
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SECTION 8 MODERATE REHABILITATION PROGRAM

PART I
HOUSING ASSISTANCE PAYMENTS CONTRACT

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1.2 EFFECTIVE DATE AND TERM OF CONTRACT

[Check one box for applicable paragraphs A and B.]

Provisions for non-staged completion:

- [] The following paragraphs A and B are applicable if the Contract Units are not to be completed and accepted in stages.

A. Effective Date of Contract

The effective date of this Contract is:

This date must be no earlier than the date of PHA final inspection and acceptance of the Contract Units and related facilities.

B. Term of Contract

1. During the Contract term, the PHA must make housing assistance payments to the Owner in accordance with this Contract for Contract Units under lease to eligible individuals.
2. The term of the Contract begins on the effective date of the Contract and ends fifteen years from that date.

Provisions for staged completion:

- [] The following paragraphs A and B are applicable if the Contract Units are to be completed and accepted in stages.

A. Contract Anniversary Date

For the purpose of determining annual rent adjustments pursuant to Section 1.8 of this Contract, the anniversary date of the Contract with respect to the Contract Units included in Stage 1 is the anniversary date for all Contract Units.

B. Term of Contract

1. During the Contract term for each stage, the PHA must make housing assistance payments to the Owner in accordance with this Contract for Contract Units leased to eligible individuals.
2. The Contract term for each stage begins on the effective date of the Contract for the stage, and ends fifteen years from that date.

C. Rehabilitation Loan Term and Amortization Amounts

Only when the initial Contract Rent(s) is established on the basis of a loan term shorter than fifteen years (See Section 1.8.C):

1. The date of the first day of the month following the end of the term of the rehabilitation loan is:

2. The monthly amortization amounts of the rehabilitation loan by unit size are:

D. Applicability of Special Rent Adjustment Procedure Where Debt Service Is Not Fixed

[Check this box if the initial Contract Rents specified in Exhibit A were calculated on the basis of a loan which provides for a balloon payment, or for which the debt service amount is not fixed over the loan term.]

[] Section 1.8.D is applicable.

1.3 CONTENTS OF CONTRACT

A. Elements

This Contract consists of:

1. Part I and Part II of the Contract. Part II is Form HUD 52539 B, dated November 1990.
2. The following exhibits:

Exhibit A. Identification of units ("Contract Units"), including number and size (number of bedrooms), address, and applicable initial rents (Contract Rents and Base Rents).

Exhibit B. The statement of services, maintenance and utilities to be provided by the Owner.

Exhibit C. HUD requirements for termination of tenancy and eviction. (These requirements are subject to change.)

Additional Exhibits:

[Specify any additional exhibits, if applicable. If none, insert "None."]

B. Applicability of Contract Part II Provisions

[Check appropriate boxes below.]

2.1 Training, Employment and Contracting Opportunities for Businesses and Lower-Income Persons

Applies if the total of Contract Rents for all Contract Units, over the maximum term of the Contract, is more than \$500,000 or \$2,778 per month.

[] Applicable [] Not applicable

2.2 Clean Air Act and Federal Water Pollution Control Act

Applies if the total of Contract Rents for all Contract Units, over the maximum term of the Contract, is more than \$100,000 or \$556 per month.

[] Applicable [] Not applicable

2.3 Flood Insurance

Applies if units are located in areas having special flood hazards and in which flood insurance is available under the National Flood Insurance Program.

[] Applicable [] Not Applicable

1.4 HUD REQUIREMENTS

- A. The Owner must comply with applicable HUD requirements, including any amendments of HUD requirements.
- B. The Contract shall be interpreted and implemented in accordance with HUD requirements.

1.5 COMPLETION OF WORK

The Owner warrants that the Contract Units are in good and tenantable condition and that work on the Contract Units has been completed in accordance with the Agreement to Enter into Housing Assistance Payments Contract ("Agreement") or will be completed in accordance with the terms on which the units were accepted. Completion and acceptance of the Contract Units is subject to the provisions of the Agreement.

