

ATTACHMENT 1

ASSIGNMENT, ASSUMPTION AND AMENDMENT AGREEMENT OF SECTION 8 HOUSING ASSISTANCE PAYMENTS CONTRACT (FOR PROPERTIES WITH USDA SECTION 515 RURAL RENTAL HOUSING MORTGAGE FINANCING)

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF SECTION 8 HOUSING ASSISTANCE CONTRACT (herein called the "Agreement") is made this _____ day of _____, 20____, by the United States of America, acting through the Secretary of the Department of Housing and Urban Development; insert name of Seller (current ownership entity), a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor ("Seller"); and insert name of Buyer, a insert limited partnership, general partnership, limited liability company, corporation, or sole proprietor, ("Buyer").

WHEREAS, the Contract Administrator and the Seller, pursuant to section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437f, entered into a section 8 Housing Assistance Payments Contract ("HAP Contract") identified as HAP Contract Number ____ - _____ for units in insert project name (herein called "the Property"), a copy of which is attached hereto as "Exhibit A".

WHEREAS, the Seller and the Buyer have entered into a Real Estate Purchase and Sale Agreement, dated insert date and month, 20____, wherein the Seller agrees to sell the Property and the Buyer agrees to purchase the Property, including, without limitation, the improvements situated thereon, and has agreed to accept the assignment of and assume all obligations under the HAP Contract;

WHEREAS, the Buyer has submitted to the Secretary of HUD (herein called "the Secretary") an Application and documents in support thereof (herein collectively referred to as the "Application") requesting the Secretary's approval of the proposed assignment of the HAP Contract to the Buyer as set forth in the aforesaid Real Estate Purchase and Sale Agreement; and

WHEREAS, the Seller and the Buyer mutually desire the assignment of the HAP Contract; and it is necessary to, and the Contract Administrator and the Buyer mutually desire to amend the HAP Contract to provide for physical inspections in accordance with 24 CFR Part 5, Subpart G and require financial reporting in accordance with 24 CFR Part 5, Subpart H;

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to comply with the requirements of the Secretary, the United States Housing Act of 1937, and the regulations adopted pursuant thereto, the parties hereto agree as follows:

1. The Seller hereby irrevocably assigns the HAP Contract to the Buyer together with all rights and obligations in and under said contract;
2. Part II of the HAP Contract is hereby amended to include the following provisions:

Physical Conditions Standards and Inspection Requirements. The Owner shall comply with the Physical Condition Standards and Inspection Requirements of 24 CFR Part 5, Subpart G, including any changes in the regulation and related Directives. In addition, the Owner shall comply with HUD's Physical Condition Standards of Multifamily Properties of 24 CFR Part 200, Subpart P, including any changes in the regulation and related Directives. This obligation shall apply both during the current term of the HAP contract and for each successive renewal term.

3. The Buyer's failure to comply with the obligations of the amended HAP contract, including the Physical Conditions Standards and Inspection Requirements, is a material violation of this Contract, and may subject the Buyer to legal and administrative remedies, including default, abatement, and civil money penalties (24 CFR Part 30).
4. This Agreement shall be construed under the laws of the State of *insert project location* and to the extent inconsistent with the laws of the State of *insert project location*, the laws of the United States of America. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
5. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.
6. The Contract Administrator and the Secretary, by the signature of his authorized representative below, consent to the assignment made hereby. Said consent shall be void ab initio if the Secretary determines that Buyer, or any principal or interested party of the Buyer, is debarred, suspended or subject to a limited denial of participation under 24 CFR Part 24, or is listed on the U.S. General Services Administration list of parties excluded from Federal procurement or non-procurement programs.

NOTHING in this Agreement shall in any way impair the HAP Contract or alter, waive, annul, vary or affect any provision, condition, or covenant therein, except as herein specifically provided. Nothing in this Agreement shall in any way affect or impair any rights, powers, or remedies under the HAP Contract. It is the intent of the parties hereto that the terms and conditions of the HAP Contract shall continue in full force and effect except as amended hereby.

IN WITNESS WHEREOF, the Seller, the Buyer and the Contract Administrator have caused this agreement to be executed.

SELLER

Name of Seller (Print)

By _____
Signature of authorized representative

Name and title (Print)

Date _____

BUYER

Name of Buyer (Print)

By _____
Signature of authorized representative

Name and title (Print)

Date _____

CONTRACT ADMINISTRATOR

Name (Print)

By _____
Signature of authorized representative

Name and title (Print)

Date _____

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Name (Print)

By _____
Signature of authorized representative

Name and title (Print)

Date _____