

*

APPENDIX 8-1

MFPD MODEL RESIDENTIAL LEASE

FOR SECTION 202 PROJECTS

1. PARTIES TO THE LEASE.

The Secretary of Housing and Urban Development (HUD), by and through _____ PROJECT MANAGEMENT, and _____, Resident.

2. LEASED UNIT.

UNIT _____ ADDRESS _____

3. LEASE TERM.

The INITIAL TERM of this AGREEMENT begins on _____, and ends on the last day of _____. Thereafter, this AGREEMENT continues for successive terms of one month unless terminated as provided in paragraph 24. However, at the option of PROJECT MANAGEMENT, the Resident may occupy the LEASED UNIT in accordance with paragraph 7. Resident occupancy shall be subject to the terms of this AGREEMENT.

4a. MAXIMUM NUMBER OF OCCUPANTS PERMITTED

- b. SECURITY DEPOSIT \$ _____
- c. RETURNED CHECK CHARGE \$ _____
- d. LATE FEE CHARGE \$ _____
- e. LOST KEY CHARGE \$ _____
- f. SECURITY DEPOSIT INTEREST %

6. RENT DUE EACH MONTH

Market Rent	\$ _____
PLUS FEES:	
Parking	\$ _____
Storage	\$ _____
Furniture	\$ _____
Cable TV	\$ _____
TOTAL FEES +	\$ _____
GROSS RENT DUE FROM RESIDENT(S)	\$ _____

5. UTILITY CHARGES paid by:

	HUD	Resident
Heat		
Water & Sewer		
Electric		
Gas		
Fuel Oil		

LESS ALLOWANCES	
Assistance Payment	\$ _____
Utility Allowance	\$ _____
TOTAL ALLOWANCE -	\$ _____
NET RENT DUE EACH MONTH	\$ _____

* 7. Payment of NET RENT. If the LEASE TERM commences on other than the first of the month, Resident shall pay \$ _____ for the partial month ending on _____. After that, Resident shall pay the NET RENT set forth above, on or after the first day of the month, by check or Money Order payable to "HUD" and delivered to:

8. NET RENT Changes. The NET RENT may be changed during the term of this AGREEMENT if HUD changes any allowance for utilities or services considered in computing the NET RENT. PROJECT MANAGEMENT shall implement changes in the NET RENT in accordance with the time frames and administrative procedures set forth in HUD handbooks, instructions and regulations related to administration of projects under HUD's Multifamily Property Disposition Program.

9. Charges for Utilities. The Resident agrees that paragraph 5 accurately lists the utilities paid by HUD and those paid directly by the Resident.

- A. The Resident must pay for the utilities marked by "X". The Resident agrees to make payments for these utilities promptly to the appropriate utility company(ies). Addresses of these companies are provided in an Attachment to this AGREEMENT.
- B. The items marked by "X" to be paid by HUD are included in the NET RENT.

10. Service Fees. The Resident agrees that paragraph 6 accurately lists the service fees paid directly by the Resident.

- A. The Resident must pay for the service fees by "X". The Resident agrees to make payments for these fees promptly to the appropriate company(ies). Addresses of these companies are provided in an Attachment to this AGREEMENT.
- B. Where meal service is a condition of occupancy, the charge for such meals shall be in accordance with paragraph 6, and a mandatory meals agreement will be *

* made a part of this LEASE AGREEMENT.

11. Additional Charges.

A. The charges discussed in this paragraph are in addition to the NET RENT and are due and payable when assessed. However, payments received from Resident shall first be applied to delinquent NET RENT, then NET RENT currently due, and then to additional charges.

B. If PROJECT MANAGEMENT does not receive the full amount of the NET RENT by the end of the 5th day of the month, PROJECT MANAGEMENT shall add the LATE FEE charge, in the amount stated in paragraph 4, on the 6th day of the month. However, if the 5th day of the month falls on a Saturday, Sunday or legal holiday, payment must be received by the next business day or the LATE FEE charge will be assessed. *

C. If PROJECT MANAGEMENT does not receive the full amount of the NET RENT by the end of the 10th day of the month, PROJECT MANAGEMENT shall add an additional LATE FEE charge, in the amount stated in paragraph 4, on the 11th day of the month.