1.6 LEASING OF CONTRACT UNITS

A. Selection of Tenants

1. Eligible Tenants

A Contract Unit may only be rented to an eligible family. The PHA will determine eligibility in accordance with HUD requirements.

2. Individuals Referred by PHA

All vacant Contract Units must be rented to eligible families referred by the PHA from its waiting list.

3. Owner Solicitation of Applications

If the PHA does not refer a sufficient number of interested applicants to the Owner within thirty days of the Owner's notice to the PHA of a vacancy, the Owner may advertise or solicit applications from families. The Owner must refer such persons to the PHA to determine eligibility.

4. Owner Responsible for Screening and Selection

The Owner has full responsibility for the screening and selection of tenants, and may refuse to rent to any eligible family provided the Owner does not unlawfully discriminate. If the Owner refuses to rent to an individual, and if the individual believes that the Owner's refusal was the result of unlawful discrimination, the individual may request the assistance of the PHA in resolving the issue. If the issue cannot be resolved promptly, the family may file a complaint with HUD.

B. Security Deposit

The Owner must comply with HUD requirements regarding security deposits from a tenant. The PHA will inform the Owner of these requirements, including information concerning the maximum amount which may be collected.

C. Lease

The lease between the Owner and each assisted family must be in accordance with HUD requirements. The lease must include all provisions required by HUD and must not include any provisions prohibited by HUD.

1.7 RENT; HOUSING ASSISTANCE PAYMENT

A. Amount of Initial Contract Rent and Base Rent

1. The initial Contract Rent and Base Rent for each Contract Unit is stated in Exhibit A.
2. The amounts of the initial Contract Rents and Base Rents as stated in Exhibit A are subject to post-audit and redetermination by the PHA. The initial Contract and Base Rent for each Contract Unit may not exceed the amounts authorized in accordance with HUD requirements. At any time, the PHA may correct any initial Contract or Base Rent which exceeds the amount authorized in accordance with HUD requirements. The PHA may recover any excess housing assistance payments resulting from the excess initial Contract or Base Rent. When the initial Contract or Base Rent for any Contract Unit would otherwise exceed the amount authorized in accordance with HUD requirements, the PHA will establish a lower initial Contract or Base Rent which is in accordance with such requirements.
3. If the PHA redetermines the initial Contract or Base Rent for any Contract Unit, the PHA shall give notice to the Owner establishing the revised Contract or Base Rent. The PHA notice to the Owner shall constitute an amendment of the Contract. If the PHA redetermines the rent, the Owner must promptly repay to the PHA the amount of any excess housing assistance payments.

B. Adjustment to Compensate for Related Governmental Assistance

The Owner must disclose to the PHA in accordance with HUD requirements information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is made available or is expected to be made available with respect to the Contract Units. Such related assistance includes, but is not limited to, any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance. Housing assistance payments under the Contract must not be more than is necessary, as determined by the PHA in accordance with HUD requirements, to provide affordable housing after taking account of such related assistance. The PHA will adjust in accordance with HUD requirements the amount of the housing assistance payments to the Owner to compensate in whole or in part for such related assistance.

C. Portion of Contract Rent Paid by Assisted Family

The portion of the Contract Rent payable by the assisted family ("tenant rent") will be determined by the PHA in accordance with HUD requirements. This amount is the maximum amount the Owner can charge the family for rental of the Contract Unit, including all services, maintenance, and utilities to be provided by the Owner in accordance with Exhibit B of this Contract and the lease. Any changes in the amount of the tenant rent will be effective on the date stated in a notice by the PHA of the change to the assisted family and the Owner.

