

**Clayton County Neighborhood Stabilization Program
Supplemental Addendum to the Purchase and Sale Agreement**

Buyer' Name: _____ **Buyer' Name:** _____

Property Address: _____

This property is acquired through foreclosure under the guidelines of Clayton County Neighborhood Stabilization Program (NSP), and is rehabilitated to County standards before resale.

At time of this offer, Buyer must enclose a copy of the Buyer Eligibility Letter from one of the participating Certified Lenders on the list

1. Under the NSP Income Eligibility Requirement, Buyer must be income eligible by family size.
2. Purchaser must complete a total of 12 hours of Home Buyer Seminars prior to closing.
 - 8 Hours of Home Buyer Education Counseling - from HUD approved agency
 - 4 Hours of Home Owners Training- offered by NSP.
3. Buyer must qualify for a standard home loan with fixed interest rate.
4. "To ensure the home buyer obtains a mortgage loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages see: www.fdic.gov/regulations/laws/rules/5000-5160.html" NSP requires the following:
 - Home buyer must apply with a Clayton County NSP certified and HUD approved Lender prior to submitting an offer.
 - NSP will pay 1% Origination Fee; Administrative fees will not exceed \$800. Any additional funds charged by the lender must be preapproved by NSP at the time Mortgage Lender Letter is submitted to NSP.
5. When Buyer is purchasing a CC-NSP Home, a 5(five) year **Shared Equity** provision will be applied and recorded with the deed. This means that if the property is sold after the:
 - 1st year of occupancy, Buyer receives 20% of the equity
 - 2nd year of occupancy, Buyer receives 40% of the equity
 - 3rd year of occupancy, Buyer receives 60% of the equity
 - 4th year of occupancy, Buyer receives 80% of the equity
 - After 5th year of occupancy, Buyer receives 100% of the equity(Equity is defined as the positive difference between original purchase price and current sale price)
6. Buyer **will** ____ or buyer **will not** ____ need the Mortgage Assistance from Clayton County NSP
7. The Clayton County NSP Mortgage Assistance will be according to the following formula:
 - \$7,500 for Buyers with household income 50% and below of Area Median Income.
 - \$ 5,000. for Buyers whose household income is above 50% to 80% of Area Median Income.
 - Up to \$ 5,000. matching funds for Buyers with household income is above 80% to 120% of Area Median Income

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- Up to \$20,000 Mortgage Assistance to these Target Buyers Groups with a household income not to exceed 120% Area Media Income:
- Police, Sheriff, Firefighters, EMTs (required to be employed in Clayton County)
 - State Certified Educators (required to be employed in Clayton County)
 - Licensed or Certified Medical Personnel (required to be employed in Clayton County)
 - Active Military, Veterans and Surviving Spouses (not required to be employed in Clayton County)
8. Buyer understands and agrees the full amount of mortgage assistance is in the form of a **Soft Second** loan and will be recorded with the deed. If property is sold prior to 5 years of occupancy (on Mortgage Assistance up to \$15,000) or prior to 10 years (on Mortgage Assistance above \$15,000) the full amount of the mortgage assistance shall be repaid.
9. Seller will pay closing cost \$_____, and to be use in accordance to the Items Paid by Seller at closing paragraph in the Purchase and Sale Agreement. Buyer must have at least \$500 of their own funds (*this is Not Earnest Money and will not credit to the Buyer at closing*) to pay for the credit application, Appraisal, or any cost associated with the purchase.
10. Buyer must select one of the two a law firm from the Clayton County NSP approved list of closing attorneys:
- Brochstein and Bantley, P.C.
Phone: 770-507-1766 Fax: (770) 507-1085 Initial here: _____
- William A. Miller, P.C.
Phone (770) 994-0440 Fax : (770) 994-0448 Initial here: _____
11. Property Sold Subject to Due Diligence per paragraph 10 of Purchase and Sale Agreement. During the due diligence period, Buyer may also propose an amendment to repair or replace **defective items**.
12. The term “defect” shall mean any portion of an item on the property which is not
- In good working order and repair
 - Constitutes a non-grandfathered violation of applicable laws or governmental codes or regulation
 - Has not been substantially completed or constructed in accordance with the plan or specifications
 - Is a defect as that term defined in any warranty provided by Seller
- Seller agrees to correct the defects in good and workmanlike manner prior to closing
13. Buyer and Seller will conduct a walk through. Buyer understands the walk through is not a formal home inspection.

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14. At closing, the Seller agrees to provide a Buyer's Protection Plan Home Warranty from a company of their choosing, at a cost not to exceed \$400.00. The Term of the Home Warranty shall be for at least one year from the date of closing.
15. At no cost to Purchaser and one year from date of closing, Seller provides One Year material and workmanship warranty for items they have repaired.
16. At closing, Seller shall provide Buyer with an Official Georgia Wood Infestation Report ("Report") from a licensed Georgia pest control operator which covers all dwelling and garages located on the Property. In the event Report reveals any active infestation from termites or the other wood destroying organisms listed in the Report, Seller agrees to have the termite company issuing the Report treats the infestation in accordance with the standards set forth by the Georgia Department of Agriculture.
17. Buyer and or Buyer's representative is responsible for ensuring his/her Mortgage Lender will furnish a completed and signed **Mortgage Lender Letter** to include all supporting documents (signed copy of the borrower's **Uniform Residential Loan Application and Good Faith Estimate/Truth in Lending, Initial Fees Worksheet, copy of the Appraisal Report, Certificates for the 8 and 4 hours educations** to Clayton County NSP
18. By their signature below, Buyer authorization is given for the release of the Uniform Residential Loan Application, and any other loan, credit, mortgage/rent, or employment information or verification, as needed for participation in the Clayton County Neighborhood Stabilization Program and in connection with my/our contract for the purchase of a home under the NSP program, as well as a copy of the final appraisal on the home, and any other documents that may be required by HUD and/or Clayton County NSP.
19. The sale and mortgage assistance is contingent upon Clayton County NSP's final approval.

Buyer Signature

Date

Buyer Signature

Date

Seller Signature

Date