

**MASSACHUSETTS RENTAL VOUCHER PROGRAM (MRVP)
VOUCHER PAYMENT CONTRACT**

This Voucher Payment Contract ("Contract") is entered into between _____
(AA) and _____ (Owner).

1. PURPOSE

By entering into this Contract, the Owner agrees to provide decent, safe, and sanitary housing to a program eligible Participant ("Tenant"), and the AA agrees to pay the Owner a subsidy on behalf of the program eligible Participant.

2. CONTRACT UNIT(S) & TERM OF CONTRACT

The Massachusetts Rental Voucher Program (MRVP) has two components, Mobile and Project Based. This Contract applies to the following unit(s) (*check appropriate box and insert applicable information*):

a. **Mobile Component**

Apartment Number: _____
_____, MA

- i. The Tenant, _____, has been issued a Mobile Voucher by the AA. At the end of a tenancy, the Tenant may relocate to a new unit. Once the Tenant vacates the Contract Unit described herein, the AA will terminate Voucher Payments to the Owner. The AA is under no obligation to provide a replacement tenant to the Owner.
- ii. The term of this Contract shall begin on _____ and end on _____ (*insert Lease dates*).
- iii. If the Lease is terminated, this Contract shall also terminate.
- iv. Unless the Owner or the Tenant provide the other party and the AA with at least sixty (60) days advance written notice prior to the anniversary date of this Contract, said Contract shall be automatically extended, upon the same terms and conditions, unless otherwise terminated in accordance with the terms of this Contract.

b. **Project Based Component**

- i. The AA is providing Project Based rental assistance to specific Contract Units at the Owner's property _____.
- ii. The Contract Units are listed in **Appendix A** which is attached hereto and incorporated by reference into this Contract. Project Based rental assistance is assigned to the Contract Unit(s), not the Tenants. Provided the Owner is in compliance with the terms of this contract, when a Tenant vacates a Project Based Contract Unit, rental assistance will remain available for the next eligible program Applicant selected in accordance with any applicable tenant selection plan.

- iii. This Contract is effective _____. The term of this Contract shall be for _____ years (*no more than fifteen years*).
- iv. Upon expiration of the initial term of the Contract, provided the Owner is in compliance with all terms and conditions of the Contract, the Owner and AA may agree to extend the term of the Contract at additional five year intervals.
- v. The sale of the Owner's property or termination or transfer of this Contract requires review pursuant to M.G.L. Chapter 40T.

3. LEASE

- a. For both Mobile and Project Based Units, the Owner shall enter into a Lease for the Contract Unit for a minimum term of one (1) year, unless otherwise authorized by DHCD. The MRVP Lease Addendum shall be attached to the Lease. The Lease will be signed only by the Owner and the Tenant of the Contract Unit. The Lease shall not disclaim or modify any of the Owner's legal obligations or provide for indemnification by the Tenant on account of breach of the Owner's legal obligation(s).

4. VOUCHER PAYMENTS

- a. Voucher Payments shall be paid by the AA directly to the Owner. Payments shall be made only for a program-eligible Tenant during the actual period of occupancy in the Contract Unit. In no event shall payments be made by the AA pursuant to this program for vacancy losses, damage claims, Tenant's share of rent arrearage, or any other fee or charge owed by the Tenant.
- b. The Owner shall not charge program-eligible tenants more rent than non-subsidized, market-rate tenants occupying comparable units in the same development.
- c. The AA shall pay to the Owner the approved Voucher Payment on behalf of each program-eligible Tenant and the balance of the Contract Rent, or the total rent charged by the Owner, shall be paid to the Owner by the Tenant. Voucher Payments paid by the AA to the Owner are subject to change in accordance with DHCD regulations and other requirements. If the Voucher Payment changes, the AA shall inform the Owner and the affected Tenant in writing.
- d. Acceptance of the Voucher Payment by the Owner shall be conclusive evidence that the Owner has received the full amount of Voucher Payment for the month, on behalf of the affected Tenant, and shall be the Owner's certification that:
 - i. The Contract Unit is decent, safe, and sanitary in accordance with Article II of the State Sanitary Code, and other applicable laws, and the Owner is providing all the services, maintenance, and utilities which the Lease and/or this Contract require.
 - ii. The Contract Unit is leased to the Tenant named in the Lease.
 - iii. The amount of the monthly Voucher Payment to the Owner is not more than the monthly Contract Rent set in the Lease or subsequent revisions.
 - iv. The Owner is not charging rent in excess of the approved Contract Rent.
 - v. The Tenant and AA do not own, or have any financial interest in the Contract Unit.

