

LEASE AGREEMENT - PLAN II

Whereas _____, the OWNER (lessor) does hereby lease to _____ the TENANT (leasee), Apartment No. _____ in the Rural Rental Housing Project known as _____, located at _____, Nebraska, for a term of one year beginning the First Day of _____, 20____, and renewing automatically for successive one year periods until either party terminates said lease as provided herein. (If the beginning date is other than the first day of the month, "Lease Attachment-Partial Month's Lease Agreement" should be used to prorate rent from move-in to First of Month.)

A. RENTAL PAYMENT The TENANT agrees to pay the OWNER the following specified monthly rental payment in advance, on the First Day of each month.

PLAN II (without Rental Assistance)

I understand and agree that my gross monthly contribution as determined on the latest Form RD 3560-8 "Tenant Certification" for rent and utilities will be:\$_____

If I pay any or all utilities directly (does not include telephone or cable TV), a utility allowance of\$_____ will be deducted from my gross monthly rent except that I will pay not less than the Basic Rent nor more than the Note Rate Rent stated below. My net monthly rent will be:\$_____

I also understand and agree that my monthly rent under this lease may be raised or lowered, based on changes in the household income, failure to submit information necessary to certify income, changes in the number and age of persons living in the household, and on the escalation clause in this lease. My rent will not, however, be less than the **Basic Rent** of: \$_____ or more than the **Note Rent** of: \$_____ during the term of this lease, except that based on the escalation clause in this lease, these rental rates may be changed by a Rural Development (RD) approved rent change.

PLAN II (with Rental Assistance)

I understand and agree that as long as I receive rental assistance, my gross monthly contribution (as determined on the latest Form RD 3560-8 "Tenant Certification" or equivalent HUD Form for rent and utilities will be:\$_____

If I pay any or all utilities directly (does not include telephone or cable TV) a utility allowance of<\$_____> will be deducted from my gross monthly rent contribution and my resulting net monthly contribution will be:\$_____

If my net monthly rent contribution would be less than zero (\$0), the lessor will pay me:\$_____



I also understand and agree that my monthly rent contribution under this lease may be raised or lowered, based on changes in household income or adjustments to income, failure to submit information necessary to certify income, changes in the number and age of persons living in the household, and on the escalation clause in this lease. Should I no longer receive rental assistance as a result of these changes, or the rental assistance agreement executed by the OWNER and RD expires, I understand and agree that my monthly contribution may be adjusted to no less than the **Basic Rent** of\$_____ or more than **Note Rent** of\$_____ during the remaining term of this lease except that based on the escalation clause in this lease these rates may be changed by a Rural Development (RD) approved rent change.

I understand that every effort will be made to provide rental assistance so long as I remain eligible and the rental assistance agreement between the OWNER and RD remains in effect. Should, however, this assistance agreement be terminated, I may arrange to terminate this lease, giving proper notice as set forth elsewhere in this lease.

B. UTILITIES The OWNER shall provide the following utilities to the rental units which are included in the rental charges:

___ Electricity ___ Gas ___ Water ___ Sewer ___ Trash Pickup ___ Master TV Antenna

TENANT is responsible for maintaining all other utilities provided to the rental unit which the TENANT shall pay to the provider thereof in a timely manner.

C. SECURITY/DAMAGE DEPOSIT A security deposit in the amount of\$_____ is required and acknowledged. These funds may be used by the OWNER at the time the unit is vacated by the TENANT toward reimbursement of the cost of repairing any intentional or negligent damages to the premises beyond normal wear and tear caused by the TENANT, household member, guests, or other charges for cleaning not performed prior to vacating. OWNER agrees the balance, after payment of items are provided for above, if any, shall be returned along with an itemized statement of these costs, to the TENANT within two weeks after the termination of the tenancy and receipt of the TENANT'S mailing address or delivery instructions. The security deposit is not an advance payment of rent and does not relieve the TENANT from obligation to pay rent, including rent for the last month of occupancy.

D. OCCUPANCY STANDARD In order to achieve maximum utilization of subsidized space without causing overcrowding or providing more space than needed by the number of people in the project, the following standard is established:

Number of Bedrooms	Occupant Density Range		(To be established by Lessor or local ordinance)
	Minimum	Maximum	
1BDRM	_____	_____	
2 BDRM	_____	_____	
3 BDRM	_____	_____	
4 BDRM	_____	_____	



A larger sized unit may be assigned to a tenant than allowed above so that related (other than spouses) and unrelated adults, children of opposite sex, and persons of different generations are not required to share a bedroom.

