

Rental Use Agreement (HUD-92046)

**Emergency Capital
Repair Program Grants**

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Control No. 2502-0542
(exp.11/30/2016)

Rental Use Agreement

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This collection of information is required for HUD's Emergency Capital Repair Program Grants. This program is authorized under Section 202(b) of the Housing Act of 1959 (12 U.S.C. 1701q-2) . The information is necessary to assist HUD in determining applicant eligibility and evaluating the request for repairs. A thorough evaluation of an applicant's qualifications and capabilities is critical to protect the Government's financial interest and to mitigate any possibility of fraud, waste, or mismanagement of public funds. This collection of information does not collect any sensitive information. HUD does not ensure confidentiality.

PROJECT NAME: _____

FHA PROJECT NO: _____

CITY, STATE: _____

RENTAL USE AGREEMENT

This Agreement is made and entered into this _____ day of _____, 20____, by and between the Secretary of Housing and Urban Development (HUD) and _____ (Owner).

The Owner has entered into an agreement with HUD to maintain the property as rental housing for the elderly until _____;

HUD has determined that continuation of the property as rental housing is clearly necessary to assure adequate rental housing opportunity for low- and moderate-income elderly tenants.

WHEREAS, the Owner has requested an Emergency Capital Repair Program Grant to make emergency capital repairs to the property.

WHEREAS, the Owner is willing to agree to maintain the subject property as an affordable rental property until _____.

WHEREAS, in the event the Owner chooses to sell, prepay, or transfer the property during the period of time this Use Agreement is in effect, it will require as a condition that the purchaser will commit to maintain the property pursuant to the terms of this Rental Use Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the parties agree as follows:

1. The execution and recording of this Agreement shall constitute HUD's approval of the Emergency Capital Repair Grant in the amount of \$_____.
2. The Owner agrees that during the period that it owns the property, it will maintain the property as affordable rental housing until _____. During such period, should the property be sold, the purchaser shall not utilize project dwelling units for any purpose other than as affordable rental housing for the elderly.
3. The provisions of this Agreement shall be binding upon the heirs, successors and assigns of the Owner and purchaser (if sold).
4. The provisions of this Agreement relating to the rental use of the property shall run with the land and shall be binding for the benefit of, in favor of and enforceable by the Secretary and his successors in office. The Secretary and his successors in office and/or any third-party beneficiary shall be entitled to (a) institute legal action to enforce performance and observance of, (b) enjoin any actions which are violative

of, and (c) exercise any other legal or equitable right or remedy with respect to such provisions. For the purpose of these covenants, a third-party beneficiary shall be any person eligible for occupancy in the rental project insured pursuant to the provisions of the applicable program for the elderly. These rights and remedies will be exercised separately or in combination.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST:

OWNER:

TITLE

UNITED STATES OF AMERICA
SECRETARY OF HOUSING AND URBAN
DEVELOPMENT

By: Director, Multifamily
Hub/Program Center

COUNTY OF _____

STATE OF _____

On this _____ day of _____, 20__ before me, the undersigned officer, personally appeared _____ who acknowledged himself /herself to the _____ of _____, and that as such _____, being authorized to do so, executed the within Agreement for the purpose therein contained by signing the name of said partnership by himself/herself as _____.

WITNESS my hand and Notary seal the day and year aforesaid.

SEAL

Notary Public

My Commission expires _____

COUNTY OF _____

STATE OF _____