

such amendment will be introduced. A vote on adopting such amendment shall be taken at the first Association meeting held at least two weeks subsequent to the meeting at which the amendment was introduced. Amendments shall be adopted by a vote of a majority of the members of the Association.

SEC. 12. *Corporate seal.* The Association shall have a seal which shall appear as follows: [SEAL]

SEC. 13. *Fiscal year.* The first fiscal year of the Association shall begin on the date of incorporation and shall end on the last day of _____ (month, year). Each successive fiscal year shall begin on the first day of _____ (month) and end on the last day of _____ (month).

The foregoing By-Laws were adopted at the first annual meeting of the Association held _____ by the undersigned members of the Association.

APPENDIX II—RECOGNITION AGREEMENT
BETWEEN LOCAL HOUSING AUTHORITY AND HOMEBUYERS ASSOCIATION

(Subpart D)

WHEREAS, the _____ (“Authority”), a public body corporate and politic, has developed or acquired with the aid of loans and annual contributions from the Department of Housing and Urban Development (“HUD”), the following Development or Developments in its homeownership opportunity program (hereinafter referred to as the “Development”):¹

WHEREAS, an organization of residents (“Homebuyers”) is an essential element in such Development for purposes of effective participation of the Homebuyers in the management of the Development and representation of the Homebuyers in their relationships with the Authority, and for other purposes; and

WHEREAS, the _____ Homebuyers Association (“Association”) fully represents the Homebuyers of the Development;

NOW, THEREFORE, this agreement is entered into by and between the Authority and the Association and they do hereby agree as follows:

1. The Association, whose Articles of Incorporation are attached hereto and made a part hereof, is hereby recognized as the established representative of the Homebuyers of the Development and is the sole group entitled to represent them as tenants or Homebuyers before the Authority;

¹List here the specific Development or Developments whose Homebuyers are represented by the Homebuyers Association with which this Agreement is entered into.

2. For each fiscal year, the Authority shall make available funds to the Association for its normal expenses, in such amounts as may be available to the Authority for such purposes and subject to whatever applicable HUD regulations;

3. The Association shall be entitled to the use of office space in _____ at the Development without charge by the Authority for such use;

4. The Authority and the officers of the Association shall meet at a location convenient to both parties on the _____ (day) of each month to discuss matters of interest to either party;

5. In the event the parties later agree that the Association should assume management responsibilities now held by the Authority, a contract for such purpose will be negotiated by _____ the Association;

_____ terminate upon dissolution of the Association.

IN WITNESS HEREOF, the parties have executed this Agreement on _____, 19____.

Local Housing Authority
By (Official Title) _____
Homebuyers Association
By (Official Title) _____
WITNESSES: _____

PART 905 [RESERVED]

PART 906—SECTION 5(h)
HOMEOWNERSHIP PROGRAM

- Sec.
- 906.1 Purpose.
- 906.2 Applicability.
- 906.3 General authority for sale.
- 906.4 Fundamental criteria for HUD approval.
- 906.5 Resident consultation and involvement.
- 906.6 Property that may be sold.
- 906.7 Methods of sale and ownership.
- 906.8 Purchaser eligibility and selection.
- 906.9 Counseling, training, and technical assistance.
- 906.10 Nonpurchasing residents.
- 906.11 Nonroutine maintenance reserve.
- 906.12 Purchase prices and financing.
- 906.13 Protection against fraud and abuse.
- 906.14 Limitation on resale profit.
- 906.15 Use of sale proceeds.
- 906.16 Replacement housing.
- 906.17 Records, reports, and audits.
- 906.18 Submission and review of homeownership plan.
- 906.19 HUD approval and PHA-HUD implementing agreement.
- 906.20 Content of homeownership plan.
- 906.21 Supporting documentation.