

HANDOUTS

- **These are NOT copies of the presentation slides**
- **These are intended to highlight key points and provide hyperlinks to important websites only, where applicable**
- **These are an abbreviated version of the information from the presentation**

Presented by: Rhanda Mckown

HUD

Leases, Addendums, Modifications and Attachments

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HUD Model Leases



This session will cover only
Model Leases at HUD Multifamily
funded properties

HUD MODEL LEASES

Why are HUD Model leases required?

The HUD model lease includes terms normally covered by leases used in the housing rental industry, plus terms required by HUD for the program under which the project was built, and/or the program providing rental assistance to the tenants

HUD Model Leases

OMB Approval No. 2502-0204
(Exp. 06/30/2017)

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Project Name

HUD Project Number

Model Lease For Use Under:

and ending on the _____ day of **(F)** _____, 20____.

2. The total rent (Contract Rent) shall be **\$(G)** _____ per month.

Page 1 of 10

form **HUD-90105-b** (12/2007)
ref. HB 4350.3 Rev. 1

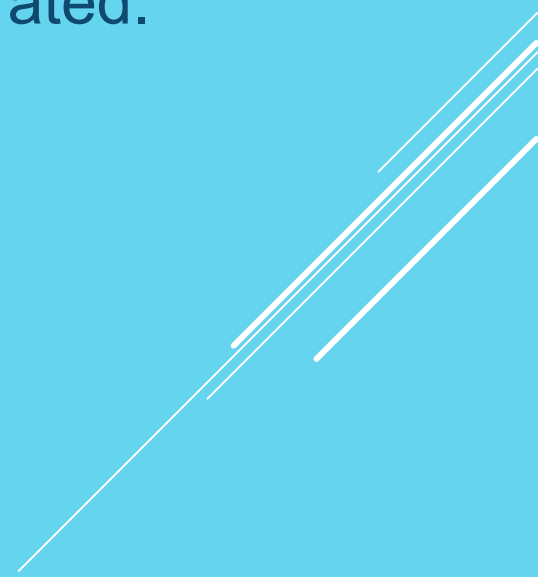
HUD Model Leases

On last page, or under last paragraph, is the Public Report Burden statement

Public reporting burden - HUD is not requesting approval of any burden hours for the model leases since use of leases are a standard business practice in the housing rental industry. This information is required to obtain benefits. The request and required supporting documentation are sent to HUD or the Contract Administrator (CA) for approval. The lease is a contract between the owner of the project and the tenant(s) that explains the terms for residing in the unit. Leases are a standard business practice in the housing rental industry. Owners are required to use the HUD model lease which includes terms normally covered by leases used in the housing rental industry plus terms required by HUD for the program under which the project was built and/or the program providing rental assistance to the tenants.

This information is authorized by 24 CFR 5.360, 236.750, 880.606, 883.701, 884.215, 886.127, 891.425, 891.625 and 891.765 cover lease requirements and provisions. This information is considered non-sensitive and does not require any special protection.

HUD Model Leases

- If you print from HUD website, must still have all OMB info on it.
 - ALL leases MUST have Public Reporting Burden statement regardless of how they are generated.
- 

HUD Model Leases

How do I know if I am using the correct lease for my property?

