

Sunrise Tenant Selection

Plan Last update: July 1, 2025

ELIGIBILITY REQUIREMENTS

*** As of August 1, 2025 Sunrise House has converted to PBV. The PHA's Admin Plan will also govern program requirements.

Funding Source Requirements

Sunrise House project is subject to the requirements of the following funding sources:

- 1) All 16 units must qualify as elderly households (all residents 55 years of age or older).
- 2) 14 units are to be occupied by households who meet the health requirements to qualify for the Medicaid CFI (Choices For Independence) program, regardless of income.
- 3) 4 Units which are Market, may accept services as needed.
- 4) Federal Home Loan Bank of NH restrictions (15 years)*

12 units must be occupied by households earning less than 50% of the AMI.

At initial occupancy only, 4 units to be occupied by households earning 80% or more of the AMI. After initial occupancy, the 4 market units are desirable but not required.

* \$500,000 From Federal Home Loan Bank of NH

5) New Hampshire Housing Finance Authority restrictions (40 years)*9 units must be occupied by households earning less than 30% of the AMI.3 units may be occupied by households earning between 30% and 80% of the AMI.4 units may be occupied by households earning 80% or more of the AMI.* \$1,350,000 from Federal Housing Trust Fund. Restrictions similar to the Federal HOME program.*\$412,500 from State Affordable Housing Fund. Restrictions allow units between 30% and 80% AMI.

6) Rental subsidy9 units will have project based vouchers from NHHFA. Those 9 voucher units must be occupied by the residents qualifying as less than 30% of the AMI (see above). These units can not float. Once applicant comes to the top of the waitlist and is deemed eligible, Laconia Housing will give a Sunrise House resident a preference for a Housing Choice Voucher administered by Laconia Housing (always at least 3 units). Residents earning greater than 50% of the AMI will not receive rent subsidy.

B. Occupancy Requirements

All 16 units must qualify as elderly households (all residents 55 years of age or older).

The unit must have enough space to accommodate the household. Occupancy standards must comply with federal, state, and local occupancy standards, and/or laws in connection with occupancy requirements, fair housing, and civil rights laws, as well as landlord-tenant laws and zoning restrictions. Acceptable occupancy standards are defined as follows:

1. Generally, no more than two people and no less than one person will be permitted to occupy a bedroom.

One Bedroom – One to two persons

Two Bedroom – Two to four persons

2. However, the following factors should also be considered:

a. The household's need for a larger unit as a reasonable accommodation.

b. Balancing the need to avoid overcrowding with the need to avoid underutilization of the space and unnecessary subsidy.

3. For determining the unit size for which a household may be eligible; the following will be counted as members of the household:

- Fulltime household members
- Live in aide
- Foster adults

C. Disclosure of Social Security Numbers (SSN)

1. Applicants do not need to disclose or provide verification of an SSN to be placed on the waiting list; however, applicants must disclose an SSN and provide adequate documentation to verify each SSN for all non-exempt household members before they can be housed.

This rule applies to all household members including live-in aides, foster children, and foster adults.

Adequate documentation includes a Social Security card issued by the Social Security Administration (SSA) or other acceptable evidence of the SSN such as:

- Original Social Security card;
- Driver's license with SSN;
- Identification card issued by a federal, State, or local agency, a medical insurance provider, or an employer or trade union;
- Earnings statements on payroll stubs;
- Bank statement;
- Form 1099;
- Benefit award letter;
- Retirement benefit letter;
- Life insurance policy;
- Court records.
- If the applicant cannot provide any of the above, the applicant will advise the owner/agent.

The owner/agent may accept self-certification of SSN *and* at least one third-party document, such as a bank statement, utility or cell phone bill, benefit letter, etc., that contains the name of the individual. When none of the other accepted methods is available and if verifying an individual's SSN using this method, the owner/agent must document why the other SSN documentation was not available. If the resident's SSN becomes verified in EIV, then no further verification is required. If the resident's SSN fails the SSA identity match, then the owner/agent must obtain a valid SSN card issued by the SSA or an original document issued by a federal or state government agency that contains the name of the individual and the SSN of the individual, along with other identifying information of the individual. The resident family's assistance must be terminated if they fail to provide the required documentation.

