

This Bridges Contract ("Contract") is entered into

between _____ (Housing Agency), a housing and redevelopment authority as defined in Minnesota Statutes, and _____ (the Owner or an authorized representative). The purpose of this Contract is to assist the person(s) ("Household") identified in Section 1(A) to lease a decent, safe, and sanitary rental unit ("Dwelling Unit") from the Owner. The Housing Agency will make a monthly housing subsidy payment to the Owner on behalf of the Household in accordance with this Contract, with funds made available by the State of Minnesota, through the Bridges Program of the Minnesota Housing Finance Agency.

1. HOUSEHOLD, DWELLING UNIT, AND LEASE.

(A). This Contract applies only to the following Household:

for the Dwelling Unit located at (address, unit number, city, state, zip code):

(B). The Owner will lease the Dwelling Unit to the Household. The lease executed by the Household and the Owner will be in the form approved by the Housing Agency. No changes may be made in the lease unless approved in writing by the Housing Agency.

2. TERM OF CONTRACT.

The term of this Contract will begin on _____, 20____ (the first day of the term of the Lease) and will end on the last day of the term of the lease. This Contract will end if the Minnesota Housing Finance Agency determines that available funding is insufficient to support continued assistance. The Housing Agency will provide the Owner with at least 30 days written notice before termination occurs.

3. RENT, HOUSING SUBSIDY PAYMENT.

(A). The total monthly rent payable to the Owner during the term of this Contract is \$_____. The amount of the total monthly rent is set out in provisions of the lease and may not be increased during the term of the lease.

(B). The portion of the total monthly rent payable by the Household will be an amount determined by the Housing Agency in accordance with Bridges Program requirements.

This amount is the maximum amount the Owner can require the household to pay for rent of the Dwelling Unit, including all services, maintenance and utilities to be provided by the Owner in accordance with the Lease. The amount of the Household rent is subject to change during the term of the Contract. Any changes in the amount of the Household rent will be effective on the date stated in a notification by the Housing Agency to the Household and the Owner.

Initially and until such change, the Household will pay \$_____ per month to the Owner as the Household rent.

(C). Each month the Housing Agency will make a housing subsidy payment to the Owner on behalf of the Household in accordance with this Contract. The monthly housing subsidy payment will be determined by the Housing Agency. Any change in the amount of the housing subsidy payment will be effective as of the date stated in a notification by the Housing Agency to the Household and the Owner.

Initially and until such change, the amount of the housing subsidy payment will be \$_____ per month. The Housing Agency assumes no obligation for the Household rent, or for payment of any claim by the Owner against the Household. The obligation of the Housing Agency is limited to making housing subsidy payments on behalf of the Household in accordance with this Contract.

- (D). The Housing Agency will make housing subsidy payments to the Owner under this Contract for the period during which the Dwelling Unit is leased and occupied by the Household. If the Household terminates occupancy, the Owner must promptly notify the Housing Agency. The Owner may retain the housing subsidy payment for the month in which the Household vacates, but will receive no subsequent housing subsidy payments unless the Household has received approval from the Housing Agency for a temporary vacancy not to exceed 90 days. The Housing Agency will inform the owner in writing of such approval.
- (E). In making housing subsidy payments to the Owner, the Housing Agency is acting as a fiscal agent for those Households meeting Bridges Program eligibility requirements and selection criteria. The Housing Agency makes no representation as to any Household's expected behavior or suitability as a tenant.
- (F). The Housing Agency may terminate payments under this Contract because of Household action or inaction including but not limited to:
- (1). If the Household has committed any fraud in connection with any federal or state housing assistance program;
 - (2). If the Household has violated any of its obligations in the Bridges Program; or
 - (3). If the Household has breached any agreement with the Housing Agency.

The Housing Agency will notify the Owner in writing of a decision to terminate payments in such case and that payments under this Contract will terminate at the end of the calendar month following the calendar month in which the Housing Agency gives such notice to the Owner.

- (G). The right of the Owner to receive payments is subject to compliance with all provisions of this Contract.