Refer to Figure 6-2 in HUD Handbook 4350.3

Figure 6-2: Required Leases

Form of Lease	Programs that Use the Lease
Model Lease for Subsidized Programs (Family Model Lease) (See Appendix 4-A.)	Section 221(d)(3) BMIR Section 236 Section 8 New Construction Section 8 Substantial Rehabilitation Section 8 State Agency (See Paragraph 6.5F) RHS 515 with Section 8 (See Paragraph 6.5 F) Section 8 Loan Management Set-Aside (LMSA) Section 8 Property Disposition Set-Aside (PDSA) **Rental Assistant Payment (RAP) Rent Supplement**
Model Lease for Section 202/8 or Section 202 PACs (See Appendix 4-B.)	Section 202 Programs for the Elderly and Persons with Disabilities in conjunction with Section 8 assistance Section 202 Programs for the Nonelderly Disabled Families and Individuals in conjunction with Section 162 assistance
Model Lease for Section 202 PRACs (See Appendix 4-C.)	Section 202 Program of Supportive Housing for the Elderly
Model Lease for Section 811 PRACs (See Appendix 4-D.)	Section 811 Program of Supportive Housing for Persons with Disabilities
A model lease developed by a State Agency that complies with HUD rules and regulations	Section 8 State Agency
Occupancy Agreement	Assisted Cooperatives

Filling Out the Lease

Every model lease has a set of instructions that accompany it to identify what information goes in each fillable space:

- ❑ Appendix 4A - Form # 90105A = Family Model Lease
 - Appendix 4E – Instructions for the Family Model Lease
- ❑ Appendix 4B - Form #90105B = 202/8 and 202 PAC Lease
 - Appendix 4F – Instructions for the 202/8 and 202 PAC Lease
- ❑ Appendix 4C - Form # 90105C = 202 PRAC Lease
- ❑ Appendix 4D - Form # 90105D = 811 PRAC Lease
 - Appendix 4G – Instructions for 202 PRAC, and 811 PRAC Leases

Lease Terms

- Initial lease terms, and renewal lease terms are all prescribed by HUD and are determined based on Program/Contract Type
- Figure 6-3 in HUD Handbook 4350.3 outlines the requirements

Figure 6-3: Initial and Renewal Lease Terms for HUD Subsidized Programs

Program	Initial Term	Renewal Term
Section 236 Interest Reduction Assistance	Minimum: One month Maximum: One year	Minimum: One month Maximum: One year
Section 221(d)(3) BMIR	Minimum: One month Maximum: One year	Minimum: One month Maximum: One year
Properties with RAP	Minimum: One month Maximum: One year	Minimum: One month Maximum: One year
Properties with Rent Supplement	Minimum: One month Maximum: One year	Minimum: One month Maximum: One year
Section 8 LMSA with HUD-insured or HUD-held mortgages [24 CFR 886.127]	Minimum: The lesser of one year, or the remaining term of the HAP contract	Minimum: The lesser of one year, or the remaining term of the HAP contract
Section 8 – PDSA [24 CFR 886.327]	Minimum: The lesser of one year, or the remaining term of the HAP contract	Minimum: The lesser of one year, or the remaining term of the HAP contract
Section 8 – New Construction [24 CFR 880.606]	Minimum: One year*	Minimum: 30 days
Section 8 – Substantial Rehabilitation [24 CFR 881.601]	Minimum: One year*	Minimum: 30 days
Section 8 – State Agency [24 CFR 883.701]	Minimum: One year*	Minimum: 30 days
RHS 515 with Section 8 [24 CFR 884.215]	Minimum: One year*	Minimum: 30 days
Section 202 with Section 8 [24 CFR 891.625]	Minimum: One year*	The lease will automatically be renewed for successive one-month terms.
Section 202 with PAC [24 CFR 891.765]	Minimum: One year	The lease will automatically be renewed for successive one-month terms.
Section 202 with PRAC [24 CFR 891.425]	Minimum: One year	The lease will automatically be renewed for successive one-month terms.
Section 811 with PRAC [24 CFR 891.425]	Minimum: One year	The lease will automatically be renewed for successive one-month terms.

* NOTE: Minimum term may be less than one year if the Section 8 HAP contract will expire in less than 12 months from the effective date of the lease. Owners with these properties need to be aware of the expiration of the HAP contract in relation to lease expirations.

