

## CHOICE Housing Assistance Payments Contract

### PART A: CONTRACT INFORMATION

1) **Tenant:** \_\_\_\_\_

2) **Contract Unit Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3) **Household Members:**

_____	_____
_____	_____
_____	_____

4) **Initial Lease Term:**

The initial lease term begins on (mm/dd/yyyy): \_\_\_\_\_

The initial lease term ends (mm/dd/yyyy): \_\_\_\_\_

5) **Initial Contract Rent to Owner:**

The initial contract monthly rent to Owner: \$ \_\_\_\_\_

(During the initial term of the lease the Owner may not raise the contract monthly rent to the tenant.)

**6) Initial MS Housing Assistance Payment:**

The CHOICE Housing Assistance Payment Contract (“Contract”) term commences on the first day of the initial lease term. At the beginning of the Contract term, the amount of the CHOICE Housing Assistance Payment by the MS Home Corporation to the Owner is \$\_\_\_\_\_ per month. The amount of the CHOICE Housing Assistance Payment by the MS Home Corporation to the Owner is subject to change during the CHOICE Housing Assistance Payment Contract Term (as hereafter defined).

**7) Utilities and Appliances:**

The utilities and appliances shall be paid and/or provided as stated in the lease.

Mississippi Home Corporation

Property Owner

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title of Signatory

\_\_\_\_\_  
Title of Signatory

Date (mm/dd/yyyy)

Date (mm/dd/yyyy)

Mail Payments To:

\_\_\_\_\_  
\_\_\_\_\_

## **PART B: Body of Contract**

### **1) Purpose:**

- a) This is a Contract between the Mississippi Home Corporation (“MHC”) and Property Owner (the “Property Owner”). The Contract is entered into for MHC to provide housing assistance (the “Housing Assistance Payments”) for the Tenant (the “Tenant”)
- b) The Contract only applies to the Tenant and Contract Unit specified in Part A of the Contract.
- c) During the Contract Term, MHC will pay Housing Assistance Payments to the Property Owner in accordance with the Contract.
- d) The Tenant will reside in the Contract Unit. The Housing Assistance Payments by MHC to the Property Owner assist the tenant to lease the Contract Unit from the Property Owner for occupancy by the Tenant.

### **2) Lease of Contract Unit:**

- a) The Property Owner has leased the Contract Unit to the Tenant for occupancy by the Tenant with assistance under the Choice Housing Assistance Payment Program (the “Program”).
- b) MHC has approved the leasing of the Contract Unit.
- c) The Tenant’s lease (the “Lease”) must be consistent with State and local law.
- d) The Property Owner is responsible for screening the Tenant’s behavior or suitability for tenancy. MHC is not responsible for such screening. MHC has no liability or responsibility to the Property Owner or other persons for the Tenant’s behavior or the Tenant’s conduct in tenancy.

### **3) Maintenance, Utilities and Other Services:**

- a) The Property Owner must maintain the Contract Unit in accordance with the Housing Quality Standards (“HQS”) used by the Section 8 Housing Voucher Program, including the provision of all utilities needed to comply with HQS.
- b) If the Property Owner does not maintain the Contract Unit in accordance with the HQS, MHC may exercise any available remedies. MHC remedies for such breach include recovery of overpayments, suspension of Housing Assistance Payments, abatement or other reduction of Housing Assistance Payments, termination of Housing Assistance Payments and termination of the Contract. MHC may not exercise such remedies against the Property Owner because of an HQS breach for which the Tenant is responsible, and that is not caused by the Property Owner.
- c) MHC shall not make any Housing Assistance Payments if the Contract Unit does not meet the HQS, unless the Property Owner corrects the defect(s) within the period

specified by the MHC. If a defect is life-threatening, as determined by MHC, the Property Owner must correct the defect within no more than 24 hours.

- d) MHC and Community Mental Health Center case managers may inspect the Contract Unit and premises at such times as MHC or case managers determine necessary, to ensure that the Contract Unit is in accordance with the HQS.
- e) MHC must notify the Property Owner of any HQS defects shown by the inspection.
- f) The Property Owner must provide all housing services as agreed to in the Lease.

**4) Term of Contract:**

- a) The term of the Contract begins on the first day of the initial term of the lease and terminates on the last day of the term of the lease, including any extensions (the “Contract Term”).
- b) The Contract terminates upon any of the following: if the lease is terminated by the Property Owner or the Tenant; if MHC terminates Program assistance for the Tenant; if the Tenant vacates the Contract Unit; if MHC determines that available Program funding is not sufficient to support continued assistance for the Tenant; upon the death of the Tenant if the Tenant has no other family member residing in the Contract Unit; or 180 calendar days after the last Housing Assistance Payment to the Property Owner is made. MHC may terminate Program assistance for any violation of the Contract or Program requirements or if MHC determines that the Contract Unit does not provide adequate space in accordance with the HQS because of an increase in family size or a change in family composition or that the Contract Unit does not meet all requirements of the HQS.

**5) Provisions and Payment for Utilities and Appliances:**

The Lease must specify what utilities and or appliances are to be paid or provided by the Property Owner or the Tenant.

**6) MHC Payment to Property Owner:**

- a) During the Contract Term, MHC must make monthly Housing Assistance Payments to the Property Owner on behalf of the Tenant at the beginning of each month.
- b) Housing Assistance Payments shall only be paid to the Property Owner while the Tenant is residing in the Contract Unit during the Contract Term. MHC shall not pay a Housing Assistance Payment to the Property Owner for any month after the month when the Tenant moves out of the Contract Unit.
- c) Unless the Property Owner has complied with all provisions of the Contract, the Property Owner does not have a right to receive Housing Assistance Payments under the Contract.
- d) The amount of the monthly MHC Housing Assistance Payment to the Property Owner shall be determined by MHC.

