**SAMPLE PRE-CONTRACT AGREEMENT**

This Pre-Contract Agreement (Agreement) is executed for the property located at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ between the following parties:

Buyer:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Seller**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Address**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

AGREEMENT CONDITIONS:

The Buyer may use Federal funds obtained from the U.S. Department of Housing and Development to acquire property owned by the Seller. Therefore, please be informed of the following:

Voluntary Sale –

1. The Buyer does not have the right of 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 Buyer estimates the fair market value of the property to be\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
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 –

1. The Seller authorizes the Buyer, the funding buyer, or a designated representative, to provide to each resident the notices required by HUD's instructions found in HUD Handbook 1378.
2. The Seller authorizes the Buyer, the funding buyer, or a designated representative, to provide, or permit to be provided, a move-in notice to any person who wishes to make application to become a tenant.
3. Before signing a lease and commencing occupancy, the person must be informed of the following:

a. If the application is funded, the new tenant may be displaced; and,

b. The person would not qualify as a "displaced person" as a result of the project and, therefore, would not be eligible to receive any assistance or benefits.

Recordkeeping –

1. The Seller agrees to provide the Buyer, the funding buyer, or a designated representative, when requested, the names and addresses of the residents residing in the property.
2. The Seller authorizes the Buyer, the funding buyer, or a designated representative, to survey the residents to determine the relocation costs and housing needs.

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.

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Signature of Seller Date

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Signature of Witness Date Witness Phone Number:

Address of Witness:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Signature of Buyer Date

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Signature of Witness Date Witness Phone Number:

Address of Witness:

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