.

They're not the ones selling the unit. So they will always be covered under the relocation benefit. I'm going to switch over. Posted as part of the materials for this session we have some sample guide forms.

So with part of complying and documenting that you have a voluntary acquisition you would be providing appropriate notification prior to contracting for the purchase on this property that would identify the fact that there were federal dollars that were part of the project.

Advising that the seller of the property whether you have the power of eminent domain or not, and also listing - giving them a notification of what the estimated fair market value of their property is.

So the guide form that I have up for you to see is the one that's specifically for agencies that have the power of eminent domain. So they're identifying that while they have the power of eminent domain it will not be used in this case.

They will walk away from this property if they're not able to reach a negotiated purchase on that property. And as part of that, there is a spot for you to indicate what the fair market value is on the property and making sure that they understand what their rights are under this process.

Also attached with the slides and available on the help site are also a sample for an entity that does not have the power of eminent domain.

So for instance, if you were running a buyer driven NSP project where you were going to send the income eligible household out to find a property, this might be a form that they would be providing to the seller of that property, the owner of that property identifying that even though they don't have the power of eminent domain there are federal funds in this project to make sure that this was documented appropriately.

So in each file where you are doing an acquisition and it is going to be voluntary one of these forms needs to be in that form and you need to be able to show that those forms were presented, that that seller was notified of what their rights were as part of this transaction.

Okay. Let's see if I can move this slide before we go - okay. So for the most part, I think most of the acquisitions that are - that are being undertaken under the NSP program are voluntary transactions. You don't have a specific property that you need and you are not involving the use of eminent domain.

But you would need to make sure that each one of these transactions has the appropriate documentation to meet the requirement for a voluntary transaction. One thing that I failed to

mention - on the sample forms there also is the regulatory citation, so that you could go to the appropriate regulations and read through those in a bit more detail.

And we'll also talk about at the end of this Webinar, some other tools and resources where you could get additional information on this process if this is something you are not familiar with and you don't have a system in place.

So we talked that the Uniform Relocation Act requirements are going to apply anytime you have federal funding in the project. So this is whether you are directly using NSP funds to acquire the property.

Where it says any part of that overall project the NSP funds are essentially federalizing that project and will trigger the coverage under the Uniform Relocation Act.

And again, those requirements will apply whether you as the government entity are actually doing the acquisition or whether acquisition is being done by one of your other partners or actually that homebuyer that's receiving NSP funding.

So the Uniform Relocation Act is providing protection both for the property owners so that they understand what their rights are, that they have a disclosure of what the estimated fair market value is for their property.

But as we mentioned we'll be talking in the next section, we'll also be talking about protecting persons that might be displaced by the action by the federally funded project.

And the Uniform Relocation Act regulations set out a process - set out the minimum requirements that you would need to document compliance for each project that includes federal dollars on it.

So the regulatory citations here are 49 CFR part 24 is for the government wide rule. And then specific to the CDBG regulations you'd find those at 24 CFR 570 606. I think at this point why don't we open the lines and take questions that we might have related to acquisition and URA?

So Operator, if we have any of our participants that have indicated they have a question we could open the lines.

Operator: As a reminder if you'd like to ask a question, you may do so by pressing star 1 on your telephone keypad. Once again, that is star 1. We'll go to Bridget Coyne from Regional Housing Legal Services.

Bridget Coyne: Yeah, hi. I had a question. We did acquire a building with NSP funds and I was just wondering if we need to temporarily move tenants from one room to another room in the building, does that count as relocation?

Les Warner: Well it is a form of relocation. And when we get to the next section we'll talk a little more about that. So it would be - so these are folks that would be able to remain as part of the project.

They're income eligible but you need to move them because you're doing - some part of your rehab requires they move. And are you putting them - I'm assuming in a comparable, decent, safe and sanitary unit within that building?

Bridget Coyne: Yes. It would literally be - we're just doing renovations by floor...

Les Warner: Okay.

Bridget Coyne: ...so we would take people, move them to the floor above for three weeks or so and then move them back.

Les Warner: Yeah. They're going to be covered under what we call temporary relocation. So you would be covering their out of pocket expenses. You know, if you're needing to reconnect utilities you would be moving their possessions depending on their type of structure.

You know, you'll be handling any of those out of pocket expenses. But yes, that would be covered under Uniform Relocation Act.

Bridget Coyne: Okay. All right. Thank you so much.

Les Warner: Other questions in this - for this session?

Operator: We'll go to our next question from John Rosenthal from DECD.

John Rosenthal: Hey, good afternoon. Thanks for taking my question. When purchasing a property at public sale, who gets the URA notice of voluntary acquisition? Does it go to the, you know, foreclosing bank or the committee formed by the court?

Les Warner: Well, and Joan you may want to jump in here. I believe since we need to notify the owner that it would be going to whoever is the owner of title at that point.

Joan Morgan: And that's going to vary depending on whatever the process is...

Les Warner: Right.

Joan Morgan: ...within your state for a courthouse kind of sale.

John Rosenthal: Okay. I think in this case it goes - it goes to - the title is in the name of the committee at that point in Connecticut.

Les Warner: I will say there is a - there is a wide variety state by state in what that legal process is.

John Rosenthal: Okay. Thank you very much.

Operator: And we'll go to Sean Sullivan with City of Isanti.

Sean Sullivan: Hi. My question is in regards to a transaction where the city would purchase a residential house as part of a project to connect a downtown to another downtown. The question is the sale would be entirely voluntary. There's no threat of eminent domain in our situation. Is the owner of that property still subject to relocation dollars even if it's a voluntary sale?

Les Warner: If it's a voluntary sale and that's one of the - that's one of the disclosures that is part of your voluntary acquisition documentation and notice, the - an owner occupant is not eligible for relocation because they are voluntarily choosing to sell their property.

What you have to be concerned about is making sure that the owner that you are working with is actually the occupant as opposed to they own the property, they're going to sell it to you but they actually have a tenant that's residing. And of course the tenant is going to be covered und relocation.

Sean Sullivan: Okay. The follow up to that is - and I put a message out there on the system. Do you have - you have forms for NSP projects for voluntary relocation. Do you have a form for a non NSP project that you could post that we could print off?

Les Warner: Well there are - in the 1378 handbook, there are sample forms there which have not been "NSPized" I guess you could say which would be available to use as samples for both voluntary and involuntary. All of the forms you could need are as part of the handbook.

Joan Morgan: And the handbook is online and those forms are online.

Sean Sullivan: At what Web site?

Joan Morgan: www.HUD.gov/relocation.

Sean Sullivan: Thank you.

Bryan O'Neill: Could I just add something? This is Bryan O'Neill with HUD - I guess for the gentleman that asked the question. When you look at the forms I think I heard you mention that you were the city that was acquiring this property...

Sean Sullivan: Yes.

Bryan O'Neill: ...in connection with a voluntary transaction.

Sean Sullivan: Yes.

Bryan O'Neill: Then what you need to do is refer to the Uniform Act - our regulations. I think Les had pointed out that's the government wide rule, the 49 CFR part 24 regulations.

And as a municipality with eminent domain - with the power of eminent domain you would be guided by a specific provision of those regulations and there are various criteria in that. And the

right site that you would want to look at to see if you can satisfy all of those requirements is 49 CFR 24.101 (E) 1.

And that's for governmental agencies with the power of eminent domain that won't use (us).

Sean Sullivan: Okay.

Bryan O'Neill: And I think that reg site is actually cited in the footnote of the NSP voluntary informational notice. So you might want to reference that regulation.

Sean Sullivan: Thank you.

Bryan O'Neill: Sure.

Les Warner: Great.

Operator: And we'll go to our next question from Jesus Morales, City of Corona.

Jesus Morales: Hi. My question has to do - we're looking to buy an apartment building using the 25% set aside for very low income. This property had been offered for sale, we understand, from the Chase Bank that they've assigned a - what do they call it?

Anyway, the owner is not available. And so the property is offered for sale. Chase doesn't own it yet so we sort of have to deal with the person that's been assigned to operate the property on their behalf.

Now we understand that prior to us making an offer on this building that several tenants have been evicted.

Do we have to be concerned about the tenants that were evicted prior to us making our offer or is our responsibility from the point that we made our offer forward and given those current residents general information notice?

Les Warner: Well there are a couple of - I want to clarify a couple of things to make sure our scenario. So if I understood you correctly this is a building that foreclosure proceedings have been initiated but the ownership of the building has not transferred at this point.

It is still held by whomever the owner that is now in foreclosure. And there is a representative of some kind on their behalf as opposed to this entity that you're referencing. They're not representing Chase, they're representing the owner?

Jesus Morales: I believe so.

Les Warner: Okay. So we don't have - and we'll be talking later about tenant protections that are applying to the lender. So we don't have necessarily a triggering of those protections. But you're saying that we have some tenants that have been displaced recently?

Jesus Morales: When we inquired about the building we were informed that five of the 12 tenants had been evicted...

Les Warner: Okay.

Jesus Morales: ...in a prior period.

Les Warner: Okay, so...

Joan Morgan: Who evicted the tenants?

