

Exhibit L-5 - Fiscal Year {YEAR} Housing Preservation Grant (HPG) Letter of Conditions

{DATE}

{GRANTEE NAME/CONTACT PERSON}
{ADDRESS}

Re: Fiscal Year {YEAR} Housing Preservation Grant (HPG) Letter of Conditions

Dear {CONTACT PERSON}:

This letter establishes conditions under which USDA-Rural Development (RD) will execute the Grant Agreement for a Housing Preservation Grant (HPG) awarded to {GRANTEE NAME}.

Any changes in the project cost, source of funds, statement of activities, or any other significant changes in the applicant or project must be reported to and approved by RD in accordance with RD Instruction 1944-N, § 1944.684. Any changes that are not approved by RD could result in a loss of grant funding.

1. MAXIMUM AMOUNT OF GRANT/PROJECT COST:

The project is based on the following funding breakdown:

HPG:	{Amount of HPG Funds}
Leveraged Funds:	{Amount of Leveraged Funds}
Total Cost	{Total Amount}

2. USE OF GRANT FUNDS. The application for a housing preservation grant has been selected for {HPG Amount} for a {1 or 2-year} term to finance the repair and rehabilitation throughout {COUNTY and STATE}. {GRANTEE NAME} agrees to use the grant funds for the purposes outlined in the Statement of Activities approved by Rural Development.

3. The following conditions must be understood and agreed to before your grant is approved. (Include any conditions to the statement of activities, budget, civil rights or other conditions that need to occur before the grant agreement can be executed. This section is not meant to restate items found in the grant agreement or servicing requirements).

a (Examples of conditions may include the Civil Rights items such as the self-evaluation).

If you agree to these conditions, please complete and return Form RD 1942-46, "Letter of Intent to Meet Conditions" as soon as possible (within 15 days).

The office address for the {STATE} State Office is {ADDRESS}. You may contact {CONTACT PERSON} at {PHONE NUMBER} or {EMAIL ADDRESS}.

We look forward to working with you in successfully administering the Housing Preservation Grant program.

Sincerely,

State Director or Designee

Enclosure(s)

RD Instruction 1944-N Exhibit A, "Grant Agreement"
Form RD 1942-46 "Letter of Intent to Meet Conditions"