- vi. The Owner will not receive, with respect to any Contract Unit during the term of this Contract, payment from any other rental assistance program.
- vii. To the best of the Owner's knowledge, each Tenant Household occupies the Contract Unit as their sole residence. This also means that the Owner must immediately notify the AA if any Tenant vacates the Contract Unit for any reason.

5. MAINTENANCE, OPERATION, AND INSPECTION

- a. The Owner shall maintain and operate the Contract Unit(s) and related facilities in accordance with Article II of the State Sanitary Code, and agrees to provide all the services, maintenance, and utilities as agreed to in the Lease and/or this Contract.
- b. DHCD shall have the right to conduct audit inspections of the Contract Unit(s) and related facilities to assure that each unit is in decent, safe, and sanitary condition, and that the Owner is providing all the services, maintenance, and utilities which the Lease(s) and/or this Contract require.
- c. Before receiving Voucher Payments for any Contract Unit, the Owner shall provide the AA certification by the local Board of Health or other local code enforcement entity or other certified inspection such as an inspector qualified to complete HQS inspections that the premises are in compliance with the minimum standards of fitness for human habitation set forth in the State Sanitary Code. Additionally, if children under the age of six (6) will be residing in the Contract Unit, the Owner shall provide certification from a Certified Lead Inspector that the Contract Unit(s) and premises are free of lead-paint hazards or verification that the entire building was built after 1978.
- d. If the AA receives notice from the local Board of Health or other local code enforcement entity or other certified inspector such as an inspector qualified to make HQS inspections that a Contract Unit occupied by a program eligible Tenant does not comply with the State Sanitary Code or applicable lead paint laws, and the violations remain beyond the time prescribed for repair by the local code enforcement entity, the AA shall terminate Voucher Payments to the Owner for the affected unit.

6. AA RESPONSIBILITIES

- a. The AA shall certify that each Tenant of a Contract Unit is eligible for participation in MRVP at least annually and more often as necessary in accordance with DHCD regulations and other requirements.
- b. The AA shall make monthly Voucher Payments to the Owner on behalf of program-eligible Tenant(s) on or about the first of each month. Both Mobile and Project Based Voucher Payments will be made in accordance with a formula established by DHCD regulations or by applicable law.
- c. The AA shall terminate a Tenant's participation in MRVP at any time the Tenant fails to fulfill any responsibility specified in the executed Voucher document or at such time as the Tenant is no longer eligible for program participation in accordance with DHCD regulations and other requirements.

- d. The AA shall terminate Voucher Payments to the Owner made on behalf of a Tenant on the date the Tenant vacates a Contract Unit, becomes ineligible, or is terminated from MRVP.
- e. The AA shall terminate Voucher Payments to the Owner made on behalf of a Tenant at such time as the AA has determined that the Owner has failed to fulfill any obligation specified in this Contract, including but not limited to:
 - i. Failing to maintain the unit in compliance with Article II of the State Sanitary Code, State Building Code, or other applicable law; or
 - ii. Requesting or accepting payments for use and occupancy of the Contract Unit from the Tenant in excess of the amount approved by the AA.

7. AA AND DHCD ACCESS TO PREMISES AND OWNER'S RECORDS

- a. The Owner shall provide any information pertinent to this Contract which the AA or DHCD may reasonably require for any purpose, including compliance reviews and complaint investigations.
- b. The Owner shall permit the AA or DHCD or any of their authorized representatives to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner to the extent necessary to determine compliance with this Contract, including the verification of information pertinent to the Voucher Payments.
- c. The Owner shall inform the AA of any changes to the affordability restrictions of the Contract Unit(s).

