

Instructions for Sales Contract

Property Disposition Program

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0306
(Expires 01/31/2027)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th St SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2502-0306. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required in order to administer the Property Disposition Sales Program (24 CFR Part 291). The collection of information is required in order to provide a binding contract between the property purchaser and HUD. A real estate broker or one of its agents completes this form. If this information were not collected, HUD would not be able to administer the Property Disposition Sales Program properly to avoid waste, mismanagement, and abuse. No assurances of confidentiality are pledged to respondents.

Privacy Act Statement: The Department of Housing and Urban Development is authorized to collect this information by the National Housing Act, Section 235(b), P.L. 479, 48 Stat. 12 U.S.C. 1701 et seq. HUD is authorized to collect the Social Security Number (SSN) by Section 165(a) of the Housing and Community Development Act of 1987, P.L. 100-242, and by Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, P.L. 100-628. The information is being collected to determine the amount of assistance (if any) the applicant is entitled. The information is also used as a tool for managing the program(s) related to this form, and for protecting the Government's financial interests. **The information may be used to conduct computer-matching programs to check for underreported or unreported income.** The SSN is used as a unique identifier. The information may be released to appropriate Federal, State, and local agencies, and when relevant, to civil, criminal, or regulatory investigators and/or prosecutors. This information will not be otherwise disclosed or released outside of HUD except as permitted or required by law. It is mandatory that you provide all of the requested information, including all SSN(s). Failure to provide SSN(s) and required documents will result in a delay or loss of assistance payments.

This **Sales Contract**, identified as form HUD-9548, must be prepared and transmitted electronically or manually in accordance with the following instructions.

Item 1: Enter Purchaser(s) name and complete property address.

Item 2: Enter name(s) and style in which title will be taken.

Item 3: Enter bid amount and amount of earnest money Purchaser has deposited.
Enter holder of earnest money deposit.

Item 4: Enter when appropriate. If Seller has offered the property with insured financing available, and Purchaser is buying under such means, check the first block and the applicable type of insured financing, and complete the down payment and mortgage information. If the insured mortgage involves a repair escrow (and has been so offered by Seller), also check the appropriate block and insert the amount of the repair escrow.

Item 5: Enter amount of financing/closing costs Seller has agreed to pay.

Note: If the amount stated in Item 5 exceeds actual and typical allowable financing and/or closing costs, such excess shall not be paid by Seller and may not be used by Purchaser to reduce amount(s) owing to Seller.

Note: Investor purchasers are not eligible to receive Seller paid closing costs.

Item 6: Enter dollar amount Seller has agreed to pay, including any selling bonus if offered by Seller. The commission and selling bonus if applicable, will be paid by Seller upon completion of closing.

Item 7: Enter net amount due Seller (purchase price [Item 3], less Items 5 and 6). Contract will be awarded on the basis of the greatest acceptable net return to Seller.

Item 8: Enter appropriate occupancy information. If left blank, Purchaser will be considered as an investor. If purchaser qualifies for discount, enter percent. Discount will be reduced by amounts, if any, on Line Items 5 and 6. (Do not enter discounted price on contract.)

Item 9: Enter in accordance with HUD's instructions.

Item 10: Enter appropriate back-up offer information.

Item 11: Enter if an addendum is to be attached to and made a part of this contract.

Note: Addendum not previously approved by Seller may not be made a part of this Contract. Approved addendum must be signed by, and in the same style as, and the signature must be the same as those signing as Purchaser(s).

Item 12: Purchaser(s) must initial in appropriate space.

Other: a. **Failure of the Purchaser to perform in accordance with this contract may cause the Seller to retain all or a portion of the earnest money deposit. Broker must be certain this is fully explained to and understood by the Purchaser(s).**

b. **Enter Selling Broker's Name and Address Identifier (NAID) in Certification of Broker section. If broker has not been issued a SAMS NAID, refer to HUDHomestore.gov NAID Portal to complete forms SAMS-1111, Payee Name and Address, and SAMS-1111-A, Real Estate Broker Certification, along with required documentation.**

Note: An Active NAID is required to submit an offer.

c. **The Broker is required to inform Purchaser of the Conditions of Sale as stated in the Sales Contract, including Purchaser's responsibility for satisfying itself as to the full condition of the property prior to submitting an offer to purchase and that Seller will provide no warranty or perform any repairs after acceptance of the Contract.**

Sales Contract
Property Disposition Program

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

HUD Case No. _____

- I (We), _____
(Purchaser(s)) agree to purchase on the terms set forth herein, the following property, as more particularly described in the deed conveying the property to the Secretary of Housing and Urban Development:

(street number, street name, unit number, if applicable, city, county, State)
- The Secretary of Housing and Urban Development (Seller) agrees to sell the property at the price and terms set forth herein, and to prepare a deed containing a covenant which warrants against the acts of the Seller and all claiming by, through or under him. Title will be taken in the following name(s): _____
- The agreed purchase price of the property is > **3.** \$ _____
Purchaser has paid \$ _____ as earnest money to be applied on the purchase price, and agrees to pay the balance of the purchase price, plus or minus prorations, at the time of closing, in cash to Seller. The earnest money deposit shall be held by _____.
- Purchaser is applying for FHA insured financing [203(b), 203(b) repair escrow, 203(k)]

Said mortgage involves a repair escrow amounting to \$ _____.