A smaller sized unit than permitted by the above range may be assigned to a household upon the TENANT’S request, provided the unit does not become over-crowded.

An apartment complex is considered to be overcrowded when the household size exceeds the number of occupants permitted as determined by the Lessor or as defined by local ordinance.

E. TENANT ELIGIBILITY The project in which the above mentioned apartment is located has been financed and subsidized by USDA Rural Development, a Government Agency. Eligibility for TENANTS to reside in this project is based upon TENANTS income, age, and family composition. The OWNER will determine the TENANT’S eligibility based upon RD regulations. Eligibility will be determined upon the execution of this lease agreement and at least annually thereafter. The TENANT(S) has been determined:

An ELIGIBLE TENANT for the unit.

An ELIGIBLE TENANT not meeting occupancy standards. TENANT agrees to transfer to the first correctly sized unit when it becomes available and pay all costs associated with the subsequent move.

TENANT acknowledges that TENANT household is occupying an accessible unit designed for persons with disabilities. TENANT acknowledges that priority for such units is given to TENANTS needing special physical design features. TENANT acknowledges that TENANT is permitted to occupy the unit until management issues a notice that a priority applicant is on the waiting list and TENANT must move to another suitably sized vacant unit in the project. Upon receiving this notice, the TENANT agrees to move at their own expense within 30 calendar days to the suitably sized vacant unit within the project. TENANT further understands the rental rate will change, when appropriate, to the rental rate for the unit into which TENANT moves. This lease will be modified accordingly.

An INELIGIBLE TENANT due to income. TENANT agrees that at the end of one year, this lease will convert to a monthly lease and can be terminated by 30-day written notice when an eligible TENANT is found.

F. OCCUPANTS The following person(s) are members of the TENANT’S household and are approved for occupancy of the apartment unit:

_____	, Age _____	_____	, Age _____
_____	, Age _____	_____	, Age _____
_____	, Age _____	_____	, Age _____
_____	, Age _____	_____	, Age _____
_____	, Age _____	_____	, Age _____

G. ESCALATION CLAUSE The OWNER may raise or lower the rental rates on the apartment unit



due to changes in costs incurred by the OWNER in the operation and maintenance of the apartment complex. Such changes must be approved by RD. The OWNER must notify the TENANT of any change in the rental rates at least thirty (30) days prior to the effective date of the change.

H. NOTICE TO TENANT Notice shall be accomplished by: 1) Sending a letter by first class mail to the TENANT or MEMBER at TENANT'S address at the project; or 2) Serving a copy of the notice on any adult person answering the door at the dwelling unit; or (3) If no adult responds, by placing the notice under or through the door, if possible, or by affixing the notice to the door.

I. NOTICE TO OWNER Notice shall be in writing and delivered to the OWNER either: 1) By first class mail, properly stamped and addressed or 2) Hand delivered to the place of business where the Rental Agreement was made or at any place designated by the OWNER as the place for receipt of the communication.

J. MODIFICATION OF LEASE The OWNER may modify the term and conditions of the lease, effective at the end of the initial term or a successive term by serving appropriate notice on the TENANT together with the tender of the revised lease or an addendum revising the existing lease. The notice must be received at least thirty (30) days prior to the last date on which the TENANT has the right to terminate (leases are effective first of the month; notice must be given on or before the first of the month before the modification is effective) the tenancy without executing the revised lease.

K. TERMINATION OF LEASE BY TENANT The TENANT may terminate this lease agreement by providing the OWNER with a written notice not less than thirty (30) days prior to the end of the rental period established by the lease (leases are effective first of the month, notice must be given on or before the first of the month of move-out to meet the required timeframe). The lease may also be terminated by the TENANT with thirty (30) days-notice, prior to the end of the calendar month in which the unit is to be vacated for "good cause" such as moving to another location for employment, loss of job, severe illness, death of spouse, or other reasons customary or mandatory in the community, or after notification by the OWNER of intent to prepay the RD loan.

