

**Capital Fund Program
(CFP) Amendment**

To The Consolidated Annual Contributions
Contract (form HUD-53012)

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

Office of Public and Indian Housing

ATTACHMENT 3

Whereas, (Public Housing Authority) Chapel Hill Housing Authority (herein called the "PHA")
and the United States of America, Secretary of Housing and Urban Development (herein called "HUD") entered into Consolidated Annual Contributions
Contract(s) (ACC) Number(s) A-3963 dated 11/14/95:

Whereas, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the
purpose of assisting the PHA in carrying out capital and management activities at existing public housing developments in order to ensure that such
developments continue to be available to serve low-income families:

\$584,065 for Fiscal Year 20 02 to be referred to under Capital Fund Grant Number NC19P04650102,

PHA Tax Identification Number (TIN) 56-6001199.

Whereas, HUD and the PHA are entering into this CFP Amendment Number 8

Now Therefore, the ACC(s) is (are) amended as follows:

1. The ACC(s) is (are) amended to provide CFP assistance in the amount
specified above for capital and management activities of PHA
developments. This amendment is a part of the ACC(s).

2. The capital and management activities shall be carried out in
accordance with all HUD regulations and other requirements applicable to
the Capital Fund Program.

3. (Check one)

a. In accordance with the HUD regulations, the Annual
PHA Plan has been adopted by the PHA and approved by HUD, and may
be amended from time to time. The capital and management activities
shall be carried out as described in the Annual PHA Plan Capital Fund
Annual Statement.

OR

b. The Annual PHA Plan has not been adopted by the
PHA and approved by HUD. Unless the PHA is troubled, the PHA may
only use up to 50% of its CFP assistance, for work items contained in its
approved 5-Year Plan, before the Annual PHA Plan is approved.
However, all of its CFP assistance for this fiscal year is considered
available for purposes of statutory obligation and expenditure time periods
as of the effective date of this CFP amendment.

Of this 50% amount, in cases where HUD has approved a
Capital Fund Financing Amendment to the ACC (CFF Amendment
attached), HUD will deduct the payment for amortization scheduled
payments from the grant immediately on the effective date of this CFP
Amendment. The payment of CFP funds due per the amortization
schedule will be made directly to a designated trustee (Trustee Agreement
attached) within 3 days of the due date.

Whether 3.a or 3.b is selected above, the 24 month time period
in which the PHA must obligate this CFP assistance pursuant to section
9(j)(1) of the United States Housing Act of 1937, as amended, (the "Act")
and 48 month time period in which the PHA must expend this CFP
assistance pursuant to section 9(j)(5) of the Act starts with the effective

The parties have executed this Agreement, and it will be effective on 7-1-02. This is the date on which CFP assistance becomes
available to the PHA for obligation.

date of this CFP amendment (the date on which the CFP assistance
becomes available to the PHA for obligation).

4. Subject to the provisions of the ACC(s) and paragraph 3, and to
assist in the capital and management activities, HUD agrees to
disburse to the PHA or the designated trustee from time to time as
needed up to the amount of funding assistance specified herein.

5. The PHA shall continue to operate each development as low-income
housing in compliance with the ACC(s), as amended, the Act and all
HUD regulations for a period of twenty years after the last
disbursement of CFP assistance for modernization activities and for a
period of forty years after the last distribution of CFP assistance for
development activities. However, the provisions of Section 7 of the
ACC shall remain in effect for so long as HUD determines there is any
outstanding indebtedness of the PHA to HUD which arose in
connection with any development(s) under the ACC(s) and which is not
eligible for forgiveness, and provided further that, for a period of ten
years following the last payment of assistance from the Operating Fund
to the PHA, no disposition of any development covered by this
amendment shall occur unless approved by HUD.

6. The PHA will apply for the entire CFP assistance amount for this FY.
If the PHA does not comply with any of its obligations under this
Amendment and does not have its Annual PHA Plan approved with in
the period specified by HUD, HUD shall impose such penalties or take
such remedial action as provided by law. HUD may direct the PHA to
terminate all work described in the Capital Fund Annual Statement of
the Annual PHA Plan. In such case, the PHA shall only incur additional
costs with HUD approval.

7. Implementation or use of funding assistance provided under this
Amendment is subject to attached corrective action order(s).

(mark one) Yes No

8. The PHA acknowledges its responsibility for adherence to this
Amendment by subgrantees to which it makes funding assistance
hereunder available.

U. S. Department of Housing and Urban Development

By: Jesse A. Brown Date: 8/2/2002

Title: Director
Office of Public Housing

PHA Executive Director

By: Theresa Van Dyke Date: 7/26/2002

Title: Director of Housing