2. Exceptions to Disclosure of Social Security Number

The Social Security Number requirements do not apply to:

- Individuals aged 62 or older as of January 31, 2010, whose initial determination of eligibility was begun before January 31, 2010.
- Individuals who do not contend eligible immigration status.
- Foster adults when:
 1. The foster agency will not provide the SSN or adequate documentation to verify the SSN;

and

2. HUD, HTF, NHHFA PBV, PHA HCV approves.

If, at the time a unit becomes available, all non-exempt household members have not provided adequate documentation necessary to verify Social Security Numbers, the next eligible applicant family must be offered the available unit.

All non-exempt household members have ninety (90) days-from the date they are first notified that a unit is available-to provide documentation necessary to verify the Social Security Numbers.

During this 90-day period, the household may retain its place on the waiting list but will not be considered again until the required documentation is provided.

If, after ninety (90) days, the applicant family is unable to disclose/verify the Social Security Numbers of all non-exempt household members, the household will be determined ineligible and removed from the waiting list.

The applicant family may apply again, after obtaining the appropriate documentation. The applicant family will be placed on the waiting list based on the date and time the **new** Pre-Application or Application is received.

3. Secondary Verification of the Social Security Number

The Social Security Number provided will be compared to the information recorded in the Social Security Administration database through HUD, HTF, NHHFA PBV, PHA HCV 's Enterprise Income Verification System (EIV) to

ensure that the Social Security Number, birth date and last name match.

If EIV returns an error that cannot be explained or resolved, assistance and/or tenancy may be terminated, and any improper payment must be returned.

If an applicant/resident deliberately provides an inaccurate Social Security Number, the owner/agent and/or program administrator(s) may pursue additional penalties due to attempted fraud.

D. Citizenship and Immigration Status –

1. Assistance in any federally subsidized unit described on the Program Information Sheet is limited to citizens and nationals of the United States, and non-citizens with eligible immigration status. A student who holds a non-citizen visa and their non-citizen family members are not eligible for admission. Students with a non-citizen visa who have citizen family members that will reside in the unit are eligible for admission with pro-rated rental assistance. To qualify for admission to an assisted unit, all members of each applicant household must;

- Declare citizenship or immigration status;
- Complete verification and consent forms, as appropriate, to document eligible status; and
- Provide documentation of citizenship or immigration status or sign a declaration that the individual does not claim eligible status prior to occupancy.

A mixed family consisting of one or more eligible household members and one or more ineligible household members may qualify for admission to an assisted unit and receive pro-rated assistance. A household with no eligible members is not eligible for admission to an assisted unit.

2. Prohibition of Assistance to Noncitizen Students

Noncitizen students and their noncitizen families may not receive assistance. Noncitizen students are not eligible for continuation of assistance or temporary deferral of termination of assistance. A noncitizen student is defined as an individual who is as follows:

- A resident of another country to which the individual intends to return;
- A bona fide student pursuing a course of study in the United States; and
- A person admitted to the United States solely for the purpose of pursuing a course of study as

indicated on an F-1 or M-1 student visa.

This prohibition applies to the noncitizen student's noncitizen spouse and noncitizen children.

However, spouses and children who are U.S. citizens may receive assistance. For example, a family that includes a noncitizen student married to a U.S. citizen is a mixed family.

E. Asset Restriction –

The following Section 8 Asset Restrictions are considered when determining eligibility of families applying for Section 8 Housing Assistance.

Note: Asset Restrictions apply only to families applying for Section 8 Assistance. This rule does not apply to existing residents currently receiving Section 8 assistance.

1. Restrictions Based on Net Assets – Asset Cap: Section 8 Only

Agent must deny admission of an applicant family if the net family assets (as defined in 24 CFR § 5.618) exceed \$103,200. This “cap” may be adjusted annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers. In addition, the Agent must enforce the asset limitation at initial certification for families who lost their assistance because they failed to recertify timely or began to pay market rent, remained in the unit, and then lost income, once again requiring assistance.

