



Low Income Housing Tax Credit Lease Addendum

This addendum is agreed to and shall be made a part of the lease agreement between _____
(Owner or Agent) and _____
(Tenant) for the premises located at _____.

The terms of this Lease Addendum shall be effective on _____ and will expire on
_____. The monthly rental amount effective on the above-mentioned date will be
\$_____.

Recitals

Whereas, Owner and Tenant acknowledge that the Premises is subject to the rules and regulations of the Federal Low Income Housing Tax Credit Program as set forth in Section 42 of the Internal Revenue Code (the “Program”) and as administered by the South Carolina Housing Finance Agency (the “Agency”);

Whereas, the Program provides for a specific maximum monthly rent that maybe charged for the Premises, which amount is subject to an annual adjustment based on changes in area median incomes and/or utility allowances, as determined by the United States Department of Housing and Urban Development;

Whereas, the Program requires the Premises be leased to “Qualified Households,” as defined by Section 42 of the Internal Revenue Code, that may not exceed certain income limitations and are subject to household composition and student status requirements;

Whereas, Owner and Tenant agree to and are required to comply with all Program requirements as interpreted and enforced by the Agency; and

Whereas, Owner and Tenant each receive material benefits from participation in the Program.

Terms and Addendum

Now, therefore, in consideration of the foregoing, Owner and Tenant agree as follows:

1. **Tenant Protections.** Owners acknowledges and agrees that the Lease is subject to the provisions of Section 42 of the Internal Revenue Code and South Carolina Law, including, without limitation, the Fair Housing Act, the Violence Against Women Act, and the South Carolina Landlord Tenant Act, all as may be amended from time to time.
2. **Termination or Nonrenewal of Lease.** Owner may not terminate the tenancy or refuse to renew the Lease or rental agreement of Tenant except for good cause, which includes, but is not limited to, serious or repeated violations of the material terms and conditions of the Lease or house rules, or a violation of applicable federal, state, or local law. In addition to any provision of South Carolina

Law governing the eviction of a tenant, Owner must take the following actions before terminating or refusing to renew the Lease.

- a. **Minor Violations.** Prior to terminating or refusing to renew the Lease for a Minor Violation, which shall include those violations not related to health, safety, criminal activity, actions by the Tenant creating a hostile environment for other tenants of the Owner, inflicting damage to the Premises or property of Owner, or Program eligibility issues caused by Tenant's misrepresentation or failure to provide required information the Owner must first deliver written notice to the Tenant supplying sufficient details of the violation to adequately inform Tenant of its scope and provide a reasonable period of time, but in no case less than thirty (30) days from the date notice delivered, for the Tenant to cure the violation. The provisions in this section are intended to be in addition to any termination procedures provided for by South Carolina Law.
 - b. **Serious Violations.** Owner is not required to provide a cure period or any additional notice, other than what is required by South Carolina Law, prior to terminating or refusing to renew the Lease if Tenant has committed a Serious Violation, which shall include those violations related to: failure to maintain all utility accounts for which the Tenant is responsible for payment for the entire time of possession, nonpayment of rent, late fees, and other lease charges, health, safety, criminal activity, actions of the Tenant that create a hostile environment for others, damage to the Premises or property of Owner, and Program eligibility issues caused by Tenant's failure to provide complete, true and accurate information necessary to certify Program eligibility or report changes in status as set required by the terms of this Addendum.
3. **Occupancy of Premises.** Tenant must reside in the Premises and the Premises must be the Tenant's sole place of residence. Tenant shall use the Premises exclusively as a private dwelling for himself/herself and those individuals listed on the Lease. Tenant agrees not to allow others to occupy the Premises until and unless the Owner has approved such occupancy in writing. Tenant agrees not to sublet or assign the Premises or any portion thereof or to allow any roomer or boarders to occupy the Premises for any period of time.
 4. **Need Based Relocation.** If the Premises contains accessibility features and those features are not needed by Tenant to address a substantial need of the Tenant, Tenant agrees, upon reasonable notice and at no cost to the Tenant, to relocate to another comparable premises made available by Owner should another Tenant need a unit with accessibility.
 5. **Income Eligibility and Certification.** Upon request from Owner and at least on an annual basis, Tenant and any occupant of the Premises over the age of 18 agree to promptly supply complete, true and accurate information related to household composition, student status, annual income, and to otherwise fully cooperate in the Program certification and recertification process. Tenants eligible for a 50% unit designation and reduced rent agree to promptly notify owner of any income change that no longer meets the eligibility of the reduced rent and will be subject to change to 60% unit designation and pay the higher rent.

6. **Student Eligibility.** A household is ineligible to participate in the LIHTC Program if all members of the household are full-time students for five (5) or more months during a calendar year, regardless of whether they are consecutive months, unless one of the following exceptions is met:
- A. The head of household is a single parent with child(ren) and the parent is not a dependent of anyone else and the child(ren) is/are not dependent(s) of someone other than a parent.
 - B. At least one member of the household was previously under foster care
 - C. At least one member of the household receives assistance under Title IV of the Social Security Act, i.e. TANF payments.
 - D. All members of the household are married and eligible to file a joint federal tax return
 - E. At least one member of the household is currently enrolled in a job-training program that receives assistance under the Job Training Partnerships Act (JTPA) or is funded by a state or local public agency.

If at any time Tenant's household is ineligible to participate in the LIHTC Program by virtue of this prohibition on full-time students, it will constitute good cause to terminate this Lease Agreement. Tenant shall notify Landlord immediately of any change in student status of any member of Resident's household.

7. **Tenant Obligation to Report Changes.** Tenant agrees to promptly notify owner of change in number of persons residing within the Premises, or the enrollment of any member of the household as a full-time student.
8. **Inspection.** In addition to any right of entry of inspection set forth in the Lease, Owner shall have the right to periodically inspect the Premises and permit representatives of any entity with a regulatory interest in the Premises to enter and inspect the Premises without interference. Owner shall provide at least 24 hours' notice to Tenant for such regulatory inspections.
9. **Conflict.** In the event of a conflict between the terms of the Lease and the terms of the Addendum, the terms of the Addendum shall control with the exception of any Lease term or addendum that is required by an Agency or Department of the United States of America.

Notwithstanding the foregoing, to the extent any provisions contained in this LIHTC Lease Addendum conflict with (i) HUD PIH Notice 2012-32, REV-2 published on June 15, 2015 (the "RAD Notice"), (ii) the RAD Statute, as that term is defined in the RAD Notice, or (iii) the "Lease Addendum – RAD Required Provisions" (the RAD Notice, RAD Statute, and "Lease Addendum – RAD Required Provisions", collectively, the "HUD Requirements"), the HUD Requirements shall control. Further, notwithstanding any provisions to the contrary, any provisions in this LIHTC Lease Addendum related to lease termination, resident ineligibility determinations, or eviction are expressly subject to the RAD Lease Rider (PBV). Lessor shall be prohibited from taking any coercive action to remove Lessee in the event this LIHTC Lease Addendum is violated.



This Addendum has been executed by the Tenant and a duly authorized representative of the Owner.

TENANT(S):

Head of Household

Date

Signature

Date

Signature

Date

Signature

Date

LANDLORD:

Landlord Signature

Date