Purchaser is paying cash or applying for conventional or other financing not involving FHA.

- Seller paid closing costs not to exceed..... > **5.** \$ _____
- Upon sales closing, Seller agrees to pay to the broker identified below a commission (including selling bonus, if offered by seller) of..... > **6a.** \$ _____
- The listing broker will receive a commission of:..... > **6b.** \$ _____
- The net amount due Seller is (Purchase price [Item 3] less Items 5 and 6)..... > **7.** \$ _____
- Purchaser is: owner-occupant (will occupy this property as primary residence) investor
 HUD-approved public housing agency other government agency. Discount at closing: _____ %
Discount will be reduced by amounts, if any, listed on Line Items 5 and 6.
- Time is of the essence as to closing. The sale shall close not later than _____ days from Seller's acceptance of contract. Closing shall be held at the office of Purchaser's designated closing agent or _____.
- If Seller does not accept this offer, Seller may may not hold such offer as a back-up to accepted offer.
- Lead based paint addendum is is not applicable; Other addendum is is not attached hereto and made part of this contract.
- Should Purchaser refuse or otherwise fail to perform in accordance with this contract, including the time limitation, Seller may, at Seller's sole option, retain all or a portion of the deposit as liquidated damages. The Seller reserves the right to apply the earnest money, or any portion thereof, to any sums which may be owed by the Purchaser to the Seller for rent. Purchaser(s) Initials: _____ Seller's Initials: _____**
- This contract is subject to the Conditions of Sale, which are incorporated herein and made part of this contract.

Certification of Purchaser: The undersigned certifies that in affixing signature to this contract understands: (1) all the contents thereof (including the Conditions of Sale) and is in agreement therewith without protest; (2) Purchaser (s) is responsible for satisfying itself as to the full condition of the property; and (3) that Seller will not perform repairs after acceptance of this contract.

Purchaser(s): (type or print names & sign)

Purchaser(s) Address:

Purchaser(s) Social Security Number (SSN) or Employer Identification Number (EIN) (include hyphens) Phone No:

Date Purchaser(s) Signed Contract:

Seller: Secretary of Housing and Urban Development By: (type name & title, & sign)

Date Contract Accepted by HUD:

X

Certification of Broker: The undersigned certifies that: (1) the broker nor anyone authorized to act for the broker has declined to sell the property described herein to or to make it available for inspection or consideration by a prospective purchaser because of his/her race, color, religion, sex, familial status, national origin, or disability; (2) broker has provided and explained to the purchaser the notice regarding use of real estate closing agent; (3) broker has explained fully to the purchaser the entire terms of the contract, including Condition B hereof; and (4) broker is in compliance with Seller's earnest money policy as set forth on HUD forms SAMS-1111, Payee Name and Address, and SAMS-1111-A, Real Estate Broker Certification, which the broker has executed and filed with Seller.

Broker's Business Name & Address: (for IRS reporting) (include Zip Code)

Broker's EIN or SSN: (include hyphens)

SAMS NAID:

Signature of Broker:

Broker's Phone No:

X

Type or print the name and phone number of sales person:

Authorizing Signature & Date:

- V [unclear] PWOA [unclear] [unclear] [unclear] K
- Acceptance Back-Up No. _____
- Rejection Return Earnest Money Deposit