D. Housing Assistance Payment to Owner

1. Each month the PHA must pay a housing assistance payment to the Owner for a unit under lease by an eligible family in accordance with this Contract. The monthly housing assistance payment is equal to the difference between the Contract Rent and the tenant rent. The PHA must pay the housing assistance payment under this Contract on or about the first day of the month for which payment is due unless the Owner and the PHA agree on a later date.
2. The PHA is only obligated to make housing assistance payments in accordance with the Contract. The PHA has no obligation to pay the tenant rent, or to pay any claim by the Owner against the family.
3. Where the Owner is an individual or individuals, no housing assistance payment may be paid for any unit occupied by any such individual or individuals. Where the Owner is a corporation or partnership, no housing assistance payment may be paid for any unit occupied by a shareholder, or by a general or limited partner.
4. The Owner agrees that the Owner's acceptance of a housing assistance payment (including acceptance by endorsement of a housing assistance payment check or otherwise) will be a certification by the Owner that:
 - a. The Contract Units for which the payment is made are in accordance with the HUD Housing Quality Standards, and the Owner is providing all the services, maintenance and utilities agreed to under the Contract and lease.
 - b. To the best of the Owner's knowledge, the Contract Unit is leased to and occupied by an eligible family, and is used solely for residence by the family and as the family's only residence.
 - c. The lease is in accordance with HUD requirements.

- d. Except for the housing assistance payment and the tenant rent as authorized in accordance with HUD requirements, the Owner has not received and will not receive any payment or other consideration (from the family, the PHA, HUD, or any other public or private source) as rent for the Contract Unit.
 - e. The family and the PHA (including any entity substantially controlled by the PHA) do not own, or have any interest in, the Contract Unit (if the Owner is a cooperative, the family may be a member of the cooperative).
 - f. Except for the housing assistance payment under this Contract, the Owner has not received and will not receive any of the following with respect to a Contract Unit during the term of the Contract for that unit: section 8 housing voucher assistance or other section 8 assistance, or any other duplicative Federal, State or local housing subsidy as determined in accordance with HUD requirements.
 - g. The amount of the payment is the correct amount due under this Contract, and the payment meets all other requirements under this Contract.
- 5. If the PHA determines that the Owner is not entitled to the payment or any part of it, the PHA or HUD, in addition to other remedies, may deduct the amount of the overpayment from any other amounts due the Owner, including amounts due under any other housing assistance payments contract.
 - 6. The Owner must notify the PHA promptly of any change of circumstances which would affect the amount of the monthly payment and must return any payment which does not conform to the changed circumstances. Failure by the Owner to comply with the requirements of this paragraph is grounds for termination of this Contract or other remedies under the Contract or by law.
 - 7. To receive housing assistance payments in accordance with this Contract, the Owner must comply with all the provisions of this Contract.

E. Termination of Assistance for Family

- 1. During the term of the Contract, housing assistance payments for the benefit of an eligible family will continue (1) unless the PHA determines that there are grounds for termination of assistance for the family in accordance with HUD requirements, or (2) until the family's tenant rent equals the total Contract Rent. When assistance payments are ended for the latter reason, the family's other rights under the lease will not be affected.

2. The PHA may terminate housing assistance payments in accordance with HUD requirements for a family assisted under this Contract. The PHA must notify the Owner in writing of its decision to terminate housing assistance payments in such case, and that housing assistance payments for the assisted family under the Contract will terminate at the end of the calendar month which follows the calendar month in which the PHA gives such notice to the Owner.

1.8 RENT ADJUSTMENTS

A. Annual and Special Adjustments

1. Request for Adjustment

Contract Rents will be adjusted as provided in this section after the Owner submits a revised schedule of Contract Rents to the PHA. However, the Contract Units must be in decent, safe, and sanitary condition, and the Owner must be in compliance with the terms of the leases and this Contract.

2. Annual Adjustments

- a. On or after each annual anniversary date of the Contract, the Contract Rents may be adjusted by the PHA. Such adjustment must be in accordance with HUD requirements.
- b. If the Contract provides for completion and acceptance of Contract Units in stages (see Section 1.2), the anniversary date of the Contract for all Contract Units is the anniversary of the Contract for the Contract Units included in Stage 1.