L. TERMINATION OF LEASE BY OWNER The OWNER may terminate this lease agreement if the TENANT no longer meets the eligibility requirements defined by RD regulations or if the TENANT is in material noncompliance with the lease or other good cause. Should the OWNER find it necessary to evict the TENANT, such EVICITION WILL BE ACCOMPLISHED ACCORDING TO STATE LAW.

M. CATASTROPHE In the event the premises are damaged by fire or other casualty as to be untenable, without fault or negligence of the TENANT, the lease shall automatically terminate as of the destruction and a prorated proportion of the prepaid rent shall be refunded to the TENANT.

N. TENANT SUBSIDY The properly completed Form RD 3560-8 "Tenant Certification" or equivalent HUD Form are incorporated herein by reference and observed as part of this lease.

O. GRIEVANCE PROCEDURE Any TENANT grievance or appeal from management's decision



as found in 7 CFR 3560.160 (d) (e) shall be resolved in accordance with procedures consistent with RD regulations covering such procedures, which are posted in the rental office or posted on the bulletin board.

P. NON-DISCRIMINATION The OWNER shall not discriminate against the TENANT in the provision of services or in any manner on grounds of race, color, religion, familial status, sex, national origin, age, or disability unless the premises to which this lease agreement pertains are specifically designed for elderly or disabled households.

Q. CANCELLATION OR SUSPENSION OF FEDERAL SUBSIDIES Should any Federal subsidies paid to the borrower on behalf of TENANTS be suspended or cancelled, due to a monetary or non-monetary default by the borrower (or when applicable, the monetary payment received by the TENANT from the borrower) should not change over that which would have been required had the subsidy remained in place.

R. TENANT AGREEMENTS

1. The TENANT understands and agrees that TENANT household will no longer be eligible for occupancy in this project if their income exceeds the maximum allowable adjusted income as defined periodically by RD for _____ County, Nebraska.
2. The TENANT understands that the size of apartment to which TENANT household is entitled is based upon household composition and the occupancy standard previously described in this agreement. Should, during the term of this lease agreement, the TENANT’S household no longer meets the requirements of the occupancy standard, the TENANT will be required to vacate the apartment unit at the end of the lease period unless eligibility can be established following specified steps, such as moving to an appropriate size unit or an exception is granted by management.
3. The TENANT understands that should TENANT no longer meet the eligibility requirements of the project during the term of the lease agreement, TENANT will be required to vacate the unit unless an exception is authorized by RD.
4. The TENANT agrees to immediately notify the OWNER when there is a change in their gross household income or adjustment to income, or when there is a change in the number of persons living in the household. TENANT understands their rent or benefits may be affected as a result of this information. TENANT also understands that failure to report such changes may result in their losing benefits to which TENANT may be entitled or may result in the OWNER taking corrective action if benefits were mistakenly received. TENANT understands that the corrective action that the OWNER may take includes the initiation of a demand for repayment of any benefits or rental subsidies improperly received, initiation of a notice to cancel any rental assistance or Section 8 assistance being received for the balance of TENANT certification period, initiation of a notice to increase TENANT monthly to **Note Rent** of\$_____ or initiation of a notice of termination. TENANT understands that one or more of these remedies may be initiated at the option of the OWNER.
5. The TENANT understands the income certification is a requirement of occupancy and



agrees to promptly provide any certificates and income verifications required by the OWNER to permit determination of eligibility and, when applicable, the monthly TENANT contribution.

