



U.S. Department of Housing and Urban Development
Office of Housing

SPECIAL ATTENTION OF:

Hub and Program Center
Director; Project Manager;
PBCAs; Owner; and Management
Agents

TRANSMITTAL

**Section 8 Renewal Policy
Guide Book**

Issued: 04/13/09

1. **This Transmits.** Page changes to the Section 8 Renewal Policy Guide Book dated 1/15/08 (revised as of 12/12/06). These changes are effective immediately.
2. **Explanation of Changes.** All page changes have light grey shading to denote what has changed on the page unless a section was completely removed. Furthermore, if a complete chapter has been revised there will be no light grey shading.
 - a. Chapter 4, Option Two Contract Renewals for Other Projects with Current Rents At or Below Comparable Market Rents, has been updated. The revision includes two major changes:
 - Permits increased distributions to for-profit owners that have or are willing to enter into long term Section 8 contracts.
 - Directs the Owner to use the project's current debt service when preparing a budget based rent increase.
 - b. The opening paragraph of Chapter 14, RHS Section 515/8, is revised to clarify that RHS projects are not eligible for a debt restructuring under MAHRA.
 - c. Attachment 2, Glossary of Terms, has been updated.
 - d. Four new forms are being added to the Guide. The four collateral assignment forms have been revised to require signature by HUD rather than by HUD or the PHA CA. These forms are to be used verbatim, i.e., without any alteration of any kind to the language or form.