3. Special Adjustments

The PHA may grant Special Adjustments, subject to HUD approval, to reflect increases in the actual and necessary expenses of owning and maintaining the Contract Units which have resulted from substantial general increases in real property taxes, utility rates, assessments, and utilities not covered by regulated rates. The Owner must clearly demonstrate that these general increases have caused increases in the Owner's operating costs which are not adequately compensated for by annual adjustments. The Owner must also submit to the PHA financial information which clearly supports the increase.

4. Overall Limitation

Adjustments as provided in this section must not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by the PHA (and approved by HUD in the case of Special Adjustments).

B. Implementation of Rent Adjustments

1. When Adjustments Are Effective

- a. For annual adjustments, the adjusted Contract Rents are effective on the later of (1) the anniversary date of the Contract, or (2) the first day of the month after the Owner requested an adjustment.
- b. For any special adjustment, the adjusted Contract Rents are effective on the later of (1) the first day of the month following the increase in real property taxes, utility rates, assessments, or utilities not covered by regulated rates, or (2) the first day of the month after the Owner requested an adjustment.

2. PHA Notice of Adjustment

Adjustments of Contract Rents must be made by written notice by the PHA to the Owner in accordance with this section. Such notice constitutes an amendment of the Contract.

C. Contract Rents at End of Rehabilitation Loan Term

When the initial Contract Rent is established based upon a rehabilitation loan term shorter than fifteen years, a new Contract Rent will become effective on the date specified in Section 1.2.C.1 (the first day of the month following the end of the term of the rehabilitation loan). The new Contract Rent for a unit will be the Contract Rent which would otherwise be in effect as of such date, minus the amount specified in Section 1.2.C.2 for the unit size.

D. Rent Adjustment Where Debt Service Is Not Fixed

If the initial Contract Rents specified in Exhibit A were calculated on the basis of a loan which provides for a balloon payment, or for which the debt service payment is not fixed over the loan term (see Section 1.2.D), and if the debt service amount on the anniversary date is higher or lower than the amount on the prior anniversary date, or if the debt service amount changes between anniversary dates, the PHA must determine, in accordance with HUD requirements, the extent and frequency of any increase or decrease in Contract Rents based on the change in the debt service amount.

E. Change in Debt Service

1. The Owner must notify the PHA of any changes in interest rate, debt service, or other terms of the financing, including any refinancing, of amounts borrowed to finance the rehabilitation cost or to finance the purchase of the property.
2. Upon such a reduction of debt service costs for such amounts, the Contract Rents may be adjusted by the PHA.

1.9 VACANCIES

A. Vacancies during Rent-up

If a Contract Unit is not leased within fifteen days of the effective date of the Contract for such unit, the Owner will be entitled to housing assistance payments in the amount of eighty percent of the Contract Rent for the unit for a vacancy period not exceeding sixty days from the effective date of the Contract, if the Owner:

1. Has complied with the requirements of the Agreement concerning vacancies during rent-up,
2. Has taken and continues to take all feasible actions to fill the vacancy, and
3. Has not rejected any eligible applicant except for good cause acceptable to the PHA.