Jesus Morales: That's a good question. I'm not sure.

Joan Morgan: Because if the bank doesn't own the building how could they be evicting the tenants?

Les Warner: Well I mean it could certainly be that the - that the current owner because they're, you know, the tenants haven't paid rent or there've been some other...

Joan Morgan: Right.

Les Warner: So one of the things we have to try to sort through is are these displacements related to this project which includes federal dollars? Or are they simply that, you know, that tenant B stopped paying rent a couple of months ago and so they're going through a legal eviction process but it's unrelated.

So you're essentially needing to - sort out a snapshot in time at the point that you're approaching that project, figuring out how many units there are, what's the current occupancy and trying to see okay, so we have - if we have vacant units how recently.

Is there reason to believe for instance, if I was running a program - a local program and I said I was interested in acquiring properties but I was not interested in acquiring occupied properties you might have a landlord that said okay, I'm going to evict these folks because I want to be able to make my building salable for this program.

And so because that client had been evicted as part of making that transaction possible we have a relationship between the federal dollars and that eviction. But it could well be that that owner was simply following a normal process.

So before you know whether you're going to have relocation and trying to evaluate this project you're going to need to be getting enough information to be able to make the call and document that as to whether there's a relationship or not.

And that would be - well we have a slide later where we talking about planning for projects. That's part of what you're trying to figure out if, you know, if I go ahead with this particular building am I triggering Uniform Relocation Act?

How many tenants would be involved in that? What would the cost of this be? Do I have the administrative capacity? And trying to track that information out.

Because at the end of the day you would need to be able to show here's the occupancy and the situation at the point I approached the property. Here is what I've done with my project - the property, the occupancy.

And be able to show where each one of those tenants that was moved off of the property - where they went to, did they get the appropriate benefits? And be able to show compliance for each one of those units.

Jesus Morales: And I mentioned earlier it's what's called a court appointed receiver.

Les Warner: Right.

Jesus Morales: That's the - the person who has been put in place to be responsible for the operation of the building. And I believe that's who has evicted the tenants prior to us one, knowing about the property; and two, recently making an offer on the property.

Les Warner: So - and you already have an offer that's been made?

Jesus Morales: Right. We have an offer. We don't know whether it's been accepted or not yet but the offer has been submitted.

Les Warner: So you already have essentially the possibility that folks believe that they are going to be displaced by, you know, being part of a federally funded project.

So as quickly as possible I think you need to be working through the process of identifying who is in the building, providing them appropriate notification about this possible project that would provide federal funding, telling folks not to move...

Jesus Morales: Right.

Les Warner: ...until they were provided. And at this point you may also not know who are these folks that are in the units now. Are they income eligible? Would they be able to stay?

Jesus Morales: Right.

Les Warner: Or might you have to displace some of the other folks? So you really need more information and need it quickly to be able to make sure that you've budgeted appropriately for this and that you've followed their requirements - the URA requirements on notifications...

Jesus Morales: Okay.

Les Warner: ...for the tenants.

Bryan O'Neill: Les this is Bryan with HUD. If I could just try to make something clear. If the tenants were evicted as a result of the foreclosure unrelated to the NSP action then it shouldn't be an issue as far as Uniform Act eligibility for those persons and that's kind of what I understood you to allude to in your comment. Is that correct?

Jesus Morales: Right. Right.

Joan Morgan: I'm thinking that the foreclosure hasn't happened yet though.

Jesus Morales: Well they just got the notice of foreclosure. The whole process hasn't taken place...

Joan Morgan: Right.

Jesus Morales: ...primarily because of the absentee owner and some title issues. And so at this point that's why the receiver was appointed to operate and maintain the property until all of those issues can be resolved.

And once, I understand from the bank, once the title issues are resolved then they'll proceed with the trustee sale and take the property back if the property hasn't been sold prior to that. And they are - they are taking offers in the meantime.

(Crosstalk)

Jesus Morales: ...a short sale at this point.

Bryan O'Neill: It's a little bit tricky but as Les suggested you might want to do a little bit more investigation on this one just to insure that the tenants weren't evicted for the potential pending NSP sale...

Jesus Morales: Right.

Bryan O'Neill: ...as a direct result of that acquisition...

Jesus Morales: Right.

Bryan O'Neill: ...rehab or demolition of the property.

Jesus Morales: Okay. Right. I mean because they weren't aware of our interest until a couple of weeks ago. And these tenants had already been evicted I think a month or two ago.

Les Warner: Right. And it - and so as Bryan is saying, it may well be that none of this is related to the project but you would want to have some information in your file to show that.

Jesus Morales: Okay.

Les Warner: So that later when there's a question of hey, where did all of these people go to, that you'll be able to say at the point that I approached this property here's what the occupancy was. And units that were already vacant the owner has nor the representative has stated that, you know, these were legal evictions and so you'd have something to be able to show that this wasn't related to your actions.

Jesus Morales: Right. Okay.

Les Warner: Other...

Jesus Morales: Thank you.

Les Warner: ...questions on acquisitions?

Operator: We'll go to Abdi Hamud from Fairfax County Department of Housing.

Nancy Long: Hi. This is Nancy Long. I'm listening here with my colleague and I have a question about properties that are going to sale that are affordable dwelling units or in a county program that are subject to restrictions through an ordinate or covenants on the property where the county would be going to say a foreclosure sale or trying to facilitate a short sale by the owner in distress.

But the property is subject to a control price. When we fill out these forms we use that as the market price, is that how that would go?

Les Warner: Bryan I'm going to defer to you on this one.

Bryan O'Neill: Thanks a lot.

Les Warner: Yeah.

Bryan O'Neill: I didn't catch the last part of your situation. Can you repeat that for me?

Nancy Long: It's county affordable dwelling units that unfortunately end up in foreclosure.

Bryan O'Neill: Okay.

Nancy Long: Or are in imminent danger of foreclosure. And the county will perhaps bid at foreclosure or try to enter into an arrangement to buy it from the owner but at the control price, that is, at the price set by the ordinates to keep the housing affordable.

And my question is - I have a couple of questions but the first one is when you go to fill out these forms will the control price be accepted as the market price?

Les Warner: Can I ask one question? I...

Bryan O'Neill: Why are you purchasing this property? Are you - as an acquisition of an NSP foreclosed upon residential homes?

Nancy Long: It's a single family home that's an affordable dwelling unit. And we would use NSP funds to retain the - to obtain the property to resell to the first time home buyer.

Bryan O'Neill: Okay. Under the definition of foreclosed or the definition of abandoned?

Nancy Long: Under the definition of foreclosed.

Bryan O'Neill: Okay, so you - I guess my understanding is that you have some kind of - I forgot the terminology that you used but like a control price. Is that right?

Nancy Long: That's right. The price...

Bryan O'Neill: I think what you still need to do as far as acquisition of NSP funded acquisitions of foreclosed upon residential homes and properties - you're still subject to the statutory requirements of the recovery act. And you would need to get - I assume that the property is worth more than \$25,000?

Nancy Long: Yes.

Bryan O'Neill: Then in that scenario you would need to obtain an appraisal of the property that would meet the requirements of the Uniform Act appraisal requirements. And then there would be a discount that would be required of that property under the statutory requirements of the NSP.

So, you know, with all that in mind, you know, you might - I guess it's possible that your offering price maybe less than the control price.

So, you know, I think you still need to do some legwork not on the Uniform Act requirements but maybe under the Recovery Act statutory requirements and also the notice requirements for appraisal and discount.

I wonder if it might be best if you submitted that question into the NSP Web site, you know, with more details. And we can help you.

Les Warner: Well Bryan I'm pondering do we have two - we sort of have two issues here. I mean one, the URA requirements about the disclosure would require a disclosure about fair market value. But we have a separate - we have NSP requirements about the purchase price and the discounting.

So might it be that if her question actually is just what do we put on the form itself - might they be two separate issues that you could disclose what the fair market value was on that property and that would satisfy the requirements under the notification. But in determining what the acceptable purchase price that you could utilize under your program would be controlled by the NSP requirements.

Bryan O'Neill: Yeah, and I think that's a good explanation. And in your situation you said you were in Fairfax County, Virginia?

Nancy Long: Yes.

Bryan O'Neill: I think that the NSP voluntary acquisition informational notice form - that should be sufficient to guide you through that process. Are you using that guide form?

Nancy Long: We have not purchased a control price affordable dwelling unit at - with NSP funds at this point. And that's what I'm trying to clarify what we would need to do because the price is controlled. And then my other question - I'm glad you brought up this - the voluntary information notice.

We would not be exercising at any point a right of eminent domain. However the covenants and the ordinates give us rights of repurchase and rights to acquire the property which if we were not successful at the foreclosure we would pursue. So would we still use the voluntary form?

Joan Morgan: I think you need to write that one in.

Les Warner: Yeah.

Joan Morgan: It maybe that you cannot use NSP funds because you may have a statutory conflict.

Les Warner: I do have one other question on this. In some cases - I know you're supposed to be asking the questions not me. But in some cases properties that have restrictions on resale or whatever, when they come through the foreclosure process are stripped of those restrictions.

So have you been able to verify that this property having completed the foreclosure process, still has those restrictions in tact?

Nancy Long: There are certain requirements a lender has to meet in order for those restrictions to fall away. And that's different. When those requirements are met we don't fight about it. But if they are not met then we would go to enforce our rights.

Les Warner: Okay. I...

Nancy Long: That's the short version. They have to give us certain kinds of notice. They have to not have over financed the property. There are certain things where then we say yes and everything has fallen away, you know?

Les Warner: Okay.

Bryan O'Neill: Yeah. I think this gets into, you know, a lot of details and a lot of other issues that...

Nancy Long: We'll get online.

Bryan O'Neill: ...it would probably be bets to address offline. And, you know, if you wrote that in, you know, we'd definitely help you answer that situation.

Nancy Long: Thank you.

Bryan O'Neill: Thanks.

Operator: We'll now go to Andrea Tirres from City of El Paso.

Andrea Tirres: Hi, good afternoon. I'm wondering if there is a cap on relocation assistance. And if there is relocation assistance would we allocate that to project delivery costs? And would that have - and if so, if that would have to stay within 20% of the total project cost?

Les Warner: The relocation would be part of your eligible project cost so it would not need to be separately designated out as you might do, you know, inspections of some of your other staffing costs. And there is not an upper limit.

I mean the regulations themselves will walk you through the process of determining what each household is going to be eligible for as far as the assistance.

And so that is something that is part of your budgeting and obligating that you would need to know - you would need to be able to do an estimate on that. And I suppose in some ways probably how we're going to categorize this under DRGR actually may be under project delivery costs.

I think I would ask - you might need to ask that question for - through DRGR as far as how those can be categorized. It's a bit different than your - than - you have caps on admin with your NSP funds but you don't have a cap on your project delivery costs themselves.

Now are you receiving funding through the state or someone else that has added some additional program requirements?

Andrea Tirres: We have both, a direct allocation and a state allocation.

Les Warner: Okay. Because there is not within the NSP requirements, a cap on the delivery costs. Of course we're looking at cost reasonableness on that. There is of course a cap on the admin dollars that can be expended.

Andrea Tirres: Okay. Thank you.

Operator: And we'll go to Forrest Wade with FIDTO Family Services.

Forrest Wade: It's Forrest Wade with FIDTO Family Services. The question I have - I'm just listening.

It sounds like one of the main hurdles that we want to avoid is that we want to make sure that as the bankers the owner - or the fiscal agent has any transactions like evictions and so forth - we want to make sure that that is completed.

My question and my fear is will we have - will we have to worry about any recourse in the sense of in single family houses the tenants may have been - the owners or the tenants may have been evicted.

And we acquired these properties two or three months after the tenant had been evicted. Do we have to worry about any recourse of the former tenant or the - the former tenant or the owner coming back saying we want relocation funding?

Les Warner: Well first off, you're going to be making sure on the front end of these properties, that you figure out what's the occupancy and what is the impact. So if there is a tenant that would be displaced as an effect of your acquisition then you're going to know that up front.

That documentation also provides you the information to be able to show that this tenant that was displaced by the lender or by the former owner that that is not an action that's related to the NSP program. And so they would not have a basis to be able to make a case for relocation assistance.

But knowing that information on the front end would be really important. Now I will mention there are some states that have a correction period for owners that would allow them particularly with tax foreclosures.

Some states have up to a year where the owner could come back, pay the money and have a right to take the property back. And so you would need to know what are the local and state requirements that go with that and have that impact by selection of properties.

Forrest Wade: Okay. All right, thank you.

Operator: And we'll go to Zelia Brown with Ft Bend County Community Development.

Zelia Brown: Thank you for taking my question. Basically my first question was just answered by the previous caller. And I do have another question regarding the voluntary acquisition foreclosed property informational notice.

Les Warner: Okay.

Zelia Brown: So to make sure that I understand, this notice goes out to all NSP projects. Does it go out if the owner is a bank? And I guess to piggyback on what the previous caller was asking, if there is no tenant in the property, there are no owners in the property and the bank actually owns it?

Les Warner: The regulations themselves do not make a distinction about whether we have, you know, a private individual or whether we have a lender that is the owner. So you still are informing, you know, it might be Bank of America but you're still...

Zelia Brown: Correct.

Les Warner: ...informing them that even though you as a government entity have the power of eminent domain, that you're not going to utilize this and that it's a voluntary transaction.

Zelia Brown: Correct.

Les Warner: And you're informing them of fair market value. But of course we're assuming Bank of America has a pretty good idea...

Zelia Brown: Correct.

Les Warner: ...of that. But the regulations don't essentially give you an out to say oh, we don't need to do that with this particular entity.

Zelia Brown: Okay, great. All right. Thank you for answering that.

Joan Morgan: Can I break in for a second?

Les Warner: Please do.

Joan Morgan: This is Joan. I just got a clue that Steve Johnson who's with CDBG gave an answer to one of the earlier questions about relocation costs and he says that relocation is an eligible activity in and of itself therefore it's not categorized as a project delivery cost for some other activity like acquisitions but needs to be identified separately as such.

Les Warner: Okay. And I think the issue is - and why I kind of squirmed around with that - with the DRGR issue is it's more an issue of how do those get categorized in setting them up in DRGR?

Joan Morgan: Sure.

Les Warner: And of course, for most of us the projects that we're currently doing under NSP aren't the types of things that even if we worked in DRGR in the past we would have dealt with. So you always have the option of setting up relocation as an activity onto itself.

But it also could be an eligible project cost. But part of the issue that I was pondering about as I was answering that is we have with the obligation - with our guidance information on what constitutes an obligation.

There are criteria on, you know, having - depending on whether it's a sub recipient or a developer, whether things need to be under contract and how you would reflect that.

So for a sub recipient undertaking this directly since they wouldn't have the relocation costs under contract with somebody else, I think it would get lumped into project delivery costs unless you set it up as an activity on its own.

But the problem with that is that DRGR is asking - is having you categorize it by the five eligible uses.

So I think it might still be a question that we need to - you might need to pose with the DRGR and with your HUD representative on how do I categorize that to properly reflect that in DRGR and make sure that it's reflected as an obligation.

Operator: We'll go to Leigh Roumila from Habitat for Humanity.

Leigh Roumila: Yes, hi. Thank you. I want to piggyback off a question that an earlier caller - we have a similar situation in which we were considering purchasing a building with 12 units, ten of which were occupied and it was basically not an official short sale but similar to a short sale. It was in pre-foreclosure. And we wanted to make an offer.

We didn't actually do this but we were considering making an offer because we had heard that there was a receiver in place and that the tenants were not all paying their rent and there might be some eviction proceedings going on.

We were thinking of making an offer that said that the owner shall insure that all units are delivered vacant and provide us with sufficient evidence that tenants have been treated in accordance with the Protecting Tenants and Foreclosure Act, etc., etc.

Would that have - is that - was that the correct way? Would that have been the correct way to handle that situation or is that not compliant?

Les Warner: I see that as a big problem because...

Leigh Roumilla: Okay.

Les Warner: ...you buy your agreement by saying we want a vacant property. So they're taking action to vacate those units then clearly link those with the NSP investment. And so I would say that you have triggered relocation and document it well as being triggered at that point.

If the owner is undertaking evictions based on legal cause there's not a problem on them proceeding with that. So I guess my thought would be you need to document what's at the point you are making an offer on this to be able to document what is the occupancy.

And evaluate for any of those legal tenants that are there, will they be able to stay if you acquire this property or will they need to be relocated and what would the cost be as part of that?

If during this time period the owner proceeds with legal evictions those would not be related to your, you know, your acquisition of this property. And so it might be that your relocation costs

would go down over that - over that period of time. Bryan or Joan do you want to add anything there?

Joan Morgan: No. I think that was a good way of analyzing it. You've got to be very careful about stepping in the middle of that.

Bryan O'Neill: Yeah, agreed. We've had situations that we've looked at where sales contracts or purchase agreements were contingent on delivering the premises vacant. And for what would be a HUD funded project.

And I think Les hit it right that looking at that proposed purchase agreement - if the sale does go through and, you know, if the tenants are evicted for that then I would agree that they would be eligible for Uniform Act or, you know, whatever else may be in play.

I think, you know, the slide that we have up next, you know, we might even have Section 104D relocation requirements that are implied but, you know, we can cover that later.

Les Warner: I'm thinking it might make sense at this point for us to move forward and talk through relocation before we take more questions, just to make sure that we have adequate time for this.

Joan Morgan: Yeah, that makes sense.

Les Warner: Okay. So let me - I want to move this back. Okay. I wanted to make sure we were in the right spot here. So in the cases we've been talking about, that if we displace a person and that might be for a residential unit or this could be nonresidential.

We might have a business that we were going to acquire the building and demolish it or change it to some other use. If we displace them as part of our NSP funded project then they are going to be covered under the Uniform Relocation Requirements.

And so as part of that and that's kind of what we've been talking about on these last couple of scenarios which is probably good to have some of those in our mind before we kind of talk through this, we're trying to figure out what was the impact of our project on this particular structure?

