

CONTINGENCY RELOCATION PLAN

Duncan Village Apartments

Duncan Village Apartments is an existing affordable housing complex located in Duncan, South Carolina, consisting of 11 multifamily buildings containing a total of 50 1-, 2-, and 3-bedroom rental units, a community building and various other site improvements situated on a 9.63-acre site (the “Property”). All units at the Property contain a single-family household.

The planned rehabilitation of the Property will include replacement of major building components and systems as well as modernization of the buildings and unit interiors. No existing tenants will be permanently relocated as part of this process. We do not anticipate the need for temporary relocation of any existing tenants during the planned renovation. However, if an unforeseen condition is discovered during the renovation process, or if a scope of work task takes longer to complete than anticipated such that a tenant’s bathroom or kitchen is not functional at the end of a work day, temporary relocation may be required. This Contingency Tenant Relocation Plan (“Relocation Plan”) has been prepared to outline the process that the owner and manager will follow in the event such temporary relocation becomes necessary in order to comply with the U.S. Department of Housing & Urban Development (HUD) Handbook #1378, “Tenant Assistance and Real Property Acquisition.” Any tenant relocations at the Property during the course of renovation will be “Temporary Relocations” as defined in the HUD Handbook, and the conditions of the relocations will be reasonable.

Daytime Relocation

The majority of renovation projects can be completed without relocating tenants for considerable lengths of time. These projects can be accomplished while the tenant remains in their rental unit, although some may choose to leave for the day for personal reasons such as running errands, shopping, visiting, etc. Should tenants choose to leave their unit during any particular renovation task being completed in their unit, a vacant unit or portable trailer will be made available as a lounge area for their use (the “Hospitality Area”). The Hospitality Area will include tables and chairs, snacks and water. If a tenant is unable to prepare a midday meal, provisions for lunches will also be made. Since this is a family housing project, it is anticipated that school age children will be in school during most of the work day. During summer months when school-age children are not in school, tenants with young children can also take advantage of the on-site playground.

Overnight Relocation

If the renovation work in apartment unit cannot be completed sufficiently for the unit to be functional at the end of a work day, the affected tenant will be moved to a vacant unit at the Property (if available) or to a local hotel (if no vacant units are available), and given a per diem allowance for food while the renovation in the tenant’s unit is ongoing. The tenant will be moved back to his/her original apartment when the renovation is complete. Any vacant units used as temporary housing will be cleaned prior to each occupancy. This process will continue until the scope of work is completed for all units. Any necessary moving expenses will be covered for affected tenants. Tenants will not be financially impacted by any aspect of the planned renovation.

Proposed Renovation Schedule

Each interior unit renovation is scheduled to take no longer than 11 working days to complete. The scope of work tasks for unit interior work will be scheduled by the general contractor so that: 1) The tenants are not overwhelmed with multiple renovation activities taking place simultaneously; and, 2) subcontractors involved in different trades are not inhibiting each other's progress. Interior scope of work tasks will be completed daily by 5:00 p.m., such that the unit will be safe, sanitary and functional at the end of the work day.

Notices and Advisory Services

Residents will be given notice pursuant to HUD Handbook 1378 CHG-6, with a description of the work to be completed inside their unit. It is typical that several notices are issued starting 1-2 weeks before work begins in their unit. A personal visit from the Construction Site Supervisor is often made to review a summary of the work that will be completed, review the preparation that the tenant will be required to provide and to assess whether assistance will need to be provided to the tenant to prepare for the upcoming work. See attached guide form notices [Exhibit A: GUIDEFORM GENERAL INFORMATION NOTICE RESIDENTIAL TENANT NOT DISPLACED (1378 CHG-6, Appendix 2) and GUIDEFORM NOTICE OF NON-DISPLACEMENT TO RESIDENTIAL TENANT (1378 CHG-6, Appendix 4)]. When a unit is scheduled for a particular job, for example to receive new kitchen cabinets, countertops, sinks and faucets, residents will be asked to remove their items from the job area in preparation for the work to be completed. The management team will be available to assist if there are special needs. Management has the option to post the notices discussed above in a common area, or mail, or hand deliver them as needed.