D. Resident shall pay the RETURNED CHECK FEE provided in paragraph 4 on any check not honored for payment.

E. Payments received from Resident shall first be applied to NET RENT, and then to LATE FEES and other miscellaneous fees.

F. PROJECT MANAGEMENT may not terminate this AGREEMENT solely for Resident's failure to pay LATE FEES or other miscellaneous fees, but may terminate this AGREEMENT for non-payment of NET RENT, as explained in paragraph 24.

G. Resident shall pay for damage to the premises in accordance with paragraph 16 of the LEASE.

H. Resident shall pay costs awarded by the court in a suit, action or proceeding brought by HUD or PROJECT MANAGEMENT.

12. Security Deposits. The Resident has deposited the amount set forth in paragraph 4c as the security deposit for the period the Resident occupies the unit.

4315.1 REV1 CHG1

After the Resident has permanently moved from the unit, the PROJECT MANAGEMENT shall inspect the unit, complete a Unit Inspection Report, and determine whether the Resident is eligible for a refund of any or all of the security deposit. *
* The Resident is encouraged to participate in the inspection. The amount of the refund shall be determined in accordance with the following:

- A. The Resident shall be eligible for a refund of the security deposit only if the Resident provided the PROJECT MANAGEMENT with at least the 30-day written notice of intent to move as required in paragraph 24, unless the Resident was unable to give the notice for reasons beyond his/her control.
- B. The PROJECT MANAGEMENT shall refund to the Resident the amount of the security deposit, plus interest if any, computed at the percentage rate per annum set forth in paragraph 4g, less any amount needed to pay the cost of:
 1. NET RENT and sums due in accordance with paragraph 13;
 2. Damages that are not due to normal wear and tear and are not listed on the Unit Inspection Report completed upon move-in or execution of this LEASE AGREEMENT, which is attached hereto;
 3. Charges for late payment of NET RENT and returned checks, as described in paragraph 11;
 4. Charges for unreturned keys, as stated in paragraph 4e.
 5. Damage to the premises in accordance with paragraph 16 of the LEASE; and
 6. Costs awarded by the court in a suit, action or proceeding brought by HUD or PROJECT MANAGEMENT.
 7. Other charges that become due under this AGREEMENT.
- C. The PROJECT MANAGEMENT shall refund the amount computed in paragraph 12b within 30 days after the Resident has permanently moved out of the unit, returned possession of the unit to the PROJECT MANAGEMENT, and given his/her new address to the PROJECT MANAGEMENT. The

- PROJECT MANAGEMENT shall also give the Resident a written list of charges that were subtracted from the security deposit. *
- * D. If the LEASED UNIT is rented to more than one individual, it is agreed that the refund of the security deposit, if any, shall be by joint check, i.e., a check in the name of the parties, and the details of dividing the refund shall be worked out by the parties named on the check.
13. Resident Obligation to Repay. If the Resident submits false information or omits or fails to provide all necessary information on any application, certification or request for interim adjustment or does not report interim changes in family income or other factors as required by this AGREEMENT, and as a result is charged a NET RENT less than the amount required by HUD's rent formula, the Resident agrees to reimburse HUD for the difference between the NET RENT he/she should have paid and the NET RENT he/she actually paid. The Resident is not required to reimburse HUD for undercharges caused solely by PROJECT MANAGEMENT'S failure to follow HUD's procedures for computing NET RENT or assistance payments.
14. Condition of Dwelling Unit and Rental Abatement Based Thereon. By signing this AGREEMENT, the Resident acknowledges that, except as described on the Unit Inspection Report which is Attached to this AGREEMENT, the unit is safe, clean and in good condition, and all appliances and equipment in the unit are in good working order. The Resident also agrees that the PROJECT MANAGEMENT has made no promises to decorate, alter, repair or improve the unit, except as listed on the Unit Inspection Report. If a rental abatement based upon deficiencies listed in the Unit Inspection Report has been given to the Resident, such abatement will terminate as follows:
- a. Once each deficiency is repaired, that portion of the abatement attributable to that deficiency will be withdrawn and the rent will rise.
- b. After all deficiencies are repaired, the abatement will be totally withdrawn and the rent will rise to the normal level stated in the lease.
15. Maintenance.

