



PURCHASE OFFER FORM

INSTRUCTIONS –

Before making an offer to purchase a property from the Redevelopment Authority of the City of Lancaster (RACL), please consider the following:

1. READ THIS FORM CAREFULLY. Your proposal must include a detailed scope of work, proof of funds/financing, information for contractors, and answers for all other required fields.
2. You must attend the appropriate Review Committee Meeting held virtually via Zoom on the second Tuesday of every month (one week prior to RACL’s regular meeting). An email with instructions for attendance will be provided in advance.
3. You must submit a check for \$1,000.00 with this form. Your check will not be cashed unless your proposal is accepted. If your proposal is denied, your check will be returned or destroyed at your preference. If your proposal is accepted and you fail to close on the property within sixty (60) days, RACL will retain your deposit and no funds will be refunded to you.
4. The Review Committee’s recommendation will be included on RACL’s regular meeting agenda, and you will be notified before the meeting. At RACL’s regular meeting, the Review Committee’s recommendation will be announced and considered by the board in their final decision. If your offer has not been recommended by the Review Committee, you are not required to attend RACL’s regular meeting, but you are certainly welcome.
5. **OFFERS SUBMITTED AFTER THE DEADLINE WILL NOT BE CONSIDERED. THE STANDARD DEADLINE IS BY THE CLOSE OF BUSINESS ON THE TUESDAY PRIOR TO RACL’S REVIEW COMMITTEE MEETING (FIRST TUESDAY OF THE MONTH).**

OVERVIEW –

Read each of the following sections and provide as much detail as possible in response to each prompt.

PROPERTY ADDRESS: _____

ASKING PRICE: \$ _____

OFFEROR INFORMATION –

Name: _____

Address: _____

Phone #: _____

Email: _____

Name of Offeror’s Representative: _____

Phone #: _____

Email: _____

OFFER INFORMATION –

Purchase Price Offer: \$ _____

Estimated Costs: \$ _____

Total Costs (Purchase/Rehabilitation): \$ _____

Anticipated Start Date: _____ Anticipated Completion Date: _____

PROJECT TYPE –

Please choose the category listed below that best describes your proposal:

- New Construction
 - Rehabilitation
 - Demolition and New Construction
 - Other – please describe in the space provided below.
-
-

PROPOSED USE –

Residential Use

- Owner-Occupied: I plan to live in the home myself; my household is income qualified.
- Owner-Occupied: I plan to sell the home to an income-qualified household.
- Renter-Occupied: I plan to rent the home to an income-qualified household.
- Multi-Family Rental: I plan to rent multiple units to income-qualified households.
 - o Number of Units Proposed _____

Commercial or Institutional Use

- Commercial
 - o Number of Units Proposed _____
- Non-Profit or Community Facility
 - o Number of Units Proposed _____

Other Use

- Mixed-Use (please describe): _____

FUNDING FOR PURCHASE AND CONSTRUCTION –

Please attach proof of funds to cover the purchase and rehabilitation of the property. Offers not demonstrating sufficient proof of funds will not be considered. Examples of proof of funds may include:

- Most recent bank account statements showing sufficient funds on hand; and/or
- A certificate of deposit statement; and/or
- A bank line of credit on official bank letterhead indicating funds available.

You must submit a \$1,000.00 purchase deposit with your offer. If your offer is accepted, your deposit will be credited toward your closing expenses on the property. If your offer is rejected, your check will either be destroyed or returned based on your preference. RACL reserves the right to rescind its conditional acceptance of this offer to purchase if it later determines that the offeror's creditworthiness is unacceptable and/or the offeror does not demonstrate the ability to complete the rehabilitation work required. Closing shall occur within sixty (60) days of the date of RACL's acceptance of this offer. Offeror forfeits any right, title, and interest to the purchase deposit if they fail to close on their purchase of the property within sixty (60) days of RACL's acceptance of this offer.

Please provide your bank information as follows:

Bank 1

Bank Name: _____

Bank Phone: _____

Bank Address: _____

Bank 2

Bank Name: _____

Bank Phone: _____

Bank Address: _____

Important Note: RACL will not permit the property to be used as collateral for securing a mortgage or allow any other financial claim placed on it to build or renovate the property or to ensure the completion of the improvements. After closing, neither the purchaser nor any successor in interest to the property shall grant or permit the filing of any mortgage or other encumbrance or lien on the property except where expressly permitted in writing by RACL.

CONTRACTORS PERFORMING CONSTRUCTION –

Please provide licenses, resumes, or credentials of all listed contractors.

