

Request for Waiver for Complex to Rent to Income Ineligible Tenants for One (1) Year

Date: _____

TO: USDA Rural Development
Area Office

COMPLEX: _____
Address: _____

Please consider this request to rent to income ineligible tenants.

I certify to all of the following conditions:

- 1) Our complex has no eligible applicants on our waiting list (attach copy).
- 2) We are aggressively advertising to fill these vacancies (explain efforts and attach copies of marketing/outreach).
- 3) We will continue with aggressive efforts to locate eligible tenants and retain documentation of all marketing.
- 4) During this waiver period, we will place an ad in the local newspaper to inform the public of our intent to temporarily rent apartments to all persons without regard to income restrictions.
- 5) The lease agreement signed by ineligible tenants will not exceed a 12 month period and at its expiration will convert to a month-to-month lease. The monthly lease will require the unit be vacated upon 30 days notice when an eligible applicant is available.
- 6) Tenants residing in Rural Rental Housing (RRH) units who are ineligible because their adjusted annual income exceeds the maximum for the RRH project will be charged the approved note rent for the size of unit occupied in Plan II RRH projects. In Plan I projects, ineligible tenants will be charged a surcharge of 25% of the approved note rent.

Borrower Name

Signature of Borrower Representative

DIRECTIONS FOR RENTING TO INCOME INELIGIBLE TENANTS

1. You and the tenant must initial and date the appropriate paragraph on the Lease Agreement (Section III, Item 8).
2. You and the tenant must also discuss and acknowledge Sections II, 4 (b) and (f) of the Lease Agreement.
3. You should transmit the tenant certification through MINC indicating the tenant is ineligible to live in the unit.

NOTE: If your property is receiving low income housing tax credits, then renting to income ineligible tenants may be a violation of the Internal Revenue Service Code 42.

(For Rural Development Use Only)

Your request to rent to income ineligible tenants for the entire complex has been approved. Please follow the directions indicated above, and file this letter in each tenant file for which a waiver is applicable. The term of this waiver will be for _____ (can be no longer than one year). If an extension is needed at the end of the waiver period, documentation showing need must be provided to the Agency for consideration.

Date

Rural Development Approval Official

NOTE TO AREA OFFICE: A Servicing Effort must be entered into MFIS for this complex.