

SCB Kayton Homes Lease

Tenant Name: _____ Tenant I.D.: _____

1. Parties

The parties to this Agreement are Landlord:

Landlord: _____

and Tenant:

Tenant(s): _____.

2. Dwelling Unit

The Landlord leases to the Tenant(s) unit number:

Unit number: _____,

located at address:

Address: _____,

in the project known by project name:

Project name: _____.

3. Length of Time (Term)

The initial term of this Agreement shall begin on term start date:

Term start date: _____,

and end on term end date:

Term end date: _____.

4. Renewal of Agreement

Unless terminated or modified as provided herein, this Agreement shall be automatically renewed for successive terms of one time period each (the duration of such time period is indicated below) unless automatically terminated as permitted by paragraph 28 of this Agreement.

Time period: _____.

5. Sole Use and Benefit by Tenant

In return for the Tenant's continued fulfillment of the terms and conditions of this Agreement, the Landlord covenants that the Tenant may at all times, while this Agreement remains in effect, have and enjoy for their sole use and benefit the above-described property.

6. Discrimination Prohibited

The Landlord agrees not to discriminate against the Tenant in the provision of services or in any other manner on the grounds of race, color, religion, sex, familial status, national origin, disability, age, a person’s actual or perceived sexual orientation, marital status, or status as a victim of domestic violence, dating violence, sexual assault, or stalking.

7. Security Deposit

The Tenant has deposited with the Landlord a security deposit of the amount shown below:

Amount: \$ _____.

The Landlord will hold this security deposit in a segregated interest-bearing account for the period that the Tenant occupies the unit. The Landlord must comply with any applicable State and local laws concerning interest payments on security deposits.

Upon termination of this Agreement and after the Tenant has moved from the unit, the Landlord, subject to State and local law, may use the security deposit balance as reimbursement for any unpaid amounts that the Tenant owes under the lease.

Within 30 days, or shorter time if required by State or local law, after receiving the Tenant’s forwarding address or during an arranged meeting for the Tenant to pick up the refund, the Landlord must:

- a. Refund the full amount of Tenant’s security deposit balance; or
- b. Provide a list itemizing each amount owed, along with a statement of the Tenant’s rights under State and local law. If the amount that the Landlord is owed by the Tenant is less than the amount of the Tenant’s security deposit balance, the Landlord must refund the excess balance to the Tenant. If the Landlord fails to provide the list, the Tenant will be entitled to the refund of the full amount of the Tenant’s security deposit balance.

If the Tenant disagrees with the Landlord concerning the amounts deducted and asks to meet with the Landlord, the Landlord agrees to meet with the Tenant and informally discuss the disputed charges.

If the unit is rented by more than one person, the Tenants agree that they will work out the details of dividing any refund among themselves. The Landlord may pay the refund to any Tenant identified in paragraph 1 of this Agreement.

Upon the Tenant’s death, the decedent’s interest, if any, in the security deposit will be governed by State or local law.

The Tenant understands that the Landlord will not count the security deposit toward the last month’s rent.

8. Charges for Utilities and Amenities

The following charts describe how the cost of utilities and amenities related to occupancy of the unit will be paid. The Tenant agrees that these charts accurately describe the utilities and amenities paid by the Landlord and those paid by the Tenant.

- a. The Tenant must pay for the utilities in column (1). Payments will be made directly to the appropriate utility company. The utilities in column (2) are included in the Tenant's rent.

(1)		(2)
Put "x" by any Utility Tenant pays directly	Type of Utility	Put "x" by any Utility Included in Tenant Rent
	Heat	
	Lights, Electric	
	Cooking	
	Water	
	Other (specify)	

- b. The Tenant agrees to pay the Landlord the amount shown in column (3) on the date the rent is due. The Landlord certifies that HUD has authorized him/her to collect the type of charges shown in column (3) and that the amounts shown in column (3) do not exceed the amounts authorized by HUD.

	(3)
	Show \$ Amount Tenant Pays to Landlord in Addition to Rent and Utilities
Parking	\$ _____
Other (specify)	\$ _____

9. Utility Allowance

To pay for utilities listed in column (1), the Tenant shall receive the following utility allowance amount: \$ _____. (Enter 0 if the Tenant does not receive a utility allowance.)

This amount is subject to change in accordance with HUD's requirements for the adjustment of utility allowances. If the utility allowance exceeds the Tenant's required

share of the total housing expense (called the total tenant payment), then the Landlord shall pay the Tenant the amount of this excess on behalf of the Government upon receipt of funds from HUD for utility allowances (24 CFR 5.632).

