



Leasehold Improvements

For alteration/renovation projects proposed in leased facilities, you must ensure that the lease/occupancy agreement includes the following language, whether as a provision of a new lease or an amendment to an existing lease, agreed to by both the recipient (occupant) and lessor (owner):

- The recipient agrees not to sublease, assign, or otherwise transfer the leased property, or use the property for a non-award-related purpose(s) without the written approval from HRSA (at any time during the term of the lease, whether or not award support has ended).
- The lessor will inform HRSA of any default by the recipient under the lease.
- HRSA shall have 60 days from the date of receipt of the lessor's notice of default in which to attempt to eliminate the default, and the lessor will delay exercising remedies until the end of the 60-day period.
- HRSA may intervene to ensure that the default is eliminated by the recipient or another recipient named by HRSA.
- The lessor shall accept payment of money or performance of any other obligation by HRSA's designee, for the recipient, as if such payment of money or performance had been made by the recipient.
- In the event that the recipient defaults, the award is terminated, or the recipient vacates the leased property before the end of the lease term, HRSA shall have the right to designate a replacement for the recipient for the balance of the lease term, subject to approval by the lessor, which will not be withheld except for good reason.