

## Option 2 Current Rents at or Below Comparable Market Rent

### Initial/Subsequent Renewal

- HUD-9624 Contract Renewal Form.
  - HUD-9624 Renewal Worksheet for Option 2 – Requesting Subsequent Renewal of Contract At or Below Comparable Market Rent.
  - HUD-9624 Renewal Worksheet for Option 2 – Comparison Chart (*Required when submitting a new Rent Comparability Study*).
  - HUD-9625 OCAF Rent Adjustment Worksheet.
  - When requesting a Budget-Based rent increase: Budget prepared as outlined in HUD Handbook 4350.1 Chapter 7 – see CMS website’s Budget Checklist for requirements.
  - Rent Comparability Study (RCS) prepared as outlined in Chapter 9 of the Section 8 Renewal Policy Guide (S8RPG).
  - Appendix 9-2-1, signed and dated Owner’s Checklist for RCS Submission.
  - Owner’s Cover Letter to accompany RCS.
  - Annual debt (principal, interest, MIP, and land lease as applicable) Please provide one of the following:
    - Current Mortgage Statement or Amortization Schedule from Finance Company when a property pays (MIP) mortgage insurance premium.
    - Promissory Note or similar document which includes the term and interest rate.
    - Non-fixed interest rate mortgage payments – provide statements for the most recent 12 month period.
    - No Debt - If the property currently has no debt please provide written confirmation for our records.
    - Mortgages that are maturing within the contract year should only use the remaining debt.
    - Land Lease – If there is a land lease associated with this property please provide a copy of the lease for our records.
- [Debt Service is calculated with 12 months principal and interest, and any or all of the following: mortgage insurance payments (MIP), interest reduction payments (IRP), and Land Lease expense]*
- Statement confirming the current/basic rents for non-HUD regulated (unassisted) units when rent potential differs from the currently approved Rent Schedule.

- Utility Allowance (*if applicable*)
  - An analysis must be submitted at the end of every three year period. As an example, Baseline FY 2016, next analysis is due FY 2019;
  - Notice to Tenants of Utility Decrease, *as applicable*;
  - Refer to Housing Notice 2015-04 for criteria regarding UAF year requirements.
- Notice to Tenants of Proposed Rent Increase – *Required for budget based rent adjustments and 5<sup>th</sup> year adjustments for extended contracts.*
- Owner's Certification as to Compliance with Tenant Comment Procedures in 24 CFR Part 245, as applicable (HUD Handbook 4350.1, Chapter 7, Appendix 2).
- Subsequent Contract Renewals Only: Copy of the owner's 'One Year Letter of Intent to Renew or Opt-Out' of the Section 8 Contract.