10. Tenant Rent

The Tenant agrees to pay amount:

Amount: \$ _____,

for the partial month ending on end date:

End date: _____.

After that, Tenant agrees to pay rent amount:

Rent amount: \$ _____,

per month. This rent amount is due on the day of the month:

Day of the month: _____,

at address:

Address: _____

or to such other person or persons or at such places as the Landlord may from time to time designate in writing.

The Tenant agrees to pay the rent amount stated in this Agreement promptly when due, without any deductions whatsoever, and without any obligation on the part of the Landlord to make any demand for the tenant rent.

The Tenant understands that this monthly rent is less than the market rent due on this unit. This lower rent is available either because the mortgage on this project is subsidized by the Department of Housing and Urban Development (HUD) and/or because HUD makes monthly assistance payments to the Landlord on behalf of the Tenant, in accordance with a Section 8 Housing Assistance Payments Contract (HAP Contract). The amount, if any, that HUD makes available monthly on behalf of the Tenant is called the tenant assistance payment and is shown on the "Assistance Payment" line of the Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures form, which is Attachment No. 1 to this Agreement.

11. Changes in the Tenant's Share of the Rent

The Tenant agrees that the amount of rent the Tenant pays and/or the amount of assistance that HUD pays on behalf of the Tenant may be changed during the term of this Agreement if:

- a. HUD or its Contract Administrator changes any allowance for utilities or amenities considered in computing the Tenant's share of the rent;

- b. The income, the number of persons in the Tenant's household, or other factors considered in calculating the Tenant's rent change and HUD procedures provide that the Tenant's rent or assistance payment be adjusted to reflect the changes;
- c. Changes in the Tenant's rent or assistance payment are required by HUD's recertification or assistance termination procedures;
- d. Statutory and regulatory requirements for computing the Tenant's assistance payment or rent change; or
- e. The Tenant fails to provide information on their income, household composition, or other factors as required by the Landlord.

The Landlord agrees to implement changes in the Tenant's rent or tenant assistance payment only in accordance with the timeframes and administrative procedures set forth in HUD's regulations, HUD's *Occupancy Requirements of Subsidized Multifamily Housing Programs* (4350.3) handbook, and Office of Multifamily Housing program notices related to the administration of multifamily programs.

The Landlord agrees to give the Tenant at least 30 days' advance written notice of any increase in the Tenant's rent, except as noted in paragraphs 20, 24, and 26, as the due process applicable in these circumstances may differ from standard procedure. The notice will state the new amount that the Tenant is required to pay, the date the new amount is effective, and the reasons for the change in rent. The notice will also advise the Tenant that they may meet with the Landlord to discuss the rent change.

12. Charges for Late Payments and Returned Checks

If the Landlord has given the tenant at least 5 calendar days as a grace period to pay the rent, the rent must be received by the fifth day, not postmarked by then. On the sixth day, if the Landlord has not received the rent, the Landlord may charge a late fee, not to exceed \$5 for the period of the first through fifth day that the rent is not paid. Additionally, the Landlord may charge a fee of \$1 per day for each additional day the rent remains unpaid for the month.

The Landlord may not terminate this Agreement for failure to pay late charges, but may terminate this Agreement for non-payment of rent, as explained in paragraph 28.

The Landlord may collect a fee of amount:

Amount: \$ _____

on the second or any additional time a check is not honored for payment (bounces). The charges discussed in this paragraph are in addition to the regular monthly rent payable by the Tenant.

13. Contract Rent

If the Tenant's assistance payment is terminated by the Landlord in accordance with the terms and conditions of this Agreement, the Tenant will be required to pay the HUD-approved contract rent if the Tenant chooses to remain in the unit. The contract rent is the

total amount of rent specified in the HAP Contract as payable to the Landlord for a unit. As of the effective date of this Agreement, the monthly HUD-approved contract rent is:

Amount: \$ _____.

This amount is subject to change in accordance with HUD's requirements for adjustments to contract rent.

14. Condition of Dwelling Unit

By signing this Agreement, the Tenant acknowledges that he/she has inspected the unit, and it meets his/her approval. The Tenant agrees that all appliances and equipment in the unit are in good working order, except as described on the Unit Inspection Report, which is Attachment No. 2 of this Agreement. The Tenant also agrees that the Landlord has made no promises to decorate, alter, repair, or improve the unit, except as listed on the Unit Inspection Report.

