

PROCEDURE REFERENCE : FmHA Instruction 1965-E.
PURPOSE : To notify tenants of compliance with Title V of the
Housing Act of 1949, as amended.

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
(Location)

NOTICE TO TENANTS

Farmers Home Administration (FmHA), an agency of the U.S. Government, held the mortgage on this apartment project until _____. Before FmHA allowed the owner to pay off the loan, the owner agreed to continue to operate the project for the benefit of the same types of people who were already living here. These apartments must continue to be rented to (a: current tenants/current tenants and anyone wishing to move in) who are (b: very-low-, low- moderate-income) until (c: expiration date of restrictive-use provisions). This agreement will remain in effect even if the project is sold to someone else. (if applicable): Currently, (d) is helping to pay part of your rent. However, the owner's agreement to protect your rents will continue even if the help from (d) ends.

Management practices and rents at the project must remain suitable for the tenants who will live at the project. The income and rent limits for tenants eligible to live at the project are defined by law and may change before this agreement expires. At the time of the prepayment, the income limit is (e:\$_____) and rents cannot exceed (f: 30 percent of your adjusted income/30 percent of your adjusted income or your current rent, whichever is greater). Levels of security deposits and other charges, as well as rules and regulations should be comparable to those in effect before the loan was paid, and cannot be changed to place an undue burden on tenants. The regulations that the landlord must conform to are contained in 7 CFR Part 1965, Subpart E and can be found in any FmHA office and most public libraries.

If, at any time, you think that your landlord is not keeping the agreement with the Government, contact the FmHA office listed below or USDA/FmHA, Washington, D.C. 20250.

(Servicing Official)

(address)

(telephone number)

Guidance and Suggestions for Completing Form Letter 1965-E-5

a and b: Enter a description of the tenants who are protected under the conditions of the restrictive-use provisions. This would include whether only current tenants are protected or all individuals within the income limits of the restrictions, and what the category of income limit restrictions are (e.g., very-low and low-income).

c: Enter an exact date the restrictions end if this is a limited-time restriction or "until all tenants living in the project on (specify date) voluntarily move," or "for the remaining life of the project," as appropriate.

d: Department of Housing and Urban Development (HUD), under Section 8 or other agency, if applicable.

e: Enter the current income limit for this project (the amount, not the category).

f: Enter all conditions which apply to current occupants of the project. These conditions may vary for different tenants.