8. RIGHT OF AA IF OWNER BREACHES THE CONTRACT

- a. Any of the following shall constitute a breach of this Contract:
 - i. If the Owner has violated any obligation under this Contract;
 - ii. If any of the Owner's certifications set out in Paragraph 4(d) are false when made (including but not limited to the date on which the Voucher Payment was accepted); or
 - iii. If the Owner has committed any fraud or made any materially false statement to the AA or DHCD in connection with this Contract, or has committed fraud in connection with any other housing assistance program.
- b. If the AA shall have determined that a breach has occurred, the AA shall notify the Owner in writing of such determination, including a brief statement of the reasons for the determination. The notice by the AA to the Owner may require the Owner to take corrective action (to be verified by the AA) by a time prescribed in the notice. The AA's rights and remedies for breach of this Contract include recovery of overpayments, termination of Voucher Payments, termination of this Contract, appropriate injunctive relief, damages (if appropriate), and all other legally available relief.
- c. Any termination or reduction of Voucher Payments, or termination of this Contract by the AA in accordance with this Contract, shall be effective at the time specified in a written notice by the AA to the Owner.

- d. The AA's exercise or non-exercise of any remedy on account of the Owner's breach of this Contract shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

9. AA RELATION TO THIRD PARTIES

- a. The AA does not assume any responsibility for, or liability to, any person injured as a result of the Owner's action or failure to act in connection with the implementation of this Contract, or as a result of any other action or failure to act by the Owner.
- b. The Owner is not the agent of the AA, and this Contract does not create any relationship between the AA and any lender to the Owner or any suppliers, employees, contractors or subcontractors used by the Owner in connection with implementation of this Contract.
- c. Except as otherwise specifically provided, nothing in this Contract shall be construed as creating any right of a Tenant or other third party (other than DHCD) to enforce its terms.

10. TRANSFER OF THE CONTRACT

The Owner shall notify the AA when a change in ownership occurs. Change in ownership shall obligate the new owner as "Owner" under this contract.

11. FUNDING AVAILABILITY

All rental assistance funds for MRVP are subject to appropriation by the Massachusetts Legislature, and the release of such funds by the Executive Office of Administration and Finance.

12. RENT ADJUSTMENTS

- a. The Owner may request an increase in the Contract Rent no more than once in any 12 month period, with the following limitations:
 - i. Mobile: The Contract Rent cannot be increased in the first year of the Lease; or
 - ii. Project Based: The Contract Rent cannot be increased in the first year of the initial Contract for the property.
- b. Owner shall submit a Rent Reasonableness Certification or other form provided by the AA to the AA. The AA shall complete the certification form and determine if the requested increase is reasonable and approve or deny the Contract Rent increase.
- c. Requested Contract Rents must be reasonable in comparison to similar unassisted units in the local private market.
- d. The property and units must be maintained in good condition and be in compliance with all applicable code requirements. DHCD and the AA reserve the right to conduct annual inspections.
- e. PROJECT BASED COMPONENT ONLY: The maximum allowable increase will be based on the Operating Cost Adjustment Factors (OCAFs), which are established annually by the federal Department of Housing and Urban Development (HUD), unless otherwise specified by funding sources.

13. ENTIRE AGREEMENT: INTERPRETATION

- a. This Contract contains the entire agreement between the Owner and the AA. No changes in this Contract shall be made except in writing signed by both the Owner and the AA.
- b. This Contract shall be interpreted and implemented in accordance with the laws of the Commonwealth of Massachusetts.

Signed under the pains and penalties of perjury.

Signatures:

ADMINISTERING AGENCY

OWNER

Name of AA

Name of Owner

Signature

Signature

Name of Signatory

Name of Signatory

Title of Signatory

Title of Signatory

Date

Date