- A. The PROJECT MANAGEMENT shall undertake, arrange for contractors to undertake, or inform HUD of the need for

11/93

APPENDIX 8-1 pg 5

4315.1 REV1 CHG1

HUD to procure contractors to undertake, the following tasks:

- *
- * 1. Regularly clean and maintain all common areas of the project;
2. Collect and remove trash and garbage;
3. Provide extermination services, as necessary;
4. Make necessary repairs to the LEASED UNIT and bring the LEASED UNIT, and any common areas into a safe condition within a reasonable time after the Resident notifies the PROJECT MANAGEMENT of the need for repairs, or the PROJECT MANAGEMENT otherwise becomes aware of the need for the repairs; and if action has not been taken to address the deficiency noted by Resident within three 3. days of notification from Resident, the PROJECT MANAGEMENT shall notify Resident of actions to be taken to correct deficiencies reported.

b. The Resident shall:

1. Keep the LEASED UNIT clean;
2. Use all appliances, fixtures and equipment in a safe manner and only for the purposes for which they are intended;
3. Give PROJECT MANAGEMENT prompt notice of any defects in the plumbing, fixtures, appliances, heating and cooling equipment or any other part of the LEASED UNIT or related facilities, and, after work has been completed in response to such notification, sign a work order to indicate completion of the work.
4. Promptly remove garbage and other waste from the LEASED UNIT in a clean and safe manner.

C. The Resident shall not:

1. Install additional or different locks or gates on any doors or windows of the unit without PROJECT

MANAGEMENT's written permission. If the PROJECT MANAGEMENT approves the Resident's request to install such locks, the Resident shall provide

11/93

APPENDIX 8-1 pg 6

4315.1 REV1 CHG1

PROJECT MANAGEMENT with a key for each lock within 24 hours of its installation.

*

- * 2. Do any of the following without first obtaining the PROJECT MANAGEMENT'S written permission:
 - a. Change or remove any part of the appliances, fixtures, equipment, in the LEASED UNIT;
 - b. Paint or install wallpaper or contact paper in the unit;
 - c. Attach awnings or window guards in the unit;
 - d. Attach or place any fixtures, signs, or fences on the building(s), the common areas, or the project grounds;
 - e. Install washing machines, clothes dryers, fans, heaters or air conditioners in the LEASED UNIT; or
 - f. Place any aerials, antennas or other electrical connections on the LEASED UNIT.

- 16. Resident Caused Damages. Whenever damage is caused by carelessness, misuse, or neglect on the part of the Resident, his/her family, visitor(s) or other individuals under the Resident's control, the Resident agrees to pay:
 - A. The cost of all repairs and do so within 30 days after receipt of the PROJECT MANAGEMENT'S written demand for the repair charges; and
 - B. The NET RENT for the period the unit is damaged whether or not the LEASED UNIT is habitable.

- 17. General Restrictions.
 - A. The Resident must live in the unit and the unit must be the Resident's only place of residence. The Resident shall use the premises only as a private dwelling for himself/herself and the individuals listed on this lease. Other individuals may reside in the unit only

after obtaining the PROJECT MANAGEMENT's prior written approval. The Resident shall not;

1. Sublet or assign the LEASED UNIT, or any part of the LEASED UNIT;

11/93

APPENDIX 8-1 pg 7

4315.1 REV1 CHG1

-
2. Have pets or animals of any kind in the LEASED UNIT without the PROJECT MANAGEMENT'S prior written permission, or *
- * B. The Resident, any member of the Resident's household, or a guest or other person under the Resident's control, shall not, in the LEASED UNIT, common areas and elsewhere on or near the project:
1. Engage in permit or facilitate criminal activity on or near the project, including but not limited to, violent criminal activity or drug-related criminal activity.
 - a. "Violent criminal activity" means any felonious criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.
 - b. "Drug-related criminal activity" means the illegal manufacture, sale, distribution or use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C.802)
 - c. One or more violations of Paragraph 17, subparagraph 1 of this Lease constitutes a substantial violation of the Lease and a material noncompliance with the Lease. Any such violation is grounds for termination of tenancy and eviction from the leased dwelling unit.
 - d. Proof of violation shall be by a preponderance of the evidence.
 2. Litter the grounds and common areas of the project.
 3. Destroy, deface, damage or remove any part of the LEASED UNIT, common areas, or project grounds;

4. Make or permit noises or acts that shall disturb the rights or comfort of neighbors, and thus agree(s) to keep the volume of any musical instrument, radio, phonograph, cassette player, CD-player, television and other similar device at a level which does not disturb the neighbors.

