

## **Bidder Criteria**

Use the following questions to determine if a High Bidder would be eligible to move forward after the auction. If an interested buyer, proposed partners, and the management agent can answer YES to, or confirm, each of the following statements they would be considered eligible to move through the process. However, answering in the affirmative to the following questions does not guarantee an approval.

### ***General***

1. All participants must be a citizen of the United States and have a social security number.
2. The proposed ownership (controlling individuals and entities) has the financial capacity and credit worthiness to own and operate a property.
3. Certify that projects currently owned and operated in the same region are following State and Local housing statutes, regulations, ordinances, and codes.
4. Show at least five (5) years of experience of successfully owning and managing property similar to the property hoping to be purchased.
5. Certify on the Previous Participation Certification (2530) submission that for the period beginning ten (10) years prior to the date of a foreclosure sale:
  - a) No mortgage on a project listed has ever been in default, assigned to the Government or foreclosed, nor has it received mortgage relief from the mortgagee.
  - b) The principals have no defaults or noncompliance under any Conventional Contract or Turnkey Contract of Sale in connection with a public housing project.
  - c) There are no known unresolved findings as a result of HUD audits, management reviews or other Governmental investigations concerning the principals or their projects.
  - d) There has not been a suspension or termination of payments under any HUD assistance contract due to the principal's fault or negligence.
  - e) The principals have not been convicted of a felony and are not presently the subject of a complaint or indictment charging a felony. (A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less).
  - f) The principals have not been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of a State Government from doing business with such Department or Agency.
  - g) The principals have not defaulted on an obligation covered by a surety or performance bond and have not been the subject of a claim under an employee fidelity bond.
6. None of the principals is a HUD/FmHA employee or a member of a HUD/FmHA employee's immediate household as defined in Standards of Ethical Conduct for Employees of the Executive Branch in 5 C.F.R. Part 2635 (57 FR 35006) and HUD's Standard of Conduct in 24 C.F.R. Part 0 and USDA's Standard of Conduct in 7 C.F.R. Part 0 Subpart B.

7. None of the principals participate in an assisted or insured project as of this date on which construction has stopped for a period in excess of twenty (20) days or which has been substantially completed for more than ninety (90) days and documents for closing, including final cost certification, have not been filed with HUD or FmHA.
8. None of the principals have been found by HUD or FmHA to be in noncompliance with any applicable fair housing and civil rights requirements in 24 CFR 5.105(a). (If any principals or affiliates have been found to be in noncompliance with any requirements, attach a signed statement explaining the relevant facts, circumstances, and resolution, if any).
9. None of the principals are a member of/or delegate of Congress, resident commissioner, or local elected official, nor otherwise prohibited or limited by law from contracting with the Government of the United States of America. Nor will said individuals receive any benefit arising from a sale.
10. If a property will be hiring a property management agent, the agent must demonstrate a minimum of five (5) years of experience managing multifamily properties of similar size and complexity and staff have the appropriate training and certifications.

**Disclaimer:** Answering YES to, or confirming, each of the statements above does not guarantee an approval by HUD to move toward Closing. This document should only be used to determine basic eligibility of all proposed participants involved with the property prior to beginning the process. The bidding process and closing process have individual requirements that should be carefully adhered to.