Estimated Cost of Relocation

Lease-compliant residents will receive reimbursement for all necessary and reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporary housing. Residents will also receive advisory services to ensure they fully understand their rights and the details of their temporary relocation as the work schedule is finalized. During periods of time that tenants are temporarily relocated from their units, they will continue to pay the tenant-paid portion of their lease rent. The residents will not be impacted by any out-of-pocket expenses due to their temporary relocation.

Contingent relocation expenses in the amount of \$150,000 (\$3,000/unit) are included in the development budget and will be paid out of development sources. This amount includes relocation expenses incurred for providing the onsite space located in the Hospitality Area, a per diem allowance, and the cost of relocating approximately 40% of the tenants on an overnight basis. This budget was established based on the Owner's experience in completing similar rehabilitations on thousands of Section 8 rental units over the past 20+ years.

Relocation Coordinator

Mike Rigdon (810-750-7000) will be the Relocation Project Leader at the Property. He will work with onsite management staff and the general contractor's staff to carry out the relocation plan should any tenant relocations become necessary. In addition to being certified as a Tax Credit Specialist by the National Center for Housing Management, Mike has ample experience in all facets of multi-family housing including senior and family, new construction and substantial rehabilitation, and Project-based Section 8 and LIHTC.

Exhibit A

HUD 1378 CHG-6, Appendix 2: GUIDEFORM GENERAL INFORMATION NOTICE
RESIDENTIAL TENANT NOT DISPLACED; and

HUD 1378 CHG-6, Appendix 4: GUIDEFORM NOTICE OF NONDISPLACEMENT
TO RESIDENTIAL TENANT.

GUIDEFORM GENERAL INFORMATION NOTICE
RESIDENTIAL TENANT NOT DISPLACED

Grantee or Agency Letterhead

(date)

Dear _____:

_____(City, County, State, Public Housing Authority (PHA), other)_____, is interested in rehabilitating the property you currently occupy at _____(address)_____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the _____ program.

The purpose of this notice is to inform you that you will not be displaced in connection with the proposed project.

If the project application is approved and federal financial assistance provided, you may be required to move temporarily so that the rehabilitation can be completed. If you must move temporarily, suitable housing will be made available to you and you will be reimbursed for all reasonable out of pocket expenses, including moving costs and any increase in housing costs. You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. *

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

Please remember:

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: (name)_____, (title)_____, (address)_____, (phone)_____.

Sincerely,

(name and title)_____

Enclosure

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NOTES.

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)
2. This is a guideform. It should be revised to reflect the circumstances.

- * *Based on the applicable HUD program regulations, if “reasonable terms and conditions,” are defined, one of the following statements or other language may also be required in this Notice:*
- a. *Under HOME at 24 CFR 92.353(c)(2)(C)(1): “Your new lease will be for a term of not less than one year at a monthly rent will remain the same or, if increased, your new monthly rent and estimated average utility costs will not exceed: 1) If you are low income, the total tenant payment as defined by HUD (under 24 CFR 5.628), or (2) 30% of the monthly gross household income, if you are not low income.”*
 - b. *Under CDBG at 24 CFR 570.606(b)(2)(D)(1): “Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household’s average monthly gross income.”*
 - c. *Under Section 221 Mortgage Insurance Programs under 24 CFR 221.795(i): “Your monthly rent and estimated average utility costs will not exceed the amount approved by HUD.”*

GUIDEFORM NOTICE OF NONDISPLACEMENT
TO RESIDENTIAL TENANT

Grantee or Agency Letterhead

(date)

Dear _____:

On _____ (date), the _____ (City, County, State, Public Housing Authority (PHA), other) _____, notified you of proposed plans to rehabilitate the property you currently occupy at _____ (address) _____ for a project which could receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the _____ program. On _____ (date) _____, the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of nondisplacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. *
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact _____ (name) _____, at _____ (phone) _____, _____ (address) _____. This letter is important to you and should be retained.

Sincerely,

(name and title)

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