The following assets will be excluded from the calculation when determining the net cash value of assets. The cash value of:

- ABLE Account;
- Amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty that resulted in a member of the family being disabled;
- Value of any Coverdell Education Savings Account or any qualified tuition program under Section 529;
- Family Self Sufficiency (FSS) Accounts;
- Interest in Indian trust land;
- Irrevocable Trust;
- Necessary Personal Property;
- Non-necessary Personal Property if the net cash value of all Non-necessary Personal Property does not exceed HUD, HTF, NHHFA PBV, PHA HCV 's Asset Threshold (\$51,000 in 2025 but subject to annual adjustment);
- Revocable Trusts when no one in the family (living in the unit) controls the trust;
- Retirement Accounts as defined by the IRS;
- Real property when the family does not have legal authority to sell such property;
- Equity in property for which a family receives HCV homeownership assistance from a PHA;
- Equity in a manufactured home where the family receives Section 8 tenant-based assistance;
- Other assets as announced by HUD, HTF, NHHFA PBV, PHA HCV through Federal Register Notice.

2. Home Ownership – Real Property Rule: Section 8 Only including PBRA RAD, 202/8

Per requirements in Section 104 of HOTMA, 24 CFR 5.618 creates a restriction on the eligibility of a family to receive assistance if the family owns real property that is suitable for occupancy by the family as a residence.

Agent must deny admission of an applicant family if the family has a present ownership interest in, legal right to reside in, and the effective legal authority to sell the real property (based on laws of

the state or locality in which the property is located) that is suitable for occupancy by the family as a residence. This includes, but is not limited to a home, condominium, townhome, duplex, mobile home, etc.

This restriction does not apply if:

- The property is jointly owned by a member of the family and at least one non-household member who does not live with the family, if the person resides in the jointly owned property;
- The property is not large enough for the size of the family;
- If there are any disabled family members, the home does not provide for the disability-related needs. (e.g., physical accessibility requirements, disability-related need for additional bedrooms, proximity to accessible transportation, etc.);
- The property is currently offered for sale. Under this proposed rule, to demonstrate that a family is offering property for sale, the owner/agent may require that the family provide evidence that the property has been listed for sale;
- The property is considered unsafe to reside in when the property's physical condition poses a risk to the family's health and safety and the condition of the property cannot be easily remedied;
- The family may not reside in the property under State or local laws of the jurisdiction where the property is located;
- The property is owned by a survivor of a VAWA crime (*domestic violence, dating violence, sexual assault, stalking*) and such status prevents access to or use of the home or is there a possibility that the survivor could be in imminent danger if the survivor attempted to access the home;
- The property is located so that the distance or commuting time between the property and the family's place of work or a family member's educational institution would create a hardship for the family. (*e.g., the distance or commuting time between the property and the family's place of work or school would be a hardship to the family, as determined by the owner/agent*); *Over 50 miles.*
- The property is a manufactured home for which the family is receiving Section 8 tenant-based assistance;
- The family receives homeownership assistance from a PHA;
- The property part of an irrevocable trust.

F. Student Eligibility

Student eligibility is determined at Move-In /Initial Certification and at each Annual Certification. Student Eligibility may also be reviewed at Interim Certification, if student status has changed since the last certification.

Section 8 assistance **will be provided** to any otherwise eligible individual who is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential, provided the individual meets **ONE or more** of the criteria below:

- 1) Is age 24 or older;
- 2) Is married;
- 3) Is a veteran of the United States Military;
- 4) Has a dependent child

5) Is a person with disabilities, as such term is defined in section 3(b)(3)E of the 1937 Act, and was receiving assistance under Section 8 of the 1937 Act as of November 30, 2005;

6) Is living with his/her parents who are receiving Section 8 assistance;

7) Is individually eligible to receive Section 8 assistance or has parents, individually or jointly, who are income-eligible to receive Section 8 assistance;

Or based on criteria defined in **Federal Register Volume 81, Number 183 dated September 21, 2016**, the individual:

8) Is an independent student, as defined by the U.S. Department of Education, meeting **ONE or more** of the criteria below:

a) Is 24 years of age or older by December 31st of the award year;

b) Is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1) of HEA) or is currently serving on active duty in the Armed Forces for other than training purposes;

c) Is a graduate or professional student

d) Is married

e) Has legal dependents other than a spouse

f) Meets the definition of “vulnerable youth”

g) Is an orphan, in foster care, or a ward of the court or was an orphan, in foster care, or a ward of the court at any time when the individual was 13 years of age or older;

h) Is, or was immediately prior to attaining the age or majority, an emancipated minor or in legal guardianship as determined by the court of competent jurisdiction in the individual’s State of legal residence;

i) Has been verified, during the school year in which the application is submitted, as either an unaccompanied youth who is a homeless child or youth (as such terms are defined in section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et.seq.)) or as unaccompanied, at risk of homelessness, and self-supporting by one of the following agencies: (1) A local educational agency homeless liaison, designated pursuant to section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act;

j) The director of a program funded under the Runaway and Homeless Youth Act or designee of the director;

k) The director of a program funded under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (relating to emergency shelter grants) or a designee of the director; or

l) A financial aid administrator;