4. **MAINTENANCE, OPERATION, INSPECTIONS.**

- (A). The Owner agrees to maintain and operate the Dwelling Unit and related facilities in decent, safe, and sanitary condition in compliance with the Housing Quality Standards for the Bridges Program, and agrees to provide all the services, maintenance and utilities as agreed to in the Lease. If the Housing Agency determines that the Owner is not meeting this obligation, the Housing Agency will have the right, even if the Household continues in occupancy, to terminate or reduce housing subsidy payments to the Owner, and to terminate the Contract.
- (B). The Housing Agency has the right to inspect the Dwelling Unit and related facilities at any time determined necessary, to assure that the Dwelling Unit is in decent, safe, and sanitary condition, and that the Owner is providing all services, maintenance, and utilities agreed to under the Lease.
- (C). Maintenance and replacement (including redecoration) will be according to the standard practice followed by the Owner for the building where the Dwelling Unit is located.

5. **OWNER'S RECEIPT OF HOUSING SUBSIDY PAYMENT.**

- (A). The Owner will be paid under this Contract on or about the first day of the month for which payment is due. The Owner agrees that his or her endorsement on the check acknowledges:
 - (1). That the Owner has received the full amount of the housing subsidy payment due for the month, and
 - (2). That the Owner certifies that:
 - (a). The Dwelling Unit is in decent, safe, and sanitary condition, in accordance with the Housing Quality Standards, and the Owner is providing all the services, maintenance, and utilities agreed to in the Lease.
 - (b). The Dwelling Unit is leased to the Household named in Section 1(A), and the Lease is in accordance with Section 1(B).
 - (c). The amount of the monthly housing subsidy payment to the Owner is not more than the amount of total monthly rent the Household owes the Owner under the Lease.

- (d). The Household does not own or have any interest in the property where the Dwelling Unit is located.
 - (e). Except for the housing subsidy payment under this Contract, the Owner has not and will not receive any of the following forms of assistance for the Dwelling Unit during the term of the Contract: Section 8 Existing Housing or Housing Voucher assistance, or other duplicate federal, state or local housing subsidy, as determined by the Housing Agency.
 - (f). To the best of the Owner's knowledge, the Dwelling Unit will be used solely as a residence, will be the Household's principal place of residence, and the Household will occupy the Dwelling unit full time.
- (B). If the Housing Agency determines that the Owner is not entitled to some or all of a housing subsidy payment, the Housing Agency may deduct any overpayment from any amount due the Owner, in addition to other remedies pursued.

6. SECURITY DEPOSIT, USE

- (A). The Owner will comply with all state and local laws regarding security deposits received from a Household. Under Minnesota law, a security deposit accrues interest at the annual simple interest rate of 1%, effective August 1, 2003. For tenancy in effect prior to that date, the Owner must pay the rate (s) in effect during the tenancy.
- (B). The Owner will, within three (3) weeks after termination of the tenancy and receipt of the Household's mailing address or delivery instructions, return the deposit to the Household with interest or furnish to the Household a written statement showing the specific reason(s) why the Owner withheld any or all of the Household's security deposit. The Owner may withhold from the deposit only amounts reasonably necessary to: (a) remedy Household defaults in payment of rent or other amounts owed to the Owner pursuant to a Lease; or (b) restore the premises to their condition at the beginning of the tenancy, ordinary wear and tear excepted. If the security deposit was paid by the Housing Agency, the Owner will send the above statement and refund to the Household.

7. OWNER'S TERMINATION OF TENANCY.

- (A). The Owner will not terminate the Household's tenancy except in accordance with the Lease and for:
- (1). Serious or repeated violation of the terms and conditions of the Lease;
 - (2). Violation of federal, state or local law which imposes obligations on the Household in connection with occupying and using the Dwelling Unit and surrounding premises; or
 - (3). Other good cause.
- (B). The Owner may evict the Household from the Dwelling Unit only by instituting a court action. The Owner must notify the Housing Agency in writing if termination procedures have been formally filed, at the same time that the Owner gives notice to

the Household under state or local law. The notice to the Housing Agency may be given by providing a copy of the notice given to the Household.

