

## Attachment 2

### ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT OF SECTION 8 HOUSING ASSISTANCE PAYMENTS CONTRACT

*THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF SECTION 8 HOUSING ASSISTANCE CONTRACT (herein called the "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by the United States of America, acting through the Secretary of the Department of Housing and Urban Development ("the Secretary"); insert name of Seller (current ownership entity), a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor ("Seller"); and insert name of Buyer, a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor, ("Buyer").*

**WHEREAS**, HUD or a PHA, in the capacity of contract administrator, and *the Seller or a previous owner* entered into a section 8 Housing Assistance Payments Contract ("HAP Contract") identified as HAP Contract Number \_\_\_\_\_ - \_\_\_\_\_ for units in *insert project name* (herein called "the Property"), a copy of which is attached hereto as "Exhibit A," pursuant to section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437f,.

**WHEREAS**, the Seller and the Buyer have entered into a Real Estate Purchase and Sale Agreement, dated *insert date and month, 20\_\_\_\_*, wherein the Seller agrees to sell the Property and the Buyer agrees to purchase the Property, including, without limitation, the improvements situated thereon;

**WHEREAS**, the Buyer has submitted to the Secretary an Application and documents in support thereof requesting the Secretary's approval of the proposed assignment of the HAP Contract to the Buyer as set forth in the aforesaid Real Estate Purchase and Sale Agreement; and

**WHEREAS**, the Seller desires to assign and the Buyer desires to assume all the rights and obligations under the HAP Contract for a total of 20 years from the date of execution of this document; and

**WHEREAS**, HUD or a PHA, in the capacity of contract administrator, and the Buyer mutually desire to amend the HAP Contract to require physical inspections in accordance with 24 CFR Part 5, Subpart G and 24 CFR Part 200, Subpart P and financial reporting in accordance with 24 CFR Part 5, Subpart H;

**NOW, THEREFORE**, in consideration of the foregoing, and other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to comply with the requirements of the Secretary, the United States Housing Act of 1937, and the regulations promulgated pursuant thereto, the parties hereto agree as follows:

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1. The Seller hereby irrevocably assigns the HAP Contract to the Buyer together with all rights and obligations in and under said contract;
2. Effective as of the date of this Agreement, the Buyer assumes the rights and obligations and is bound by said HAP Contract, as modified herein, and is responsible for filing its Annual Financial Statement (AFS) from the date of this Agreement through the end of the Buyer's fiscal year, specifically, \_\_\_\_\_, 20\_\_\_\_.
3. Effective as of the date of this Agreement, the Seller is released from any further liability under the HAP Agreement, except that the Seller shall remain responsible for filing its AFS for the current year, up to and through the day before this Agreement is executed, as well as for any prior years' AFSs still outstanding, if the project is subject to an AFS filing requirement.
4. Part II of the HAP Contract is hereby amended to include the following provisions:

**Physical Conditions Standards and Inspection Requirements.** The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related Directives. This obligation shall apply during both the current term of the HAP contract and each successive renewal term.

**Financial Reporting Standards.** The Owner shall comply with the Uniform Financial Reporting Standards of 24 CFR Part 5, Subpart H, including any changes in the regulation and related Directives. This obligation shall apply during both the current term of the HAP contract and each successive renewal term.

**Failure to Comply.** The failure of the Buyer or of any successor owner to comply with the obligations of the amended HAP contract, including the Physical Conditions Standards and Inspection Requirements, and Financial Reporting Standards, is a material violation of this Contract, and may subject the Buyer or any successor owner to legal and administrative remedies, including but not limited to abatement and civil money penalties (24 CFR Part 30).

5. This Agreement shall be construed under the laws of the State of *insert project location* and to the extent inconsistent with the laws of the State of *insert project location*, the laws of the United States of America. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and

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shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.
  
7. The Contract Administrator and the Secretary, by the signature of his authorized representative below, consent to the assignment made hereby. Said consent shall be void ab initio if the Secretary determines that Buyer, or any principal or interested party of the Buyer, is debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or non-procurement programs.

**NOTHING** in this Agreement shall in any way impair the HAP Contract or alter, waive, annul, vary or affect any provision, condition, or covenant therein, except as herein specifically provided. Nothing in this Agreement shall in any way affect or impair any rights, powers, or remedies under the HAP Contract. It is the intent of the parties hereto that the terms and conditions of the HAP Contract shall continue in full force and effect except as amended hereby.

**IN WITNESS WHEREOF**, the Seller, the Buyer and the Contract Administrator have caused this agreement to be executed.

**SELLER**

Name of Seller (Print)

\_\_\_\_\_

By \_\_\_\_\_

Signature of authorized representative

\_\_\_\_\_

Name and title (Print)

Date \_\_\_\_\_

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**BUYER**

Name of Buyer (Print)

\_\_\_\_\_

By \_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_

Name and title (Print)

Date \_\_\_\_\_

**CONTRACT ADMINISTRATOR (HUD or PHA)**

Name of Contract Administrator (Print)

\_\_\_\_\_

By \_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_

Name and title (Print)

Date \_\_\_\_\_