Contractor One

Name: _____

Address: _____ Phone: _____ Email: _____

License Type and Number (if applicable): _____

Is this contractor a certified Woman or Minority Owned Business Enterprise? Yes | No

Contractor Two

Name: _____

Address: _____ Phone: _____ Email: _____

License Type and Number (if applicable): _____

Is this contractor a certified Woman or Minority Owned Business Enterprise? Yes | No

Contractor Three

Name: _____

Address: _____ Phone: _____ Email: _____

License Type and Number (if applicable): _____

Is this contractor a certified Woman or Minority Owned Business Enterprise? Yes | No

STREET TREES –

A new street tree must be planted at the property site if an appropriate location exists. The location and species of the tree will be identified by the City’s Arborist. The City Tree Planting Program will plant the tree and the Shade Tree Commission will cover the expenses. Because seasonal weather might interfere with tree planting, by submitting your offer you agree to allow the City’s Arborist and City Tree Planting Program to access and plant the street tree on your property within a year of purchasing the property from RACL. The property owner is responsible for regular watering and maintenance. Please contact the City Arborist by phone at 717.291.4846 with any questions.

HISTORIC RESOURCES –

The City of Lancaster has two regulated local historic districts where certain activities including alterations to a building’s exterior (including demolition in whole or in part), changes of exterior building materials, or removal of certain architectural features or components may be subject to review. If you have any questions about historic standards or regulated activities, please contact the City’s Historic Preservation Specialist, Suzanne Stallins, at SStallin@cityoflanasterpa.gov or 717.291.4726.

Additionally, because RACL is supported through Community Development Block Grant (CDBG) funds, the proposed project scope and activities as submitted by the offeror are subject to review by the Pennsylvania State Historic Preservation Office (SHPO). Following submission of your rehabilitation proposal contained herein, the SHPO may require further documentation, consultation, or evidence of mitigation measures and may additionally impose conditions or restrictions. The offeror will have the option to comply or to withdraw from the offer.

LEAD-SAFE HOUSING RULE –

If are placing an offer on a property with residential units built prior to 1978, the property may present exposure to lead from lead-based paint. Lead-based paint may pose a lead poisoning risk for young children and may produce permanent neurological damage, including learning disabilities, a reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Anyone who plans to purchase and rehabilitate a property from RACL must obtain a Certificate of Occupancy before occupying the property. In certain situations, it may also be necessary to obtain a Certificate of Lead Safe Dwelling Unit before the Certificate of Occupancy can be issued.

REHABILITATION PROPOSAL/COST ESTIMATE –

You must provide detailed responses to each of the prompts in this section to describe your rehabilitation proposal and cost estimates. If an item does not apply to your proposal, please denote “N/A” to indicate that the item is not applicable. All work must comply with applicable codes and regulations. If your offer is accepted by RACL, please contact the City of Lancaster’s permit clerks at permitclerk@cityoflanasterpa.gov or 717.291.4724 for information on how to apply for necessary building permits.

General Requirements	Cost	Date of Completion
Permits & Fees	_____	_____
Trash Removal	_____	_____

Demolition or Material Replacement

- Does the scope include demolition of a structure, in whole or in part? Yes | No
- Does the scope include removal or replacement of exterior building materials? Yes | No

Energy Efficiency

Describe any green/energy-efficiency improvements or certifications (lighting, appliances, insulation, etc.)

General Rehabilitation Scope of Work

Please provide a detailed description for each component along with the corresponding cost estimates.

Exterior Building Work	Estimated Cost
Exterior Demolition Work	\$ _____
_____	_____
_____	_____
Roof and Spouting	\$ _____
_____	_____
_____	_____
Windows, Doors, Woodwork	\$ _____
_____	_____

Porches, Decks, Balcones, Stairs

\$ _____

Walkways, Patios, and Flatwork

\$ _____

Brickwork, Stonework, and Siding

\$ _____

Accessory Structures

\$ _____

Landscaping

\$ _____

Other Exterior Work

\$ _____

Please provide a detailed description for each component along with the corresponding cost estimates.