The Tenant agrees that at the end of their occupancy, he/she will surrender the unit to the Landlord in as good condition as when received, reasonable wear and tear excepted.

15. Size of Dwelling

The Tenant understands that HUD requires the Landlord to assign units to tenants in accordance with the Landlord's written occupancy standards. These standards include consideration of unit size, relationship of household members, age of household members, and family preference. If the Tenant is or becomes eligible for a different size unit, and the required size unit becomes available, the Tenant agrees to:

- a. Move within 30 days after the Landlord notifies him/her that a unit of the required size is available within the project; or
- b. Remain in the same unit and pay the HUD-approved contract rent.

16. General Restrictions

The Tenant must live in the unit, and the unit must be the Tenant's only place of residence. The Tenant shall use the premises only as a private dwelling for themselves and the individuals listed on the Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures, Attachment No. 1. The Tenant agrees to permit other individuals to reside in the unit only after obtaining the prior written approval of the Landlord.

The Tenant agrees not to:

- a. Sublet or assign the unit or any part of the unit;
- b. Use the unit for unlawful purposes;
- c. Engage in or permit unlawful activities in the unit, in the common areas, or on the property grounds;

- d. Have pets in the unit without the prior written permission of the Landlord. The Landlord must allow the tenant and members of the household to keep animals that may be necessary as a reasonable accommodation to the tenant's or the household member's disability, and will allow animals to accompany visitors with disabilities who need such animals as an accommodation to their disabilities;
- e. Waste utilities furnished by the Landlord; or
- f. Use utilities for any improper or unauthorized purpose.

17. Keys and Locks

The Tenant agrees not to install additional or different locks or gates on any doors or windows of the unit without the written permission of the Landlord. If the Landlord approves the Tenant's request to install such locks, the Tenant agrees to provide the Landlord with a key for each lock. When this Agreement ends, the Tenant agrees to return all keys to the dwelling unit to the Landlord. The Landlord may charge the Tenant the amount shown below for each key not returned:

Amount: \$ _____.

18. Maintenance

- a. The Landlord agrees to:
 - (1) Regularly clean all common areas of the project;
 - (2) Maintain the common areas and facilities in a safe condition;
 - (3) Arrange for collection and removal of trash and garbage;
 - (4) Maintain all equipment, plumbing, and appliances in safe and working order;
 - (5) Make necessary repairs with reasonable promptness;
 - (6) Maintain exterior lighting in good working order;
 - (7) Provide extermination services, as necessary;
 - (8) Maintain grounds and shrubs; and
 - (9) Comply with the requirement of all applicable Federal, State, and local laws, including health, housing, and building codes to deliver and maintain the premises in safe, decent, and sanitary condition.
- b. The Tenant agrees to:
 - (1) Keep the unit clean;
 - (2) Use all appliances, fixtures, and equipment in a safe manner and only for the purposes for which they are intended;
 - (3) Not litter the grounds or common areas of the project;

- (4) Not destroy, deface, damage, or remove any part of the unit, common areas, or project grounds;
- (5) Give the Landlord prompt notice of any defects in the plumbing, fixtures, appliances, heating and cooling equipment, or any other part of the unit or related facilities;
- (6) Remove garbage and other waste from the unit in a clean and safe manner; and
- (7) Comply with all obligations imposed under applicable provisions of building and housing codes materially affecting health and safety with respect to said premises, and to hold the Landlord harmless from all fines, penalties, and costs for violations or noncompliance by the Tenant with any of said laws, requirements, or regulations, and from all liability arising out of any such violations or noncompliance.

19. Restrictions on Alterations

No alteration, addition, or improvements shall be made in or to the premises without the prior written consent of the Landlord. Furthermore, the Tenant agrees not to install a washing machine, clothes dryer, or air conditioning unit in the dwelling unit without the prior approval of the Landlord. If such permission is obtained, the Tenant agrees, upon termination of the lease, to remove any alteration, addition, or improvement, at the option of the Landlord, without damage to the premises.

The Landlord agrees to provide reasonable accommodation for an otherwise eligible tenant’s disability, including making changes to rules, policies, practices, procedures, or services, and making and paying for structural alterations to a unit or common areas. The Landlord is not required to provide accommodations that constitute a fundamental alteration to the essential nature of the Landlord’s program, or that would pose an undue financial and administrative burden. See the regulations at 24 CFR Part 8.

