

RE: ONE-YEAR NOTIFICATION LETTER—*Owner Does Not Intend to Renew*

Date: December 22, 2003

Dear Resident:

The Department of Housing and Urban Development subsidizes the rent of your apartment through the project-based Section 8 program. Federal law requires that owners provide tenants with a one-year notification before the expiration of a Section 8 contract. The Section 8 contract that pays the Government's share of your apartment rent at the **Kendrick Apartments** expires on **December 31, 2004**.

Although there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when the current term of the contract expires one year from now.

This letter is to notify you that we do not intend to renew the current Section 8 contract when the current term expires on December 31, 2004.

Since we do not intend to renew this project-based contract upon its expiration, it is our understanding that, if Congress makes funds available (which it has in the past and is expected to in the future), the Department of Housing and Urban Development will provide all eligible residents currently residing in a Section 8 project-based assisted unit with tenant-based assistance. Unlike the current project-based Section 8 contract, Section 8 vouchers are issued to the tenants and allow them to choose the place they wish to rent. The Section 8 voucher program is administered by local Public Housing Authorities. Federal law allows you to elect to continue living at this property provided that the unit, the rent, and we, the owner, meet the requirements of the Section 8 tenant-based assistance program. As an owner, we will honor your right as a tenant to remain at the property on this basis as long as it continues to be offered as rental housing, provided that there is no cause for eviction under Federal, State or local law.

You will also have the opportunity to choose another development or single family house in which to move provided that the new landlord will accept the voucher and the owner and the unit meet Section 8 tenant-based program requirements.

Please remember that project-based Section 8 rental assistance will continue to be provided on your behalf for one year. In addition, if Congress makes the funds available, we may agree to a renewal of the project-based contract with HUD, thus avoiding contract termination altogether.

Approximately four months (120 days) before the expiration of the Section 8 contract, HUD requires that we confirm our final decision to not renew this contract. Following this confirmation, you will be contacted by the local Public Housing Authority (PIHA) to determine

your household's eligibility for tenant-based assistance. If you intend to apply for Section 8 tenant-based rental assistance you should not move from your current unit until you have consulted with the local PHA about your eligibility for tenant-based assistance.

If you have any questions or would like information on the Section 8 Program, the following sources may be of assistance:

Contract Administrator

Name: Minnesota Housing Finance Agency
Attention: Robert Odman
Telephone:

HUD Field Office

Name: Betty Svitak
Telephone:

HUD Web

<http://www.hud.gov> – click on "Renting"

Sincerely,

CARLING COACH, LLC,
a Minnesota Limited Liability Company



Ted Bigos, Chief Manager
6400 Barrie Road #1400
Edina, MN 55435

cc: HUD Minnesota State Office
Minnesota Housing Finance Agency
Metropolitan Council
Saint Paul City Council
Saint Paul Public Housing Agency

December 22, 2003

RESIDENT IMPACT STATEMENT

On or after December 31, 2004, Carling Coach, LLC, a Minnesota limited liability company ("Carling"), the owner of the Kendrick Apartments (the "Project"), will terminate participation in the following federally assisted housing program for the following number of units which apply to the Project:

- Section 8 Program
- Twenty-Nine (29) Units.

Carling is submitting this Resident Impact Statement pursuant to Minnesota Statutes Section 471.9997, which requires Carling, as an owner of a federally assisted housing project in Saint Paul, to submit to the City of Saint Paul a statement of the impact of termination of the programs described above on the residents of the Project, at least 12 months before expiration, with copies to the residents of the Project, the Minnesota Housing Finance Agency ("MFHA"), and the Metropolitan Council.

- 1) As of the date of termination of the programs, twenty-nine (29) units within the Project that are currently subject to rent restrictions imposed by the federal Section 8 program will no longer be subject to those rent restrictions. The termination date will be December 31, 2004, which date is more than twelve months after the date of this Impact Statement.
- 2) Carling estimates that the rents to be charged after termination will be the same as the rents Carling charges for similar units that are not currently under the federal program. All 29 of the federally assisted units are two-bedroom units. As of the date of this notice, six of the federally assisted units are occupied by one individual, 15 of the units are occupied by two individuals, and eight of the units are occupied by three individuals. The following is a range of current subsidized and unsubsidized rents:

Rents under the federal program:	\$736-739 per month for two-bedroom
Rents not subject to the federal program:	\$940-950 per month for two-bedroom
Rents for all units following termination:	\$940-950 per month for two-bedroom

- 3) Carling will take the following actions to assist displaced tenants in obtaining other housing:

December 22, 2003

Section 8 Tenant
Kendrick Apartments
1351 Carling Drive
Saint Paul, MN 55108

RE: ONE-YEAR NOTIFICATION LETTER—*Owner Does Not Intend to Renew*

Dear Kendrick Apartments Tenant:

The Section 8 contract that pays the Government's share of your apartment rent at the Kendrick Apartments will expire on December 31, 2004, and the owner does not intend to renew that Section 8 contract. Federal and state laws require Carling Coach, L.L.C., a Minnesota limited liability company, as owner of the Kendrick Apartments, to provide tenants with a one-year notification before the expiration and termination or non-renewal of a Section 8 contract. This letter is your one-year notice pursuant to Minnesota Statutes Section 504B.255.

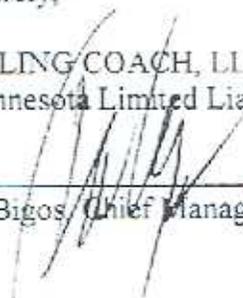
The enclosed One-Year Notice is served on you with this letter pursuant to federal law, on a form prescribed by the Department of Housing and Urban Development.

The enclosed Resident Impact Statement is a copy of a document Carling Coach, LLC, a Minnesota limited liability company submitted to the City of Saint Paul as required by Minnesota Statutes Section 471.9997.

Please understand that this and the enclosed notices are NOT notices of termination of your lease at this time. The enclosed One-Year Notice of Expiration of Section 8 Contract explains the effect of the expiration and termination of the Section 8 Contract and termination of use restrictions on you and provides contact information for the Minnesota Housing Finance Agency, the agency responsible for administering the Section 8 program.

Sincerely,

CARLING COACH, LLC,
a Minnesota Limited Liability Company



Ted Bigos, Chief Manager

cc: HUD Minnesota State Office
Minnesota Housing Finance Agency
Metropolitan Council
Saint Paul City Council
Saint Paul Public Housing Agency