6. The TENANT agrees to pay the monthly TENANT contribution specified in this agreement when due. If not paid by the 10th day of the month, the TENANT agrees to pay a late fee not to exceed the higher of \$10 or an amount equal to 5% of the TENANT'S gross contribution in addition to the monthly TENANT contribution.
7. TENANT'S initial Form RD 3560-8 "Tenant Certification" and subsequent recertification shall set forth the gross family income and the calculations determining the rent.
8. TENANT agrees that the rent shall be subject to change, in accordance with schedules and criteria established by RD, by reason of changes in family income or family composition. A new recertification may be requested at any time there is a change in projected annual income. The revised rental contribution will be effective on the first of the month following the execution of the recertification.
9. The use by the TENANT, or household members, of laundry facilities, common areas, storage rooms, or other facilities on the premises, are at the risk of the person using the same. It is understood that this section is not to be construed to relieve the TENANT of liability for personal injury or damage caused by the TENANT'S unlawful or negligent acts or omissions.
10. TENANT agrees to preserve the premises in safety and to keep the same in good condition and to refrain from intentionally or negligently destroying, defacing, impairing, or removing any part of the premises, common areas, or property appurtenant thereto, and to refuse to suffer any other person to do so. TENANT shall notify the OWNER promptly of any known need for repairs of the apartment unit and of any known unsafe conditions, which may lead to injury or damage except for normal wear and tear. TENANT agrees to pay reasonable charges for repair of intentional or negligent damage to the leased premises caused by TENANT, family, dependents, or guests.
11. TENANT acknowledges, by completing and signing an "Inspection Move-In/Move-Out Report" the condition of the unit at the time of occupancy. An "Inspection Move-In/Move-Out Report" will also be provided by the OWNER and signed by the TENANT at the time the unit is vacated. The TENANT is expected to accompany the OWNER on these inspections.
12. TENANT agrees to permit the OWNER to enter the apartment unit at reasonable hours to inspect the premises, make needed repairs or show the apartment to prospective tenants. Except for emergency repairs, the OWNER will provide the TENANT with a 24-hour written notice.
13. The TENANT understands and agrees that the use, attempted use, or possession, manufacture, sale, or distribution of an illegal controlled substance (as defined by Local, State, or Federal law) while in or on any part of this apartment complex or cooperative is an illegal act. It is further understood that such action is a material lease violation. Such violations hereafter call a "drug violation(s)" may be evidenced upon the admission to or conviction of a drug violation. It is further understood that domestic violence will not be



tolerated on Rural Housing properties, and that such action is a material lease violation. All perpetrators will be evicted, while the victim and other household occupants may remain in the unit in accordance with eligibility requirements.

The OWNER may require any lessee or other adult member of the TENANT household occupying the unit (or other adult or non-adult person outside the TENANT household who is using the unit) who commits a drug violation or domestic violence to vacate the leased unit permanently, within timeframes set by the lessor, and not thereafter enter upon the lessor's premises or the lessee unit without the lessor's prior consent as a condition for continued occupancy by members of the TENANT household. The lessor may deny consent for entry unless the person agrees to not commit a drug violation or domestic violence in the future and is either actively participating in a counseling or recovery program, complying with court orders related to a drug violation or domestic violence, or completed a counseling or recovery program.

The lessor may require any lessee to show evidence that any non-adult member of the TENANT household occupying the unit, who committed a drug violation or domestic violence, agrees to not commit a drug violation or domestic violence in the future, and to show evidence that the person is either actively seeking or receiving assistance through a counseling or recovery program, complying with court orders related to a drug violation or domestic violence, completed a counseling or recovery program within time frames specified by the landlord as a condition for continued occupancy in the unit. Should a further drug violation or domestic violence be committed by any non-adult person occupying the unit the lessor may require the person to be severed from tenancy as a condition for continued occupancy by the lessee.

If a person vacating the unit, as a result of the above policies, is one of the lessees, the person shall be severed from the tenancy and the lease shall continue among any other remaining lessees and the lessor. The lessor may also, at lessor's option, permit another adult member of the household to be a lessee.

Should any of the above provisions governing a drug violation be found to violate any of the laws of the land, the remaining enforceable provisions shall remain in effect. The provisions set out above do not supplant any rights of TENANTS afforded by law.

14. The TENANT agrees not to assign this lease, nor to sublet or transfer possession of the premises or any portion thereof; nor to sell or give accommodations to roomers, boarders, or lodgers; not to permit the use of the premises for any other purpose than a private dwelling solely for the TENANT and TENANT household.
15. The TENANT agrees to advise the OWNER of any planned absences from the apartment unit which will exceed two weeks. If TENANT does not personally reside in the unit for a period exceeding 60 consecutive days, for reasons other than health or emergency, TENANT'S net monthly tenant contribution shall be raised to **Note Rent** of\$_____ per month for the period of TENANT'S absence exceeding 60 consecutive days. The TENANT also understands that should any rental assistance be suspended or reassigned to other eligible tenants after this 60 day period, TENANT is not assured that such assistance will be



restored to TENANT upon return. TENANT also understands that if TENANT'S absence continues, that the lessor may take the appropriate steps to terminate TENANT'S tenancy.