20. Damages

Whenever damage is caused by carelessness, misuse, or neglect on the part of the Tenant, their household, or guests, the Tenant agrees to pay:

- a. The cost of all repairs (the bill is limited to actual and reasonable costs incurred by the Landlord for repairing the damages) and to do so within 30 days after receipt of the Landlord’s demand for the repair charges; and
- b. Rent for the period that the unit is damaged whether or not the unit is habitable. The Tenant understands that HUD will not make assistance payments for any period in which the unit is not habitable. For any such period, the Tenant agrees to pay the HUD-approved contract rent rather than the Tenant rent shown in paragraph 10 of this agreement.

21. Hazards

The Tenant shall not undertake, or permit their household or guests to undertake, any hazardous acts or do anything that will increase the project's insurance premiums. Such action constitutes a material non-compliance with the lease.

If the unit is damaged by fire, wind, rain, or other *force majeure* to the extent that the unit cannot be lived in, and the damage is not caused or made worse by the Tenant, the Tenant will be responsible for rent only up to the date of the destruction. Additional rent will not accrue until the unit has been repaired to a livable condition.

22. House Rules

The Tenant agrees to obey the House Rules, if any, which are Attachment No. 3 to this Agreement. The Tenant agrees to obey additional rules established after the effective date of this Agreement if:

- a. The rules are reasonably related to the safety, care, and cleanliness of the building and the safety, comfort, and convenience of the tenants;
- b. The rules are consistent with Federal nondiscrimination and civil rights requirements; and
- c. The Tenant receives written notice of the proposed rules at least 30 days before the rules are enforced.

23. Access by Landlord

- a. The Landlord agrees to enter the unit only during reasonable hours, to provide reasonable advance notice of their intent to enter the unit, and to enter the unit only after receiving the Tenant's consent to do so, except when urgent situations make such notices impossible or except under subparagraph (3) below.
- b. The Tenant consents in advance to the following entries into the unit:
 - (1) The Tenant agrees to permit the Landlord or their agents; or any representative of any holder of a mortgage on the property; or, when authorized by the Landlord, the employees of any contractor, utility company, municipal agency, or others to enter the unit for the purpose of making reasonable inspections, repairs, and replacements at reasonable times and after reasonable notice.
 - (2) After the Tenant has given a notice of intent to move, the Tenant agrees to permit the Landlord to show the unit to prospective tenants during reasonable hours.
 - (3) If the Tenant moves before this Agreement ends, the Landlord may enter the unit to decorate, remodel, alter, or otherwise prepare the unit for re-occupancy.

24. Regularly Scheduled Recertifications

Every year around the number (e.g., 1st, 5th, 10th):

Number: _____

day of month:

Month: _____,

the Landlord will request the Tenant to report the income and composition of the Tenant’s household and to supply any other information required by HUD for the purposes of determining the Tenant’s rent and assistance payment, if any. The Tenant agrees to provide accurate statements of this information and to do so by the date specified in the Landlord’s request as a substantial and material obligation of receiving housing assistance under this Agreement. The Landlord will verify the information supplied by the Tenant and use the verified information to recompute the amount of the Tenant’s rent and assistance payment, if any.

If the Tenant does not submit the required recertification information by the date specified in the Landlord’s request, the Landlord may impose the following penalties:

- a. Require the Tenant to pay the higher, HUD-approved contract rent for the unit; and
- b. Implement any increase in rent resulting from the recertification processing without providing the 30-day notice otherwise required by paragraph 12 of this Agreement.

The Landlord may implement these penalties only in accordance with the administrative procedures and timeframes specified in HUD’s regulations, handbooks, and instructions related to the administration of multifamily programs.

The Tenant may request within ten (10) calendar days to meet with the Landlord to discuss any change in rent or assistance payment resulting from the recertification process. If the Tenant requests such a meeting, the Landlord agrees to meet with the Tenant and discuss how the Tenant’s rent and assistance payment, if any, were computed.

25. Reporting Changes Between Regularly Scheduled Recertifications

- a. If any of the following changes occur, the Tenant agrees to advise the Landlord immediately:
 - (1) Any household member moves out of the unit or no longer lives in the unit for any reason.
 - (2) The circumstances that made the household eligible for a hardship relief exemption for unreimbursed health and medical care expenses, reasonable attendant care and auxiliary apparatus expenses, the payment of minimum rent, and/or a hardship exemption to continue a childcare expense deduction are no longer applicable.

