

Owner/Agent Agreement

Agreement made as of the _____ day of _____, 20____.

Between _____

Located at _____, (the ("Owner")), and _____

_____ Located at _____, (the "Agent").

The Owner and the Agent agree as follows:

Article 1

1.1 Contract Documents

This Contract consists of the instant Agreement together with the General Conditions of the Contract for Managing Agents and the Management Plan, attached hereto and made a part hereof as if fully set forth herein. The Contract Documents shall be complementary and what is specified in any one shall be as binding as if specified by all.

Article 2

2.1 Exclusive Agency

Owner hereby appoints Agent as the sole and exclusive management agent of Owner's property known as _____ (the "Project"), which consists of _____ dwelling units.

Article 3

3.1 The Work

The Agent shall perform all the work required by the Contract Documents. All such work shall be in accordance with the provisions of the Contract Documents and the rules and regulations, directives and orders of the New York State Division of Housing and Community Renewal or Commissioner thereof ("DHCR" or "Commissioner").

Article 4

4.1 Term

The Contract shall become effective as of the _____ day of _____, 20____, and shall continue in full force and effect until the _____ day of _____, 20____. Thereafter, it shall continue in full force and effect from month-to-month unless renewed or terminated as provided in the General Conditions Contract for Managing Agents. Notwithstanding the above, the contract shall not be effective or binding unless and until the approval of DHCR is endorsed hereon.

Article 5

5.1 Total Compensation

The total compensation which the Agent shall be entitled to receive subject to the provisions of Article 8 of the General Conditions of the Contract for Managing Agents, for all services to be performed under the Contract, shall be the sum of the items set forth below:

- a. **Managing Agent Base Rate Fee** -- \$ _____ per month.
- b. **Marketing Fee** -- \$ _____
For each residential apartment rented to a new tenant. This amount shall be due and payable only after receipt by the Owner of the first month's rent and security deposit for the apartment rented. The Agent shall receive no compensation for renewing residential leases with tenants already in occupancy, but shall arrange such renewals as part of the services to be performed under the Contract;
- c. **Commercial and Professional Leasing Fee** -- Six percent (6%) of the annual rental for the first year for each new professional or commercial tenant. For each successive year of the original term, six percent (6%) of the increase in annual rent over the preceding year. For renewals of existing professional or commercial tenants and for each successive year of the renewed term, six percent (6%) of the increase in annual rent over the preceding year. Compensation for professional or commercial rentals or renewal shall be due and payable monthly only after receipt by the Owner of the first month's rent and security deposit and only if no brokerage commissions have been charged.
- d. **Site Manager Reimbursement** -- \$ _____ per year payable in equal monthly installments. This amount represents the share of the site manager's compensation which is attributable to the Project in accordance with the Management Plan, annual operating budget and the rules and regulations of DHCR.

5.2 Payment Procedures

All payments to the Agent shall be in accordance with the procedures set forth in the General Conditions of the Contract for Managing Agents and the rules, regulations, directives and orders of DHCR.

Article 6

6.1 Non-Discrimination

Agent shall, in performing his duties under this Contract, comply with the provisions contained in the Rider A of this Contract, annexed hereto and made part hereof.

This Contract entered into as of the day and year first written above.

Owner _____ **Agent** _____

By _____ **By** _____
Signature Signature

Name/Title (Please Type) Name/Title (Please Type)

Approved: _____ **Date:** _____

New York State Division of Housing and Community Renewal

By _____
Signature

Name/Title (Please Type)

**General Conditions Of The
Contract For Managing Agents**

Article 1

1.1 Contract Documents

The Contract Documents consist of the Owner-Agent Agreement, the General Conditions of the Contract for Managing Agents and the Management Plan.

1.2 The Contract

The Contract Documents form the Contract for Managing Agents. This Contract represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. The Contract may be amended or modified only by a modification approved in the manner set forth in Section 10.3.

Article 2

2.1 Owner

The Owner is the person or entity identified as such in the Owner-Agent Agreement. The term Owner means the Owner or his authorized representative.

Article 3

3.1 Agent

The Agent is the person or entity identified as such in the Owner-Agent Agreement. The term Agent means the Agent or his authorized representative.

Article 4

4.1 Project

The Project is the housing development and appurtenant facilities owned by the Owner and identified as such in the Owner-Agent Agreement.

Article 5

5.1 Division of Housing and Community Renewal

“DHCR” is the New York State Division of Housing and Community Renewal and the Commissioner thereof.