And are we - have we caused a displacement of these individuals or were in fact, they displaced for some other reason? Was it part of the foreclosure process? Was it because they haven't been paying their rent?

If we have folks that we have then determined under following the Uniform Relocation guidance we have determined that these are folks that are displaced by this project. And we're going to provide them services including advisory services where we will help them find alternative housing.

We will do inspections to make sure that they're decent, safe and sanitary. We'll be providing a series of notices to make sure that they are fully informed and that they are provided appropriate benefits.

We're also going to cover all of their moving costs and that would also include utility, reconnections, those sorts of things. And we may be paying replacement housing payments.

So if I'm a household of three and I'm living in a two bedroom apartment and maybe it's pretty rundown and I'm only paying I don't know, let's say, \$400 a month.

If in the community there are comparable units that are decent, safe and sanitary that we can move that household to and it's going to be \$400 a month then we may only be paying the moving and utility costs and assisting them with the advisory services.

But it may be to get a decent, safe and sanitary comparable unit in the community. Those are going to be \$500. Then we're going to need to make a supplemental housing payment for that household so that we're not causing them an economic hardship through that move.

So these would be things that in figuring out what's the budget for my project we would need to know ahead of time and make sure that all tenants, all occupants that are displaced whether they're residential or they're a nonresidential, are going to be provided with appropriate assistance.

So for a nonresidential the business that we're going to move out of the building that we're going to tear down they would get a reestablishment payment to help them relocate their business to another location. So there can be a lot of staff time along with project costs involved in this.

As was mentioned earlier, you also may have projects where the individuals there are going to be able to stay. So let's say we're doing a set aside project and all of our occupants need to be at 50% and below. That's exactly who's living in this unit so that's great.

They'll be able to stay when the project is completed. But to do the project you may need to move them temporarily to be able to do whatever work needs to be done.

That might be a very short sort of thing where for, you know, a few days they need to be offsite a week or so it might be where for a couple of months you need folks to be out of that particular unit.

So again, we're going to be paying for the costs that are related to this, providing them appropriate services to get them to that new location.

And the limit on this is that temporary relocation cannot exceed a one year period or we have to consider these folks to be permanently displaced and provide them the benefits that the Uniform Act would describe.

And again it's - as in the last bullet point we also might have folks that there's economic displacement based on what the terms and conditions would be for remaining in that property after that project was completed.

So if you were doing temporary relocation as we talked about in one of the earlier projects, you would need to put together a relocation plan. And it might be that you could say well, we're going to do this floor by floor.

We've got a number of vacant units so I'm going to come up with a plan on how I'm going to shift folks around within that building and then following that have a budget, have staff that are, you know, have appropriate roles and responsibilities identified.

And then go through a notification process to make sure that the tenants all know okay, I am going to be able to stay in this building. Here are the services that are going to be provided. I may be temporarily relocated. I'll get this notification.

So that they at all points know what the process is going to be and what their rights are going to be. Overlaid with that we also have the Section 104D requirements that oftentimes you'll hear it referred to as the Barney Frank Amendment.

And this applies for low income individuals and it is when there is - it's only when there is demolition or conversion that is causing the displacement. So since under NSP we're doing a lot of demolition we could have some instances where this is occurring.

In that case, you would be needing to make sure that relocation assistance was provided under 104D. There's a separate calculation. There is a longer period of time that those benefits are provided for.

And so you may well have households that would be eligible for both either or for the URA or the 104D requirements. And you would need to make those calculations and follow that process. Now one of the things that was waived as part of the NSP program was the replacement housing requirement.

Normally under the 104D requirements, if you eliminate an affordable housing unit you will be required to create or identify a replacement - a comparable replacement unit within your community. That is something that is not a part of the NSP requirements.

And again, since there are two different calculations for 104D and URA you may have some situations where the 104D relocation costs are going to be greater than what would be triggered under URA. So those are the slides for relocation.

Are there - are there - I think we should go ahead and open up the lines if we have other relocation questions.

Operator: We'll go to Harry Islas from San Joaquin County.

Harry Islas: Thank you. This is Harry Islas. My question's regarding the voluntary acquisition form.

Les Warner: Okay.

Harry Islas: Is that - we are in the process through our nonprofit acquiring a 43 unit apartment for the 25 set aside funds...

Les Warner: Okay.

Harry Islas: ...for the 50% AMI tenants. I wanted to make sure that we are providing notice to owner and tenants as required. Since it is being acquired by the nonprofit I assume we use the non eminent domain authority voluntary acquisition form.

Les Warner: Correct.

Harry Islas: And is this to be posted at the apartment complex site and then to be provided to the owner?
We are in escrow now onto purchase.

Les Warner: At the point - the voluntary acquisition notice is to be executed prior to the point that you have a - the property under a binding agreement. And so that should be frankly done before you have negotiated that purchase price.

Technically the advice would be that if you have failed to provide the voluntary acquisition notice prior to that that you would have to allow the seller once they were notified of their - of who you were dealing with and you provided the voluntary notice that they had the right to renegotiate that sale price. Bryan, do you want to comment further on that?

Joan Morgan: Not necessarily renegotiate but you have to make it clear to them that government funds are being used in here and if they - give them the option of backing out...

Les Warner: Right.

Joan Morgan: ...of the sales agreement.

Les Warner: Right.

Harry Islas: That information that NSP funds are being used is provided in the contract between the nonprofit and the bank seller. In addition would it be helpful to provide this notice in the escrow? Would that be satisfactory since we didn't provide it before we made an offer?

Joan Morgan: Sure. That's fine.

Harry Islas: Okay.

Les Warner: The other part of your question though that I want to make sure we don't leave off - so we have - we have two aspects that we're talking about. One is the voluntary acquisition part - informing owners about, you know, who they're working with, fair market estimate on their property.

But the separate issues are notices that are required under relocation. And we haven't gone into that level of detail in the slides.

But there would need to be - there are a series of notices which would go to the tenants in that building informing them that there was a potential the federal dollars would be a part of this project.

That if there were to be displacements that they would be covered or potentially have benefits that they would receive informing them not to move or they may waive their rights to those benefits.

Followed by once the acquisition was actually occurring and the federal funds were going to go into this project further notification to each one of those tenants about so are you going to be an occupant that's going to be able to stay?

So one of the things you might be doing is going through a series of essentially interviewing those households to figure out are they income eligible to be able to remain on the property?

Because you're going to be giving them notices on are you someone who is a stayer, who will not be displaced or are you a household that will be displaced? You might be also informing them that, you know, you're not displaced but we're going to be doing temporary relocation.

So there is a whole series of notices that would need to be provided. So as part of that on a project like this it would be very important immediately, to figure out what is the current occupancy in that structure to be providing the general information notice to the tenants of each of those units.

And put together this plan and budget of okay, if we actually go forward with this project how are we going to staff this? What notices need to be put in place? What are we - what are our estimates on what, you know, will people be able to stay it? Will they go?

We need to - you need to budget for that as part of this. So there's a lot of legwork that needs to be done rather quickly at this point in determining is this a project that's feasible for us in making sure you've budgeted and have a plan to be able to implement that?

Bryan O'Neill: Yeah, that's - thank you Les. I was going to kind of backtrack it a little bit. The slides that we have for this presentation it really doesn't do justice to the requirements that we're talking about, especially under relocation. You know, relocation as Les had suggested - the most critical thing is planning for it.

That you need to plan way ahead of time to make sure that you budget correctly to see if persons may be eligible and you need to be prepared to provide all of these notices early on, not only when the person is eligible and then what they're eligible for like, you know, the comparable replacement housing that they are eligible for, the payment that they're eligible for.

In some cases that maybe required at the time that the offer is made. And it's not a, you know, closing of the sale if those persons are going to be displaced. So there's really a lot that's wrapped up in this. One thing maybe we can talk about later - I guess a term of art for relocation.

It's something called initiations of negotiations or our acronym for that is ION. And ION really sets the date of eligibility for persons that are going to be displaced for their eligibility under the Uniform Act and other relocation requirements.

So, you know, when that ION date is triggered and it depends on the situation, and we have definitions of an ION we have a FAQ, a frequently asked question that's on the NSP Exchange Website that pertains to that. So if you're not familiar with it go to the Exchange site.

Try to get familiar with the definition because you need to be prepared by the time that day comes, you know, otherwise you're way behind the curve.

Les Warner: I think this is a situation where you really need to have a knowledgeable team member that's part of this to help you in this. So - and, you know, if you're a nonprofit you might look back to the communities that you're receiving funding from. They may have a staff person.

There are HUD regional relocation specialists who could also assist you. It might be - this might be a project where you hire a specialist to assist you in the planning and implementation on this. But this would be...

Harry Islas: Yeah. Thank you on that. The nonprofit has retained a relocation specialist. Has interviewed all of the tenants.

Les Warner: Good. Okay.

Harry Islas: And has determined that three, possibly four, will not income qualify and will be - need to be relocated using - according to the URA requirements.

Les Warner: Okay, so you're prepared then to make appropriate notifications for those households?

Harry Islas: Yes.