- e) The amount of the MHC Housing Assistance Payment is subject to change during the Contract. MHC must notify the Property Owner and the Tenant of any changes in the amount of the Housing Assistance Payment.
- f) During the Contract Term, the rent to the Property Owner under the lease may at no time exceed rent charged by the Property Owner for comparable unassisted units in the premises or the reasonable rent for the Contract Unit as most recently determined by MHC in accordance with HUD requirements.
- g) The monthly Housing Assistance Payment shall be credited against the monthly rent to the Property Owner for the Contract Unit.
- h) MHC is only responsible for making Housing Assistance Payments to the Property Owner in accordance with the Contract.
- i) MHC shall not pay any portion of the rent in excess of the Housing Assistance Payment. MHC shall not pay any other claim by the Property Owner against the Tenant.
- j) If MHC determines that the Property Owner is not entitled to the Housing Assistance Payment or any part of it, MHC, in addition to any other remedies, may deduct the amount of the overpayment from any amounts owed to the Property Owner, including under any other Program contracts.

**7) Property Owner Certification:**

During the Contract Term the Property Owner certifies, represents and warrants as follows: The Contract Unit and premises are and will be maintained in accordance with HQS; the Contract Unit will be leased to the Tenant; the Tenant does not own or have, and will not own or have, any interest in the Contract Unit; the rent to Property Owner does not exceed rents charged by the Property Owner for rental of comparable unassisted units in the premises; except for the rent to the Property Owner, the Property Owner has not received and will not receive any payments or other consideration for rental of the Contract Unit during the Contract Term; the Property Owner does is not the parent, child, grandparent, grandchild, sister or brother of the Tenant (unless MHC has approved an exception relative to a person with disabilities); and to the best of the Property Owner's knowledge, the Tenant resides, and will reside, in the Contract Unit and the Contract Unit is, and will be the Tenant's only residence.

**8) Prohibition of Discrimination:**

The Property Owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status or disability or any other characteristics protected by law.

**9) Property Owner's Breach of Contract:**

Any of the following actions by the Property Owner is an event of breach under the Contract (each an "Event of Default"):

- a. If the Property Owner violates any obligation under the Contract;
- b. If the Property Owner violates any obligation under any other Program contract;
- c. If the Property Owner has committed fraud, bribery or any other corrupt or criminal act in connection with any housing assistance program;
- d. For projects with mortgages insured by HUD or loans made by HUD, if the Property Owner has filed to comply with the regulations for the application mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement; or if the Property Owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan;
- e. If the Property Owner has engaged in any drug-related criminal activity or any violent criminal activity.

MHC remedies for breach of this Contract include recovery of overpayments, suspension of Housing Assistance Payments, abatement or other reduction of Housing Assistance Payments, termination of Housing Assistance Payments and termination of the Contract and any other Program contracts. MHC may seek and obtain additional relief by judicial order or action, including specific performance, other injunctive relief or order for damages, and may seek any other rights and remedies under this Contract or available at law or in equity; any such remedy is not exclusive and may be utilized cumulatively. Even if the Tenant continues to live in the Contract Unit, MHC may exercise any rights and remedies for Property Owner breach of the Contract. MHC's exercise or non-exercise of any right or remedy for Property Owner breach of the Contract is not a waiver of the right to exercise that or any other right or remedy at any time.

**10) Access to Premises and Property Owner's Records:** The Property Owner must provide any information pertinent to the Contract that MHC may reasonably require, and MHC shall have full and free access to the Contract Unit and the Premises and to all records of the Property Owner that are relevant to the Contract.

**11) Assignment of Contract:**

The Property Owner may not assign the Contract to a new Property Owner without the prior written consent of MHC, which may be denied or withheld in MHC's sole discretion. The new owner must agree in writing, in a form acceptable to MHC, to be bound by and comply with the Contract. Notwithstanding the foregoing, this Agreement shall be binding upon the Property Owner's successors and assigns.

**12) Exclusion of Third Party Rights/Indemnity:**

- a. The Tenant is not a party to or third party beneficiary of the Contract
- b. MHC does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Property Owner's action or failure to act in connection with management of the Contract Unit or the premises or with implementation of the Contract, or as a result of any other action or failure to act by the Property Owner.
- c. Property Owner agrees to indemnify, defend, protect, pay and hold MHC and its successors and assigns, and the officers, directors, stockholders, partners, members, employees, agents, and attorneys of MHC (collectively referred to herein as the "**Indemnitees**") and such successors and assigns harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, reasonable costs, expenses and disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Indemnitees, in any manner relating to or arising out of the Contract or the Program or any claim brought by any third party arising out of any condition or occurrence at or pertaining to the Property.

**13) Foreclosure:**

In the case of any foreclosure, the immediate successor in interest in the Contract Unit pursuant to the foreclosure shall assume such interest subject to the lease between the prior Property Owner and the Tenant and to the Contract between the prior Property Owner and MHC for the Contract Unit. This provision does not affect any State law that provides longer time periods or other additional protections for the Tenant.

**14) Written Notice:**

Any notice by MHC or the Property Owner in connection with this Contract must be in writing.

**15) Entire Agreement:**

The Contract contains the entire agreement between the Property Owner and MHC.

**16) Counterparts:**

This Contract may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, but all such counterparts taken together shall constitute only one instrument.