Interior Rehabilitation Work

Lead-Based Paint Remediation and Lead Safe Certification (Required) \$ _____

Interior Demolition Work \$ _____

Walls, Drywall, Structural Repairs \$ _____

Flooring, Tripping Hazards \$ _____

Ceilings \$ _____

Cabinetry \$ _____

Woodwork \$ _____

Electrical \$ _____

Plumbing \$ _____

Mechanical, HVAC \$ _____

Improvements to Kitchen and/or Bathrooms \$ _____

Other Interior Work \$ _____

Equipment to be Provided	YES	NO	Energy Source
Range	_____	_____	_____
Refrigerator	_____	_____	_____
Garbage Disposal	_____	_____	_____
Air Conditioning	_____	_____	_____
Other (describe)	_____	_____	_____
Laundry Facilities – Shared	_____	_____	_____
Laundry Facilities – in Each Unit	_____	_____	_____
Laundry Facilities – Hook-Ups Only	_____	_____	_____
Cooking Fuel	_____	_____	_____
Heat (required)			_____
Hot Water (required)			_____

OCCUPANT INCOME RESTRICTIONS –

If there are no restrictions on your property, please ignore this section.

In all cases where affordable housing provisions apply, the household income of the final occupant for each new unit must be verified by RACL. RACL will place a 15-year deed restriction on the verified income of occupants per its Resolution No. 20-8-19. If the property will be sold to an income qualified household, you must deliver proof of the occupant’s household income qualification to RACL prior to executing a settlement on the property with the new owner. For rental units, you must submit proof of the tenant’s household income to RACL before executing a lease agreement with the tenant. To determine whether a household is income qualified, please read the following section.

QUALIFYING A HOUSEHOLD’S INCOME

Per RACL’s affordability policies, a household is income qualified if:

- Its gross annual income is at or below 80% of Lancaster County Area Median Income for units that are owner-occupied; or
- Its gross annual income is at or below 60% of Lancaster County Area Median Income for units that are renter-occupied; and
- Total monthly housing costs do not exceed 30% of the household’s gross monthly income.

Gross annual income is the total combined income anticipated for all adults in the household 12 months from the date of verification. Households with total assets valued above \$250,000 are ineligible unless deemed otherwise by RACL (see Exhibit A – Summary of HUD Exhibit 5-2 Assets). Households will be income qualified in accordance with the following schedule.

TABLE 1: HOUSEHOLD INCOME LIMITS FOR RACL AFFORDABLE HOUSING				
<i>Household Size</i>	<i>Owner-Occupied Households</i>		<i>Renter-Occupied Households</i>	
	<i>Maximum Income (80% AMI)</i>	<i>Maximum Monthly Housing Cost</i>	<i>Maximum Income (60% AMI)</i>	<i>Maximum Monthly Housing Cost</i>
1-Person Family	\$58,800	\$1,470	\$44,814	\$1,120
2-Person Family	\$67,200	\$1,680	\$51,216	\$1,280
3-Person Family	\$75,600	\$1,890	\$57,618	\$1,440
4-Person Family	\$84,000	\$2,100	\$64,020	\$1,601
5-Person Family	\$90,750	\$2,269	\$69,142	\$1,729
6-Person Family	\$97,450	\$2,436	\$74,263	\$1,857
7-Person Family	\$104,200	\$2,605	\$79,385	\$1,985
8-Person Family	\$110,900	\$2,773	\$84,506	\$2,113

* Maximum Monthly Housing Cost in Table 1 above is defined as the combination of the household’s monthly rent or mortgage payment plus the cost of essential household utilities (i.e. not including phone or internet).

PROOF OF HOUSEHOLD INCOME –

To qualify household income for either you or your tenant(s), please answer the prompts provided in this section. Offerors not meeting the household income limits previously specified will be disqualified. If you are attempting to qualify household income for more than one tenant household, please provide responses to the following prompts for each household.

	Household 1	Household 2	Household 3	Household 4
Total Number of Household Members:				
Number of Household Members with Income:				
Gross Household Income over the Previous 12 Months:				

Please provide copies of the following:

- Your current IRS tax return transcript or a copy of last year’s federal tax return for all members of the household reporting income.
- Statements for all bank accounts, retirement or pension accounts, life insurance, or equity accounts, or other assets owned by all members of the household.
- The two (2) most recent consecutive pay stubs for all jobs held by all employed household members.
- Verification of benefits and/or pensions: Social Security Award Letters, Divorce Decree/Child Support/Alimony Statement, Military/VA Pension, TEC Form, Trust Fund Benefits, Annuities, etc.
- Verification of other income (net income from the operation of a business, child support, welfare assistance, unemployment letter).

Please note that RACL reserves the right to request other information to confirm household income.

