

U.S. Department of Housing  
and Urban Development

Special Attention of:                      Transmittal Handbook No:  
Public Housing Agencies                      7430.1 CHG-9  
(PHAs)

Issued: May 17, 1982

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1. This Transmits: A new Chapter 5 of the Low-Income Leased Housing Handbook 7430.1 dated 1969:
  2. Explanation of Material Transmitted: The new Chapter 5 provides instructions for the financial close-out and termination of a public housing agency's (PHA's) Section 23 Leased Housing Program when all units of the program: (1) are converted to the Section 8 Housing Assistance Payments (HAP) Existing Program; (2) are acquired by the PHA under the Low-Income Public Housing Program; or (3) are terminated outright.
  3. Issuance Cancelled: Notice H-81-5 (PHA), entitled: Financial Close-Out and Termination of Section 23 Leased Housing Programs, which expired 9/30/81.
  4. Filing Instructions:

Insert:  
Handbook 7430.1 CHG 9  
Page iii dated 5/82  
Pages 5-1 thru 5-12  
dated 5/82

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General Deputy Assistant Secretary  
for Housing - Deputy Federal Housing  
Commissioner

HUD-23 (9-81)

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
H O U S I N G

TRANSMITTAL

11/14/79

1. This Transmits:  
Changes to Chapter 4, Section 2, of the Low-Income Leased Housing Handbook 7430.1, dated 11/79.
2. Explanation of Material Transmitted:
  - (1) Prescribes new requirements for the submission by PHAs of overpayments of annual contributions for the Leased

Housing Program;

- (2) Provides a procedure for the monitoring by RADs of the submission of Form HUD-52981 by PHAs; and
- (3) Prescribes required follow-up actions to be taken by RADs and Field Offices when PHAs fail to submit Form HUD-52981 and/or fail to remit overpayments of annual contributions due HUD as shown on Line 23 of the Form HUD-52981.

3. Filing Instructions:

Remove:

Handbook 7430.1  
Pages i and ii dated 11/69

Chapter 4, Section 2,  
Pages 3 thru 5 dated 11/69  
Page 6 dated 1/72

Insert:

Handbook 7430.1 CHG 8  
Page i dated 11/79  
Page ii dated 11/79  
Chapter 4, Section 2,  
Pages 3 thru 8 dated 11/79

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Assistant Secretary for  
Housing-Federal Housing Commissioner

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
HOUSING MANAGEMENT

TRANSMITTAL  
NOTICE NO.7

6/28/74

1. This Notice Transmits the Following:  
Page changes to Low Rent Housing Leased Housing Handbook 7430.1, Chapter 4, Section 2, dated 6/74.
2. Explanation of Material Transmitted:  
To delete the requirement regarding the submission of Form HUD-52575, Financial Plan for Leased Housing Program. The need for this document has been eliminated in accordance with the Policies set forth in the Under Secretary's memorandum of April 30, 1973, entitled, "Policy on Renewal of Leases in Leased Housing Program and Assignment of Subsidies for Leased Housing Operations."

3. Filing Instructions:

Remove:

Handbook 7430.1  
Chapter 4, Section 2  
Pages 1 and 2 dated 11/69

Insert:

Handbook 7430.1  
Chapter 4, Section 2  
Pages 1 and 2 dated 6/74

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Assistant Secretary  
for Housing Management

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING MANAGEMENT

LOW-RENT HOUSING  
LEASED HOUSING HANDBOOK

TRANSMITTAL  
NOTICE No.6

1/27/72

1. This Notice Transmits the Following:  
Low-Rent Housing Leased Housing Handbook 7430.1, revised  
Chapter 4, Section 2, page 6, dated 1/72.

2. Explanation of Material Transmitted:  
Establishes a new operating reserve policy for the LHA-Leased  
Housing Program.

Form HUD-52493, Request for Determination of Applicable Basis  
for Maximum Operating Reserve for Section 23 Leased Housing, is  
now obsolete.

3. Filing Instructions:

Remove:

HM 7430.1, Chapter 4,  
Section 2, page 5 dated 11/69  
pages 6 and 7 dated 3/70

Insert:

HM 7430.1, Chapter 4,  
Section 2, page 5 dated 11/69  
page 6 dated 1/72

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Assistant Secretary for Housing Management

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
RENEWAL AND HOUSING MANAGEMENT

LOW-RENT HOUSING  
LEASED HOUSING HANDBOOK

Transmittal  
NOTICE No. 5

12/1/70

1. This Notice Transmits the Following:  
Revised pages 1 and 2, Chapter 4, Section 3, RHM 7430.1, dated  
12/70.

2. Explanation of Material Transmitted:  
The frequency of reporting requirements for Form HUD-52221,  
Report on Pre-Occupancy Status and Type of Units in Leased  
Housing, and for Form HUD-51235, Report on Occupancy, has been  
changed.

Form HUD-51446, Report on Overincome Tenants in Low-Rent  
Housing, has been discontinued. Limited data on overincome  
tenants will be henceforth required on Form HUD-51235, Report on  
Occupancy, which is now being revised.

In addition, these pages have been organizationally updated.