Is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

For a student to be eligible for Section 8 assistance, independent of his or her parents (where the income of the parents is not relevant), the student **must** be of legal contract age under state law (**4350.3 Rev-1 Change 4, 3-13 A. 3. a.**).

Management will verify a student’s independence from his or her parents to determine that the student’s parents income is **not** relevant for determining the student’s eligibility for assistance by doing **all** of the following (**Federal Register**

Volume 81, Number 183 dated September 21, 2016):

- 1)** Reviewing and verifying previous address information to determine evidence of a separate household **or** verifying the student meets the U.S. Department of Education's definition of independent student;
- 2)** Reviewing a student's prior year income tax returns, and not that of the student's parents, to verify the student is independent **or** verifying the student meets the U.S. Department of Education's definition of independent student; **and**
- 3)** Verifying income provided by a parent by requiring a written certification from the individual providing the support. Certification is also required if the parent is providing **no support** to the student. Financial assistance that is provided by persons not living in the unit is part of annual income, **except** if the student meets the U.S. Department of Education's definition of "vulnerable youth,"

If an ineligible student is a member of an applicant household, the assistance for the entire household will not be granted. If an ineligible student is a member of an existing household receiving Section 8 assistance, the assistance will be terminated; assistance will not be prorated. An ineligible student will not be evicted or be required to move from a unit as long as the student is in compliance with the terms of the lease.

Any financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institute of higher education that is in excess of amounts received for tuition and other required fees/charges, is **included** in annual income; **except** if the student is over the age of 23 with dependent children **or** the student is living with his or her parents who are receiving Section 8 assistance. Financial assistance that is provided by persons not living in the unit is not part of annual income, if the student meets the definition of "vulnerable youth,"

Period for Verification:

Only verified information that is **within 120 days** of the date presented to Management may be used for verification. Verified information not subject to change (such as a person's date of birth) need not be re-verified.

Forms of Verification:

Documentation required as part of the verification process may include:

- 1)** Checklists completed as part of the interview process, signed by the applicant
- 2)** Verification forms completed and signed by third parties
- 3)** Use of HUD's EIV (Enterprise Income Verification) system, a computerized database containing Social Security and employment/unemployment income
- 4)** Reports of interviews
- 5)** Documentation provided by the applicant, i.e. award letters, pay stubs, bank statements
- 6)** Notes of telephone conversations with reliable sources, faxes, e-mail or internet correspondence. At a minimum, each file notation will indicate the date and time of the conversation, source of the information, name and job title of the individual contacted, and a written summary of the information received.
- 7)** Verification of student status, as described in General Eligibility Requirements > F. Student Eligibility'. Management staff will be the final judge of the credibility of any verifications submitted by an applicant. If front-line staff considers documentation to be doubtful, it will be reviewed by Management staff who will make a ruling about its acceptability. Management staff will continue to pursue credible documentation until it is obtained or the applicant is rejected for failing to produce it.

Sources of information to be checked may include, but are not limited to:

The applicant by means of interviews

Present and former housing providers

Present and former employers

HUD's EIV (Enterprise Income Verification) system, a computerized database containing social security and employment/unemployment income

Credit Checks

Social workers, parole officers, court records, drug treatment centers, physician, clergy, INS

Law enforcement

Preferred Forms of Verification: Verifications will be attempted in the following order:

HUD's electronic EIV system, as applicable; The Work Number or other state government databases

Other Means tested

Written third-party verification generated by the source of the income, which may be provided by the applicant

Oral third-party verification from the source of the income

Family (self) certification when information cannot be verified by a method above

E. Methods of Verification

The owner/agent shall obtain verifications in compliance with requirements set forth by the Department of Housing and Urban Development. After the preliminary eligibility determination, no decision to approve an application shall be made until information provided on the application form and during subsequent interviews has been collected and any necessary follow-up interviews have been performed. All information relative to the following items must be verified as described in these procedures. Verifications will be attempted as follows:

