**NOTICE: AFFORDABLE RENT RESTRICTIONS AT THIS PROPERTY ARE SCHEDULED TO EXPIRE IN THREE YEARS**

**You are being provided advance notice as required by state law.**

**(Government Code 65863.10)**

***[Use Owner’s business letterhead.]***

Date

Dear Current or Prospective Resident,

# RE: **IMPORTANT INFORMATION ABOUT YOUR RENT AND HOUSING**

The owner of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***[insert name of assisted housing development]*** (Owner) is providing you with this notice, as required by state law ([Government Code Section 65863.10](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&sectionNum=65863.10), subdivision (e)(2)), that, in **three** **years**, the rules that keep your rent affordable may no longer apply. These rules are part of the following program.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***[Enter program information here.]*** *Low Income Housing Tax Credit Program (Section 42 of Internal Revenue Code).

Section 142 (d) of the Internal Revenue Code (tax-exempt private activity mortgage revenue bonds).

Section 147 of the Internal Revenue Code (Section 501(c)(3) Non-Profit bonds).

HOME funding rental restrictions.

CDBG funding rental restrictions.

Homeless programs under Title IV and V of the McKinney-Vento Homeless Assistance Act.

Grants and loans made by the California Department of Housing and Community Development (HCD).

California low income housing tax credit program (Chapter 1138 of the Statutes of 1987).

Loans or grants provided using tax increment financing pursuant to the Community Redevelopment Law (California Health and Safety Code Division 24, Part I, Section 33000).

Local housing trust funds (California Health and Safety Code Section 50843 (a)(3)).

The sale or lease of public property at or below market rates.

Local land use incentives such as inclusionary zoning, parking variances and density bonuses pursuant to Chapter 4.3, Section 65915.

The Below-Market-Interest-Rate Program under Section 221(d)(3) of the National Housing Act (12 U.S.C. Sec. 1715 I(d)(3) and (5).

Section 236 of the National Housing Act (12 U.S.C. Sec. 1715z-1).

Section 202 of the Housing Act of 1959 (12 U.S.C. Sec. 1701q).

Programs for rent supplement assistance under Section 101 of the Housing and Urban Development Act of 1965, as amended (12 U.S.C. Sec. 1701s).

Programs under Sections 514,515,516,533, and 538 of the Housing Act of 1949, as
amended (42 U.S.C. Sec. 1485).

Chapter 1138 of the Statutes of 1987.

Project-Based Section 8 Vouchers.

Other:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

Currently, this program keeps the rent on your current unit, or the unit you are applying for, at a more affordable level. The Owner’s contract to participate in this program ends on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ***[insert date of expiration]***.At that time,the Owner may choose to:

* end participation in the above program on that date;
* renew the requirements to keep the property affordable; or
* transfer the property to an affordable housing provider.

If the Owner ends their participation in the above program, or the contract expires, the amount of rent you pay, and the rent limits on your unit, could increase.

You may have options to keep your unit affordable. If you would like assistance understanding your rights and options, contact one of the organizations listed on the attached “Tenant Resources” page.

## Current Residents:

***You should not immediately move or agree to move.*** This notice is simply to inform you of possible changes three years from now. State law requires that you receive two more notices, similar to this one, at least twelve months, and at least six months, before \_\_\_\_\_\_\_\_\_ ***[insert date of expiration]***with information about how much your rent might change, and when. ***Changes to your rent from the termination or expiration of the rental restrictions will not occur before*** \_\_\_\_\_\_\_\_ ***[insert date of expiration]***. Before that date, other rent increases may occur under the existing rules for this property.

## Prospective Residents:

The requirements to keep the rent affordable that currently apply to this property are set to expire on \_\_\_\_\_\_\_\_ ***[insert date of expiration]***. If the Owner or property manager determines that you are eligible, you can still move into this property. However, the Owner is required to notify you about a rent increase that could occur in the future when this expiration occurs. If you become a resident of this property, state law requires that you receive two more notices, similar to this one, at least twelve months, and at least six months, before \_\_\_\_\_\_\_\_ ***[insert date of expiration]*** with information about how much your rent might change, and when.

## If you need more information or assistance:

This notice is informational only, and you are not required to take any action at this time. If you want to contact organizations that can advise and assist you, these organizations are included in the attached information, titled “Tenant Resources.” The organizations listed in “Tenant Resources” have also received this notice. You should consider all of your options before you take any action.

If the Owner decides to sell the property, state law also requires the owner to notify certain qualified entities (including a tenant organization) that have indicated an interest in purchasing the property and keeping rents affordable.

If you have any questions about this notice, the Owner or agent can be contacted at \_\_\_\_\_\_\_\_\_\_\_***[insert Owner/agent contact names, addresses, telephone and fax numbers].***

Sincerely,

***[Insert name of owner or agent.]***

Enclosures: Tenant Resources

cc: Mayor or Board of Supervisors for City or County
Local Housing Authority Director
California Department of Housing and Community Development
Division of Housing Policy Development

Attention: PRESERVATION
Via email at Preservation@hcd.ca.gov
2020 W. El Camino Ave, Suite 500
Sacramento, CA 95833
HUD Field Office
Legal Aid