16. The TENANT agrees that should the project be sold to a buyer approved by RD, the lease will be transferred to the NEW OWNER.
17. The TENANT understands and agrees that should TENANT abandon the apartment unit, the disposition of any remaining personal property will be disposed of as provided by State Law.
18. The TENANT understands and agrees that should TENANT receive occupancy benefits, such as Rental Assistance, to which they are not entitled due to incorrect information provided by TENANT(S) or on TENANT(S) behalf by others, or for any other household member, TENANT(S) may be required to make restitution and TENANT(S) agree to pay any amount of benefits to which they were not entitled.
19. TENANT certifies that the apartment TENANT(S) will occupy under this agreement will be TENANT(S) permanent residence and that TENANT(S) do not maintain a separate subsidized rental unit in a different location.
20. TENANT agrees to comply with the Occupancy Rules and Regulations which are incorporated herein by reference and made a part of this lease.

S. OWNER AGREEMENTS

1. The OWNER agrees that any TENANT GRIEVANCE OR APPEAL from management's decision shall be resolved in accordance with procedures consistent with RD regulations covering such procedures, which are posted in the rental office.
2. The OWNER agrees to provide heat and light to all enclosed common areas at no cost to TENANT.
3. The OWNER agrees to maintain the buildings and any common areas in a decent, safe, and sanitary condition in accordance with RD regulations and applicable building and housing codes materially affecting health and safety. Failure to maintain the buildings and any common areas in a safe and habitable condition shall constitute a breach of an expressed and implied warranty of habitability. In such an event, TENANT may pursue any action or remedy afforded by law. OWNER'S liability shall be limited under this agreement to damages incurred by TENANT from a material breach of a warranty of habitability.
4. The OWNER agrees to furnish:

<input type="checkbox"/> Refrigerator	<input type="checkbox"/> Range	<input type="checkbox"/> Oven
<input type="checkbox"/> Window Air Conditioner	<input type="checkbox"/> Other _____	

Without additional charge to TENANT. The OWNER shall not be held liable for damages in case of failure to furnish any of the above-listed items during any portion of the term of this lease if prevented from doing so by circumstances beyond the OWNER'S control.



- 5. The OWNER agrees to provide and maintain appropriate receptacles and conveniences for the removal of garbage, ashes, rubbish, and other wastes incidental to the occupancy of the premises and arrange for their removal.
- 6. The OWNER reserves the right to use separate legal process to collect monetary claims for damages if the security deposit is not adequate for damages.
- 7. The OWNER agrees to accept tenant contribution without regard to any other charges owed by the TENANT to the OWNER and to seek legal remedy for the collection of any other charges which may accrue to the OWNER from the TENANT(S).
- 8. In accordance with 7 CFR §3560.2, the OWNER agrees not to discriminate against the TENANT in the provision of services or in any other manner with regard to race, color, religion, familial status, sex, national origin, age, or disability.

T. CONTENTS OF THIS AGREEMENT The TENANT(S) certify that TENANT(S) received a copy of this agreement and understands that these documents incorporated herein by reference and made a part of this lease. TENANT(S) acknowledges the receipt of these copies by initialing beside each document provided. The copies received should be maintained by the TENANT(S) in a safe place for future reference.

_____ Date copies received by TENANT(S)

TENANT/CO-TENANT

- _____/_____ 1. Lease Attachment – Partial Month’s Lease Agreement
- _____/_____ 2. Form RD 3560-8 “Tenant Certification” or appropriate equivalent HUD document
- _____/_____ 3. Inspection Report – Move-In/Move-Out
- _____/_____ 4. Occupancy Rules and Regulations
- _____/_____ 5. Pet Agreement and Policies (for Elderly/Disabled)
- _____/_____ 6. Lease Attachment – Restoration Agreement (if applicable)
- _____/_____ 7. Lease Attachment – Congregate Services
- _____/_____ 8. A copy of the Tenant Grievance Policy
- _____/_____ 9. A copy of this LEASE signed by all parties

This LEASE evidences the entire agreement between the parties herein and no modification thereof shall be made except in writing.

BY _____ BY _____
 OWNER/MANAGER/AGENT TENANT

DATE _____ BY _____
 TENANT



This project financed by U.S. Department of Agriculture is subject to the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the American's with Disabilities Act.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov.

This institution is an equal opportunity provider.

