

Justification for Use of Flexible Subsidy Assistance

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

Attach supplemental sheets as necessary

Name of Project	FHA Project Number	Date Prepared
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1. Explain why Flexible Subsidy is necessary in this project -- especially include reason(s) why other tools listed in Part I of the Project Analysis Worksheet cannot completely meet this project's needs.

2. If the owner contribution shown in Part I, Section 4 of the Project Analysis Worksheet is less than one-third of the annual amount of Flexible Subsidy Assistance to be awarded to the project, explain how you justified accepting less than a one-third matching contribution. Itemize any nonmonetary services that will be provided by the owner.

3. If delinquency-and-vacancy allowance on the Project's Budget exceeds 6% of rent potential, explain why the higher allowance is necessary.

4. Evaluate any local government or tenant comments received on the proposed relief program. Indicate how these comments, when warranted, have been addressed in the MIO Plan.

Prepared by (Loan Specialist)	Date	Approved by (Loan Management Branch Chief)	Date
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