X

Conditions of Sale

- A. All assessments, including improvement assessments which are available for payment without interest or penalty for advance payment, taxes, rent, and ground rent, if any, shall be prorated as of the closing date.
- B. Seller makes no representations or warranties concerning the condition of the property, including but not limited to mechanical systems, dry basement, foundation, structural, or compliance with code, zoning or building requirements and will make no repairs to the property after execution of this contract. Purchaser understands that regardless of whether the property is being financed with an FHA-insured mortgage, Seller does not guarantee or warrant that the property is free of visible or hidden structural defects, termite damage, lead-based paint, or any other condition that may render the property uninhabitable or otherwise unusable. Purchaser acknowledges responsibility for taking such action as it believes necessary to satisfy itself that the property is in a condition acceptable to it, of laws, regulations and ordinances affecting the property, and agrees to accept the property in the condition existing on the date of this contract. It is important for Purchaser to have a home inspection performed on the property in order to identify any possible defects. If FHA insured financing is used, refer to the Closing Costs Automatically Paid by HUD in the FHA Single Family Housing Policy Handbook 4000.1.**
- C. If financing is involved in this transaction (Item 4), Purchaser agrees that should he/she/it fail to provide documentation indicating that proper loan application was made in good faith within 10 calendar days of the date this contract was accepted by Seller, and/or thereafter otherwise to put forth good faith efforts to obtain necessary financing, Seller shall have the option of rescinding this contract and retaining all or a portion of Purchaser's earnest money deposit.
- D. Seller may rescind this contract and return all or a portion of Purchaser's earnest money deposit under the following conditions:
1. Seller has not acquired the property.
 2. Seller is unable or unwilling to remove valid objections to the title prior to closing.
 3. Seller determines that purchaser is not an acceptable borrower.
- Tender of the deposit shall release the Seller from any and all claims arising from this transaction.
- E. Purchaser may not perform repairs nor take possession of the property until sale is closed. Risk of loss or damage is assumed by Seller until sale is closed, unless Purchaser takes possession of the property prior thereto, in which case State law shall apply. If damage occurs after contract, Seller will proceed accordingly. If applicable, the return of earnest money shall release Seller from any claims arising from this transaction. (1) If sale involves FHA insured financing and after damage the property no longer meets the intent of Minimum Property Standards (MPS), Seller may, at its option, perform repairs or cancel the contract and return Purchaser's full earnest money deposit. If, after damage, the property still meets the intent of MPS, Purchaser has the option of accepting the property as-is, with a purchase price adjustment at Seller's sole discretion, or cancelling the contract and receiving refund of full earnest money deposit. (2) If sale does not involve FHA insured financing, Seller may not repair damage but may, at Seller's sole discretion, reduce the sale price. Purchaser has option to cancel the contract and receive refund of full earnest money deposit.
- F. If this property is being offered with FHA insured mortgage financing available, Seller's acceptance of this contract constitutes a commitment to insure, conditioned upon Purchaser being determined by Seller or Direct Endorsement Underwriter to be an acceptable borrower and further conditioned upon Seller's authority to insure the mortgage at the time the sale is closed.
- G. Purchaser understands that Seller's initial listing price is Seller's estimate of current fair market value.**
- H. No member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to contract if made with a corporation for its general benefit.
- I. Purchaser and Seller agree that this contract shall be binding upon their respective heirs, executors, administrators, successors or assigns but is assignable only by written consent of the Seller.
- J. If this property was constructed prior to 1978 and the sale involves FHA insured financing, Seller will inspect for defective paint surfaces (defined as cracking, scaling, chipping, peeling or loose paint on all interior and exterior surfaces). If defective paint surfaces are found, Seller will treat such defective surfaces in a manner prescribed by Seller prior to closing. **Purchaser understands and agrees that the Seller's inspection and/or treatment is not intended to, nor does it guarantee or warrant that all lead-based paint and all potential lead-based paint hazards have been eliminated from this property.** If this property was constructed prior to 1978, Purchaser acknowledges that he/she/it has received a copy of a pamphlet which discusses lead-based paint hazards and has signed, On or before the date of this contract, the Lead-Based Paint Addendum to Sales Contract - Property Built Before 1978. Purchaser understands the the Lead-Based Paint Addendum must be signed by all Purchasers and forwarded to Seller with this contract. Contracts which are not in conformance with these requirements will not be accepted by Seller.
- K. The effective date of this contract is the date it is accepted (signed) by the Seller.
- L. If the amount stated in Item 5 exceeds actual and typical financing and/or closing costs, such excess shall not be paid by Seller and may not be used by Purchaser to reduce amount(s) due Seller.
- M. Seller's policies and requirements with regard to earnest money (including forfeiture thereof), extensions of time in which to close the sale, back-up offers, and allowable financing and/or closing costs are detailed in instructions issued to selling brokers.
- N. Seller makes no representations or guarantees that the property will, in the future, be eligible for FHA insured mortgage financing, regardless of its condition or the repairs which may be made.
- O. Warning: Falsifying information on this or any other form of the Department of Housing and Urban Development is felony. It is punishable by a fine not to exceed \$250,000 and/or a prison sentence of not more than two years. (18 U.S.C. 1010, 3559; 3571)**
- P. This contract contains the final and entire agreement between Purchaser and Seller and they shall not be bound by any terms, conditions, statements, or representations, oral or written, not contained in this contract.