Les Warner: All of that. Okay. That's the thought...

Bryan O'Neill: Can I just - I'm sorry. Go ahead.

Les Warner: No. I think that's the sort of detail you need to make sure you have a plan in place and that you are covered on this.

Harry Islas: Okay.

Bryan O'Neill: Yeah, and I just wanted to flag a resource that's available. It doesn't deal specifically with NSP but it's a - kind of a short publication that we have on our HUD acquisition relocation Website. I think it's entitled planning and budgeting for relocation for a HUD funded project.

And that - if you're really not familiar with relocation that might be a good source document. It lays out some of the basics especially for planning. It gets into economic displacement which may be in play. I think we had touched on briefly before some of the costs associated.

And that document is available on - it's not on the NSP Website but if you go to www.HUD.gov/relocation it's in the publications section of our Website. And I'd recommend that you might want to take a look at that and that gives you a real good layout of what you may be facing that these slides really don't necessarily go into as far as planning for relocation.

Harry Islas: Okay, thank you. I guess - I guess I am really - would like to be able to look at one place to find out what notices that are required and at what time in the process because apparently we have not provided some notice that was required before we ever made an offer.

But I'd like to rectify that. We have posted a notice that we are using federal funds to purchase the apartment complex. And I guess besides the voluntary acquisition form, there is - there are other acquisition notices required and I just want to make sure that they are compatible with NSP requirements.

Bryan O'Neill: Yeah. And you said that you're from San Joaquin?

Harry Islas: San Joaquin County in California.

Bryan O'Neill: I'm not sure if - does that fall -we have two HUD regional relocation specialists - (Jay Smith) who is the region 9 relocation specialist. And he deals with everything outside of that LA area.

I'm not familiar with where San Joaquin County is.

Harry Islas: It's near Sacramento.

Bryan O'Neill: Okay, then if I could recommend that you contact (Jay Smith). And I don't know if (Jay's) listening on the line today. But he'd be able to help - be a really good resource for you for the project level details.

And I think we also have some content on the Live Meeting that has the regional relocation specialists' contact information. And if not, that's always available on that Website that I gave you, the www.HUD.gov/relocation.

Harry Islas: Okay.

Bryan O'Neill: And it's (Jay Smith) and he's the region 9 relocation specialist out of San Francisco.

Harry Islas: Okay, thank you.

Bryan O'Neill: You're welcome.

Operator: And we'll go to Blair Schaeffer from Neighborhood Housing Services of Orange County.

Blair Schaeffer: Hi. My question is about the voluntary acquisition letter. And I went to a recent training in Los Angeles for the - for URA and they - and someone we spoke to said we have to send it by mail.

Les Warner: We - you need to be able to document that that notice was provided. So whether you are able to directly provide it to someone - a lot of folks will be able to do that. And then have them sign so you have documentation that they received that.

You could send it as certified mail so that you have verification in your file. The - some folks are actually including it in their initial offer so that they then have documentation that that went out. But you're needing to show that you have issued that notice as part of doing your due diligence.

Blair Schaeffer: But is email okay to document that?

Les Warner: I think...

Joan Morgan: No. We have not determined...

Blair Schaeffer: No.

Joan Morgan: ...that email is sufficient.

Blair Schaeffer: Okay. And then the other - but if we did send it in an offer and we sent the offer by email would that be sufficient or no, still not okay?

Joan Morgan: No. I would mail it to them or hand it to them.

Blair Schaeffer: Okay. And then the other question is since we have to send that letter before we start negotiations we had to ask is - in some cases with the National Community Stabilization Trust, instead of writing an offer you request pricing.

And so would it be necessary to send that letter before you requested pricing form the Trust since that might be considered the start of negotiations?

Les Warner: So the - the stabilization trust is providing you in conjunction with whomever the lender is holding that property. The lender would be responding back saying this is our asking price...

Blair Schaeffer: This is...

Les Warner: ...our listing price essentially?

Blair Schaeffer: Exactly. But it's not a listing price because in most cases it's not listed yet but they're offering it to us at that price.

Les Warner: I guess I would defer to Joan or Bryan on this. I would think that that would be fine for that to occur prior to this. But I'm - typically you're wanting to issue your voluntary acquisition notice at the earliest possible point.

Blair Schaeffer: Yeah, because we used to send it once we had a contract. But then at the training they had told us...

Les Warner: Right.

Blair Schaeffer: ...that it - they say to send it before you start negotiations. So it wouldn't be appropriate to send it after you have a contract.

Joan Morgan: That's correct. Yeah, you really need to be doing it early on in the process so that the owner is aware you're going to be using federal funding to buy the property and that there isn't a potential for eminent domain or a taking of the property.

So, you know, with a stabilization trust if they're sending you a price when you start communicating with them you need to provide them with the notice.

Blair Schaeffer: Okay, perfect. Thank you very much.

Bryan O'Neill: Yeah, if I could - this is Bryan with HUD again. One of the situations that we didn't talk about as far as the voluntary acquisition under the Uniform Act there's a category of voluntary acquisitions from federal, state agencies, where the person seeking to acquire the property does not have the eminent domain authority over that acquisition. And remember it's an acquisition from a federal, state or a state agency.

They're - a lot of the notice requirements they don't pertain to that. For instance, for like an acquisition from FHA which would be an acquisition from HUD, a federal agency. There is a provision of the regulations that apply to that specific category.

So, you know, the voluntary acquisition informational notice that we have - that wouldn't apply to that situation and for those acquisitions from HUD, from FHA that would be regulated under the Uniform Act by 49 CFR 24.101 (D) 3 of the regulations.

And I'm not sure if we have an FAQ on that yet or not. But I just thought that would be important to note in this conversation as well.

Blair Schaeffer: Okay. Can I ask one more question? I just wanted to verify - you said before that you can just state the market price but you don't have to state in the letter how much your offer price will be since...

Bryan O'Neill: Yeah, because - well it gets - it gets kind of interesting in these situations because the voluntary acquisition requirements - they really weren't developed, you know, to consider the foreclosure actions that we have here on - and especially under NSP.

I think really the requirements - what we're saying is that in some situations - let's say a bank might have a property and it's offering that property for sale or listing it for X amount.

And if you follow the guide form that we have - if it's an acquisition that's going to be funded under NSP then I believe our form is set out that it says okay, we believe blank to be the market value of your property which maybe the listing price.

But then you also have to contend with the Recovery Act's requirements of - that you have to - if it's a foreclosed property that you have to get an appraisal.

And then it has to be at a discount. So that - that's really to - to satisfy the voluntary informational notice requirements that here you're informing the property of what you believe to be the market value of the property which in this case maybe their listing price.

And then subject to, you know, an appraisal and the discount requirements of your actual offer and the agreed upon terms of that acquisition may be less than that price.

Blair Schaeffer: Okay. And could that value be like a range?

Bryan O'Neill: I don't really think it can be a range. I, you know, we haven't been asked that question. As far as, you know, the initial offering price maybe. You're saying from the acquisition from NCST?

Blair Schaeffer: Yeah, or when we're writing the voluntary acquisition letter. If we didn't feel comfortable stating a price because, you know, we wanted to negotiate with them if we could put a range in there like we believe the market value to be from this to this or no.

Bryan O'Neill: You know, I don't feel really comfortable with that. I'm not sure how you feel Joan.

I think, you know, maybe what you could do is to do some initial legwork as far as, you know, look and see what kind of sales have taken place in the neighborhood and do some preliminary investigation and determine maybe what you believe.

Les Warner: Well I think we have two separate things occurring here though. We're following the voluntary acquisition requirements and informing them of an estimate of value but that is not your offer.

Blair Schaeffer: Yeah, exactly.

Les Warner: And so I don't - I think you simply need to be careful in that transaction that you're going to follow the requirements for the voluntary acquisition notice and that might be a part of an offer letter that you would be sending.

But where the seller of that property is looking to see what you are actually offering that should be a different line.

Blair Schaeffer: Yeah.

Les Warner: That's a different action on your part.

Bryan O'Neill: And I have a question for the caller. Was this a presentation that I guess (Jay) and (Jana) presented at the...

Blair Schaeffer: Yes.

Bryan O'Neill: ...regional relocation specialists?

Blair Schaeffer: Yes, it is.

Bryan O'Neill: Okay.

Joan Morgan: Well and the new notices for voluntary acquisition accommodate that where you say what the market value is and what you're prepared to offer.

Les Warner: Right.

Joan Morgan: Yeah.

Blair Schaeffer: I don't understand - I think it's just difficult because like in the case that we're requesting pricing it's a little bit awkward to say how much we would, you know, are prepared to offer.

Or in the case that - I don't know, in the case that we would want to negotiate with the seller it kind of puts us in a weird position because they might take that market value as what our offer is.

Joan Morgan: Well but you don't have to put your offer in your notice of voluntary acquisition.

Les Warner: Right.

Joan Morgan: The first option says...

Blair Schaeffer: Yeah.

Joan Morgan: ...we believe the market value is and we're prepared to purchase but our written offer will differ from that amount or may differ from that amount. It doesn't even say what the offer is.

