

Opt Out Log Template

County:	Douglas
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City:	Kensington
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Development Name:	Runestone Apartments
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Address	Central Avenue
	Kensington, MN 56343

Owner:	Runestone Apartments LLC
	13704 380 th Avenue
	Farwell, MN 56327

Remarks:	12 units in development
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Number of Federally Assisted Units:	4
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Number of Section 8 Units:	4
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Proposed Opt Out/Prepayment Date:	6/7/13
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Type of Date:	<input checked="" type="checkbox"/> Opt Out Only <input type="checkbox"/> Both Opt Out and Prepayment
	<input type="checkbox"/> Prepayment Only <input type="checkbox"/> Manufactured Home Park Conversion

MHFA First Mortgage:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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Client Group:	<input type="checkbox"/> Family <input checked="" type="checkbox"/> Elderly <input type="checkbox"/> Chronically Mentally Ill <input type="checkbox"/> Human Acq. Immunodef <input type="checkbox"/> Individual Families – not eld/handicapped <input type="checkbox"/> Partially Elderly Handicapped <input type="checkbox"/> Partially Physically Handicapped	<input type="checkbox"/> Wholly Developmentally Disabled <input type="checkbox"/> Wholly Elderly Congregate <input type="checkbox"/> Wholly Elderly Housekeeping <input type="checkbox"/> Wholly Physically Disabled <input type="checkbox"/> Wholly Physically Handicapped <input type="checkbox"/> Other
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Programs:	<input type="checkbox"/> Project Based Section 8 <input type="checkbox"/> Section 202 <input type="checkbox"/> Section 207 <input type="checkbox"/> Section 207/223(f) <input type="checkbox"/> Section 207/223(f)/244 <input type="checkbox"/> Section 221 (d)(3) BMIR <input type="checkbox"/> Section 221 (d)(3)MKT <input type="checkbox"/> Section 221(d)(4)/244 <input type="checkbox"/> Section 221(d)(4)MKT <input type="checkbox"/> Section 811	<input type="checkbox"/> Section 223 (a)(7)/236(j)(1) <input type="checkbox"/> Section 223(a)(7)/221(d)(3)MKT <input type="checkbox"/> Section 223(a)(7)/241(f)/236 <input type="checkbox"/> Section 223(a)(7)/241(f)/236 <input type="checkbox"/> Section 231 <input type="checkbox"/> Section 236(j)(1) <input type="checkbox"/> Section 236(j)(1)/202 <input checked="" type="checkbox"/> Section 515 Rural Rental Housing <input type="checkbox"/> Section 542 (c)
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Appendix 11-1

ONE-YEAR NOTIFICATION LETTER - Owner Does Not Intend To Renew6/7/2012

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 Runestone Apartments, LLC, Kensington, MD expires on 6/7/2013.

Although there will be no immediate change in your rental assistance, we are required to inform you of our intended actions when 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 it expires.

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 tenants 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 allows 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 owners, 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, we may agree to a renewal of the project-based contract with HUD, thus avoiding contract termination altogether.

Appendix 11-1(cont.)

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 (PHA) 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 (if applicable)

Name: Tom Perrizo
Telephone Number: (651) 215-1085

HUD Field Office

Name: Vieki Chilstrom
Telephone Number: (612) 370-3051 (ext 2243)

HUD Web

<http://hud.gov> - click on "rental help."

Sincerely,

Jerry Wehmann
Attorney for owner/manager

cc: Local HUD Office/ (Contract Administrator) / Minnesota Housing Finance Agency
City of Kensington
13704 380th Ave
Farwell, MN 56327
320-965-2411
JBraetens@Hotmail.Com

RESIDENT IMPACT STATEMENT

Carol Braaten (Owner name), the owner of Runestone Apartments (property), anticipates that on or after 6/7/2013 (date), it will terminate participation in the following federally assisted housing programs for the following number of units, which apply to the project:

Project Based Section 8 (Program) 4 number of units

_____ (Program) _____ number of units

Minnesota law requires owner to submit to the residents of the project, the City of Kensington, and the Minnesota Housing Finance Agency, and (if the property is located in the metropolitan area as defined in section 473.121, subdivision 2), the Metropolitan Council) a statement of the impact of such termination on the residents of the project. (At least 12 months before termination of participation-MN Statutes 471.9997.) This document performs that purpose.

- 1) (#) 4 units within the project will no longer be subject to rent restriction imposed by the federal program(s) which applies (apply) to the project effective as the date of termination of the program which will be no earlier than twelve months after the date of this Impact Statement.
- 2) Owner estimates that the rents to be charged after termination will be:
 (1) bedroom: \$ 485; as compared to current rents charged under the federal program of \$ 509 and (2) bedroom: \$ N/A as compared to current rents charged under the federal program of \$ N/A and (3) bedroom: \$ N/A as compared to current rents charged under the federal program of \$ N/A.
- 3) Actions Owner will take to assist displaced tenants:
We Will not Displace any residents.

Dated: 6/7/2012

(Owner) [Signature]
By Attorney for
Its owner/manager
13704 380th Ave
Farwell, MN 56327
320-965-2411
DBraatens@Hotmail.com