11/93

APPENDIX 8-1 pg 8

4315.1 REV1 CHG1

*

*

18. House Rules. The Resident shall comply with the attached House Rules and additional rules established after the effective date of this AGREEMENT which are reasonably related to the safety, care and cleanliness of the building and the safety, comfort and convenience of all residents and their guests. Resident shall receive written notice of any additional rule(s) at least 30 days before the rule(s) is/are enforced, unless a shorter period is necessary on an emergency basis.
19. Pets. The Resident is permitted to keep common household pets in his/her dwelling unit (subject to the provisions in 24 CFR Part 243 and the pet rules promulgated under 24 CFR 243.20). Any pet rules promulgated by the PROJECT MANAGEMENT are attached hereto and incorporated hereby. The PROJECT MANAGEMENT agrees to comply with these rules. A violation of these rules may be grounds for removal of the pet or termination of the Resident's (pet owner's) tenancy (or both), in accordance with the provisions of 24 CFR Part 243 and applicable regulations and State or local law. these regulations include 24 CFR Part 247 (evictions From Certain Subsidized and HUD-Owned Projects) and provisions governing the termination of tenancy under the Section 8 housing assistance payments and project assistance payments programs.

NOTE: Part 243 does not apply to animals that are used to assist the disabled who reside in the project or who visit the project.

20. Size of Dwelling. The Resident understands that HUD requires the PROJECT MANAGEMENT to assign LEASED UNITS according to the size of the household. If the Resident is or becomes eligible for a different size LEASED UNIT, and the required unit becomes available, the Resident shall:
 - A. Move within 30 days after the PROJECT MANAGEMENT

notifies him/her that a LEASED UNIT of the required size is available within the project; or

B. Elect to remain in the same LEASED UNIT, pay the market rent, and execute a new lease.

21. Access. The PROJECT MANAGEMENT shall enter the LEASED UNIT only during reasonable hours, shall provide reasonable advance notice of his/her intent to enter the LEASED UNIT,

11/93

APPENDIX 8-1 pg 9

4315.1 REV1 CHG1

and shall enter the LEASED UNIT only after receiving the Resident's consent to do so, except when emergency *
* situations make such notices impossible or except under paragraph c. below.

A. The Resident shall permit the PROJECT MANAGEMENT, or other persons authorized by HUD, to enter the LEASED UNIT for the purpose of making reasonable repairs and periodic inspections.

B. After the Resident has been given a notice of intent to move, the Resident agrees to permit the PROJECT MANAGEMENT to show the LEASED UNIT to prospective residents during reasonable hours.

C. If the Resident permanently moves, vacates or abandons the LEASED UNIT before the termination date specified in paragraph 3, PROJECT MANAGEMENT may terminate this AGREEMENT and may enter the LEASED UNIT, to decorate, remodel, alter or otherwise prepare the LEASED UNIT for occupancy by another Resident, and may rent the leased unit.

22. Hazards. The Resident shall not undertake, or permit his/her family or guests to undertake any hazardous acts or do anything that shall jeopardize the health and/or safety of other residents and/or guests and/or the property. If the LEASED UNIT is damaged by fire, wind, or rain to the extent that the LEASED UNIT cannot be lived in and the damage is not caused or made worse by the Resident, the Resident shall be responsible for NET RENT only up to the date of the occurrence. Additional NET RENT shall not accrue until the LEASED UNIT has been repaired to a livable condition, unless the Resident is moved into another suitable unit.

23. Discrimination Prohibited. HUD shall not discriminate based upon race, color, religion, national origin, sex, age,

disabled, and familial status.

24. Termination of Tenancy.

- A. The Resident may terminate this AGREEMENT at the end of the initial term or any successive term by giving 30 days written notice in advance to the PROJECT MANAGEMENT. Whenever the PROJECT MANAGEMENT has been in material noncompliance with this AGREEMENT, the Resident may in accordance with State law terminate this AGREEMENT by so advising the PROJECT MANAGEMENT in

11/93

APPENDIX 8-1 pg 10

4315.1 REV1 CHG1

writing.