- (3) The family's adjusted income has changed by an amount that will result in an increase of 10 percent or more in annual adjusted income or by such other amount established by HUD through notice, as shown below:

Amount (to be completed by Landlord at lease execution): _____

except:

- (A) The Landlord may not consider any increase in the earned income of the Tenant when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the certification period; and
- (B) The Landlord may choose not to conduct an interim reexamination in the last three months of a certification period.
- b. If the Tenant does not advise the Landlord of these interim changes, the Landlord may increase the Tenant's rent to the HUD-approved contract rent. The Landlord may do so only in accordance with the timeframes and administrative procedures set forth in HUD's regulations, handbooks, and instructions on the administration of multifamily programs.
- c. The Tenant may report any decrease in income or any change in other factors considered in calculating the Tenant's rent. The Landlord may decline to conduct an interim reexamination of income if the Landlord estimates that the family's adjusted income will decrease by an amount that is less than 10 percent of the family's annual adjusted income, or such lower threshold established by the Landlord, or by HUD through notice (see 24 CFR 5.657(c)(2)). However, HUD established a lower threshold to process interim reexaminations when there is a decrease in family size attributed to the death or permanent move-out from the assisted unit of a family member that results in a decrease in adjusted income of any amount (see 24 CFR 5.657(c)(2) and Notice H 2023-10). The Landlord must make appropriate rent reductions within a reasonable time after the tenant reported the income decrease. For any interim reexamination, the Landlord will verify the information and make the appropriate rent reduction within a reasonable time after the Tenant reported the income decrease. What qualifies as a reasonable time may vary based on the amount of time it takes to verify information, but such time generally should not exceed 30 days from the date the Tenant reports the change in income to the Landlord.
- The Landlord may not propose to terminate this Agreement in order to evict the Tenant for nonpayment of rent due during the period of the reported decrease and the completion of the certification process. The Tenant has 30 days after receiving written notice of any rent due for the above-described time period to pay or the Landlord can evict for nonpayment of rent.
- d. The Tenant may request within ten (10) calendar days to meet with the Landlord to discuss how any change in income or other factors affected their rent or assistance payment, if any. If the Tenant requests such a meeting, the Landlord agrees to meet

with the Tenant and explain how the Tenant's rent or assistance payment, if any, was computed.

26. Termination of Assistance

- a. The Tenant understands that assistance made available on their behalf may be required to be terminated if events in either items (1)–(8) below occur. Termination of assistance means that the Landlord may make the assistance available to another Tenant, and the Tenant's rent will be recomputed. In addition, if the Tenant's assistance is terminated because of criterion (1) below, the Tenant will be required to pay the HUD-approved contract for the unit. The Landlord may terminate the Tenant's assistance only in accordance with the timeframes and administrative procedures set forth in HUD's regulations, handbooks, and instructions on the administration of multifamily programs. The Landlord shall not terminate the Tenant's assistance for reasons other than a change in the Tenant's eligibility for assistance or the Tenant's failure to fulfill specific responsibilities under program requirements.
- (1) The Tenant does not provide the Landlord with the information or reports required by paragraph 24 or 25 within 10 calendar days after receipt of the Landlord's notice of intent to terminate the Tenant's assistance payment.
 - (2) The amount the Tenant would be required to pay toward rent and utilities under HUD rules and regulations equals the Family Gross Rent shown on Attachment No. 1.
 - (3) The Tenant fails to sign the required consent and verification forms.
 - (4) The Tenant fails to move to a different-sized unit within 30 days after the Landlord notifies the Tenant that the unit of the required size is available.
 - (5) The Tenant has begun receiving assistance, but the Landlord is unable to establish citizenship or eligible immigration status for any family member from the information provided by the Tenant and determines that the Tenant does not meet the citizenship requirement.
 - (6) A student enrolled at an institution of higher education no longer meets the eligibility requirements for assistance.
 - (7) The Tenant owns net family assets that exceed the threshold established by HUD (24 CFR 5.618). The Landlord has adopted a written policy of _____ at annual and interim reexamination. The full policy can be found in the project's Tenant Selection Plan, a document that must be made available to the public.
 - (8) The Tenant owns, has a legal right to reside in, and has the effective legal authority to sell, based on State or local laws of the jurisdiction in which the property is located, real property that is suitable for occupancy* by the family as a residence (24 CFR 5.618), except that this real property restriction does not apply to:

- (A) Any property for which the family is receiving assistance under 24 CFR 982.620 or under the Homeownership Option in 24 CFR part 982;
- (B) Any property that is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the non-household member resides at the jointly owned property;
- (C) Any person who is a victim or domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR part 5 (subpart L); or
- (D) Any family that is offering such property for sale.

