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.


4. Filing Instructions:

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

Assistant Secretary for Housing-Federal Housing Commissioner

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

Assistant Secretary for Housing Management

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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

Assistant Secretary for Housing Management

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:
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
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.

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

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.