Les Warner: And many folks have offers that say, you know, they might have a combination of the voluntary acquisition obviously, and the offer. The voluntary acquisition notice is one separate segment. And they may say our offer is going to be contingent upon...

Joan Morgan: Right.

Les Warner: ...an appraisal.

Blair Schaeffer: An appraisal.

Les Warner: And the maximum we will pay is, you know, 1% discount.

Joan Morgan: Right. Right.

Bryan O'Neill: And that's actually the way the NSP guide forms are laid out -the revised ones. And I think there might be some other guide forms that are resources out there. I think the NCST may have developed some of their own. But we had just I guess revised the NSP guide forms for this recently.

I'm not - do you have access to those?

(Crosstalk)

Bryan O'Neill: I'm sorry. They're included in the content. If you're in this Live Meeting you can access those forms as well.

Blair Schaeffer: Okay, thank you.

Joan Morgan: Les, I think maybe we need to get to the tenant protection at least briefly for those who came for that segment.

Les Warner: Yes, I agree. So moving on - and then we will at the end of going through the tenant protections, we will open up and work through questions until our 4:00 hour. So as part of the American Recovery and Reinvestment Act, Congress added some protections for tenants that were in foreclosed properties.

And so as part of our requirement under administering an NSP program we have to look at the issue of do we have bona fide tenants that are in - that were in occupancy at the point that the unit was acquired by what we're going to be calling the initial successor in interest.

So that might be, you know, Bank of America that took ownership through foreclosure. It might be a taxing entity that through taxing foreclosure took back that property. So folks that are not going to be considered as bona fide tenants and not being covered with protection would be the former mortgager.

So if I were the homeowner and I lost my home due to a foreclosure process I am not considered a bona fide tenant. I am not covered under these protections.

Also these situations where it's less than an arm's length transaction or where we have a tenant that is paying something way below a market value. So we have reason to believe that this is not a normal tenancy situation.

We've had some lenders who wanting - in protecting their property have placed tenants in things - just a very nominal fee simply to have that unit occupied.

Or we've had some situations where employees or other folks that were related in some way to the initial successor, were in occupancy in those properties. Those are not going to be folks that the tenant protections are going to be applying to.

It does not require that the tenant have a current lease in place. So it might be that you had a written lease that expired and you have continued to rent on a month by month basis. You still would be considered a bona fide tenant in that unit.

So as part of the requirements under this - under the tenant protections you're needing to make sure - and these requirements are holding the lender or that initial successor. They are required to make sure that the tenant is given a minimum of a 90 day notice to vacate.

So if I'm Bank of America and I take possession of a ten unit structure, you are going to need to make sure that if we - if at the point you're approaching that property there are five units that are vacant, to be able to see that they were provided at least a 90 day notice before they were moved out of that unit.

Now you also might have a tenant that was evicted for other reasons - for a legal cause that would be outside of that.

You - so as you approach a property you are needing to analyze that property and determine whether the lender has or an initial successor has properly implemented the tenant protection requirements.

So if we have - if you have a building that's solely occupied you would need to make sure that there were not tenants that had been displaced prior to them. Probably the easiest situation is where you have a fully occupied building and your project is going to allow these folks to stay. So we don't have issues.

If you have a vacant or a partially vacant building one of the things you'll need to determine is how long have these units been vacant? And were those tenants provided at least a 90 day notification? Now there are a couple of outs on this.

This - these requirements came into effect on February 17, 2009. So if let's say Bank of America took ownership title of this single family unit or multifamily unit prior to February 18 - that would be the first effective date, so February 17 or earlier of 2009.

Those - the regulations were not in place so that property would be exempt from those regulations.

You also would be okay if the tenant could verify to you that they had followed the requirements under the tenant protection act and had provided at least a 90 day notice to any tenants that were required - that were evicted from that property.

You also may have properties that at the point that the title transferred to the initial successor maybe that they were already vacant and so being able to verify that at the time of that transfer of title that that unit had been unoccupied.

That may be simple enough in that you may be able to look at things like utility records, water service to the unit and see that there's been no water for, you know, six months or so prior to the point that that transfer of title occurred.

So you don't have - at that point you have documentation that there were not displacements that were related to this. So there was not a need for notices - a 90 day notice to be provided by the lender and to this vacant property.

So regulations also require that if you have a tenant that has a Section 8 assistance, that the initial successor must continue to honor that lease and the contract that goes with that property. So what are the implications of this particular - these particular requirements for you as an NSP recipient.

Were you needing, prior to making a decision about purchasing that property, to determine whether this structure has been - is in compliance, that the lender has followed the requirements under the tenant protection act.

If you can document that either through the lender signing off and verifying that they have completed this process in compliance, or by showing that, well, this transaction, change of title happened prior to the effective date of this requirement.

Or the fact that these units still are occupied by the same tenants so there's been no displacement. Or showing that this unit was - these units were already vacant prior to these protections coming into play.

You would have, through that due diligence, been able to show that the requirements have been met and that you do not have an issue with those.

In the absence of being able to document compliance either with verification from the initial successor or through your own due diligence, you will not be able to invest NSP funding into that structure.

So for many folks and I've done a number of clinics where we've had folks who as we were talking through this, were recognizing I've acquired a lot of property already without having a plan in place and without having doing this due diligence.

I would recommend that you then look to see when that - when title transferred to the initial successor was it prior to the date of these regulations coming into force? If it was prior to that you can document that in your file and know that okay, here's another property that is in compliance.

Also we've mentioned that one of the - one of the prior occupants that would not qualify as a bona fide tenant would be an owner occupant that is displaced due to that foreclosure.

So if you can document that the prior tenant was actually a mortgage holder who lost the home through foreclosure they are exempt from coverage. And that would give you adequate documentation.

Also, again if you can document that this unit was vacant prior to this then that sort of file documentation still can be put together after the fact. And document that you have compliance.

You also need to think about going forward for all of the properties that you would be acquiring still under NSP 1 or NSP 2 that this is part of your analysis on the front end right along with, as we talked about, you know, thinking about is the project occupied?

Would there be displacement? Do I need to - am I going to have - need to have a relocation plan?
Do I have notices?

All of that is part of your front end planning to make sure that this is a feasible project and that you have a plan of action to make sure that you can document complete compliance at the end of that process.

So having those systems in place and completing those planning steps are going to be essential for you to have compliance and be able to document compliance at the end of your implementation period. One thing I would mention, the last bullet point on this slide is really important.

Persons that are eligible for the Tenant Protection Recovery Act are not necessarily automatically eligible for URA assistance. When we talked earlier about, you know, is the displacement of this tenant related to your investment of NSP funds in this property.

If under the lender's actions they provided 90 day notices and evicted tenants from your property because they did not want to hold and manage occupied properties, that is not part of the impact of your NSP investments. You approached that property.

It had already been emptied out as a decision made by the initial successor on that. As long as they can provide the documentation or you can document that they met the requirements under the Tenant Protection Recovery Act you are able to proceed.

And in that case you do not - you are not triggering URA assistance because you have not caused the displacement of those tenants. Why don't we go ahead at this point and open up the lines for questions and try to address as many questions as we can in the time we have remaining?

Operator: We'll go to Shelli Branson from Tarrant County Housing Partnership.

Shelli Branson: Thank you for taking my question. We currently have a property that we have closed on.

We've sent out all of the appropriate notices. We've done the scheduled interviews.

And we have one tenant - it's looking like everybody is going to be under the 50% cap - the median income that we have for the 25% set aside. We do have one tenant however that we are not sure about the income yet. But she has been very persistent that she is wanting to purchase a home.

How - if she is not under that 50% median income, how is relocation triggered with that?

Les Warner: Well you are - first you're deciding whether she is displaced by the project. So if she is income eligible then you're going to notify her that she's a nondisplaced household and she won't have any relocation benefits as part of that.

She might voluntarily at that point participate in another NSP activity of underway and become a homebuyer. But that would not be, you know, linked with this acquisition of the property.

If it turns out that she is over income then of course you're going to calculate her benefit for relocation assistance which might well include a calculation of replacement housing payments which I believe, and I'll let - I'll defer to Bryan or Joan on this.

I believe that there is the possibility of utilizing that towards home ownership?

Joan Morgan: Yes. Yeah, you can use it for down payment assistance.

Shelli Branson: Okay. Okay. That - I wasn't sure about that. That was my question. I had kind of read a couple of things about that but I wasn't sure. And a second question I have...

Les Warner: But that level would be based upon you determining - following the relocation process on comparable unit and what the size of that benefit would be. Then they'd have the opportunity to take that benefit and utilize it towards home ownership.

Shelli Branson: Okay. And the second question - you touched on with purchasing HUD properties - we were told in an NSP clinic over in Dallas that - because we were having a problem with HUD signing off on the seller notification.

Les Warner: Yes.

Shelli Branson: And we were told in the NSP clinic in Dallas that we still had to get that. We just needed to call our Denver HOC and have them call the asset manager over in Dallas and have them sign those.

Les Warner: You're not required to have a signature. You are required to be able to demonstrate that that notice was provided.

Shelli Branson: Okay.