5.2 Supervision

The Contract is subject to the Private Housing Finance Law of the State of New York, rules and regulations promulgated by the Commissioner and all orders and directives issued by the Commissioner and/or DHCR. It shall not be effective unless and until the approval of DHCR is endorsed thereon.

Article 6

6.1 Personnel – Agent’s Employees

The Agent shall hire in its own name all personnel necessary for the efficient discharge of its duties hereunder, with the exception of project personnel as listed in the Management Plan and the Project’s operating budget approved by DHCR. Except as hereinafter provided, compensation for the services of Agent’s employees shall be the sole responsibility of the Agent. Subject to the approval of the Owner and DHCR, or at the direction of DHCR, the Agent shall employ a site manager consistent with the needs of the housing development. The Agent shall be reimbursed by the Owner for up to fifty percent (50%) of either the site manager’s entire salary and fringe benefits approved by DHCR or, in the event of a part-time site manager, a pro-rated portion of the salary and fringe benefits approved by DHCR.

6.2 Project Personnel

The Agent agrees to supervise the work of, hire and discharge project personnel. Project personnel shall be hired in the name of the Owner and Agent shall not be responsible for their wages or compensation. Both Owner and Agent agree that the utilization and compensation of project personnel shall be in accordance with the Management Plan and the Project’s operating budget approved by DHCR.

6.3 Fidelity Bond

The Owner shall furnish evidence that the Managing Agent, its trustees, directors, officers, agents, servants, and employees, whether compensated or not compensated, are insured by a fidelity bond equal to at least twenty-five percent (25%) of the annual rent roll of the Project. The Agent’s coverage is to be by means of a Managing Agent’s Rider (Blanket Form – “All Managing Agents”) to the Owner’s fidelity bond. The bond shall be issued by an insurer duly licensed by the Superintendent of Insurance of the State of New York to transact fidelity bond business in the State of New York and shall provide that any payment made thereunder shall be payable to the Owner. A copy of the bond shall be furnished to DHCR and shall provide that no change in or cancellation of, the bond, whether by notice given by the insured or by the Underwriter, shall take effect prior to the expiration of thirty (30) days after notice by certified mail of such change or cancellation has been received by the NYS Division of Housing and Community Renewal, Housing Management Bureau, Insurance Unit.

Article 7

7.1 General Duties

It is the responsibility of the Owner to provide safe and habitable housing and to maintain the physical and financial integrity of the Project. It is the function of the Agent to effectively and efficiently manage the Project so as to assure that the Owner’s responsibilities are carried out. In addition to the provisions of the Contract, both Owner and Agent agree to manage the Project in accordance with the provisions of the Private Housing Finance Law of the State of New York, rules and regulations promulgated by the Commissioner, all orders and directives issued by the Commissioner and/or DHCR, and the requirements under applicable federal programs.

7.2 Project Management

The Owner shall prepare, or cause to be prepared, for DHCR review, a Management Plan in accordance with the rules and regulations of DHCR as the same may be amended from time to time. The Contract shall not be effective unless DHCR has approved the Management Plan in writing. Any Modification of the Management Plan is subject to the prior approval of DHCR.

7.3 General Administration

- a. Personnel** – The Project shall be staffed in accordance with the DHCR – approved housing company budget, Management Plan and with the rules and regulations of DHCR. Recruitment, training and promotion of such staff shall be in accordance with the affirmative action plan contained in the Management Plan. Any proposed staffing changes shall be submitted to DHCR for prior approval.
- b. Income Review** – The Agent shall:
1. conduct annual income reviews and comply with DHCR procedures and the rules and regulations of DHCR and, where applicable, the United States Department of Housing and Urban Development (“HUD”);
 2. satisfy all HUD requirements with respect to recertification of tenant income; and
 3. make timely rent adjustments, assessments of surcharges, and appropriate interim changes.
- c. Reports** - In addition to any other reports which may be required, the Agent shall submit to DHCR the following reports on or before the dates indicated:
1. monthly operating report – 10th day of the following month;
 2. where required, HUD excess income report – 10th day of the following month;
 3. HM-3 (Utility Consumption Record) – August 31 and at time of budget submission;
 4. HM-38 (Summer Maintenance of Heating Equipment) – August 31; and
 5. monthly reports on marketing activity and tenant arrears – 10th day of the following month.
- d. Contract Procedures** – The Agent is authorized, in the name of and at the expense of the Owner, to enter and shall enter into contracts for the proper maintenance, repair and improvement of the Project. In performance of this duty, the Agent shall:
1. submit plans and specifications to DHCR for review and approval;
 2. solicit bids in accordance with the rules and regulations of DHCR and the DHCR approved affirmative action plan;
 3. make all reasonable efforts to solicit bids from minority and women – owned business enterprises, as defined by DHCR pursuant to Article 9 of Executive Order No. 21 dated August 4, 1983, for services and/or purchases to be contracted on behalf of the Project and to make certain that such bids receive full and fair consideration;
 4. rebid or renew contracts for continuing services so as to prevent any lapse in service;
 5. submit proposed contracts to DHCR for review and approval in accordance with DHCR procedures;
 6. maintain a contractor log; and
 7. properly supervise all contracts.

e. Insurance – The Agent shall cause to be placed and kept in force all forms of insurance needed to adequately protect the Owner (or as required by law) including but not limited to Worker’s Compensation, Public Liability, Fire and Extended Coverage and Burglary and Theft. All of the various types of Insurance coverage required for the benefit of the Owner shall be placed with such companies, in such amounts, and with such beneficial interests appearing therein as shall be acceptable to the Owner and DHCR and otherwise be in conformity with the requirements of the mortgage. Copies of all policies must be submitted to DHCR. The Agent shall promptly investigate and make a full, written report as to all accidents or claims for damage relating to the ownership, operation and maintenance of the project, including any damage or destruction to the Project and the estimated cost of repair, and in connection therewith, shall cooperate with, and make any and all reports required by any Insurance Company which has issued a policy to or on behalf of the Owner. A copy of said report shall be submitted to the Owner, the Insurance Company and DHCR. It shall be further understood that there will be an endorsement in the liability policy of the Owner covering the Agent at satisfactory limits.

f. General Files – The Agent shall maintain a comprehensive set of general files. Such files shall include but not be limited to:

1. undated tenant data;
2. systematic filing of work orders;
3. tickler files for lease renewals, recertifications, contract expiration dates, report due dates and follow-up dates;
4. equipment inventory records;
5. warranty expiration dates;
6. service contracts;
7. general correspondence;
8. updated rules and regulations of DHCR; and
9. appropriate government agency directives memoranda.

g. Apartment Inspections – The Agent shall establish and maintain a schedule for the physical inspection of all apartments. Written records of all inspections shall be filed in the appropriate files. Such records shall include:

1. the results of the inspection;
2. the signatures of the inspector and tenant and;
3. records of follow-up where necessary.

7.4 Fiscal Administration

a. Agent shall collect all rent or carrying charges and all surcharges and other fees and charges in accordance with DHCR procedures. All monies collected shall be deposited daily into the DHCR approved Project Administration Account with the source of such monies clearly identified. Agent shall establish a delinquent list no later than the 10th day of each month with updating before the end of the month.

b. If a tenant/tenant-shareholder vacates his apartment owing money on account or unpaid rent or carrying charges then the Agent shall notify the tenant/tenant-shareholder by mail within five (5) business days of move-out of the amount owned. If the tenant/tenant-shareholder has not paid the arrears within fifteen (15), days of move-out, then the Agent shall submit the account to a DHCR approved collection agency. All write-offs of uncollectible accounts shall be in accordance with DHCR rules, regulations directives or orders.

c. Agent shall collect the proper amount of security deposits and place such monies in a separate interest-bearing bank account. Agent shall further remit to tenants annually the proper amount of interest, refund to vacating tenants the amount due with a full explanation of any deductions and adjust the amount of security required if warranted.

d. If applicable, Agent shall comply with all governmental requirements regarding subsidy programs so as to assure that the Project utilizes and receives the maximum subsidy allowable. Agent shall request increased subsidies when required.

e. If applicable, the Agent shall collect the proper amount of equity payments from tenant-shareholders and refund, in a timely manner, the proper amount to vacating tenant-shareholders, with all deductions itemized.

f. Agent shall make timely and proper payments on account of debt service, all real estate taxes, local assessments and water and sewer charges.

g. Agent shall submit to DHCR for approval by the date and in the form prescribed by DHCR as Budget/Rent Determination Application. Agent shall adhere to the approved Budget as closely as possible. All proposed expenditures in excess of the budgeted amounts require submission by the Agent to DHCR of budget revision requests and are subject to the approval of DHCR. All Project financial records shall be made available at the site to the tenants.

h. Agent shall make timely deposits into the Project's Operating Escrow Fund account the amounts so directed by DHCR. Requests for payments out of such account shall be accompanied by adequate documentation to enable DHCR to determine that such payments are properly chargeable to the account.

i. All bank accounts required by DHCR shall be properly maintained.

7.5 Marketing, Tenant Selection and Leasing

a. Marketing – The Project shall be operated in accordance with an affirmative fair housing marketing plan approved by DHCR. Such plan shall be posted in the management and/or rental office.

b. Applications –

All applications for apartments shall be:

1. on a form approved by DHCR,
2. numbered by machine,
3. time and date stamped,
4. accompanied by the required processing fee which shall be deposited into the Projected Administration accounts, and
5. accompanied by material explaining eligibility and tenant selection criteria.

Applicant shall be given a copy of the numbered application at time of application.

Agent shall maintain an application book that records:

1. application number,
2. applicant's name and address,
3. family composition,
4. apartment size requested,
5. any applicable priorities,
6. date of receipt of application,
7. credit check status,
8. eligibility, and
9. apartment assignment or cancellation.

All applicants shall be canvassed annually to determine whether or not the applicant desires to be maintained in a current status.

Closing the application list and re-opening shall be done in accordance with the rules, regulations, orders and directives of DHCR.

c. Tenant Selection – All tenant selection shall be in accordance with the rules, regulations, orders and directives of DHCR, including but not limited to:

1. Agent shall submit to DHCR the application for rental, with support documentation, prior to committing apartment to applicant.
2. Lease and move-in to occur only after receipt of applicant approval by DHCR.
3. Agent shall document its efforts to rent specifically modified apartments to appropriate applicants.
4. Intra-project transfers shall be given priority and shall be mandated where required by the rules, regulations, orders or directives of DHCR.

d. Leasing (Residential)

1. Agent shall use lease forms and riders approved by DHCR.
2. Term of the lease shall be in accordance with rules and regulations, orders or directives of DHCR.
3. Rent charged shall be in accordance with the current rent order and/or rent schedule approved by DHCR and, when required, HUD.
4. All notices required by the lease shall be sent to the tenants on a timely basis.

e. Leasing (Commercial)

1. Agent shall actively attempt to rent all commercial space.
2. All leases for commercial space shall be submitted to DHCR for approval and shall contain the mandatory clauses as indicated in DHCR Booklet HM-89, as amended from time to time.

7.6 Apartment Preparation

- a. Agent shall inspect all vacated apartments within one working day of move-out. An inspection form shall be signed by the Agent indicating time and date of the inspection and the results.
- b. Agent shall prepare vacated apartments for new tenants within two weeks of move-out.
- c. Prior to move-in, Agent and prospective new tenant shall inspect the apartment with both parties completing and signing an inspection form.
- d. Any deficiencies resulting from such inspection shall be remedied.

7.7 Physical Maintenance – (Routine and Seasonal)

- a. Agent shall be fully familiar with and maintain the physical condition of the Project.
- b. Agent shall prepare and adhere to schedule for maintenance, janitorial and grounds staffs.
- c. Agent shall maintain an adequate inventory of supplies and equipment.
- d. Where applicable, Agent, subject to the approval of DHCR, shall contract for:
 1. general maintenance;
 2. heating, ventilation and air-conditioning (HVAC) systems;
 3. janitorial services;
 4. painting and decorating;
 5. rubbish removal;
 6. exterminating;
 7. window cleaning;
 8. grounds maintenance;
 9. snow removal; and
 10. security services.

7.8 Physical Maintenance (Corrective)

- a. Agent and Owner shall identify and correct any and all physical deficiencies in the Project and comply with all local codes and laws affecting the Project.
- b. Emergency repairs shall be completed without delay.
- c. Routine repairs shall be completed within five (5) working days of discovery.
- d. Agent shall maintain written records of all remedial work.

7.9 HVAC Systems

- a. Agent shall conduct or cause to be conducted an annual energy audit.
- b. Agent shall prepare and adhere to a preventive maintenance schedule.
- c. Agent shall maintain:
 1. boiler room logs,
 2. a heat complaint log, and
 3. a fuel log.

