

ASSUMPTION OF HOUSING CHOICE RENTAL ASSISTANCE AGREEMENT

THIS ASSUMPTION OF HOUSING CHOICE RENTAL ASSISTANCE AGREEMENT (“Assumption Agreement”) is made and entered as of the Effective Date (as such term is defined in Section 9 below) by _____, a _____ (“Transferee”).

BACKGROUND STATEMENT

The Housing Authority of the City of Atlanta, Georgia (“AHA”) and _____, a _____ (“Transferor”) entered into a Housing Choice Rental Agreement dated _____ (“HCRA Agreement”) for the residential rental unit more particularly described on Exhibit A attached hereto (“HCRA Unit”). AHA enters into HCRA Agreements with owners to promote and support the leasing of quality affordable housing to eligible households under AHA’s Housing Choice Tenant Based Voucher Program (“Program”), which is administered in accordance with the policies and procedures developed and implemented by AHA pursuant to AHA’s Statement of Corporate Policies and 24 CFR Part 982, as modified by AHA’s MTW Agreement.

Transferee purchased the HCRA Unit (including all rights and interests related thereto) from Transferor as of _____, 20____, as reflected in the copies of the recorded deed and settlement statement attached hereto as Exhibit B.

Notwithstanding the diligent efforts of Transferee, Transferee has not been able to cause Transferor to execute AHA’s standard Assignment and Assumption of Housing Choice Rental Assistance Agreement.

Transferee desires to enter into this Assumption Agreement with the expectation that, from and after the Effective Date, AHA shall make HCRA Payments to Transferee provided that Transferee operates and maintains the HCRA Unit in accordance with the terms and conditions set forth in the HCRA Agreement.

NOW THEREFORE, for and in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged, Transferee hereby agrees as follows:

1. Capitalized Terms. Capitalized terms used but not defined herein shall have the meanings for such terms that are set forth in the HCRA Agreement.

2. Assumption; Administration of HCRA Payments. Transferee hereby assumes and agrees to observe and perform all of the duties, obligations, terms, provisions, and covenants set forth in the HCRA Agreement. Transferee acknowledges and agrees that, promptly after the Effective Date, AHA shall suspend further HCRA Payments to Transferor. Provided that the Effective Date occurs prior to the 20th day of the calendar month, AHA shall commence making HCRA Payments to Transferee, subject to the terms and conditions of the HCRA Agreement, in the following calendar month. Transferee acknowledges and agrees that, even if Transferee shall have acquired the HCRA Unit prior to the Effective Date, AHA shall have no responsibility whatsoever for recovering or redirecting HCRA Payments made to Transferor or any other party prior to the Effective Date.

3. Representations and Warranties of Transferee. Transferee represents and warrants to Transferor and AHA:

(a) that Transferee purchased or otherwise acquired the HCRA Unit from Transferor and presently is the owner of, all right, title, and interest of Transferor in, to, and under (i) the HCRA Agreement and (ii) the HCRA Payments;

(b) that Transferee has the full power and authority to enter into this Assumption Agreement;

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(c) that Transferee has not been debarred, suspended, or subject to a limited denial of participation under 24 CFR Part 24, nor has Transferee been listed on the U.S. General Services Administration list of parties excluded from Federal procurement or non-procurement programs;

(d) that no member of the household occupying the HCRA Unit is a spouse, parent, child, grandparent, grandchild, sister, or brother of Transferee (including any Principal or Interested Party of Transferee or Transferee's management agent); and

(e) that Transferee has obtained from the household occupying the HCRA Unit a signed acknowledgment form substantially in the form attached hereto as Exhibit C.

4. Indemnification of AHA. Transferee hereby agrees to indemnify, defend, and hold harmless AHA, its Board of Commissioners, officers, employees, and agents from, against, and with respect to any claim, liability, obligation, loss, damage, assessment, judgment, cost or expense (including without limitation, reasonable attorneys' fees and costs and expenses actually incurred in investigating, preparing, defending against or prosecuting any litigation or claim), action, suit, proceeding or demand, of any kind or character arising out of or in any manner relating to the breach of any representations and warranties contained in this Assumption Agreement or any failure of Transferee to perform, fulfill, or discharge any of the liabilities and obligations assumed by Transferee under this Assumption Agreement.