*A property will be considered “suitable for occupancy” unless the family demonstrates that it:

- Is not capable of meeting the disability-related needs for all members of the family (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.). Any documentary requirements to establish disability-related needs must comply with applicable fair housing and civil rights requirements;
- Is insufficient for the size of the family;
- Is geographically located so as to be a hardship for the family (e.g., the distance or commuting time between the property and the family’s place of work or school would be a hardship to the family, as determined by the Landlord);
- Is unsafe to reside in because of the physical condition of the property (e.g., property’s physical condition poses a risk to the family’s health and safety, and the condition of the property cannot be easily remedied); or
- Is not a property that the family may reside in under the State or local laws of the jurisdiction in which the property is located.

- b. The Landlord agrees to give the Tenant written notice of the proposed termination of assistance. The notice will advise the Tenant that, during the 10 calendar days following the date of the notice, he/she may request to meet with the Landlord to discuss the proposed termination of assistance. If the Tenant requests a discussion of the proposed termination, the Landlord agrees to meet with the Tenant.
- c. Termination of assistance shall not affect the Tenant’s other rights under this Agreement, including the right to occupy the unit, but he/she will no longer be required to make income certifications under this lease. Assistance may subsequently be reinstated if the Tenant submits the income, household composition, or other data required by HUD procedures, the Landlord determines the Tenant is eligible for assistance, and assistance is available.

27. Tenant Obligation to Repay

If the Tenant submits false information on any application, certification, hardship request, or interim adjustment; or does not report interim changes in family income or other factors as required by paragraph 25 of this Agreement, and, as a result, is charged a rent less than the amount required by HUD's rent formulas, the Tenant agrees to reimburse the Landlord for the difference between the rent they should have paid and the rent they were charged. The Tenant is not required to reimburse the Landlord for undercharges caused solely by the Landlord's failure to follow HUD's procedures for computing rent or assistance payments.

28. Termination of Tenancy

- a. To terminate this Agreement, the Tenant must give the Landlord 30 days' written notice before moving from the unit.
- b. Any termination of this Agreement by the Landlord must be carried out in accordance with HUD regulations, State and local law, and the terms of this Agreement.
- c. The Landlord may terminate this Agreement only for the following reasons, pursuant to HUD's regulations: (24 CFR Part 247; 24 CFR 880.607; 24 CFR 881.601; 24 CFR 883.701; 24 CFR 886.128; and 24 CFR 886.328)
 - (1) The Tenant's material noncompliance with the terms of this Agreement;
 - (2) The Tenant's material failure to carry out obligations under any State Landlord and Tenant Act;
 - (3) Drug related criminal activity engaged in, on, or near the premises, by any tenant, household member, or guest, and any such activity engaged in or on the premises by any other person under the Tenant's control;
 - (4) Determination made by the Landlord that a household member is illegally using a drug;
 - (5) Determination made by the Landlord that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
 - (6) Criminal activity by a Tenant, any member of the Tenant's household, or a guest or another person under the Tenant's control:
 - (A) That threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises); or
 - (B) That threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises;
 - (7) If the tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under

the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor;

- (8) If the tenant is violating a condition of probation or parole under Federal or State law;
 - (9) Determination made by the Landlord that a household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of Kayton Homes by other residents; or
 - (10) Other good cause, which includes, but is not limited to, the Tenant's refusal to accept HUD-approved changes to this Agreement. Terminations for "other good cause" may be effective only as of the end of any initial or successive term. The conduct of a Tenant cannot be deemed other good cause unless the Landlord has given the Tenant prior notice that said conduct shall henceforth constitute a basis for termination of occupancy. Said notice shall be served on the tenant in the same manner as that provided for termination notices in paragraph 31, below.
- d. The term "material noncompliance with the lease" includes:
- (1) One or more substantial violations of the lease;
 - (2) Repeated minor violations of the lease that:
 - (A) Disrupt the livability of the project;
 - (B) Adversely affect the health or safety of any person or the right of any tenant to the quiet enjoyment to their leased premises and related project facilities;
 - (C) Interfere with the management of the project, or
 - (D) Have an adverse financial effect on the project;
 - (3) Failure of the Tenant to timely supply all required information on the income and household composition, or eligibility factors of the Tenant household (including, but not limited to, failure to meet the disclosure and verification requirements for Social Security Numbers, or failure to sign and submit consent forms necessary to obtain wage and claim information from State Wage Information Collection Agencies);
 - (4) Knowingly providing incomplete or inaccurate information where such information is required under these lease provisions; and
 - (5) Non-payment of rent or any other financial obligation due under the lease beyond any grace period permitted under State law. The payment of rent or any other financial obligation other than late fees (see paragraph 12.) due under this Agreement after the due date but within the grace period permitted under State law constitutes a minor violation.
- e. The Landlord may terminate tenancy and evict the Tenant through judicial action for criminal activity as described above by a tenant, any member of the tenant's

household, a guest or another person under the tenant's control (herein known as a "covered person" (24 CFR 5.100)) if the Landlord determines that the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity.

