



U.S. Department of Housing and Urban Development  
Office of Housing

**SPECIAL ATTENTION OF:**

Hub and Program Center  
Directors; Project Managers;  
PBCAs; Owners; and Management  
Agents

**TRANSMITTAL**

**Section 8 Renewal Policy  
Guide Book  
Issued: 09/26/08**

1. **This Transmits.** Page changes to the Section 8 Renewal Policy Guide Book dated 1/15/08 (revised as of 12/12/06). These changes are effective immediately.
2. **Explanation of Changes.** All page changes have light grey shading to denote what has changed on the page unless a section was completely removed. Furthermore, if a complete chapter has been revised there will be no light grey shading.
  - a. Chapter 15 has been revised to simplify its use. There are two key changes in the chapter. First is the removal of the 6 percent return on equity. This passage is being moved to new Chapter 2 that will be released in the near future. Secondly, we have removed the prohibition of identity-of-interest transfer transactions.
  - b. The addition of Attachment 20 provides for extension of the term of an existing 524 MAHRA Housing Assistance Contract renewed under Option One or Option Two of the Section 8 Renewal Policy Guide.
    - 1) The Department will permit a one time extension of the existing contract term if:
      - There is no resetting of contract rents upon execution of the contract extension; and
      - Annual rent adjustments and if applicable, RCS updates adhere to the original anniversary date.
    - 2). Only the term of the existing MAHRA contract is affected by the extension. If the PM/CA