*. Means-tested Verification (also known as Safe Harbor). PHAs When verifying income at Move-in/Initial Certification, Annual Recertification and Interim Recertification, the owner/agent may determine a family's annual income, including income from assets, prior to the application of any deductions based on income determinations made within the previous 12-month period, using income determinations from the following types of means-tested federal public assistance programs:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
- Medicaid (42 U.S.C. 1396 et seq.).
- The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
- The Earned Income Tax Credit (26 U.S.C. 32).
- The Low-Income Housing Tax Credit (26 U.S.C. 42).
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).
- Supplemental Security Income (42 U.S.C. 1381 et seq.).
- Other programs administered by the Secretary.
- HUD's Public & Indian Housing Program using HUD form 50058;
- HUD's Multifamily Housing Programs using HUD form 50058;
- The Treasury's Low Income Housing Tax Credit Program (26 U.S.C. 42) TIC.

- Other means-tested forms of federal public assistance for which HUD has established.
- a memorandum of understanding.
- Other federal benefit determinations made by other means-tested federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.

A. The Means-tested verification must state the family size, must be for the entire family (i.e., the family members listed in the documentation must match the family's composition in the assisted unit, except for non-family members), and must state the amount of the family's Annual Income. The Annual Income need not be broken down by family member or income type.

B. Annual income includes income earned from assets, therefore when using Means-tested Verification (also known as Safe Harbor) to verify a family's income, the owner/agent will not inquire about a family's net family assets, nor about the income earned from those assets. For any applicants applying for HUD's Section 8 assistance, the owner/agent will confirm that:

- The net cash value of all family assets does not exceed HUD's current Asset Cap; and
- That no member of the applicant family owns real property suitable for occupancy

C. The Means-tested Verification (Safe Harbor) must show that the family's income determination was made within the 12 months prior to the receipt of the verification by the owner/agent. The Means-tested Verification (also known as Safe Harbor) documentation will be considered acceptable if any of the following dates fall into the 12-month period prior to the receipt of the documentation by the owner/agent.

- Income determination effective date;
- Program administrator's signature date;
- Family's signature date;
- Report effective date; or
- Other report-specific dates that verify the income determination date.

D. The only information that owner/agents are permitted to use to determine income under this Means-tested Verification (also known as Safe Harbor) is the total income determination made by the federal means-test program administrator. Other federal programs may provide additional information about income inclusions and exclusions in their documentation; however, these determinations and any other information will not be considered by the owner/agent for purposes of the Means-tested Verification (also known as Safe Harbor) provision. Owner/agents are not permitted to mix and match Safe Harbor income determinations and other income verifications.;

E. The owner/agent will not use Means-tested Verification (Safe Harbor) when:

- The family wishes to use a Childcare Deduction when childcare enables a member to work;
- The family wishes to use the Attendant Care & Auxiliary Apparatus Expense Deduction;
- Any member of the family is participating in HUD's Family Self-Sufficiency (FSS) program.

2. Upfront Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system.

- EIV may be used as the sole verification of Social Security income.

3. Upfront Income Verification (UIV) using non-EIV resources.

- e.g., Work Number, web-based state benefits system, etc.

4. Written, third-party verification from the source, also known as “tenant-provided verification”. An original or authentic document generated by a third-party source dated within 120 days of the date received by the owner/agent. (e.g., resident provided bank statement). For fixed-income sources, a statement for the appropriate benefit year is acceptable documentation. Owner/agents may also accept third-party verification directly from the verification source. For example, owner/agents may (but are not required to) obtain verification of disability directly from a medical care provider (e.g., physician, physical therapist, etc.) or may accept a letter provided by the provider to the resident.

5. EIV with Self-Certification (Employment or Unemployment Income). The EIV Income Report may be used to verify and calculate income if the family self-certifies that the amount is accurate and representative of current income. The family will be provided with the information from EIV.

6. A Written Third-party Verification Form (as appropriate).

7. Oral verification. When verifying information over the telephone or via the internet, it is important to be certain that the person is the party he or she claims to be. When verifying information by phone, the owner must record and include in the tenant’s file the following information:

- Third-party’s name, position, and contact information;
- Information reported by the third party;
- Name of the person who conducted the telephone/internet interview; and
- Date and time of the call.

