

## CHAPTER 7. CONTRACT AMENDMENTS

- 7-1. GENERAL. Amendments to the Section 8 HAP contract annual commitment are allowed for the purpose of covering increased contract rents resulting from increased costs and/or decreases in family incomes. In order to assure that Section 8 assistance payments continue on a timely basis, the contract administrator must determine the amendment needs of the project prior to the anniversary date of the contract.
- 7-2. ESTIMATING CONTRACT AMENDMENT NEEDS. Each year the contract administrator must review each project's prior years' Section 8 contract usage, and estimate project amendment needs based on previous usage. This information will assist in determining the total amount of amendment needs that will be included in the budget submission for housing programs. The estimate of the contract amendment for the project should be submitted to Headquarters, Office of Multifamily Housing Management, no later than December 31 each year for the fiscal year two years in advance. For example, funding needs for FY 95 should be submitted no later than December 92.