- f. If the law and regulation permit the Landlord take an action, but do not require it, the Landlord may take or not take the action in accordance with the Landlord's standards for admission and eviction. Consistent with the application of these standards, a Landlord may consider all of the circumstances relevant to a particular eviction case, such as:
 - (1) The seriousness of the offending action;
 - (2) The effect on the community of the eviction or the failure of the Landlord to take such action;
 - (3) The extent of participation by the leaseholder in the offending action;
 - (4) The effect of termination of tenancy on household members not involved in the offending action;
 - (5) The demand for assisted housing by families who will adhere to lease responsibilities;
 - (6) The extent to which the Tenant has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action; and
 - (7) The effect of the Landlord's action on the integrity of the program.
- g. In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the Landlord may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. For this purpose, the Landlord may require the Tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

29. Prohibited Terminations of Tenancy by Landlord

- a. Termination of this Agreement by the Landlord may not be on the basis or a direct result of the fact that the Tenant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, or on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking if:
 - (1) The criminal activity is engaged in by a member of the household of the Tenant or any guest or other person under the control of the Tenant; and
 - (2) The Tenant or an affiliated individual of the Tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault or stalking.

- b. An incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be good cause for termination of tenancy of the victim or threatened victim of such incident.
- c. No termination of tenancy by the Landlord is valid to the extent it is based upon a lease or a provision of State law permitting termination of a tenancy solely because of expiration or an initial or subsequent renewal term.

30. Notice of Termination of Tenancy by Landlord

If the Landlord proposes to terminate this Agreement, the Landlord agrees to give the Tenant written notice and the grounds for the proposed termination.

- a. If the Landlord is terminating this Agreement for “other good cause,” the termination notice must be served to the Tenant in the manner described in paragraph 31, below, at least 30 days before the date the Tenant will be required to move from the unit and in accordance with State law requirements.
- b. Where the termination notice is based on material noncompliance with this Agreement or material failure to carry out obligations under a State Landlord and Tenant Act, the time of service shall be in accordance with the previous subparagraph or State law, whichever is longer.
- c. Notices of proposed termination for other reasons must be given in accordance with any time frames set forth in State and local law. Any HUD-required notice period may run concurrently with any notice period required by State or local law.
- d. All termination notices must:
 - (1) Specify the date this Agreement will be terminated;
 - (2) State the grounds for termination with enough detail for the Tenant to prepare a defense;
 - (3) Advise the Tenant that he/she has 10 calendar days within which to discuss the proposed termination of tenancy with the Landlord. The 10-day period will begin on the earlier of the dates that the notice and all other required documents were hand-delivered to the unit or the day after the date the notice and all other required documents are mailed. If the Tenant requests a meeting, the Landlord agrees to discuss the proposed termination with the Tenant;
 - (4) Advise the Tenant that if he or she remains in the leased unit on the date specified for termination, the Landlord may seek to enforce the termination only by bringing a judicial action, at which time the Tenant may present a defense; and
 - (5) Advise the Tenant that persons with disabilities have the right to request reasonable accommodations to participate in the hearing process.

31. Service of Termination of Tenancy Notice

The Landlord's notice of termination shall be accomplished by:

- a. Sending a letter by first-class mail, along with the Notice of Occupancy Rights under VAWA (Form HUD-5380) and Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking, and Alternate Documentation (Form HUD-5382), properly stamped and addressed, to the Tenant at their address at the project, with a proper return address; and
- b. Serving a copy of said notice of termination and Notice of Occupancy Rights under VAWA (Form HUD-5380) and Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking, and Alternate Documentation (Form HUD-5382) on any adult person answering the door at the leased dwelling unit, or, if no adult responds, by placing the documents under or through the door, if possible, or else by affixing the documents to the door and sending the termination notice to the resident through Rent Café.

