



U.S. Department of Housing and Urban Development

Baltimore Office
City Crescent Building
10 South Howard Street, 5th Floor
Baltimore, MD 21201-2528

February 28, 2008

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Dr. Mirza H. A. Baig
General Partner
Amina Limited Partnership
4219 Dustin Road
Burtonsville, MD 20866

SUBJECT: Notice of Abatement/Suspension of Housing Assistance Payment Contract (HAP)
Property Name: Sugar Hill
HAP Contract Number: MD398023005

Dear Mr. Baig:

By our notice dated March 7, 2007, (Notice of Default of the Housing Assistance Payments Contract (HAP)), you were notified that Amina Limited Partnership ("Owner"), of the Sugar Hill ("Project"), was in default of its Housing Assistance Payments ("HAP") Contract MD398023005, for failure to maintain the Project in a decent, safe, and sanitary condition. Based on that notice, we required the Owner to correct the deficiencies identified in the report within 60 days from the date of the REAC inspection of November 16, 2006.

On December 10, 2007, REAC conducted the second inspection of the property and found that it was still in unacceptable physical condition. The inspection resulted in a score of 21c*. We have therefore concluded that the Owner has failed to keep and maintain the Project in a decent, safe, and sanitary condition, as required by its HAP Contract and 24 CFR 886.123.

Effective immediately, the Department has determined that the Section 8 Subsidy payments for all units covered by the HAP Contract for the Project shall be abated pursuant to the HAP Contract and 24 CFR 886.123(d), and all current residents will be relocated. In addition, you are required to honor the leases that you have executed with each tenant, as long as tenants remain in compliance with all other requirements of the lease. Further, you are to provide to HUD such information on income and occupancy as may be necessary to assist in relocating the tenants.

With respect to the Project's current vacant units, and all units that become vacant after the date of this Notice for whatever reason, the HAP Contract subsidy for those units is hereby abated.

Also, a 2530 Active Partners Performance System (Previous Participation) flag has been placed against Sugar Hill and its management company, Amina Limited Partnership, for failure to maintain the property in a decent, safe, and sanitary condition.

With respect to the Project's residents, to the extent that the Department is required to provide notice of the HAP Contract project-based subsidy abatement to the Project residents, the Project's residents will be given their notice, and its effective date, as part of the Section 8 voucher process that the Department and/or its contractor will administer. With respect to the Owner, unless the Department elects to abate the Project's HAP Contract in a manner other than as set forth in this Notice, this Notice is the only notice of abatement that the Owner will receive from the Department.

The Department will instruct its Accounting Division to abate payments from the Project's HAP Contract upon the events described in this Notice. Of course, the Owner may not properly seek or obtain project-based Section 8 payments for any abated units notwithstanding any action or inaction by the Department's Accounting Division to prohibit payment to the Owner for abated units.

The foregoing description of the Department's currently intended method of abatement indicates the course that the Department has determined best serves the interests of the residents as of the date of this Notice. This Notice does not limit the other actions that the Department may properly take, at its election, in protection of the residents or otherwise. For example, if the Owner continues to fail to provide basic necessary services for the Project or its residents, the Department may elect to redirect HAP Contract payments for particular uses in protection of the residents.

Last, please also be advised that the voucher and relocation process may extend beyond the expiration date of the current HAP Contract. If so, the Department will require that the Owner execute one or more additional HAP Contract renewals or extensions until the Department determines that the voucher and relocation process is concluded. All Project units that were abated as of the date of any such renewal or extension shall remain abated unless the Department agrees differently in advance, in writing.

Thank you in advance for your expected cooperation in this regard. If you have any questions concerning this Notice, please contact Tonya Westray, Project Manager, at District of Columbia Field Office, 820 First Street, NE, Washington, DC 20002 or at (202) 275-6318.

Sincerely,



Mary Ann Henderson
Director
Chesapeake Multifamily HUB