

---

## ITEMS OF INTEREST

### **Issuance of Notice H 2008-03 - Enterprise Income Verification (EIV) System**

Housing Notice H 2008-03 on using the data in the EIV system was issued on June 25, 2008 and is now posted on HUDCLIPS at: <http://www.hud.gov/offices/adm/hudclips/notices/hsg/files/08-03HSGN.doc>

This Notice provides guidance to owners and management agents (O/As) on using the data in EIV for verifying, at the time of recertification, the employment and income of individuals participating in one of Multifamily Housing's rental assistance programs. Although use of the EIV system is not mandatory at this time, HUD encourages O/As to get access to EIV and use the data in EIV as it will assist in reducing errors in determining a tenant's income, thereby reducing the number of improper payments in Multifamily Housing's rental assistance programs.

### **HUD Model Leases Questions and Answers**

#### **New Question added:**

**Question 33:** How should the lease term be completed when the tenant has fulfilled the initial one year term and is now on a month-to-month lease?

#### **Answer 33:**

**HUD Model Lease for Subsidized Programs, Form HUD-90105-a**, paragraph 1 should be completed by inserting the beginning and ending day of the month the lease is issued to the tenant. The "initial" term in this case is for one month. The successive term would be for a "month". For example, if the lease is issued on July 1, 2008 paragraph 1 would read as follows:

1. The initial term of this Agreement shall begin on July 1, 2008 and end on August 1, 2008. After the initial term ends, the Agreement will continue for successive terms of one month each unless automatically terminated as permitted by paragraph 23 of this Agreement.

**HUD Model Leases for Section 202/8 or Section 202 PACs, Section 202 PRACs and Section 811 PRACs, HUD Forms 90105-b, c and d, respectively**, will require a lease addendum modifying paragraph 1 of the leases indicating the month to month lease term. If the addendum only includes modification to paragraph 1 of the lease, the addendum does not have to be approved by the HUD Field Office or Contract Administrator. See Question 30 for additional information on modifications to the lease that were previously approved by the HUD office of CA.

#### **Question 31 revised:**

**Question 31** What do we do with properties using leases provided by the contract administrator (CA)? Some states have significantly different lease requirements and CAs have developed

leases that O/As are required to use. Will the CAs instruct the O/As to use the HUD model leases and the CA will then provide an approved lease addendum?

**Answer 31:** O/As should be using the HUD model leases and not leases developed by CAs. HUD model leases that have been modified to include state requirements will now have to have the state requirements incorporated by use of a lease addendum. Whether or not the CA will provide the approved lease addendum or whether it will be up to the O/A to develop, we cannot answer. Normally it is the O/A's responsibility to ensure that the lease is in compliance with state laws.

However, for projects financed by a State Agency and under the jurisdiction of a Traditional Contract Administrator (TCA), the O/A will continue to use the lease provided by the State Agency as addressed in paragraph 6-5 A.2 of Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*.

**A complete listing of the HUD Model Leases Questions and Answers that include the above information is posted on the Multifamily RHIP website at:**

<http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm>

## **Correction to Student Eligibility Restrictions Question and Answer**

A correction to the Code of Federal Regulation (CFR) reference in the answer to the question relative to the Federally Mandated Exclusion in income has been made as follows:

Federally Mandated Exclusion How does 5.609(b)(9) affect the Federally mandated exclusion of "Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu)? The Federally mandated exclusion under 24 CFR 5.609(c)(17) does not apply to individuals applying for or receiving Section 8 assistance. The Federally mandated exclusion continues to be in effect for other Multifamily Housing programs.

**A complete listing of the Student Eligibility Restrictions - Qs & As that include the above correction is posted on the Multifamily RHIP website at:**

<http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm>