

the opportunity to enter into a new HAP contract (and assisted lease) at the maximum initial contract rent allowed (within the FMR/exception rent limit). However, the rent to owner may not exceed the reasonable rent for a comparable unassisted unit.

(iii) The HUD field office will issue a written finding of the legality of the HAP contract termination and the reasons for the termination as stated in the owner's notice, including any actions taken to avoid the termination. Within 30 calendar days of HUD's finding, the owner must provide written notice of HUD's decision to the tenant.

(iv) The owner may proceed with eviction whether the HUD field office approves or disapproves, or fails to complete the required review of the owner notice, before expiration of the 90 calendar day review period.

#### **§ 982.456 Third parties.**

(a) Even if the family continues to occupy the unit, the HA may exercise any rights and remedies against the owner under the HAP contract.

(b) The family is not a party to or third party beneficiary of the HAP contract. The family may not exercise any right or remedy against the owner under the HAP contract. (However, the tenant may exercise any right or remedies against the owner under the lease between the tenant and the owner.)

(c) The HAP contract shall not be construed as creating any right of the family or other third party (other than HUD) to enforce any provision of the HAP contract, or to assert any claim against HUD, the HA or the owner under the HAP contract.

#### **§ 982.457 Owner refusal to lease.**

(a) Section 8(t) of the 1937 Act (42 U.S.C. 1437f(t)) provides that an owner who has entered into a HAP contract under Section 8 of the 1937 Act on behalf of any tenant in a multifamily housing project shall not refuse:

(1) To lease any available dwelling unit in any multifamily housing project of the owner that rents for an amount not greater than the fair market rent for a comparable unit to a holder of a rental certificate under Section 8 and to enter into a HAP contract respecting the unit, if a proximate cause of the refusal is the status of the prospective tenant as a holder of a certificate; or

(2) To lease any available dwelling unit in any multifamily housing project of the owner to a voucher holder and to enter into a HAP contract respecting the unit, a proximate cause of which is the status of such prospective tenant as a holder of such voucher.

(b) For the purposes of Section 8(t), the term *multifamily housing project* means a residential building containing more than four dwelling units.

#### **Subpart K—Rent and Housing Assistance Payment—[Reserved]**

#### **Subpart L—Family Obligations; Denial and Termination of Assistance**

##### **§ 982.551 Obligations of participant.**

(a) *Purpose.* This section states the obligations of a participant family under the program.

(b) *Supplying required information.*—

(1) The family must supply any information that the HA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release or other documentation.

(2) The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements. For provisions on reexamination and computation of family income, see 24 CFR part 813.

(3) The family must disclose and verify social security numbers (as provided by 24 CFR part 750) and must sign and submit consent forms for obtaining information in accordance with 24 CFR part 760 and 24 CFR part 813.

(4) Any information supplied by the family must be true and complete.

(c) *HQS breach caused by family.* The family is responsible for an HQS breach caused by the family as described in § 982.404(b).

(d) *Allowing HA inspection.* The family must allow the HA to inspect the unit at reasonable times and after reasonable notice.

(e) *Violation of lease.* The family may not commit any serious or repeated violation of the lease.

(f) *Family notice of move or lease termination.* The family must notify the HA and the owner before the family moves out of the unit, or terminates the lease on notice to the owner. See § 982.314(d).

(g) *Owner eviction notice.* The family must promptly give the HA a copy of any owner eviction notice.

(h) *Use and occupancy of unit.*—(1) The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

(2) The composition of the assisted family residing in the unit must be

approved by the HA. The family must promptly inform the HA of the birth, adoption or court-awarded custody of a child. The family must request HA approval to add any other family member as an occupant of the unit.

(3) The family must promptly notify the HA if any family member no longer resides in the unit.

(4) If the HA has given approval, a foster child or a live-in-aide may reside in the unit. The HA has the discretion to adopt reasonable policies concerning residence by a foster child or a live-in-aide, and defining when HA consent may be given or denied.

(5) Members of the household may engage in legal profitmaking activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family.

(6) The family must not sublease or let the unit.

(7) The family must not assign the lease or transfer the unit.

(i) *Absence from unit.* The family must supply any information or certification requested by the HA to verify that the family is living in the unit, or relating to family absence from the unit, including any HA-requested information or certification on the purposes of family absences. The family must cooperate with the HA for this purpose. The family must promptly notify the HA of absence from the unit.

(j) *Interest in unit.* The family must not own or have any interest in the unit.

(k) *Fraud and other program violation.* The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the programs.

(l) *Crime by family members.* The members of the family may not engage in drug-related criminal activity, or violent criminal activity (see § 982.553).

(m) *Other housing assistance.* An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

##### **§ 982.552 HA denial or termination of assistance for family.**

(a) *Action or inaction by family.*—(1) This section states the grounds on which an HA may deny assistance for an applicant or terminate assistance for a participant under the programs because of the family's action or failure to act. The provisions of this section do not affect denial or termination of