ATTACHMENTS

The following documents **must** be attached to the lease:

1. HUD-50059 / HUD-50059-A
2. Move-in inspection
3. House Rules
4. Lead-based paint disclosure form (if applicable)
5. Pet rules (if applicable)
6. Owner's Live-in Aide addendum (if applicable)
7. Owner's Police or Security Personnel addendum (if applicable)
8. HUD issued Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA) Lease Addendum (Section 8 only).

50059 & 50059A

- HUD-50059 (Full Certification for Move In (MI), Annual Recertification (AR), and Interim Recertification (IR))
- HUD-50059-A (Partial Certification for Move Out (MO), Unit Transfer (UT), Gross Rent (GR) Changes, and Termination of Assistance (TM))

HUD does not require an addendum for a change in the tenant's rent.

The printout of the HUD-50059 or HUD-50059-A serves as an addendum identifying the change in rent.

AMENDING THE LEASE FOR RENT CHANGES

AMENDING THE LEASE FOR RENT CHANGES

30 days advance written notice of the increase (if tenant is compliant)

- The notice must state:
 - a. The reason for the increase; and
 - b. That it revises the rent at the following paragraph(s):
 - (1) Paragraph 3 of the Model Lease for Subsidized Programs;
 - (2) Paragraphs 2 and 5 of the Model Lease for Section 202/8 and Section 202 PACs; and
 - (3) Paragraphs 2 and 4 of the Model Leases for Section 202 PRACs and Section 811 PRACs.
- If the contract rent or assistance payment changes but the tenant rent and utility allowance remain the same, just provide the tenant with a copy of the revised HUD-50059 or HUD-50059-A



MOVE IN UNIT INSPECTION

The requirements are that it be:

- Signed by both the tenant and the owner
- Show date of inspection
- Have “decent, safe, and sanitary” required language on the form



HOUSE RULES

- Do not need HUD approval
- Implement with all tenants at the same time
- Fees/charges
- *VAWA procedures*
- Date each version
- All Adult members must sign/date them
- Live in Aides
- Outdated document numbers

HOUSE RULES

MUST:

- Be related to the safety, care, and cleanliness of the building or the safety and comfort of the tenants
- Be compliant with HUD requirements
- Not circumvent HUD requirements
- Not discriminate against individuals based upon membership in protected class
- Be reasonable
- Comply with state and local requirements
- Must include *VAWA protections* (or make reference to full details in another document), and match what other documents say about VAWA

LEAD PAINT

If you meet at least one of these exemptions, you are not required to provide the Lead Paint Disclosure Form:

1. Residential structures built after January 1, 1978, are exempt from lead-based paint requirements because Congress banned the use of lead-based paint for residences after this date.
2. Rental property found to be lead-based paint free by a lead-based paint inspector certified under the federal certification program or under a federally accredited State or Tribal certification program is exempt.
3. Zero-room dwelling units, including single room occupancy (SRO) units, are exempt.
4. Housing *specifically designated* for the elderly or persons with disabilities is exempt, unless a child under age 6 resides or is expected to reside in the unit.
5. Short-term leases of 100 days or less when no lease renewal or extension can occur.

- Standards of conduct
- Required to be provided to all tenants
- FULL copy, and signed receipt, required to be in the tenant file
- Do NOT apply to Assistance Animals

PET RULES





- Purpose is to incorporate language into lease not already there
- Required when a property serves an elderly/disabled population but does NOT use the 202/8 or 202 PRAC Model Lease
- Requires written HUD approval

PET LEASE ADDENDUM



LIVE IN AIDE

Live-in Aide Lease Addendum:

- Must be approved in writing by HUD
- Must establish that a live-in aide is not eligible to remain in the unit once the tenant is no longer living in the unit, regardless of the circumstances for the tenant's departure (even temporary)
- Gives the owner the right to evict a live-in aide who violates any of the House Rules
- Establish they do NOT qualify as remaining household members, or dependents
- A new addendum must be executed if there is a change in aides



