



REGION V
300 South Wacker Drive
Chicago, Illinois 60606

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
AREA OFFICE
PATRICK V. McNAMARA FEDERAL BUILDING
477 MICHIGAN AVENUE
DETROIT, MICHIGAN 48226

FEB 27 1979

IN REPLY REFER TO:
5.3HML(d'Artenay)
Tel. (313) 226-6920

Ms. Hollis Turnham
Staff Attorney
Legal Services of Southeastern Michigan, Inc.
Lenawee County Office
153 N. Main St.
Adrian, Michigan

Dear Ms. Turnham:

Subject: Project #044-39/MSHDA #309
Carriage House
Adrian, Michigan

This is in reference to your letter dated February 16, 1979 regarding the erroneous notice to tenants of a proposed rent increase for the above-captioned project.

Ms. Anboy of MSHDA was advised that the notice should be revised to reflect the correct location of the materials supportive of the proposed rent increase. They will be available for inspection by the tenants at the project site for 30 days.

In addition, HUD Form 92410 or a facsimile thereof will be reviewed by MSHDA but will not be transmitted to HUD. This will be in accordance with 24CFR401.6 - Section 236 non-insured projects. However, MSHDA requests that a formal waiver of 92410 requirements be granted, and we are recommending that the Central Office approve this request.

A meeting was held in Lansing on February 14, 1979 regarding the non-insured projects' application for a rent increase. The Michigan State Housing Development Authority was informed that the documentations required by this office to review and approve or disapprove a rent increase are as follows:

1. Application for approval of a rent increase together with a rent schedule.
2. Written comments from the tenants on the proposed rent increase.

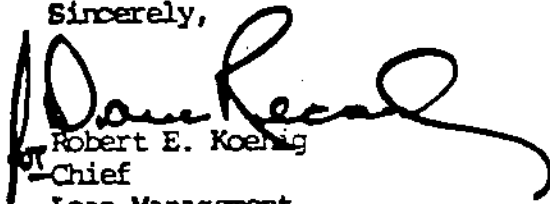
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3. Certification by MSHDA to HUD of the project owner's compliance with Sections 401.2 - 401.5.

HUD will then review MSHDA's determination of the rent increase and the certification and notify the agency of its approval or disapproval of the proposed rent schedule.

Hopefully, the foregoing has clarified our role in approving or disapproving an application for a rent increase for non-insured projects.

Sincerely,



Robert E. Koening
for Chief
Loan Management