5. Further Actions. Transferee covenants and agrees, at its own expense, to execute and deliver, at the request AHA, such further instruments of assignment or assumption, and to take such other action, as AHA may reasonably request to more effectively consummate the transactions contemplated by this Assumption Agreement.

6. AHA's Rights Under this Assumption Agreement. Transferee agrees that AHA shall have the right to rely upon the representations and warranties contained herein and to enforce the terms and conditions hereof as it deems appropriate.

7. Governing Law. This Assumption Agreement shall be governed in all respects, including validity, interpretation, and effect, by the laws of the State of Georgia.

8. Counterparts. This Assumption Agreement may be executed in one or more counterparts, including by means of an Electronic Signature, all of which shall be considered one and the same agreement.

9. Effective Date. This Assumption Agreement shall become effective upon the date of AHA's execution of the attached Consent to Assumption ("Effective Date"). AHA shall execute such Consent to Assumption only after AHA has verified that all of AHA's changes of ownership requirements under the Program, which can be found at http://atlantahousing.org/for_landlords.php#forms, have been satisfied by Transferee.

[Signatures are on the following pages]

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IN WITNESS WHEREOF, Transferee has caused this Assumption Agreement to be executed as of the Effective Date.

TRANSFEEE:

By: _____

Printed Name: _____

Title: _____

Date of Signature: _____

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CONSENT TO ASSUMPTION

The Housing Authority of the City of Atlanta, Georgia hereby consents to the assumption by Transferee of the duties, obligations, terms, provisions, and covenants set forth in the HCRA Agreement based upon the representations, warranties, and covenants of Transferee contained in the foregoing Assumption Agreement. From and after the Effective Date, the HCRA Agreement shall continue in full force and effect with Transferee substituted as a party thereto in place of Transferor. Landlord's consent to such assumption shall not be construed as (a) AHA's consent to any subsequent assumption, assignment, or transfer of the HCRA Agreements or the right to receive HCRA Payments thereunder, (b) a waiver of any of the terms or conditions of the HCRA Agreements, or (c) any release of Transferor from any of Transferor's obligations under the HCRA Agreements or the HCRA Lease Addendum for each of the HCRA Units arising prior to the Effective Date.

THE HOUSING AUTHORITY OF THE CITY OF
ATLANTA, GEORGIA

By: _____

Printed Name: _____

Title: _____

Effective Date: _____

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EXHIBIT B

RECORDED DEED(S) AND SETTLEMENT STATEMENT(S)

[please attach]

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EXHIBIT C

FORM OF TENANT ACKNOWLEDGMENT

[see attached]

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TENANT ACKNOWLEDGMENT OF CHANGE OF OWNERSHIP

SECTION 1 – FORMER OWNER/LEASE INFORMATION

Name of Former Owner: _____
Address of Former Owner: _____
Property Name: _____
Housing Unit Address: _____
Date of Lease: _____
Date of Lease Addendum: _____

SECTION 2 – HOUSING UNIT INFORMATION

New Owner Name: _____
New Owner Address: _____
Management Agent Name: _____
Management Agent Address: _____
Phone Number for Repairs: _____
Address for Rental Payments: _____
Effective Date: _____

SECTION 3 – ACKNOWLEDGMENT

The undersigned Head of Household member, acknowledges that: (a) the “New Owner” named in Section 2 purchased or acquired the housing unit covered by the lease described in Section 1 (the “Lease”); (b) commencing on the Effective Date described in Section 2, rental payments under the Lease shall be made to the address for rental payments described in Section 2; and (c) commencing on the Effective Date, the phone number described in Section 2 shall be used for repairs and other maintenance calls for the housing unit.

Signature

Printed Name

Date

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