Alternatively, you may also provide:

- Evidence that the household qualified under another program having income qualification criteria at least as restrictive as that used in the definitions of low-to-moderate income (LMI) household/person, such as Job Training Partnership Act (JTPA) and welfare programs; or
- A referral from a state, county, or local employment agency or other entity that agrees to refer individuals it determines to be low-to-moderate income (LMI) persons based on HUD’s criteria and agrees to maintain documentation supporting these determinations; or
- Evidence of homelessness.

FOR RENTAL UNITS ONLY –

Tenants of rental units will need to be screened to ensure they are income-qualified prior to signing a lease. Landlords must obtain rental licenses from the City of Lancaster prior to rental units being occupied.

Rental Property Management Agent

Company Name: _____

Contact Name: _____

Address: _____

Phone #: _____

Email: _____

Rental Unit Program	UNIT 1	UNIT 2	UNIT 3	UNIT 4
Anticipated Monthly Rent:	\$ _____	\$ _____	\$ _____	\$ _____
Utilities Included in Rent (Check if Provided in Rent):				
Heat	_____	_____	_____	_____
Hot Water	_____	_____	_____	_____
Cooking Fuel	_____	_____	_____	_____
General Electric	_____	_____	_____	_____
Water/Sewer	_____	_____	_____	_____
Trash	_____	_____	_____	_____
Other	_____	_____	_____	_____

BEFORE OBTAINING YOUR RENTAL LICENSE, YOU MUST INCOME-QUALIFY YOUR TENANTS, WHEN YOU ARE READY FOR THIS PROCESS PLEASE CONTACT THOMAS GILBERTSON AT TGILBERTSON@CITYOFLANCASTERPA.GOV OR CALL (717) 723-2382. A CERTIFICATION OF COMPLETION CANNOT BE ISSUED WITHOUT COMPLETING THIS REQUIREMENT.

ACKNOWLEDGEMENT

Offeror hereby acknowledges notification of the following terms and conditions:

1. The property which is the subject of this offer is being sold in “as is” condition as of the date of closing.
2. This sale is not conditioned upon the subject property remaining in its present condition. Offeror shall not use the property as collateral to secure a mortgage or allow any other financial claim placed on it to build or renovate the property or to ensure the completion of the improvements.
3. Upon acceptance by RACL of this offer to purchase, the offeror has an insurable interest in the property and can obtain property damage insurance to protect against damage or loss.
4. Closing shall occur within sixty (60) days of the date of approval. Offeror forfeits any right, title, and interest to their purchase deposit if they fail to close on the property within the timeframe allotted.
5. As the potential buyer of a RACL property, I understand that income restrictions will be imposed when I sell or rent the property and that the information will be verified by Lancaster City staff prior to settlement. I also acknowledge that I have received the income restrictions pertaining to this property and understand that my household and/or future tenants must be income qualified using the income verification methods specified in this document in order for my offer to be deemed eligible for acceptance.

Offeror Name (please print): _____

Offeror Signature: _____

Date: _____

Accepted on behalf of the Redevelopment Authority of the City of Lancaster:

Name (please print): _____

Signature: _____

Date: _____

EXHIBIT A – SUMMARY OF HUD EXHIBIT 5-2 ASSETS

This exhibit summarizes official instructions provided by the U.S. Department of Housing and Urban Development (HUD). To read the actual document, “HUD’s Exhibit 5-2: Assets,” please visit - https://www.hud.gov/sites/documents/DOC_35701.PDF.

Net Family Assets Include:

- Cash held in savings, checking, and other comparable accounts;
- Revocable trusts;
- Equity in rental property or other capital investments;
- Stocks, bonds, treasury bills, certificates of deposit, mutual funds, and money market accounts;
- Individual retirement, 401K, and Keogh accounts;
- Retirement and pension funds (see HUD Exhibit 5-2 for more information);
- Cash value life insurance policies available to the individual before death;
- Personal property held as an investment;
- Lump-sum receipts or one-time receipts; and
- A mortgage or deed of trust held by an applicant.

Net Family Assets **DO NOT** Include:

- Personal property (clothing, furniture, cars, jewelry and others);
- Interests in Indian trust lands;
- Term life insurance policies (where there is no cash value);
- Equity in the cooperative unit in which the family lives;
- Assets that are part of an active business ("Business" does NOT include rental of properties that are held as investments unless such properties are the applicant’s or tenant’s main occupation. See HUD Exhibit 5-2 for more information);
- Assets that are NOT effectively owned by the applicant (See HUD Exhibit 5-2 for more information); and
- Assets that are not accessible to the applicant and provide no income to the applicant.