B. Vacancies after Rent-up

1. If an assisted family moves from a Contract Unit after initial occupancy under this Contract (other than as a result of action by the Owner which is in violation of the lease or the Contract or any applicable law), the Owner must be paid the housing assistance payment due under the Contract for so much of the month in which the family moves from the unit as the unit remains vacant.
2. If the Contract Unit continues to remain vacant, the Owner must be paid a housing assistance payment in the amount of eighty percent of the Contract Rent prorated for a vacancy period not exceeding one additional month. If the Owner collects any of the assisted family's portion of the rent for the additional month, the PHA payment for the Contract Unit is reduced to an amount which, when added to the family's payment, does not exceed eighty percent of the prorated Contract Rent. The Owner must reimburse the PHA for any excess payment.
3. If the Owner evicts the assisted family, the Owner is not entitled to any payment for vacancies after rent-up under this paragraph B unless the PHA determines that the Owner complied with all the requirements of the Contract (including requirements for termination of tenancy and eviction).
4. The Owner is not entitled to any payment under this paragraph B unless the Owner:
 - a. Has notified the PHA immediately upon learning of the vacancy or prospective vacancy,
 - b. Has taken and continues to take all feasible actions to fill the vacancy, and
 - c. Has not rejected any eligible applicant except for good cause acceptable to the PHA.

C. Payment from Other Sources for Vacant Units

The PHA will not pay the Owner any housing assistance payments for vacant Contract Units to the extent the Owner is entitled to payment from other sources. The Owner must notify the PHA of any such payment to which the Owner is entitled.

1.10 MAINTENANCE, OPERATION AND INSPECTION

A. Maintenance and Operation

The Owner must maintain and operate the Contract Units and related facilities to provide decent, safe and sanitary housing, including the provision of all the services, maintenance and utilities described in Exhibit B, and the leases with assisted families. As used in this Contract, "decent, safe and sanitary housing" means that a unit is in accordance with the applicable HUD Housing Quality Standards for the program.

B. Inspection

The PHA may inspect the Contract Units and related facilities at any time (including inspection before initial occupancy of a unit) the PHA determines inspection is necessary to assure that the unit is in decent, safe and sanitary condition or that the Owner is providing all the services, maintenance and utilities in accordance with the Contract. The Owner must permit such inspections.

C. Units Not Decent, Safe and Sanitary

If the PHA notifies the Owner that a Contract Unit is not in decent, safe and sanitary condition, and the Owner does not take corrective action (including corrective action with respect to an assisted family where the condition of the unit is the fault of the family) within the time prescribed in the notice, the PHA may exercise any of its rights or remedies under the Contract or by law, including termination or reduction of housing assistance payments, even if the assisted family continues to occupy the unit. The PHA may also terminate the Contract if the PHA determines that any of the Contract Units is not in decent, safe and sanitary condition. In such case, the PHA may terminate the Contract for all units or for specific units.

D. Maintenance and Replacement

Maintenance and replacement (including redecoration) must be in accordance with the standard practice for the building concerned as established by the Owner.

1.11 LEASE AND TERMINATION OF TENANCY

A. Lease

The lease between an assisted family and the Owner must be in accordance with HUD requirements. The lease must include all provisions required by HUD, and must not include any provisions prohibited by HUD.

B. Termination of Tenancy

The Owner may not terminate tenancy or evict an assisted family except in accordance with HUD requirements. The HUD requirements in effect at execution of this Contract are stated in Exhibit C to this Contract. (These requirements are subject to change.)

C. Eviction

Any eviction (dispossession of the family from the dwelling unit) must be carried out through judicial process under State and local law.

D. Notice to PHA

The Owner must notify the PHA in writing of the commencement of procedures for termination of tenancy when the Owner gives notice to the tenant.

1.12 NOTICE OF CONTRACT TERMINATION BY OWNER

Not less than one year before termination of this Contract, the Owner must give notice of the proposed termination in accordance with HUD requirements to the PHA, HUD and each assisted tenant. The Owner's notice must specify the reasons for the termination with sufficient detail to enable HUD to evaluate whether the termination is lawful and whether there are additional actions that can be taken by HUD to avoid the termination. For purposes of this section, "termination" means expiration of the Contract at the end of the Contract term.

1.13 REDUCTION OF NUMBER OF UNITS COVERED BY CONTRACT

A. Limitation on Leasing to Ineligible Persons

The Owner may not lease a vacant Contract Unit to an ineligible person. Leasing a Contract Unit to an ineligible person is a violation of the Contract and is grounds for all available legal remedies, including suspension or debarment from HUD programs and reduction of the number of Contract Units, as set forth in paragraph B.

