

ADDENDUM TO CONSULTANT CONTRACT -- SECTION 811 PROGRAM
INCENTIVE PAYMENT PROVISION

As an inducement to achieve a timely development and operation of the Section 811 housing project, the undersigned as the authorized representative of _____(Sponsor/Owner's Name)_____ agrees to compensate the Housing Consultant, _____, by providing for the payment of an additional sum as an incentive for expediting the preparation and submission to HUD of acceptable conditional and firm commitment applications, initial closing and start of construction, completion of an acceptable cost certification and final closing.

The Housing Consultant Contract Form HUD-92531-A(EH) is amended by adding the following subparagraphs:

Paragraph 2.

- (e) If project development proceeds in a timely manner and in accordance with the schedule set forth below, the Applicant further agrees to compensate the Housing Consultant by payment of an additional sum up to the amount of \$_____ as an incentive.

Services Performed and Time Frames	Percentage of Incentive Payment
Submission to HUD of a Conditional Commitment Application Acceptable for Processing Within 120 Calendar Days from the Date the Applicant Notifies HUD of its Acceptance of the Fund Reservation	10%
Submission to HUD of a Firm Commitment Application Acceptable for Processing Within 120 Calendar Days of the Date of Issuance of the Conditional Commitment	10%
If the Conditional Commitment Stage is Bypassed, Submission to HUD of a Firm Commitment Application Acceptable for Processing Within 180 Calendar Days from the Date the Applicant Notifies HUD of its Acceptance of the Fund Reservation	20%

and Times Frames

Incentive Payment

Initial Closing and/or Start of Construction Within 18 Months from the Date of the Fund Reservation	30%
Submission to HUD of an Acceptable Cost Certification Within 45 Days from the Cut-Off Date Used for Cost Certification Purposes	25%
Final Closing Within 120 Calendar Days from the Project Completion Date	25%

(f) The incentive payment provided herein shall be due and payable in the following manner:

At Initial Closing -- Up to	50%
Submission of an Acceptable Cost Certification -- Up to	75%*
At Final Closing -- Up to	100%*

* Less any previous payments.

(g) Appropriate adjustment shall be made if any time frames are missed or for any service not provided by the Housing Consultant.

Housing Consultant

Nonprofit Applicant