7.10 Elevators

- a. Agent and Owner shall make sure that the Project's elevators are in good working condition.
- b. Agent shall contract for the maintenance and repair of elevators. Such contract shall be subject to the approval of DHCR and shall contain specifications approved by DHCR.
- c. All necessary repairs shall be made timely.

7.11 Security

- a. Agent and Owner shall maintain a safe and secure project.
- b. If a security staff is utilized, it shall be deployed in accordance with an operating plan approved by DHCR.
- c. A security log containing all incident reports shall be maintained by the Agent.

7.12 Tenant Relations

- a. Agent shall be reasonably available to tenants.
- b. Agent shall hold meetings with tenant leaders on a regular basis.
- c. Agent shall post DHCR field reports.
- d. Agent shall make available community rooms for approved activities.
- e. Agent shall render whatever assistance is required to assure that tenant association elections are properly conducted.

Article 8

8.1 Compensation

For the purpose of compensation payable to the Agent, the following terms shall have the following meanings:

- a. Initial Base Rate** - shall mean a dollar amount per dwelling unit per month based on factors which have been found to affect the cost of providing all activities required under the Contract Documents.
- b. Percentage Increment** - shall mean percentage of the Initial Base Rate or Base Rate, as the case may be, to be prescribed annually by the Commissioner, which will be the maximum percentage increase available to Agents.
- c. Base Rate** - shall mean the Initial Base Rate plus earned Percentage Increments, if any.
- d. Administrative Expenses** – All expenses associated with, and necessary to, the site office operations of the Project, both management and maintenance, as well as those related to tenant oriented activities and purposes, shall be charged directly to the Project. These shall include but are not limited to the following expense items:

All site office supplies, paper, stationery, software, and any purchases of printed material used for management, maintenance, tenant directed or reporting purposes; site office affiliated equipment and furnishings, appliances, and machinery, purchased or rented, and the cost of servicing, repairing or replacing this equipment; site telephone, mailing and delivery costs; lock box service, travel expenses and costs related to attendance of Agent's personnel for Project related business or interest other than to and from the Project's site office.

Training and certification of site management/administrative personnel, as well as administrative expenses of the Agent's central office operations, remain the responsibility of the Agent, except where otherwise pre-approved by DHCR.

e. **Managing Agent Fee** - shall mean the monthly Initial Base Rate or Base Rate, as the case may be.

f. **Marketing Fee** - shall mean a fee to be established by the Commissioner to compensate for the cost of marketing, selling and renting activities.

8.2 Compensation

The compensation is stated in the Owner-Agent Agreement and is the maximum payable by the Owner to the Agent for the performance of all activities required under the Contract Documents.

8.3 Expenses

All acts performed by the Agent under the provisions of the Contract shall be performed as Agent of the Owner. The Owner shall be obligated to pay the Administrative Expenses of the Agent as defined in Section 8.1 d.

8.4 Payment Procedure – General

The Agent shall be compensated in accordance with the procedures set forth in either Section 8.5 or 8.6 hereof. DHCR, in its sole discretion shall determine the procedure to be utilized. During the term of the Contract, DHCR may direct a change in the procedure currently in effect.

8.5 Payment Procedure – Direct

a. Subject to the provisions of subsection (b) & (d) below, Agent shall be paid monthly from the Project's Administrative Account the Managing Agent Fee, Marketing Fee, Commercial Leasing Fee and Site Manager Reimbursement set forth or earned pursuant to the provisions of Sections 5.1 (a), (b), (c) and (e) of the Owner-Agent Agreement.

b. During the course of the Contract, the Managing Agent Fee payable to the Agent may be reduced by the Owner, subject to the approval of DHCR, or by DHCR, for non-compliance or unsatisfactory performance of the terms of the Contract Documents or the rules, regulations, orders or directives of DHCR.

c. The Owner and DHCR, as the case may be, will be required to provide written notice evidencing either non-compliance or unsatisfactory performance. Such notice will be sent certified mail return receipt to the addresses set forth in the Owner-Agent Agreement. The evidence may be elicited from, but not limited to, Housing Operation's Audits, DHCR field reports and financial audits, reports of the mortgagee(s) and evidence supplied by tenants of the Project.

d. In the event the Managing Agent Fee is reduced as set forth above, the Agent shall be paid from the Project's Administration Account monthly the amount of the fee as reduced.

e. Subject to the imposition of a fee reduction, the Agent may appeal such reduction to DHCR within 30 calendar days of receipt of the notice provided for in subsection (c) hereof.

f. During the term of the Contract, the fee may be reinstated when DHCR, in its sole discretion, determines that the Agent has satisfactorily cured the reasons upon which the reduction in fee was imposed and no new evidence of non-compliance or unsatisfactory performance has been discovered.

