

MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

ADDENDUM TO LEASE

This ADDENDUM is hereby incorporated into and hereafter is a part of the Lease by and between Tenant and Owner for rental unit #_____ (the “**Rental Unit**”) located at _____.

WHEREAS, the Rental Unit is a part of a rental housing project (the “**Project**”) that was financed with one or more loans from the Department of Housing and Community Development, a principal department of the State of Maryland and/or the Community Development Administration, a unit of the Division of Development Finance of the Department of Housing and Community Development (each separately and collectively, the “**Department**”); and

WHEREAS, as a condition of making the loan(s), the Department requires the owner of the Project (the “**Owner**”) to provide rental housing to households of limited incomes and otherwise comply with the terms, requirements and restrictions contained in one or more Regulatory Agreements, Declaration of Restrictive Covenants and/or Low-Income Housing Tax Credit Covenants, and certain other documents executed between the Owner and the Department in connection with the loan(s) (collectively, the “**Department Documents**”, as each may be amended and modified from time to time); and

WHEREAS, as a condition of making the loan(s), the Department requires any management agent of Owner¹ to agree to comply with the requirements of the Department Documents in their management of the Project; and

WHEREAS, the Tenant may be required to have an annual income which does not exceed certain income limits established by the Department, in order to be eligible to occupy the Rental Unit;

NOW, THEREFORE, it is hereby agreed and understood by the Tenant and the Owner that the following conditions apply to this Lease:

Affordability Compliance Provision. The Tenant is required to provide to the Owner, at the time of application and once a year thereafter, information necessary for the completion of the Department’s Form Owner’s Certificate of Continuing Program Compliance, or its equivalent, acceptable to the Department. This form requires the tenant to certify each year, information about Tenants current income and household composition, and to provide documentation acceptable to the Department to support the information provided to the Owner as to income and household composition.

Prohibited Lease Provision. Any provision of the Lease which falls within the classifications below shall not apply and not be enforced by the Owner:

(1) *Fees, Costs and Charges as Rent or Additional Rent.* Agreement by Tenant that fees, costs, charges, or expenses, or any amounts other than the agreed upon recurring periodic sum owed by the Tenant for occupancy of the Rental Unit, are included in or treated as “rent” or “additional rent”.

(2) *Application of Payments.* Agreement by Tenant that Owner may apply payments from the Tenant in any manner or order as the Owner chooses, without regard to whether the Tenant directs the

¹ All references to Owner in this Addendum shall include the “Landlord” identified in the Lease, if other than the Owner, and legal agents of the Owner.

payment to be used towards a specific purpose.

(3) *Inconsistent with Department Documents or Applicable Law.* Any provision contained in the Lease which, as written or when applied, is inconsistent with or fails to comply with applicable State and local law or the terms, conditions and provisions of the Department Documents.

It is understood and agreed that in the event of any inconsistency between the terms, conditions, and provisions of the Lease and this Lease Addendum, the Lease Addendum shall control and prevail over the inconsistent or conflicting term, condition or provision of the Lease.

By signing below, Owner and Tenant each acknowledges that it has read, understands, and agrees to the foregoing.

TENANT:

Date

Signature: _____

Printed Name: _____

TENANT:

Date

Signature: _____

Printed Name: _____

OWNER/MANAGING AGENT:

Date

Signature: _____

Printed Name: _____