



SECTION 42, Tax Credit Lease Addendum

Please note that this apartment community operates under Regulatory Agreements enforced by the California Tax Credit Allocation Committee, which enforces maximum household income limits for residents. Additionally, there are additional restrictions imposed by State, Local and Federal agencies associated with the financing of this apartment community that enforce maximum household incomes of residents.

Initial Income Certification

Your eligibility to occupy the apartment is based on information that you have provided to us regarding your household income and assets. Management must be immediately notified if change to the current household status occur. This includes, but is not limited to, changes in:

- Household members
- Income or assets
- Full-time student status
- Need for a live-in care attendant, and
- Federal subsidized rental assistance

Resident initials _____

Annual Income Re-certification

Each year, you agree to provide us with updated information on the form we will provide you, and you agree that all such information regarding household income and assets provided to us is true, complete, and correct to the best of your knowledge. Furthermore, you agree that failure to provide such information, or providing false or misleading information, will result in the termination of your occupancy and eviction from the apartment. Your next annual re-certification must be completed by _____. Management will contact the Resident on up to 120 days before to begin processing the necessary paperwork. Additionally, you agree that all information supplied by you shall be subject to inspection by representatives from the applicable government agencies or lenders.

Resident initials _____

Special Requirements for Tax Credit Restricted Units:

Income Increases-

Resident's income is allowed to increase up to 140% of the current applicable income limit and still remain income eligible. If Resident's income increases above 140% of the maximum allowable income as governed by the tax credit program, one of the following options will occur:

- Transfer you to the next available non-program qualified unit;
- Increase your rent with a 30-day notice to the applicable market rate causing the unit to be non-program qualified;

Resident initials _____

Rent Increases-

If the agency having jurisdiction over the rents charged at _____ such as the California Tax Allocation Committee, increases the maximum amount of rent allowed that we can charge you for your apartment, then Management shall have the right to increase the amount of your rent, and you hereby agree to pay any such increases. Any such rent increase shall become effective starting the first day of the month following such decision by the agency and shall continue until the term of your lease. Rent may be increased only in accordance with applicable state law.

Resident initials _____

Full-time Student Status-

Program requirements state the full-time students must meet certain eligibility requirements to be program qualified. Therefore, if any member of the household becomes a full-time student during the lease period or their current full-time student status changes, the Resident(s) must immediately notify management.

Resident initials _____

Unit transfers-

Management must approve all unit transfers. Prior to such a transfer, the Resident's household may need to be re-certified to determine continued eligibility to the tax credit program. If a request to a unit in another building is made, the Resident must complete the initial certification process. All income, asset and other eligibility requirements will need to be reviewed for program eligibility. All paperwork must be completed and appropriate paperwork signed prior to the transfer occurring. If Resident does not meet the initial eligibility requirements of the program, the unit transfer to unit in another building may be denied.

By signing below, resident acknowledges that it has read the addendum and agrees to any restrictions contained herein. This addendum can only be modified in writing.

Complex: Address

Resident Signature Date

Resident Signature Date

Management Agent/Date

