

ADDENDUM TO CONSULTANT CONTRACT -- SECTION 202 PROGRAM  
INCENTIVE PAYMENT PROVISION

As an inducement to achieve a timely development and operation of the Section 202 housing project, the undersigned as the authorized representative of \_\_\_\_\_ (Sponsor/Recipient's Name) \_\_\_\_\_ agrees to compensate the Housing Consultant, \_\_\_\_\_, by providing for the payment of an additional sum as an incentive for expediting the preparation and submission to HUD of acceptable conditional and firm commitment applications, initial closing and start of construction, completion of an acceptable cost certification and final closing.

The Housing Consultant Contract Form HUD-92531A-CH is amended by adding the following subparagraphs:

Paragraph 2.

- (e) If project development proceeds in a timely manner and in accordance with the schedule set forth below, the Applicant further agrees to compensate the Housing Consultant by payment of an additional sum up to the amount of \$ \_\_\_\_\_ as an incentive.

Services Performed and Time Frames	Percentage of Incentive Payment
Submission to HUD of a Conditional Commitment Application Acceptable for Processing within 120 Calendar days from the Date of the Sponsor's Acceptance stated on the Notification of Selection Letter.....	10%
Submission to HUD of a Firm Commitment Application Acceptable for Processing within 120 Calendar Days of the Date of Issuance of the Conditional Commitment.....	10%
If the Conditional Commitment Stage is Bypassed, Submission to HUD of a Firm Commitment Application Acceptable for Processing within 180 Calendar Days from the Date of the Sponsor's Acceptance stated on the Notification of Selection Letter.....	20%

Services Performed and Time Frames	Percentage of Incentive Payment
Initial Closing and/or Start of construction within 18 Months from the Date of the Fund Reservation.....	30%
Submission to HUD of an Acceptable Cost Certification within 45 Days from the Cut-Off Date Used for Cost certification Purposes.....	25%
Final Closing within 180 Calendar Days from the Project Completion Date.....	25%
(f) The incentive payment provided herein shall be due and payable in the following manner:	
At Initial Closing -- Up to.....	50%
Submission of an Acceptable Cost Certification -- Up to.....	75%*
At Final Closing -- Up to.....	100%*
*Less any previous payments.	
(g) Appropriate adjustment shall be made if any time frames are missed or for any service not provided by the Housing Consultant.	

\_\_\_\_\_  
Housing Consultant

\_\_\_\_\_  
Nonprofit Applicant