8. Family Self-Certification. In the absence of any of the above or as provided in HUD guidance, notarized or witnessed self-certification from the household member Except when accepted based on HUD guidance (e.g., Streamlining, Assets Disposed, etc.), when the owner/agent accepts Family Self-Certification, the tenant file will be documented, when appropriate, to show that staff attempted other acceptable verification before relying on family self-certification.

F. Streamlined Determination of Income, Streamlined Verification of Assets & Streamlined Certification for Fixed Income Families

The owner/agent has implemented the following Streamlining processes.

1. Streamlined Certification for Fixed Income Families.

When 90% or more of the total annual income is derived from a fixed income source (e.g., Social Security, Pension, Annuity), at move-in and at least every three years, owner/agents will verify the cash value of assets that are not specifically excluded, any fixed income amounts and the amount of any income that is not fixed. In Year 2 and in Year 3, the owner/agent will apply Streamlined Determination of Fixed Income and Streamlined Verification of Assets. The owner/agent will also accept self-certification of amounts that are not fixed, or the owner/agent will use the amount of income that is not fixed on the most recent 50058 in effect at the time of any certification interview.

2. Streamlined Determination of Fixed Income.

At move-in and at least every three years, owner/agents will verify income from any fixed income source using verification methods described above. In Year 2 and in Year 3, owner/agents will apply any published/ documented COLA or Fixed Percentage Increase to the previous year’s fixed income amount.

3. Streamlined Verification of Assets When the Net Cash Value of Assets Is At Or Below The Current Asset Threshold Established By HUD (\$50,000 in 2024 But Subject To Annual Adjustment by HUD).

At least every three years, owner/agents will verify the cash value of assets that are not specifically excluded and will verify the income from those assets when possible.

4. Streamlining will not be utilized if any member of the family has received a lease violation for failing to fully and accurately report income information or if any member of the family has been required to return an improper payment to the Department of Housing & Urban Development.

5. All factors affecting eligibility must be verified. In general, only third-party verification is acceptable. In circumstances where verification is unavailable after two weeks, the Agent may accept alternative forms of documentation, including copies of original documents and the self declaration of the applicant.

H. The Violence Against Women Act

The Violence Against Women Reauthorization Act of 2013 (VAWA) applies for **all** victims of domestic violence, dating violence, sexual assault or stalking regardless of sex, gender identity, or sexual orientation, and will be applied consistent with **all** nondiscrimination and fair housing requirements.

VAWA protects housing assistance applicants and residents who have been victimized by domestic violence, dating violence, sexual assault or stalking as follows:

- 1)** Applicants cannot be denied rental assistance solely because they were previously evicted from an assisted site for being victims;
- 2)** Applicants cannot be denied assistance solely for criminal activity or other acts against them that were directly related to domestic violence dating violence, sexual assault or stalking
- 3)** Residents cannot be evicted, nor have their subsidies terminated solely because they were victims of domestic violence, dating violence, sexual assault or stalking. Being a victim does not qualify as a “serious or repeated violation of the lease” or “other good cause” for eviction.
- 4)** The perpetrator(s) may be evicted and/or their names removed from leases. Remaining household members may continue residency as long as they are eligible.
 - a) The remaining household members will have **90 days** to establish eligibility, other than citizenship, for the program or to find new housing. Management will issue one **60 day extension** following the initial 90 day time frame, if necessary.
 - b) If the remaining household members are ineligible noncitizens, said members have **30 days** to prove eligible immigration status or to find other housing. There are no extensions allowed.

The ‘*Notice of Occupancy Rights Under the Violence Against Women Act*’ (Form HUD-5380) and ‘*Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking and Alternate Documentation*’ (Form HUD-5382), will be provided to a tenant or applicant at three specific times:

- 1)** When an individual is denied residency
- 2)** When an individual is admitted to an assisted unit, and
- 3)** With any notification of eviction or termination of assistance

Each household member 18 or over (or emancipated minor) that signs the lease will also sign the VAWA lease addendum, each time a lease is executed.