8. NONDISCRIMINATION.

- (A). The Owner will not discriminate against the Household in the provision of services or in any other manner because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or familial status.
- (B). The Owner will cooperate with Housing Agency if compliance reviews and/or complaint investigations must be conducted under applicable civil rights statutes related rules, and regulations.

9. ACCESS TO PREMISES AND OWNER'S RECORDS.

- (A). The Owner will provide any information pertinent to this Contract which the Housing Agency may reasonably require.
- (B). The Owner will permit the Housing Agency, or their authorized representatives, to have access to the premises and to audit and examine any books, documents, papers, and records of the Owner needed to determine compliance with this Contract, including verifying information pertinent to housing subsidy payments.

10. RIGHTS OF THE HOUSING AGENCY IF OWNER BREACHES THE CONTRACT.

- (A). Any of the following will constitute a breach of this Contract:
 - (1). If the Owner has violated any of its obligations;
 - (2). If the Owner has committed any fraud or made any false statement to the Housing Agency in connection with this Contract, or has committed fraud or made false statement in connection with any federal or state housing assistance program.
- (B). If the Housing Agency determines that a breach has occurred, the Housing Agency may exercise any of its rights or remedies under this Contract. The Housing Agency will notify the Owner in writing of such determination and of the reasons for the determination. The Housing Agency may require the Owner to take corrective action (as verified by the Housing Agency) by a time prescribed in the notice. The Housing Agency's rights and remedies under this Contract include recovering overpayments, terminating or reducing housing subsidy payments, and terminating this Contract.
- (C). The Housing Agency will forward a written notice to the Owner if housing subsidy payments are reduced or terminated, or if the Contract is terminated.
- (D). The Housing Agency's decision to exercise or not exercise any remedy for the Owner's breach of Contract does not waive the Housing Agency's subsequent ability to exercise that or any other right or remedy.

11. THE HOUSING AGENCY'S RELATIONSHIP TO THIRD PARTIES.

- (A). The Housing Agency does not assume any responsibility for injury to, or any liability to, any person injured as a result of the Owner's action or failure to act in connection with 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 Housing Agency, and this Contract does not create or affect any relationship between the Housing Agency and any lender to the Owner or any suppliers, employees, contractors, or subcontractors used by the Owner in implementing this Contract.
- (C). Nothing in this Contract will be construed as creating any rights of the Household or other third parties to enforce any Contract provisions, or to assert any claim against the Housing Agency or the Owner.

12. TRANSFER OF CONTRACT.

The Owner has not and will not transfer this Contract without prior written consent of the Housing Agency. A change in ownership, such as a stock transfer or transfer of the interest of a limited partner, is not subject to this restriction. Transfer of a general partner's interest is subject to this restriction. The Housing Agency will give its consent to a Contract transfer if the transferee agrees in writing (in a form acceptable to the Housing Agency) to comply with all the Contract terms and conditions. The transferee must give the Housing Agency a copy of the executed agreement.

13. ENTIRE AGREEMENT, INTERPRETATION.

- (A). This Contract contains the entire agreement between the Owner and the Housing Agency. No changes in this Contract may be made except in writing, and signed by both the Owner and the Housing Agency.
- (B). This Contract will be interpreted and implemented according to applicable Bridges Program requirements.

14. **WARRANTY OF LEGAL CAPACITY AND CONDITION OF UNIT.**

- (A). The Owner warrants (1) that the unit is in decent, safe, and sanitary condition and (2) that the owner has the legal right to lease the Dwelling Unit covered by this Contract during the Contract term.
- (B). The party, if any, executing this Contract on behalf of the Owner hereby warrants that authorization has been given by the Owner to execute it on behalf of the Owner.

SIGNATURES:

Housing Agency

By: _____ Date: _____

Owner

By: _____ Date: _____

Owner, or authorized representative's signature

Print or type name

Telephone Number