

Asset Management Notice

February 1, 2008

AM NOTICE 2008-01

TO: MANAGEMENT AGENTS OF SECTION 8 DEVELOPMENTS

FROM: ASSET MANAGEMENT

RE: CALIFORNIA HOUSING FINANCE AGENCY
UPDATED **(02.01.08)** MODEL FORM OF LEASE

The CalHFA Model Lease has now been updated to meet the HUD 4350.3 Handbook Change-2 lease requirements. **All Section 8 properties financed by CalHFA must utilize the updated Model Lease.**

Owner/Management can obtain the updated fill-in/print version model lease by visiting our website at www.calhfa.ca.gov (click MULTIFAMILY PROGRAMS, MULTIFAMILY ASSET MANAGEMENT). All updates are in **bold print**. Please make certain that all blanks are filled in with complete, accurate and legible information.

What has changed on the Updated (02.01.08) Model Form of Lease?

Paragraph 1; 3; 13; 14b; 19; 21; 31a; e; f; and g

- 1, 3, 13, and 31a. "**Form 50059**" has a new name which is Owner's Certification of Compliance with HUD's Resident Eligibility and Rent Procedures
- 14b. Rules (clarification)
- 19. Size of Dwelling (clarification)
- 21. Discrimination Prohibited Defined in Section 12955 of the California Government Code or Section 51 of the California Civil Code. For further clarification, please consult your legal counsel.
- 31. e. Attachment #5 Grievance Procedures (**Please change the contact name and telephone number to Rene Ingram (310) 342-1273**)
- 31. f. Attachment #6 Pet Rules (if applicable)
- 31.g Attachment #7 Lead-based Paint Disclosure (if applicable)

Informational Purposes Only:

- 31. Attachments to the Agreement: Owner/Management is required to utilize Attachments 1 thru 5 and Attachments 6, 7, and 8 (if applicable) **Owner/Management should not have additional addendums and/or attachments to the updated model lease other than Attachments 1 thru 8.**

Submission and Approval Process for Modifying the Lease (if applicable):

Changes to the CalHFA Model Lease for Section 8 properties financed by CalHFA may only be changed to comply with State or Local laws, or to be consistent with a management practice generally used by management entities of assisted properties. **Before implementing lease changes, all changes must be reviewed and approved by your legal counsel prior to submitting to CalHFA for approval with the exception of the lead-based paint Attachment #7. Note: Implementation of the lead-based paint attachment does not required CalHFA approval.**

Owner/management must **submit two (2) copies of the proposed modification, along with an explanation as to the necessity of the modification. All modifications must be easily identified; therefore, one (1) copy of the proposed modifications must be submitted using a *different font* and/or underlined.** Lease modifications are not valid until written approval has been obtained from CalHFA. Due to the most current law changes, owners/management must consult with their legal counsel for proper guidance.

Providing Notice to the Resident:

The resident must be provided with proper notice when an owner modifies the lease. An owner must comply with the following requirements to provide such notice.

1. The owner must provide the resident with approved modifications at least 60 days prior to the end of the lease term.
2. The notice must include a copy of the revised lease or an addendum revising the existing lease agreement. Owners must include a letter clearly stating that the resident can either accept the modification or move, but that a response is due within 30 days.
3. The notice must be served by:
 - Sending a letter by first-class mail, properly stamped and addressed and including a return address, to the resident at the unit address; and
 - Delivering a copy of the notice to any adult person answering the door at the unit. If no adult answers the door, the person serving the notice may place it under or through the door, or affix it to the door.
4. The date on which the notice is deemed received by the resident is the later of:
 - The date the first-class letter is mailed; or
 - The date the notice is properly given.

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- Service of the notice is deemed effective once the notice has been both mailed and delivered.

If you are unable to fill-in/print a hard copy of the updated lease, please contact Tammy Gauthier at (916) 327-5161. All other questions pertaining to this notice must be directed to Smyra Bailey (916) 327-5173.

Thank you.

Smyra Bailey
Housing Finance Officer