Bryan O'Neill: Actually Les if I could correct you on that point. If it's an acquisition from HUD and HUD REO properties...

Shelli Branson: Yes.

Bryan O'Neill: ...there is no notice requirements for that acquisition. And another misunderstanding that we've had with some of the NSP grantees is that there is - I think some folks have an impression

that when you send these notices out that you're required to get the owner to sign the notice and to sign whatever the certification may be.

And that's not the case. But for the acquisition from HUD there is no notice that would be, you know, I guess pertaining to that. Because if you look at the requirements that I had mentioned previously, 49 CFR 24.101 (D) 3.

And that would be an acquisition from a federal agency or state agency and HUD being a federal agency where the person acquiring or the agency acquiring does not have the authority to acquire by eminent domain because obviously you're not going to be able to condemn the US government for a property.

Shelli Branson: Right. Okay, well and with one of our entities that we're receiving NSP funding from they require us to get a signature.

Bryan O'Neill: Okay. And that's - if I understand correctly to get a signature, that is not a HUD requirement for the notices. All that we're asking to do is approve that that notice was provided to the owner where in the case that it's applicable.

Shelli Branson: Okay. Thank you very much. I appreciate it.

Bryan O'Neill: Sure.

Operator: We'll go to Ann Kashmer, City of Miami.

Ann Kashmer: Thank you for taking my call. I have a question on eminent domain. We have a company that bought a property at a tax deed sale. There was a deed restriction that was placed on that

property by the city and that deed restriction is that it will remain affordable or it could revert back to the city.

The city would like to buy this property under Strategy E as a vacant lot and redevelop it. And I'm wondering are there any eminent domain issues with regard to that particular purchase.

Joan Morgan: Why would you want to use eminent domain?

Ann Kashmer: No. I don't want to use eminent domain. I'm just asking based upon - if I'm saying this is a voluntary purchase under NSP, could it be construed because of the deed restriction on the property that was placed on by the city a long time ago, that it would not be a voluntary acquisition but it could be construed as a possibility of eminent domain?

Les Warner: I think that's very similar to the earlier question we had I think from Fairfax County with the - with the restrictions on the affordable property. And then that we recommended that a question be submitted on that specifically to get a clear answer on that.

Ann Kashmer: Back to NSP Help?

Les Warner: Yes.

Ann Kashmer: Okay, thank you.

Operator: We'll go to Mindy Cochran, City of Arlington.

Mindy Cochran: Hi. My question has to do with 104(D) eligibility. We have an acquisition - we have resale programs and some of the properties that we are acquiring currently have tenants.

We're trying to determine whether or not conversion applies since the homes aren't going to all be demolished but they are not necessarily going to be made available to persons under 80% only because NSP goes up to 120%.

Joan Morgan: Mindy, this is Joan Morgan. I know about your situation.

Mindy Cochran: Hi.

Joan Morgan: Hi. The definition of a conversion is taking a rental unit and making it not a rental unit or not a rental unit that would rent under the fair market rent. It has nothing to do with income of the person.

And in normal circumstances what we have found is any grantee who buys a single family home and renovates it - automatically it becomes a conversion because that single family home would never rent under the fair market rent.

(Crosstalk)

Joan Morgan: ...it may be different in some areas of the country. But as a whole, in general every grantee we have talked to has said if I renovate this home, if I try to rent it, it would rent over the fair market rent. So it's a conversion.

Mindy Cochran: Okay. So you don't even consider what the amount that you're selling it for and...

Joan Morgan: Nope.

Mindy Cochran: ...what the mortgage payment and who would be eligible for that?

Joan Morgan: Nope.

Mindy Cochran: It has no - it doesn't come into play? Okay, great.

Joan Morgan: Conversion looks at rental. It doesn't look at resale.

Mindy Cochran: We issued them both sets of guidelines so I think our bases are covered there. Thanks.

Joan Morgan: Good.

Les Warner: Great. Next question?

Operator: We'll go to Jennifer Olson, State of Montana.

Jennifer Olson: Thank you for taking my call. I actually have a - just some basic questions. But does the URA guidance apply to program income meaning if the grantee or sub grantee in the State of Montana's case have program income from, you know, the sale of their first home?

And they're utilizing that on an occupied structure would URA guidance still apply to that?

Les Warner: Yes. Since program income holds its federal identifications not only would the NSP requirements follow with that but so would all of your other federal requirements as they did when you initially invested it.

Jennifer Olson: Okay. And unless of course it was a developer because...

Les Warner: Well at that point it's not...

Jennifer Olson: Program income.

Les Warner: ...program income.

Jennifer Olson: Yeah, okay. And then we had - we have been actually allowing our grantees to email that voluntary acquisition notice to the holder which is usually a bank. But we - but again that documentation then isn't I guess confirmed if you will.

So what we've been saying is that they have to get a confirmation that - from that lender or from that holder that it's been received. Would that still be sufficient documentation if we have that - since we have that response from the holder or the lender?

Joan Morgan: Well the requirement is that you notify the owner.

Jennifer Olson: Right.

Joan Morgan: The way the regulations are written it says you mail it and return receipt requested. Now lots of times folks don't return the receipt. You can't force them to return the receipt. The other option is to personally hand it to them. Nowhere do the regulations address emailing.

Jennifer Olson: Right.

Joan Morgan: And there has been no determination that email is an appropriate way of handling these notifications. So my recommendation would be for your file's sake is to mail a notice to the owner.

Jennifer Olson: Okay.

Joan Morgan: If we did a monitoring review and found that you had emailed it we would make that a finding that you didn't comply with the requirement to either mail or personally deliver. But, you know, if it's a year down the road and the sale is completed it's an uncorrectable deficiency.

Jennifer Olson: So that receipt back from them wouldn't make that whole then.

Joan Morgan: Not really.

Jennifer Olson: Okay.

Joan Morgan: But it's better than nothing.

Les Warner: And Joan, are you recommending when they mail it that it be a certified so that they have documentation that that mail actually went out?

Joan Morgan: I'm trying to think of what's on the back of the form. Hold on for a second. I think we just say mail it return receipt requested. I don't think it has to be certified.

Les Warner: Okay. Because...

Bryan O'Neill: Yeah, and, you know, there's...

Les Warner: ...there is a problem getting responses though.

Bryan O'Neill: ...still a little confusion on this...

Joan Morgan: Yeah. And, you know, just because you mail and you ask for a receipt doesn't mean they're going to give you a receipt.

Les Warner: Right.

Joan Morgan: You can't force them to give you a receipt. So the fact that they didn't return the receipt doesn't negate the fact that you met the requirement.

Jennifer Olson: Okay.

Bryan O'Neill: Can I just add something to that? The forms in the - in the footer of the form, I think in the notes section, on both forms they reference certified mail, you know, hand delivered, return receipt and whatnot.

Those are examples for these URA - NSP URA informational notice forms. There's no specific requirement that it be certified mailed or hand delivered.

You can send it regular mail. I think the, you know, really for the purposes of monitoring and satisfying the URA requirements for these forms for NSP is that you have a record that you did provide the owner, you know, the information that's contained in that form.

And so if you - maybe if you document your file saying okay, we sent this out on such and such a date, here's a copy of the letter that we sent. It's in your file folder. I think that should be sufficient.

But there has been some confusion whether or not it's required to be mailed certified, return receipt or hand delivered.

And I think, you know, Joan had talked on the email issue and we were - we are asked that same question I think maybe - wow, it's probably been close to maybe two years ago or a year or so ago out in LA whether email was adequate. And at that time we also said no.

Jennifer Olson: Okay, thank you. And then I have one final question. If we have an occupied structure and we're building a new one right next to it because we're trying to for health and safety reasons to get rid of one and move into another, so we've got an occupied structure that, you know, is blighted but it's still occupied and we're building a new one, you know, basically 100 feet away from it - when - can we require that those tenants move from one place to another being that there won't be an increased amount of rent or anything like that but we don't want them to stay there, you know?

Bryan O'Neill: Oh. If they're eligible as a displaced person under the Uniform Act you can't require that they move to a specific location. You can't even necessarily say that, you know, their - the whole basis of the Uniform Act is comparable, available replacement housing.

Even if you're constructing the new housing you can't absolutely use that as a comparable. It may be possible to use it as a comp. But to determine their potential replacement housing payments but you can't require that they move there.

If they are eligible as a displaced person then they're eligible and they can choose to move wherever they want if I understand your situation.

Les Warner: Could they actually use temporary relocation in conjunction with reconstruction?

Joan Morgan: The problem with that would be the one year...

Bryan O'Neill: Right.

Joan Morgan: ...period of time.

Bryan O'Neill: Right.

Jennifer Olson: Right. What we would be doing is allowing them to live in that, you know, unsafe environment I guess if you will. It's an older building and we'd want to - we'd want to take it down for many different reasons.

And so we would allow them to live in there where we're constructing on, you know, it's an acre worth of property. So we'd be constructing right next door to it. And then there is sufficient number of units to move everybody from, you know, the unsafe one to the new unit.

But what I'm hearing you saying is if we required that of them and we provided the notices to say that, you know, what's happening to the units, if we require them to move then they become a permanently displaced individual. Is that correct?

Joan Morgan: Correct. You're making them move out of the building they're living in.

Jennifer Olson: Okay. If...

Joan Morgan: ((Inaudible)).

Jennifer Olson: Let me ask one more follow up question.

Joan Morgan: It's not part of the project. It doesn't exist yet. You're still constructing it.

Jennifer Olson: Right. Exactly. Exactly.

Joan Morgan: So you've displaced them.

Jennifer Olson: So what - well then it would just be permanent displacement for them for the 60 months and they can choose wherever they choose to live.

Joan Morgan: Correct.

Jennifer Olson: Okay.

Joan Morgan: And if your new building is really nice they may decide that's where they want to move. But they have the option of moving wherever they want.

Jennifer Olson: Okay. And then I actually have - my other question and I apologize, this is the final one so I can let other people try to ask questions. We have another unit where people are moving in and we've provided - or we've - excuse me, we've acquired it and they're renting right now.

If they've chosen and we've given them all of the notification to say you don't have to move, we've just acquired your property. You're going to continue to rent where you're living and everything's good. Do we have to have subsequent documentation for when they choose to move?

Les Warner: Yeah, you're - as I mentioned earlier you need to be able to show at the end of that project what the impact was and kind of where everybody moved to.

So in the case where you've notified these people they are nondisplaced - we'd want to have notation to be able to show that, you know, this household after being notified chose to move somewhere else.

Joan Morgan: And where they move to.

Les Warner: Yeah.

Jennifer Olson: Okay. And is there a notice that we would have them sign or would we just provide them notification or anything like that if they chose not to provide us the location to where they're moving?

Joan Morgan: Well normally a tenant would tell you where they're going because they want their security deposit back.

Les Warner: Right.

Jennifer Olson: And we can - I guess is there something developed by HUD that we can use as a standard template to provide to them?

Joan Morgan: No.

Jennifer Olson: Okay.

Joan Morgan: Because there's nothing required. The only thing you're required to do is give them a notice of nondisplacement. There's no...

Les Warner: Right.

Joan Morgan: ...requirement that a tenant fill out a form and say I'm leaving because I want to.

Jennifer Olson: Okay.

Les Warner: But it is helpful in that - to be able to show at the end of your project kind of what happened to each one of those tenants.

Joan Morgan: Right.

Jennifer Olson: Okay. Thank you. That's it. Thank you for...

Les Warner: Okay.

Jennifer Olson: ...your time.

Les Warner: Next question?

Operator: We'll go to Valerie Fontaine, City of Atlanta.

Valerie Fontaine: Hello?

Les Warner: We're here.

Valerie Fontaine: Hi. This is Valerie with the City of Atlanta and I have a question in regards to we are looking at acquiring a property that previously had a Section 8 tenant residing on the property.

When the foreclosure took place the Section 8 certificate actually was removed by the housing authority because the housing authority would not allow the tenant to stay in a foreclosed property. I needed to know are we violating tenant protection in this instance.

Les Warner: I would think you were not if you're able to document that that's what occurred.

Valerie Fontaine: Okay.

Les Warner: Joan, what do you think?

Joan Morgan: Yeah, I agree. It wasn't any action that they took. It was the action...

Les Warner: Right.

Joan Morgan: ...of the PHA. And it may have been because the property was not decent, safe and sanitary and they told the tenant they needed to move somewhere else. I mean we can't speculate.

Valerie Fontaine: Okay. But as long as we have documentation that the housing authority is the one that removed the HAP payment and the...

Les Warner: Yes.

Joan Morgan: Correct.

Les Warner: Yes.

Valerie Fontaine: Okay. Perfect. Thank you so much.

Les Warner: Next question?

Operator: And we'll go to a last question from James Creamer, City of Boston.

James Creamer: Hello?

Les Warner: Hello?

James Creamer: Hi. My question relates to the city purchasing foreclosed - occupied foreclosed property with NSP money. And we have - the city has no intention to displace people in these properties.

And most of the time what we intend to do is sell to future homeowners who may or may not purchase the properties with NSP money. So my question relates to how long does URA protections continue? How long do URA protections continue in such a situation?

I've gotten some guidance from folks like (Janice Olo) with HUD and (John Laffin) that have been very helpful. But I don't have a - I'm not sure I'm going to be able to get a defined question or a defined answer on this.

Les Warner: So if I understood you correctly you're saying that you're going to purchase a foreclosed occupied property...

James Creamer: Right.

Les Warner: ...and you're going to leave that tenant in as long as they want to.

James Creamer: Correct.

Les Warner: Then when they voluntarily move out you would sell the unit?

James Creamer: No. No. We may keep the tenant in there and sell the property - it's a multifamily property - a two or three family house or a four family depending and this is not - this is a, you know, this hasn't happened but...

Les Warner: And so if you...

James Creamer: And so if we sell to a homeowner who at some point say wants to move their mother in law in or, you know, to that property how long does that tenant after having gotten property notice of nondisplacement from the city at the purchase at what point do URA protections end?

I presume they don't go on indefinitely. But what's a, you know, fair estimate for, you know, saying that - I mean we are providing on our own that tenants won't be evicted for a two year period after a sale to a homeowner.

But after that point in time, say five or six years down the road the owner wants to evict the tenant to move his son or daughter in or whatever. Does the tenant at that point are they entitled to a notice of eligibility for relocation assistance? Or is there at timeframe there that - or a rule of thumb we might try to implement?

Les Warner: Joan, I think we'll defer to you.

Joan Morgan: I understand that our legal office is looking at this question.

James Creamer: Yes.

Joan Morgan: So we can't give an answer on here. And it's very difficult to give answers on speculative kinds of questions.

James Creamer: Sure.

Joan Morgan: So...

James Creamer: But for project planning we're trying to...

Joan Morgan: ...you're just going to have to wait for your situation as you presented to us, to be addressed.

James Creamer: Right. Okay. My second question came up in regard to the discussion today in terms of former occupants. If a former occupant - I mean excuse me, the foreclosed occupant is now living in a building owned by the bank. And the bank for whatever reason has taken rent from them.

And that tenant is now a legal occupant. I presume that that person has URA and tenant protection rights under the law as long as they're - even though they were a former owner. Now, you know, for whatever reason the bank has taken rent and created a tenancy with them.

Under state law they would be considered a tenant and entitled to eviction rights here. And I'm just questioning whether the federal law would dominate.

Les Warner: Joan, I'm going to defer to you on this also.

Joan Morgan: URA applies to legal tenants.

James Creamer: Right.

Joan Morgan: If they are a legal tenant under your state law situation now that the bank has executed a lease with them then URA would apply.

James Creamer: Okay.

Joan Morgan: The tenant protections of the Recovery Act do not apply because they were not a tenant prior to the foreclosure. They were an owner occupant.

James Creamer: So as long as those - so I see. So at that cutoff point of the foreclosure, if they hadn't created a - if there was no tenancy, that's the key date there.

Joan Morgan: Correct.

James Creamer: Okay, thank you.

Bryan O'Neill: And can I - can I add that we actually do have a frequently asked question on this point.

James Creamer: I did - I have seen that. Yeah, I have seen that. Thank you.

Bryan O'Neill: I'm sorry?

James Creamer: I have seen that.

Bryan O'Neill: Okay, great.

James Creamer: Okay.

Les Warner: Do we have other questions still in the queue?

Operator: We do not have any further questions in queue.

Les Warner: Okay. Then I'll just point your attention to the last couple of slides here. We have a list of some resources for NSP concerning acquisition and relocation. And this is where a number of sample forms and some guidance would be provided.

They're also is the NSP Help Website where you can go to, to not only post a question and receive an answer to your specific case issue. But there also are guidance materials and some searchable frequently asked questions.

We reference the tenant protections guidance memo which goes into further detail and is something if you have not spent some time looking at that I would certainly recommend that you go to the link here, print it out and read through it in detail.

Also listed here is the Learning Center which is where all of the Webinars and the materials that are linked with those Webinars are posted. So to get copies of the attachments that we have the sample forms, the list of the regional relocation specialist.

You could go to the Learning Center Website and be able to pull that information up and be able to print it out.

This would also be where you - other staff that you thought ought to listen to this Webinar would be able to go to that Website and be able to listen to the recording and looking in the materials. We also are really asking that folks go.

It only takes a very short amount of time to use this linkage on our last slide to www.SurveyMonkey.com to provide some feedback about this session - whether it was helpful for you.

The feedback that we're receiving from folks on this is part of the guidance on making decisions on, you know, how we target and our strategy for trying to provide appropriate training and materials for folks.

So I really recommend that folks take a moment and go to the survey site and provide some feedback on that. With that, I would - I would thank you greatly for your attention and I hope that this session has been helpful for folks.

And again, I would encourage you with project specific questions to utilize not only the help Web site to ask questions but also contact the regional relocation specialist to help them - have them work with you and walk you through your project and try to figure out the specific compliance issues that would apply to your project.

So good luck and thank you very much.

Operator: And that does conclude today's Web seminar. Thank you for your participation and best of luck with your NSP (implications).

END