

Sample

Mark-to-Market Form 10.3(c) Ineligible Lite/Conversion to Full Refused; Market Rent Determination; Transmittal of Section 8 HAP Contract

From: OAHP Preservation Office

To: PAE

Transmission: Overnight Hard Copy

(date)

Project Name: _____

FHA Number: _____

Section 8 HAP Contract Number: _____

REMS ID Number: _____

Dear PAE:

Approved Market Rents

1BR \$ _____

2BR \$ _____

3BR \$ _____

4BR \$ _____

[Insert other unit sizes if necessary]

We agree with your determination that the property is not approvable as a Lite and understand that the owner has **either** refused to elect Full Debt Restructuring, **or has failed to obtain a Firm Commitment for refinancing the property**, or has failed to respond to your notification. We have approved the market rents shown above for Section 8 HAP Contract Renewal in the event the Multifamily Hub or Program Center renews the contract at market rents and places the property on its watch list. A Section 8 HAP Contract reflecting these rents is attached.

Please notify the owner using Form 10.8 that the current contract expires at the end of the next full month and that HUD may renew the contract at the reduced rents but reserves the right to decline renewal. The notification and contract should be provided to the owner as soon as possible, but in no event later than three business days from the date of this letter.

Provide a copy of your notification to the Project Manager in the Multifamily Hub or Production Office, Section 8 Contract Administrator, and OAHP Preservation Office, using the cover letter in Form 10.4(b). When forwarding a copy of the notification to the Project Manager in the

Multifamily Hub or Production Office, also provide a copy of your narrative, financial analyses, PCA, and related information on the property to assist HUD in determining whether the Section 8 HAP Contract should be renewed.

If you have any questions about this transaction, please do not hesitate to contact the Debt Restructuring Specialist, [insert name] at [insert phone].

Sincerely,

OAHP Preservation Office Director

cc: HUD Project Manager (with copy of the Section 8 HAP Contract)
Section 8 Contract Administrator

Enclosed: Section 8 HAP Contract