B. Reduction of Number of Contract Units

If, any time beginning six months after the effective date of the Contract, the Owner fails for a continuous period of six months to have at least ninety percent of the Contract Units leased or available for leasing by eligible families, the PHA may, on at least thirty days notice to the Owner, reduce the number of units covered by this Contract. The PHA may reduce the number of Contract Units to the number of units actually leased or available for leasing by eligible families plus ten percent (rounded up). The PHA notice of such reduction shall constitute an amendment of the Contract.

C. Restoration

The PHA will agree to an amendment of this Contract to provide for restoration of any reduction of the number of Contract Units pursuant to paragraph B if:

1. The PHA determines that the restoration is justified by demand,
2. The Owner otherwise has a record of compliance with obligations under this Contract, and
3. Funds are available.

1.14 PHA AND HUD ACCESS TO PREMISES AND OWNER RECORDS

- A. The Owner must furnish any information pertinent to this Contract as may reasonably be required from time to time by the PHA or HUD.
- B. The Owner must permit the PHA or HUD or any of their authorized representatives to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner to the extent necessary to determine compliance with this Contract, including the verification of information pertinent to the housing assistance payments.

1.15 RIGHTS OF HUD IF PHA DEFAULTS UNDER CONTRACT

If HUD determines that the PHA has failed to comply with the Contract, or has failed to take appropriate action, to HUD's satisfaction or as directed by HUD, for enforcement of the PHA's rights under the Contract, HUD may assume the PHA's rights and obligations under the Contract, and may perform the obligations and enforce the rights of the PHA under the Contract. HUD will, if it determines that the Owner is not in default, continue to pay Annual Contributions for the purpose of making housing assistance payments with respect to the Contract Units for the duration of the Contract.

1.16 REMEDIES OF PHA FOR OWNER BREACH

A. Nature of Breach

Any of the following is a breach of the Owner's obligations under this Contract:

1. The Owner has failed to comply with any provision of, or obligation under, this Contract, or any other housing assistance payments contract under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).
2. The Owner has committed any fraud in connection with the Agreement or the Contract, or has committed fraud in connection with any Federal housing assistance program.
3. For projects with mortgages insured or coinsured by HUD or loans made by HUD, the Owner has violated the regulations for the applicable mortgage insurance, coinsurance or loan program, the mortgage or mortgage note, or the Regulatory Agreement, or the Owner has filed any false statement with HUD in connection with the mortgage, coinsurance or loan.

B. Exercise of Remedies

1. If the PHA determines that a breach by the Owner has occurred, the PHA may exercise any of its remedies for breach of the Contract, including any remedies available by law or under the Contract.
2. The PHA must notify the Owner in writing of such determination, including a brief statement of the reasons for the determination. The PHA notice may require the Owner to take corrective action as determined by the PHA, by a time prescribed in the notice.
3. The PHA's remedies under the Contract include recovery of overpayments, termination or reduction of housing assistance payments and termination of the Contract. The PHA may exercise such remedies for all Contract Units or for specific Contract Units.

C. Remedies Not Exclusive and Non-Waiver of Remedies

The PHA's exercise or non-exercise of any remedy for Owner breach of the Contract is not a waiver of the right to exercise that or any other right or remedy at any time.

1.17 CONFLICT OF INTEREST

A. Interest of Members, Officers or Employees of PHA, Members of Local Governing Body or Other Public Officials

No present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the Section 8 Program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to the Section 8 Program, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, in the Contract or in any proceeds or benefits arising from the Contract. This provision may be waived by HUD for good cause.

B. Disclosure

The Owner warrants that the Owner has disclosed to the PHA:

1. The identity of the Owner, developer, builder, architect, management agent (and other participants) and the names of officers and principal members, shareholders, investors, and other parties having a direct or indirect interest in the Contract or in any proceeds or benefits arising from the Contract.
2. The previous participation of each of these parties in HUD programs on the prescribed HUD form, and
3. Any possible conflict of interest by any of these parties that would be a violation of the Contract.