8.6 Payment Procedure – Escrow

- a. Owner shall establish in a New York banking institution a banking account entitled “(Project Name)” Managing Agent Fee Account. All withdrawals from such account shall require (2) signatures: the Owner’s and that of an authorized representative of DHCR.
- b. Agent shall deposit monthly into such account the amount set forth in Section 5.1 (a) of the Owner-Agent Agreement. The amounts earned or reimbursed pursuant to Section 5.1 (b), (c), and (e) of the Owner-Agent Agreement shall be paid in accordance with Section 8.5 above.
- c. Agent shall be paid monthly the amount set forth in Section 5.1 (a) of the Owner-Agent Agreement minus ten percent (10%) (hereinafter “The Retention”).
- d. Agent may request from the Owner and DHCR quarterly for a release of The Retention. The Retention will not be released unless both the Owner and DHCR approve such release.
- e. Disapproval for release of the Retention may be based on non-compliance with or unsatisfactory performance of the terms of the Contract Documents or the rules, regulations, orders or directives of DHCR.
- f. Owner or DHCR, as the case may be, will be required to provide written notice evidencing either non-compliance or unsatisfactory performance. Such notice shall be sent certified mail return receipt to the addresses set forth in the Owner-Agent Agreement. The evidence may be elicited from, but not limited to, Housing Operation’s Audits, DHCR field reports and DHCR financial audits, reports of the mortgagee(s) and evidence supplied by tenants of the Project.
- g. Subject to the disapproval of release of The Retention, the Agent may appeal such disapproval to DHCR within 30 calendar days of receipt of the notice provided for in subsection (f) hereof.
- h. During the term of the Contract, The Retention may be released retroactively or prospectively, in whole or in part, when DHCR, in its sole discretion, determines that the Agent has satisfactorily cured the reasons upon which the disapproval was based and no new evidence of non-compliance or unsatisfactory performance has been discovered.
- i. The Retention, including interest, remaining in the account on termination of the Agent shall be utilized for project purposes at the direction of DHCR.

Article 9

9.1 Termination – The contract between the Agent and the Owner may be terminated as follows:

- a. by mutual consent upon thirty (30) days written notice to DHCR;
- b. by DHCR, with cause, such termination to be effective immediately upon notice to the Owner and Agent;
- c. by DHCR, without cause, upon thirty (30) days written notice to the Owner and Agent;

- d. by the Owner or DHCR effective immediately upon notice in the event a petition in a bankruptcy is filed by or against either the Owner or Agent, or in the event that either should make an assignment for the benefit of creditors or take advantage of any insolvency act;
- e. by the Agent effective immediately upon notice if the Owner shall fail or refuse to comply with or abide by any rule, order, determination, ordinance or law of any Federal, State or Municipal Authority, upon giving twenty-four hours written notice mailed to the Owner at its address first hereinabove set forth; or
- f. by the Owner upon not less than thirty (30) days written notice to the Agent in the event of a bona fide sale or demolition of property.

9.2 Books and Records

Upon termination, the Agent shall promptly transfer to the Owner all Project records, rent rolls, bills, cancelled checks, bank statements and all other papers in the possession of the Agent which are owned by the Owner.

Article 10

10.1 Miscellaneous – Governing Law

The Contract shall be governed by the law of New York State.

10.2 Assignment or Subcontracting

Neither party to the Contract shall assign the Contract or subcontract it, in whole or in part, without the consent of the other party and the approval of DHCR, nor shall the Agent assign any moneys due or to become due to the Agent hereunder, without the prior written consent of the Owner.

10.3 Modification

No modification of the Contract Documents will be effective unless in writing and approved by DHCR.

10.4 Successors and Assigns

The Contract shall be binding upon and inure to the benefit of and be enforceable by the respective Successors and Assigns of the parties hereto.

10.5 Headings

All headings in the Contract are for purposes of reference only and shall not limit or affect the meaning hereof.

