



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

**CERTIFIED MAIL RETURN-RECEIPT REQUESTED**

Re: EPA File No. Lead 1018-

JUN 15 2001

Dear Participant:

Thank you for responding to our invitation to review your existing leases or sales contracts for compliance with the *Lead-Based Paint Real Estate Notification and Disclosure Rule* ("Lead Disclosure Rule"). You are now eligible to substantially reduce or even eliminate monetary penalties for any Lead Disclosure Rule violations. We have opened a file to track your audit and disclosures. Three steps are involved in our process.

First, you must review all of your real estate files for sales or leases signed on or after January 1, 1999, to the present, in housing that you own or manage that was built before 1978. Your review is to determine whether you or anyone working on your behalf as a property manager or sales agent complied with the Lead Disclosure Rule. The Lead Disclosure Rule requires, among other things, that sellers and landlords who sell or lease housing built before 1978 disclose information about lead-based paint and lead-based paint hazards to prospective buyers or tenants before they are obligated to purchase or lease the housing. Specifically, for each property subject to the audit, you must verify whether:

- an abatement order has been issued for the house or apartment unit or common area;
- lead-based paint and/or lead-based paint hazards exist in the house, apartment unit or common area; and
- anyone has been lead poisoned who resided or resides in the house or apartment unit.

For additional information on those requirements, please call (800) 424-LEAD or go to [www.epa.gov/lead](http://www.epa.gov/lead).

Second, before submitting your audit results to EPA as described below, you must come into compliance by providing a lead pamphlet (a copy enclosed) and any information about lead-based paint testing results required by the Lead Disclosure Rule to each of your current tenants who did not receive the required information when they entered into their most recent lease with you or to whom you sold a property. You must execute a complete disclosure form with each tenant in the next lease renewal.

Third, you must report the results of your sales and lease file reviews to EPA. We suggest

Internet Address (URL) • <http://www.epa.gov>

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using the attached Property Audit Policy Form. This form is a simple method for you to provide information that EPA needs in order to make a determination about eliminating or reducing penalties. If you need additional space or want to supply any other information to us, please feel free to use extra sheets of paper and then attach them to the form. If you would like an electronic version of this form, please e-mail [wiggins.samuel@epa.gov](mailto:wiggins.samuel@epa.gov). Please note that the envelope containing the results **must be postmarked no later than 60 days from receipt of this letter and should be mailed to the following address:**

**Samuel Wiggins, Lead Coordinator  
U.S. EPA (Mail Code 2245A)  
1200 Pennsylvania Avenue, N.W.  
Washington, DC 20460**

A team at EPA headquarters will review each self-disclosure submitted and make a recommendation to EPA management on the results of that disclosure. If the self-disclosure meets the conditions of the Audit Policy, then the submitter will receive a Notice of Determination, informing the submitter that they have met the conditions of the Audit Policy and that EPA will close out the file on the matter.

We expect the majority of participants to meet all the conditions and receive the full benefit of the Audit Policy and pay no monetary penalties.

Those agents or property managers that do not meet all the conditions of the Audit Policy will still be eligible for an automatic 50% reduction in any penalty under the Lead Disclosure Rule Enforcement Response Policy for their self-disclosure, and they will also be eligible for an additional 30% reduction for cooperation and good faith under that policy. In addition, EPA can further reduce penalties where the individual makes additional environmentally beneficial expenditures, such as conducting a lead risk reduction or abatement. It is unlikely that any participant would face a significant penalty even if they fail to meet the conditions of the Audit Policy. Nevertheless, EPA does reserve the right to impose significant penalties in egregious circumstances, such as when a child is lead poisoned.

We anticipate concluding all of these audits by September 30, 2001. If you have any questions about this letter, please call Claude Walker or Samuel Wiggins of my staff at (202) 564-4042 or (202) 564-4163.

Sincerely,



Ann Pontius, Acting Director  
Toxics and Pesticides Enforcement Division

Enclosure

**PROPERTY AUDIT FORM**  
(Please read the instructions below before starting)

Question	Response
<b>Ia.</b> Address of the house or apartment building (full address, include zip code) →	
<b>Ib.</b> Date of construction for house or apartment building	Date: ____ / ____ / ____ (MM/ DD /YYYY)
<b>Ic.</b> Total # of houses or housing/apartment units at this location.	Total # _____
<b>II.</b> Total # of houses or housing/apartment units where the <i>Lead Disclosure Rule</i> was not complied with	Total # _____
<b>III.</b> Has an abatement order been issued for any house, housing/apartment unit or common area. <b>Please check either Yes, No or No Knowledge.</b>  <b>If yes, please list which units.</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> No Knowledge <input type="checkbox"/>  Unit #(s):
<b>IV.</b> Are there any lead-based paint hazards (paint in poor condition, etc) in any house, housing/apartment unit or common area. <b>Please check either Yes, No or No Knowledge.</b>  <b>If yes, please list which unit(s)</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> No Knowledge <input type="checkbox"/>  Unit #(s):
<b>V.</b> Has anyone been lead poisoned residing in the house or housing/apartment unit? <b>Please check either Yes, No or No Knowledge.</b>  <b>If yes, please list in which units.</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> No Knowledge <input type="checkbox"/>  Unit #(s):
<b>VI.</b> Has disclosure been made for all units? Have any abatement orders been carried out? <b>Please check Yes or No.</b>	Disclosure: Yes <input type="checkbox"/> No <input type="checkbox"/> Abatement: Yes <input type="checkbox"/> No <input type="checkbox"/>

**INSTRUCTIONS:** Please make copies of this form if you are reporting information on more than one (1) house or apartment building. If necessary, you may provide additional information or explain your responses in a separate document/sheet, but please be sure to attach your response to the form.

Under the Audit Policy, if a violation has caused human harm, then the self-reporter may not qualify for the Audit Policy, but nonetheless should be eligible for a substantial penalty reduction of up to 80% of the penalty calculated under the Lead Disclosure Rule Enforcement Response Policy. EPA policies available on our website: <http://es.epa.gov/oeca/main/strategy/crossp.html>

**18 USC Sec 1001:** Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

Signature \_\_\_\_\_ Date \_\_\_\_\_