The Owner must fully and promptly update such disclosures.

1.18 INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS

No member of or delegate to the Congress of the United States of America or resident commissioner shall be admitted to any share or part of this Contract or to any benefits which may arise from the Contract.

1.19 TRANSFER OF THE CONTRACT OR PROPERTY

A. PHA Consent to Transfer

The Owner has not made and must not make any transfer in any form, including any sale or assignment, of the Contract or the property without the prior written consent of the PHA. A stock transfer, or a transfer of the interest of a limited partner, is not subject to the provisions of this section. Transfer of the interest of a general partner is subject to the provisions of this section.

B. Procedure for PHA Acceptance of Transferee

Where the Owner requests the consent of the PHA for a transfer in any form, including any sale or assignment, of the Contract or the property, the PHA will give its consent to a transfer of the Contract if the transferee agrees in writing (in a form acceptable to the PHA) to comply with all the terms of the Contract, and if the transferee is acceptable to the PHA. The PHA's criteria for acceptance of the transferee must be no more restrictive than for initial acceptance of any Owner under the Program at the time of the Owner's request.

C. Pledge of Contract As Security

If the Owner is proposing to pledge the Contract as security for financing, the Owner must submit the financing documents to the PHA for approval. In determining the approvability of a pledge arrangement, the PHA must review the documents submitted by the Owner to ensure that the financing documents do not purport to modify the Contract, and do not contain any requirements inconsistent with the Contract. Any pledge of the Contract must be limited to amounts payable under the Contract in accordance with the terms of the Contract.

1.20 DEBARMENT OR SUSPENSION

The Owner must comply with and is subject to the requirements of 24 CFR Part 24, concerning debarment, suspension and limited denial of participation.

1.21 IMPROPER SELECTION OF UNITS

The Contract can be terminated upon at least thirty days written notice to the Owner by the PHA or HUD if the PHA or HUD determines that the Contract Units were not eligible for selection in conformity with HUD requirements.

1.22 PHA AND OWNER RELATION TO THIRD PARTIES

A. Injury Resulting from Owner Action or Failure to Act

The PHA has not assumed any responsibility for or liability to any person injured as a result of the Owner's action or failure to act in connection with the implementation of this Contract, or as a result of any other action or failure to act by the Owner, or any contractor, subcontractor or supplier.

B. Legal Relationship

The Owner is not the agent of the PHA, and this Contract does not create or affect any relationship between the PHA and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in the implementation of the Contract.

C. Exclusion of Third Party Claims

Nothing in this Contract shall be construed as creating any right of any individual or other third party (other than HUD) to enforce any provision of the Contract, or to assert any claim against HUD, the PHA or the Owner under the Contract.

D. Exclusion of Owner Claims Against HUD

Nothing in the Contract shall be construed as creating any right of the Owner to assert any claim against HUD.

1.23 NOTICES

Where the Owner is required to give any notice to the PHA in connection with this Contract such notice must be in writing, and must be given in the manner designated by the PHA.

1.24 NONDISCRIMINATION

A. Prohibition of Discrimination

The Owner must not in the selection of assisted persons, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, creed, religion, sex, national origin, familial status or handicap.

B. Impermissible Bases for Denial of Assistance

Unwed mothers or recipients of public assistance must not be denied the benefit of housing assistance payments under this Contract because of such status.

C. Compliance with Requirements Under
The Fair Housing Act, Executive Order 11063 and Title VI

In carrying out this Contract, the Owner must comply with:

1. The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR Part 100.
2. Executive Order No. 11063 (Equal Opportunity in Housing) and implementing regulations at 24 CFR Part 107.
3. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR Part 1.