3. Filing Instructions:

Remove:

Insert:

RHM 7430.1, Chapter 4,  
Section 3, pages 1 and 2,  
dated 11/69

RHM 7430.1, Chapter 4,  
Section 3, pages 1 and 2  
dated 12/70

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Acting Director, Office of Housing  
Management

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TRANSMITTAL  
NOTICE No. 3

3/25/70

1. This Notice Transmits the Following:  
Pages 5, 6, and 7, Chapter 4, Section 2, Low-Rent Housing Leased  
Housing Handbook RHM 7430.1.

2. Explanation of Material Transmitted:  
Expands the policy regarding establishment of an Operating  
Reserve for Section 23 Leased Housing.

Form HUD-52493 will be available at the Regional Housing  
Assistance Offices where it can be requested by Local  
Authorities.

Changes are indicated by asterisks.

3. Filing Instructions:  
Remove:  
RHA 7430.1, Chapter 4  
Section 2, pages 5 and 6  
dated 11/69

Insert:  
RHM 7430.1, Chapter 4,  
Section 2, page 5  
dated 11/69, pages 6 and 7  
dated 3/70

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Assistant Secretary  
for Renewal and Housing Management

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

LOW-RENT HOUSING  
LEASED HOUSING HANDBOOK

TRANSMITTAL  
NOTICE No. 2

11/28/69

1. This Notice transmits the following:  
The new Leased Housing Handbook, RHA 7430.1.

2. Explanation of Material Transmitted:

This Handbook includes policy and procedures covering the leased housing program, together with some advisory material which will be helpful to Local Authorities with leased housing programs. With the exception of the item specified in paragraph 4 below to be retained, the Handbook incorporates and supersedes the provisions of all Circulars issued to LHA's which concerned the leased housing program exclusively.

In addition to the material previously, issued by Circulars, this Handbook includes a number of new provisions. Among the more significant of these new provisions are:

- a. The possibility of providing congregate housing, and the inclusion of standards for such housing.
- b. The promotion of homeownership objectives through use of the leased housing program.
- c. The possibility of contract coverage of a program in increments.
- d. The requirement that properties for a leased housing program be rented at a rent not higher than their fair rental value.
- e. The inclusion of a "Finders-Keepers" policy.
- f. The liberalization of payments on account of annual contributions to cover possible anticipated deficits, and the related requirement for a Financial Plan under such conditions.
- g. Authorization for the LHA to include reasonable, direct preliminary expenses in the first Operating Budget,

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LOW-RENT HOUSING  
LEASED HOUSING HANDBOOK

3. Filing Instructions:

- a. Remove:  
The following low-rent Circulars which were issued to LHA's and which relate solely to the leased housing program:

10- 6-65	Section 23 Leased Housing
12- 2-65	Supplement to Circular of 10-6-65
6- 7-66	Fixed Annual Contribution - Section 23 Leased Housing
6-29-66	OEO-PHA Cooperation in Programs for Leased Housing
11-10-66	Clarifying Instructions for Accounting for Section 23 Leased Housing

- 12- 5-66 Term of Lease With Owners - Section 23 Leased Housing
- 9- 7-67 Payments on Account of Annual Contributions for Leased Projects
- 10- 2-67 Designation of Rented Units - Section 23 Leased Housing
- 12-15-67 Leased Housing Program Amendments
- 2- 6-68 Helping Family Adjustment in the Leased Low-Rent Housing Program
- 4- 9-68 "Turnkey" Leased Housing Proposals
- 8-26-68 Elimination of Restrictions - Section 23 Leased Housing Programs
- 12-20-68 Additional Contributions, Leased Housing Programs
- 1- 6-69 Section 23(g) Provision Regarding Homeownership by Low-Income Families

Appendix 3 to Handbook RHA 7401.1, Chapter 9, Section 1

- b. Retain:  
Low-Rent Circular dated 6-5-69, Revised Postcard Reports--Leased Housing Program, and its attachment, (It is suggested that this Circular be filed with the Handbook.) 1
- c. Insert:  
Handbook RHA 7430.1

This Handbook should be filed with this Transmittal Notice behind the front cover.

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1/ This Circular was issued only to LHA's with leased housing programs. It is not required by LHA's which do not have such programs.

Page 2

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

TRANSMITTAL  
NOTICE No.1

12/1/69

1. This Notice Transmits the Following:  
Circular RHA 7430.1, Changes in Frequency of Reporting on Leased Housing Programs.
2. Explanation of Material Transmitted:  
This Circular modifies existing procedures for statistical reporting for leased housing. It reduces the frequency of reporting on Form HUD-52221 from semi-monthly to monthly, and coordinates further the reporting on Form HUD-52221 with that submitted on Forms HUD-52209 and HUD-51235.
3. New Handbook. Heretofore, policy and procedures concerning the

leased housing program have been issued to Local Housing Authorities through the medium of low-rent housing Circulars. A Handbook incorporating all of the applicable provisions will be issued shortly. The attached Circular is the first issuance in that Handbook.

4. Filing Instructions:

File this Circular in Handbook RHA 7430.1. The cover for this Handbook will be issued with the material referred to above.

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LOW-RENT HOUSING  
LEASED HOUSING HANDBOOK

11/69