Rider A
Non-Discrimination

- a. The Owner and the Agent will not discriminate against any employee or applicant for employment because of sex, race, creed, color, national origin, age, disability or marital status.
- b. If directed to do so by the Commissioner of Human Rights, the Agent will send to each labor union or representative of workers with which he or the Owner has or is bound by a collective bargaining or other agreement or understanding, a notice, to be provided by the State Division of Human Rights, advising such labor union or representative of the Owner's or the Agent's agreement under clauses (a) through (g) (hereinafter called "non-discrimination clauses"). If the Agent was directed to do so by the Commissioner of Housing and Community Renewal as part of bid negotiation of this agreement, the Agent shall request that such labor union or representative will not discriminate because of sex, race, creed, color, national origin, age, disability or marital status and that such labor union or representatives either will affirmatively cooperate, within the limits of its legal and contractual authority, in the implementation of the policy and provisions of these non-discrimination clauses or that it consents and agrees that recruitment, employment and the terms and conditions of employment under this contract shall be in accordance with the purposes and provisions of these non-discrimination classes. If such labor union or representative fails or refuses to comply with such a request that it furnish such a statement, the Agent shall promptly notify the state Division of Human Rights of such failure or refusal.
- c. If directed to do so by the Commissioner of Human Rights, the Owner and the Agent will post and keep posted in conspicuous places, available to employees and applicants for employment, notices to be provided by the State Commission of Human Rights setting forth the substance of the provisions of clauses (a) and (b) and such provisions of the State's laws against discrimination as the State Commissioner of Human Rights shall determine.
- d. The Owner and the Agent will state, in all solicitations or advertisements for employees placed by or on behalf of either of them, that all qualified applicants will be afforded equal employment opportunities without discrimination because of sex, race, creed, national origin, color, age, disability or marital status.
- e. The Owner and the Agent will comply with the provisions of Sections 290-299 of the Executive Law and the Civil Rights Law, will furnish all information and reports deemed necessary by the State Commissioner of Human Rights under these non-discrimination clauses and such sections of the Executive Law, and will permit access to his books, records and accounts by the State Commissioner of Human Rights and the Commissioner of Housing and Community Renewal for purposes of investigation to ascertain compliance with these non-discrimination clauses and such sections of the Executive Law and Civil Rights Law.
- f. This Agreement may be forthwith canceled, terminated or suspended, in whole or in part by the Commissioner of Housing and Community Renewal upon the basis of a finding made by the State Commissioner of Human Rights that the Agent has not complied with these non-discrimination clauses, and the Agent may be declared ineligible for future contracts made by or in behalf of the State or a public authority or agency of the State or housing authority, or an urban renewal agency, or contracts requiring the approval of the Commissioner of Housing and Community Renewal, until he has satisfied the State Division of Human Rights that he has established and is carrying out a program in conformity with the provisions of these non-discrimination clauses. Such finding shall be made by the State Division of Human Rights after conciliation efforts by the Division of Human Rights have failed to achieve compliance with these non-discrimination clauses and after a verified complaint has been filed with said Division, notice

thereof has been given to the Agent and an opportunity has been afforded him to be heard publicly in accordance with the procedures of the Division of Human Rights. Such sanctions may be imposed and remedies invoked independently of or in addition to sanctions and remedies otherwise provided by law.

- g. The Owner and the Agent will include the provisions of clauses (a) through (f) in every contract or purchase order altered only to reflect the proper identity of the parties in such a manner that such provisions will be binding upon each contractor or vendor as to operations to be performed within the State of New York. The Owner and the Agent will take such action in enforcing such provisions of such contract or purchase order as the Commissioner of Housing and Community Renewal or the State Commissioner of Human Rights may direct, including sanctions or remedies for non-compliance. If the Owner or Agent becomes involved in or is threatened with litigation with a contractor or a vendor as a result of such direction by the Commissioner of Housing and Community Renewal or the State Commissioner of Human Rights, the Owner or the Agent shall promptly so notify the Attorney General requesting him to intervene and protect the interests of the State of New York.
- h. The Owner and the Agent will not discriminate against any applicant for an apartment or any tenants already in occupancy because of sex, race, creed, color, national origin, age, disability or marital status. The Owner and the Agent will take affirmative action to insure open occupancy and racial integration in the operation of the Project. Such action shall be taken with reference, but not be limited, to: advertising, use of available subsidies such as capital grant funds, H.O.P.E. loans, interest payment subsidies and other aids which may be used to encourage integrated occupancy of the Project.
- i. In the performance of their obligations under this Agreement, the Owner and Agent will also comply with Title VI of the Civil Rights Act of 1964, Executive Order 11063, and Title VIII of the Civil Rights Act of 1968.