This Pre-Contract Agreement is for the property located at _____
between the following parties:

Buyer: _____ Address: _____

Seller: _____ Address: _____

Agreement Conditions:
The Buyer is seeking federal funds to acquire property owned by the Seller. Please be informed of the following:

-Voluntary Sale-

1. The Buyer does not have the right to eminent domain.
2. Because this is a voluntary transaction, the Buyer will not be able to acquire the property offered for sale if negotiations fail to result in an amicable agreement.
3. The Fair Market value of the property is estimated to be _____. Since this transaction is voluntary, negotiations may result in a different price that may be the same, higher or lower than this amount.
4. Even though federal funds will be used in the acquisition of the property, the Seller WILL NOT be entitled to any relocation benefits.
5. Any tenant legally occupying the property is eligible to receive relocation assistance and benefits as identified in the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970, as amended.

-Timely Notices- (if tenant occupied)
The Seller authorizes the Buyer, the funding agency or a designated representative, to provide to each resident the notices required by HUD's instructions found in HUD Handbook 1378.

-Record keeping- (if tenant occupied)
The Seller authorizes the Buyer, the funding agency, or a designated representative, to survey the residents to determine the relocation costs and housing needs.

-Environmental Requirements - An option agreement on a proposed site or property is only allowable prior to the completion of the environmental review if the option agreement is subject to a determination by the recipient on the desirability of the property for the project as a result of the completion of the environmental review in accordance with 24 CFR Part 58 and the cost of the option is a nominal portion of the purchase price. There is no constraint on the purchase of an option by third parties that have not been selected for HUD funding, have no responsibility for the environmental review and have no say in the approval or disapproval of the project (Section 24 CFR 58.22(b)).

Agreement Acceptance:
The Buyer and Seller understand if the conditions of this Agreement are not complied with, either party may terminate the real property sales contract (Contract) by notifying the other party by certified mail, return-receipt requested, that the contract is terminated. The Buyer and Seller voluntarily accept these Agreement conditions and agree to enter into a contract for the property identified in this agreement.

_____ _____
Signature of Seller Date Signature of Witness Date

_____ _____
Signature of Buyer Date Signature of Witness Date

Non-Acceptance and Termination:
The Seller/Buyer understands the above comments in this Addendum and does not wish to amend the Contract for the property identified in this Addendum. The Seller/Buyer wishes to terminate the Contract dated _____. The Seller/Buyer will notify the other party by certified mail, return-receipt requested, that the contract is terminated.

_____ _____
Signature of Seller Date Signature of Witness Date

_____ _____
Signature of Buyer Date Signature of Witness Date