Service shall not be deemed effective until all notices provided for herein have been delivered in the manner prescribed above. The date on which the notice shall be deemed to be received by the Tenant shall be the date on which the first-class letter and copies provided for in subparagraph a. are mailed, or the date on which the notice and copies provided for in subparagraph b. are properly given, whichever is later.

32. Modification of Rental Agreement

The Landlord may, only with the prior approval of HUD, change the terms and conditions of this Agreement. Any changes will become effective only at the end of the initial term or a successive term. The Landlord must notify the Tenant of any change and must offer the Tenant a new Agreement or an amendment to the existing Agreement. The Tenant must receive the notice at least 60 days before the proposed effective date of the change. The Tenant may accept the changed terms and conditions by signing the new Agreement or the amendment to the existing Agreement and returning it to the Landlord. The Tenant may reject the changed terms and conditions by giving the Landlord written notice that he/she intends to terminate their tenancy. The Tenant must give such notice at least 30 days before the proposed change will go into effect. If the Tenant does not accept the amended agreement, the Landlord may require the Tenant to move from the project, as provided in paragraph 28.

33. Eviction

If the Tenant does not vacate the premises on the effective date of the termination of this Agreement, the Landlord may pursue all judicial remedies under State or local law for the eviction of the Tenant, and in accordance with the requirements in HUD's regulations (24 CFR Part 247; 24 CFR 880.607; 24 CFR 881.601; 24 CFR 883.701; 24 CFR 886.128; and 24 CFR 886.328).

If an eviction is initiated, the Landlord agrees to rely only upon those grounds cited in the termination notice required by paragraph 30.

34. Tenants' Rights to Organize

The Landlord agrees to allow the Tenant and tenant organizers to conduct on the property the activities related to the establishment or operation of a tenant organization set out in accordance with HUD requirements in 24 CFR 245, subpart B.

35. Lease Termination with Section 8 Housing Assistance Payments Contract Termination

This Agreement will terminate automatically if the Section 8 HAP Contract terminates for any reason.

36. Enforcement of Lease Terms

Failure of the Landlord to insist upon the strict performance of the terms, covenants, agreements, and conditions contained in this Agreement shall not be, or be considered to be, a waiver or relinquishment of the Landlord's right in the future to enforce these terms, covenants, agreements, or conditions. These requirements shall continue in full force and effect unless they are waived in writing by the Landlord.

The Tenant agrees to permit the Landlord or their agents to bring appropriate legal action in the event of a breach or threatened breach by the Tenant of any of the covenants or provisions of this lease.

37. Penalties for Submitting False Information

Knowingly giving the Landlord false information regarding income or other factors considered in determining Tenant's eligibility and rent is a material noncompliance with the lease subject to termination of tenancy. In addition, the Tenant could become subject to penalties available under Federal law. Those penalties include fines up to \$10,000 and imprisonment for up to 5 years.

38. Contents of this Agreement

This Agreement and its Attachments make up the entire agreement between the Landlord and the Tenant regarding the unit. If any court declares a particular provision of this Agreement to be invalid or illegal, all other terms of this Agreement will remain in effect, and both the Landlord and the Tenant will continue to be bound by them.

39. Terms of this Lease

The terms of this Agreement are prescribed by HUD in accordance with Federal law and regulation, as a condition for Federal assistance. The terms of this Agreement are subject

to any applicable Federal statute, executive order, or regulatory requirement, as these requirements may be amended from time to time.

40. Attachments to this Agreement

The Tenant certifies that he/she has received a copy of this Agreement and the following Attachments to this Agreement and understands that these Attachments are part of this Agreement (strike inapplicable attachments).

- Attachment No. 1: Owner’s Certification of Compliance with HUD’s Tenant Eligibility and Rent Procedures, form HUD–50059.
- Attachment No. 2: Unit Inspection Report.
- Attachment No. 3: House Rules
- Attachment No. 4: Form HUD–91067 VAWA Lease Addendum.
- Attachment No. 5: Lead-based paint disclosure form (if applicable).
- Attachment No. 6: Pet Rules (if applicable).
- Attachment No. 7: Owner’s Live-in Aide addendum (if applicable).
- Attachment No. 8: Police/Security Addendum (if applicable).
- Attachment No. 9: RAD II Pet Addendum (if applicable).
- Attachment No. 10: RAD PBRA Model Lease Addendum (if applicable).

41. Signatures

Witness

Date (mm/dd/yyyy)

Landlord

Date (mm/dd/yyyy)

Tenant

Date (mm/dd/yyyy)

Tenant

Date (mm/dd/yyyy)

Tenant

Date (mm/dd/yyyy)