*

- * B. The PROJECT MANAGEMENT's right to terminate this AGREEMENT is governed by the regulation of the Secretary at 24 CFR Part 247 (herein referred to as the HUD Regulation). The HUD Regulation provides that the PROJECT MANAGEMENT may terminate this AGREEMENT only under the following circumstances:
1. The PROJECT MANAGEMENT may terminate, effective at the end of the initial term or any successive term, by giving the Resident notification in the manner prescribed in paragraph G below that the term of this AGREEMENT is not renewed and this AGREEMENT is accordingly terminated. This termination must be based upon either material noncompliance with this AGREEMENT, material failure to carry out obligations under any State landlord or tenant act, or other good cause. When the termination of the tenancy is based on other good cause, the termination notice shall so state, at the end of a term in accordance with the termination provisions of this AGREEMENT, but in no case earlier than 30 days after receipt by the Resident of the notice. Where the termination notice is based on material noncompliance with this AGREEMENT or material failure to carry out obligations under a State landlord and tenant act, the time of service shall be in accordance with the previous sentence or State law, whichever is later.
 2. Notwithstanding subparagraph 1, whenever the Resident has been in material noncompliance with this AGREEMENT, the PROJECT MANAGEMENT may, in accordance with State law and the HUD Regulation,

terminate this AGREEMENT by notifying the Resident in the manner prescribed in paragraph G below.

- C. If the Resident does not vacate the premises on the effective date of the termination of this AGREEMENT, the PROJECT MANAGEMENT may pursue all judicial remedies under State or local law for the eviction of the Resident, and in accordance with the requirements in the HUD Regulation.
- D. The term "material noncompliance with this AGREEMENT" shall, in the case of the Resident, include (1) one or more substantial violations of this AGREEMENT, (2)

11/93

APPENDIX 8-1 pg 11

4315.1 REV1 CHG1

* repeated minor violations of this AGREEMENT which disrupt the livability of the project, adversely affect the health or safety of any person or the right of any resident to the quiet enjoyment of the leased premises and related project facilities, interfere with the management of the project or have an adverse financial effect on the project, or (3) failure of the Resident to timely supply all required information and composition, or eligibility factors of the Resident household (including failure to meet the disclosure and verification requirements for Social Security Numbers, as provided by 24 CFR Part 750, or knowingly providing incomplete or inaccurate information). Nonpayment of rent or any other financial obligation due under this AGREEMENT (including any portion thereof) beyond any grace period permitted under State law shall constitute a substantial violation. The payment of rent or any other financial obligation due under this AGREEMENT after the due date but within any grace period permitted under State law shall constitute a minor violation.

- E. The conduct of the Resident cannot be deemed other good cause unless the PROJECT MANAGEMENT has given the Resident prior notice that said conduct shall henceforth constitute a basis for termination of the AGREEMENT. Said notice shall be served on the Resident in the manner prescribed in paragraph G below.
- F. The PROJECT MANAGEMENT's determination to terminate this AGREEMENT shall be in writing and shall (1) state that the AGREEMENT is terminated on a date specified therein, (2) state the reasons for the PROJECT MANAGEMENT's action with enough specificity so as to

enable the Resident to prepare a defense, (3) advise the Resident that if he or she remains in the leased unit on the date specified for termination, the PROJECT MANAGEMENT may seek to enforce the termination only by bringing a judicial action at which time the Resident may present a defense, and (4) be served on the Resident in the manner prescribed by paragraph G below.

- G. The PROJECT MANAGEMENT's termination notice shall be accomplished by (1) sending a letter by first class mail, properly stamped and addressed, to the Resident at his/her address at the project, with a proper return address, and (2) serving a copy of said notice on any adult person answering the door at the leased dwelling unit, or if no adult responds, by placing the notice

11/93

APPENDIX 8-1 pg 12

4315.1 REV1 CHG1

under or through the door, if possible, or else by affixing the notice to the door. Service shall not be deemed effective until both notices provided for herein have been accomplished. The date on which the notice shall be deemed to be received by the Resident shall be the date on which the first class letter provided for in clause (1) herein is mailed, or the date on which the notice provided for in clause (2) is properly given, whichever is later. *