POLICE/ SECURITY PERSONNEL

- Applies to Section 8 properties
- These units will be approved by HUD in writing
- This applies to units designated by HUD for occupancy by a police officer or security personnel who are over the income limits for the property
- Are subject to the same screening criteria as other applicants
- Lease provisions about rights of occupancy

VAWA Lease Addendum

HUD-91067 form

Issued on 9/30/08

Make sure you are using the updated form

You are required to attach the HUD-approved Lease Addendum Form HUD 91067 to each existing or new lease

VIOLENCE, DATING VIOLENCE
OR STALKING

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

OMB Approval No. 2502-0204
Exp. 6/30/2017

LEASE ADDENDUM

VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

TENANT	LANDLORD	UNIT NO. & ADDRESS
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This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

Purpose of the Addendum

The lease for the above referenced unit is being amended to include the provisions of the Violence ~~Against~~ Women and Justice Department Reauthorization Act of 2005 (VAWA).

Conflicts with Other Provisions of the Lease

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Term of the Lease Addendum

The effective date of this Lease Addendum is 9/30/08. This Lease Addendum shall continue to be in effect until the Lease is terminated.

VAWA Protections

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as ~~serious~~ or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

Tenant _____

Date _____

Landlord _____

Date _____

Form HUD-91067
(9/2008)

VAWA Lease Addendum

- Make sure all information is filled out correctly at the top
- Effective date must coincide with lease terms

LEASE ADDENDUM
VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

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_____	_____
Tenant	Date
_____	_____
Landlord	Date

VAWA – LEASE BIFURCATION

If you do not act to remove a member of the household as indicated above, a finding will be issued during an MOR for NOT enforcing lease requirements.

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Modification

Two Types:

1. HUD generated
2. Owner/Agent generated

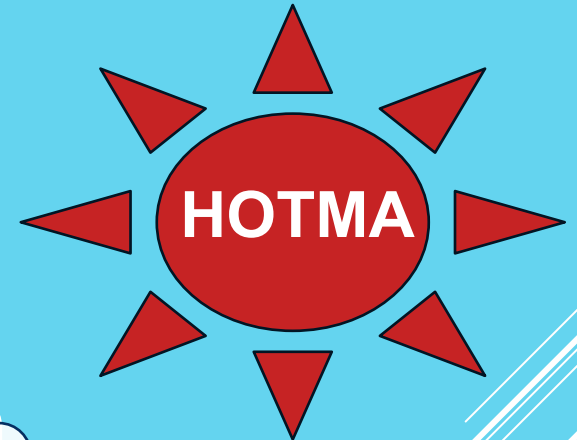
Modification – HUD Generated

A modification issued by HUD does not require additional approval prior to implementation

Any new lease or lease modification (like an addendum) by HUD:

60-day notice of lease modification

Effective at the end of a lease term (this will be different for each tenant)



MODIFICATION – HUD GENERATED

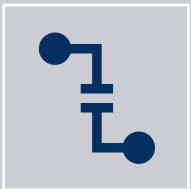
60-Day Notice to Tenant of lease modification:

- Include a copy of the revised lease or an addendum
- Clearly state that the tenant can either accept the modification or move, but that a response is due within 30 days

Modification – Owner Generated



Must receive prior written approval from HUD before providing the modification to the tenants



Same procedures as the HUD generated modifications (tenant notices, etc)

Lease Termination

The Tenant Notices related to termination must include:

- Reasonable accommodation verbiage
- Date of termination
- State that “Remaining in unit after date may result in court action”
- Must be served on tenant by first class mail AND in person or under door (8-13 B 3c)
- Allow 10 days to discuss
- Provide a reason for termination, with details
- VAWA certification form (HUD-5382) and VAWA Notice of Occupancy Rights (HUD-5380) must be attached to terminations



REVIEW
CONTENTS



CREATE



SUBMIT



OBTAIN



TRAIN



CORRECTIONS

**LEASE – AVOIDING MOR
FINDINGS**

