

App-5 Repayment Agreement

The following is a sample agreement letter taken from one used for the PIH Section 8 Program.

Repayment Agreement between
The Recipient of Federal Funds
and
The Department of Housing & Urban Development

This agreement is made by and between the United States Department of Housing and Urban Development (“HUD”) and the *Recipient of Federal Funds* (“*RFF*”).

Whereas, the *RFF* receives federal funds through the (INSERT THE HUD FUNDING SOURCE AND STATUTORY AUTHORIZATION);

Whereas, HUD’s (INSERT APPLICABLE HUD ORGANIZATION), on (INSERT DATE) (INSERT APPLICABLE SCENARIO WHEREBY DEBT WAS DISCOVERED);

Whereas, the purpose of the (INSERT APPLICABLE AUDIT OR REVIEW SCENARIO) was to confirm the *RFF*’s administration of (INSERT APPLICABLE FUNDING SOURCE) funds was in accordance with the terms of the (INSERT AUTHORIZING AGREEMENT), and all applicable statutes, regulations, and guidelines;

Whereas, as a result of (INSERT APPLICABLE SCENARIO), HUD has determined the *RFF* must return the amount of (INSERT ALPHABETIC AND NUMERIC AMOUNT) to (INSERT APPLICABLE HUD ACCOUNT NAME), including applicable interest, penalties, and administrative costs;

Whereas, the *RFF* desires to make the required repayment in equal monthly installments over a period of (INSERT NUMBER) year(s) commencing (INSERT START DATE); and

Whereas, this Agreement evidences the parties’ mutual cooperation in achieving public goals;

NOW THEREFORE, HUD and the *RFF* agree as follows:

- (1) The *RFF* agrees to pay HUD (INSERT DOLLAR AMOUNT) out of non-HUD, non-federal funds, in twelve equal monthly installments per year for (INSERT NUMBER) year(s). Payments will be made on the first day of each month beginning on (INSERT DATE), and in accordance with the following:

(INSERT PAYMENT INSTRUCTIONS AS PROVIDED BY CLAIMS OFFICER)

(2) Waivers: Reservations of Rights

- a. If the RFF defaults in any condition of this agreement, HUD reserves the right to declare this agreement null and void, in which case, the full amount of the debt is immediately due and payable, including interest, penalties, and administrative costs that apply. HUD is under no obligation to reinstate or renegotiate this agreement and has the right to pursue other collection or administrative actions.
- b. The penalty for a late payment is (INSERT PENALTY AMOUNT) plus (INSERT ANNUAL INTEREST DETERMINED BY TREASURY) percent annual interest on the overdue amount. If a payment is more than one month overdue, the agreement is in default.

(3) Notice

Any notice required or made with respect to this agreement shall be in writing and/or electronic and shall be effective upon receipt. For any matter relating to this agreement, the contact persons are:

(4) Modifications

The parties agree that this agreement may not be modified, amended or terminated except by written agreement signed by the parties.

(5) Applicable Law

This agreement shall be governed by and constructed under the laws of the United States.

(6) Third-Party Beneficiaries

Nothing in this agreement shall be constructed to make any other person or entity not executing this agreement a third-party beneficiary to this agreement.

(7) Representative Authority

Each undersigned representative of the parties to this agreement certifies that he or she is fully authorized to enter into and execute the terms and conditions of this agreement, and to bind such parties to this agreement.

(8) Attorney Fees

Each party is to bear its own costs and attorney fees.

(9) Termination

This agreement shall terminate upon receipt by HUD of the last payment due under the provisions of this agreement and note.