D. Prohibition of Discrimination Based on Age or Handicap

In carrying out this Contract, the Owner must comply with:

1. The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146.
2. The prohibitions against discrimination against otherwise qualified individuals with handicaps under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8.

E. Minority and Women's Business Enterprises

In carrying out this Contract, the Owner must comply with the requirements of Executive Order Nos. 11625, 12432 and 12138.

F. Cooperation in Equal Opportunity Compliance Reviews

The PHA and the Owner must cooperate with HUD in conducting monitoring and compliance reviews and complaint investigations pursuant to all applicable civil rights statutes and regulations, Executive Orders, and all civil rights related program requirements.

1.25 NATIONAL ENVIRONMENTAL POLICY ACT

The Owner must comply with all applicable requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) and HUD regulations at 24 CFR Part 50, including the related environmental laws, Executive Orders and HUD standards.

1.26 LOBBYING CERTIFICATIONS

A. Use of Federally Appropriated Funds

The Owner hereby assures and certifies that:

No Federally appropriated funds have been paid or will be paid, by or on behalf of the Owner, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or an officer or employee of a Member of Congress, in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. Use of Other Funds

If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Owner must complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. Inclusion of Certification Language in Award Documents

The Owner must require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts) and that all subrecipients must certify and disclose accordingly.

D. Effect of Certification: Failure to Certify

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification is subject to a civil penalty of not less than \$10,000 and of more than \$100,000 for each such failure.

1.27 ENTIRE AGREEMENT

The Agreement to Enter Into Housing Assistance Payments Contract and this Contract, including the exhibits, are the entire agreement between the PHA and the Owner. No changes in this Contract shall be made except in writing signed by both the Owner and the PHA.

PART I: HOUSING ASSISTANCE PAYMENTS CONTRACT

PHA

Name of Public Housing Agency

By

Signature

Print Name

Date

Title

Owner

By

Signature

Print Name

Date

Title

Warning: 18 U.S.C. 1001 provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined no more than \$10,000 or imprisoned for not more than five years, or both.

PART I: HOUSING ASSISTANCE PAYMENTS CONTRACT

If, after completion of the final stage of rehabilitation, the PHA decides to make any change in the Base Rents or Contract Rents for any stage in accordance with the Contract, the PHA shall amend the Base and Contract Rents for the stage. The PHA shall give notice to the Owner establishing the revised Contract or Base Rents. The PHA notice to the Owner shall constitute an amendment of the Contract. The PHA will make arrangements to correct the under- or over-payment of housing assistance payments to the Owner for units completed in earlier stages.

EXECUTION OF CONTRACT FOR
CONTRACT UNITS COMPLETED AND ACCEPTED IN STAGES

STAGE 1

This Contract is hereby executed for the units described in Exhibit A-1.

Effective Date	Insert the effective date of this Contract, which shall be no earlier than the date of PHA final inspection and acceptance of the Contract Units and related facilities.
Owner	By
Official Title	Date
PHA	By
Official Title	Date

STAGE 2

This Contract is hereby executed for the units described in Exhibit A-2.

Effective Date	Insert the effective date of this Contract, which shall be no earlier than the date of PHA final inspection and acceptance of the Contract Units and related facilities.
Owner	By
Official Title	Date
PHA	By
Official Title	Date

PART I HOUSING ASSISTANCE PAYMENTS CONTRACT

STAGE 3

This Contract is hereby executed for the units described in Exhibit A-3.

Effective Date	Insert the effective date of this Contract, which shall be no earlier than the date of PHA final inspection and acceptance of the Contract Units and related facilities.
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Owner

By

Official Title

Date

PHA

By

Official Title

Date

STAGE 4

This Contract is hereby executed for the units described in Exhibit A-4.

Effective Date	Insert the effective date of this Contract, which shall be no earlier than the date of PHA final inspection and acceptance of the Contract Units and related facilities.
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Owner

By

Official Title

Date

PHA

By

Official Title

Date