- H. The PROJECT MANAGEMENT may, with the prior approval of HUD, modify the terms and conditions of the AGREEMENT, effective at the end of the initial term or a successive term, by serving an appropriate notice on the resident, together with the tender of a revised AGREEMENT or an addendum revising the existing AGREEMENT. Any increase in rent shall in all cases be governed by 24 CFR Parts 245, 246 and other applicable HUD regulations. This notice and tender shall be served on the Resident in the manner prescribed in paragraph G and must be received by the Resident (as defined in paragraph G) at least 30 days prior to the last date on which the Resident has the right to terminate the tenancy without being
25. Death of Resident. In the event of the death of the Resident, if the leased unit is not vacated by the end of the month in which the Resident dies, executors, administrators, successors, and assignees of the Resident shall be bound to pay the NET RENT for the unit for all days until the LEASED UNIT is vacated.

26. Contents of this AGREEMENT. This AGREEMENT and its Attachments make up the entire AGREEMENT between the Resident and HUD regarding the LEASED UNIT. If any Court declares a particular provision of this AGREEMENT to be invalid or illegal, all other terms of this AGREEMENT shall remain in effect and both HUD and the Resident shall continue to be bound by them.
27. Change in AGREEMENT.
- A. HUD may change the terms and conditions of this AGREEMENT.
 - B. Any changes shall become effective only at the end of the initial term or a successive term.
 - C. The PROJECT MANAGEMENT must notify the Resident of any

11/93

APPENDIX 8-1 pg 13

4315.1 REV1 CHG1

- change and must furnish the Resident a new AGREEMENT or any amendment to the existing AGREEMENT. *
- * D. The Resident must receive such notice at least 30 days before the proposed effective date of the change.
 - E. The Resident may accept the changed terms and conditions by signing the new AGREEMENT or the amendment to the existing AGREEMENT and returning it to the PROJECT MANAGEMENT.
 - F. The Resident may reject the changed terms and conditions by giving the PROJECT MANAGEMENT written notice that he/she intends to terminate the tenancy.
 - G. If the Resident does not accept the amended AGREEMENT HUD may require the Resident to move from the project, as provided herein.
28. Keys. When this AGREEMENT ends, Resident agrees to return all keys to the dwelling unit to the PROJECT MANAGEMENT. The PROJECT MANAGEMENT shall charge the Resident the LOST KEY CHARGE specified in paragraph 4e for each key lost or not returned.
29. Attachments to the AGREEMENT. The Resident(s) has/have received a copy of this AGREEMENT and the following Attachments to this AGREEMENT and understand(s) that these Attachments are part of this AGREEMENT.

Unit Inspection Report.
House Rules.
Utility Company Addresses.
Attachment to Lease for Assisted Residents, dated _____.
Form HUD-50059, Certification and Recertification of Resident eligibility, dated _____.

30. Penalties for Submitting False Information.

If the resident deliberately submits false information regarding income, family composition or other data on which resident's eligibility or net rent is determined, HUD may require the resident to pay the market rent for as long as the resident remains in the project.

In addition, the resident could be subject to penalties provided under federal law which include fines of up to

11/93

APPENDIX 8-1 pg 14

4315.1 REV1 CHG1

\$5,000 and imprisonment for up to two years.

*

*

31. Privacy Act.

HUD is authorized to collect the information in this AGREEMENT by Section 6311 of Title 5 of the U.S. Code. The Housing and Community Development Act of 1987, 42 USC 3543 authorized HUD to collect the Social Security Number (SSN). The primary use of this information is to record your use of the unit listed in this lease. HUD may disclose this information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions; to other Federal agencies when conducting an investigation on you for employment or security reasons; and to collection agents or the internal Revenue Service if you fail to pay your NET RENT. It will not be otherwise disclosed or released outside of HUD, except as required or permitted by law. The information requested on this form is mandatory, including the Social Security Number. Failure to provide any of the required information may result in HUD not leasing you this unit.

Signatures.

Resident(s) Date	Social Security Number(s)	Date	PROJECT MANAGEMENT
---------------------	------------------------------	------	--------------------

NOTE: Resident(s) are encouraged to purchase Renter's Insurance.

*