If an individual is a victim of domestic violence, dating violence, sexual assault or stalking, the household member will complete the HUD form '*Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking and Alternate Documentation*' (Form HUD -5382), which includes names of perpetrator(s), if known. In lieu of completing this certification, or in addition to it, the individual may provide a federal, state, tribal, territorial, or local police record or court record; or documentation signed by an employee, agent, volunteer of a victim service provider, an attorney, or medical professional from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault or stalking or, the effects of the abuse in which the professional attests under penalty of perjury under 28 U.S.C 1746 to the professional's belief that the incident(s) are bona fide incidents of abuse, and the victim of domestic violence, sexual assault or stalking has signed or attested to the documentations. While the above proof may be submitted by the individual in lieu of or in addition to completing the certification, the proof is not required.

The identity of the victim and all information provided to the owner will be retained in confidence and will not be entered into any shared database or provided to a related entity, except to the extent that the disclosure is requested or consented to by the individual in writing, required for use in an eviction proceeding, or otherwise applicable by law.

All documentation relating to an individual's domestic violence, dating violence, sexual assault or stalking will be retained in a separate file that is kept in a separate secure location from other tenant files.

NOTE: Where applicable, information regarding preferences adopted for VAWA victims can be found in the Waiting List Preferences section of this plan. Information regarding VAWA Emergency Transfers can be found in the Unit Transfer Policies section of this plan. Management's Emergency Transfer Plan is available upon request.

APPLICATION INTAKE AND PROCESSING

It is Management policy to accept and process applications in accordance with applicable HUD, HTF, NHHFA PBV, PHA HCV Handbooks and regulations.

Management will perform marketing activities in accordance with its Affirmative Fair Housing Marketing Plan, with the aim of marketing to potential applicants in its geographical area who are least likely to apply.

Pre-applications can be obtained from Management via phone, in person at the site during normal business hours, by written request mailed to the property, or by printing application from the property website at **www.laconiahousing.org**.

All submitted pre-applications **must** be in writing, on forms provided. If an applicant is unable to complete a pre-application, due to a disability, a third party can assist in the completion of the form. Only fully completed pre-applications will be accepted. Every pre-application **must** be completed and signed by the head of household. All members of the household **must** be listed on the pre-application.

Pre-applications **must** be completed and signed and can be returned to the office in person, via fax, email or U.S.P.S. mail (to the attention of the Property Manager) 32 Canal St. Laconia NH 03246

The pre-application form includes a section for the applicant household to report race and ethnicity. This demographic information is not used to determine applicant eligibility. The information is gathered to report to HUD, the demographic makeup of applicant traffic, to comply with the programs Affirmative Fair Housing Marketing Plan requirements.

Staff or staff-provided assistance will be available upon request. This may take the form of answering questions about the pre-application; helping applicants who might have literacy, vision, or limited English proficiency challenges via oral

or written translation; or large print; and, in general, make it possible for interested parties to apply for assisted housing. Applicants may bring an individual with them, to help with the application, if desired.

Upon determination that the pre-application is completed, staff will add, via handwriting or stamp, the date and time the pre-application was received, followed by the initials of the person accepting the application. The applicant will be added to the waiting list(s), if applicable. All pre-applications will be kept at the property or its file storage locations.

If the pre-application received is not fully complete (including any required attachments) and/or is not signed and dated by the head of household, the pre-application will be returned to the household and the household will not be added to the waiting list.

As the applicant approaches the top of the waiting list, a full application **must** be completed, listing all members of the household. The application **must** be signed by the head of household and all additional household members 18 years of age or older.

Applicant Screening Process

Screening is used to help ensure that families admitted to the property will abide by the terms of the lease, pay rent on time, take care of the property and unit, and allow all residents to peacefully enjoy their homes. Information collected through the screening process enables owners to make informed decisions to admit applicants who are most likely to comply with the terms of the lease. Management relies on the defined screening criteria as an objective means to determine disqualification to ensure that the same criteria is applied consistently among all applicants screened.

Screening results will be stored in the tenant file for the term of **tenancy plus three (3) years** for any households granted admission to the property. For rejected households, the screening results will be stored with the application, and other applicable documentation, for **three (3) years** following the rejection.

Listed below are the criteria and methods used to review the household's application:

1) Criminal Background Check

The presence of a criminal record will not automatically disqualify an applicant. In general, Management will evaluate the nature of the record in context to the age of the criminal record and the risk that the criminal history poses to the health and safety of the residents living within our community, and the risk to the property of our residents.

Criminal history checks of convictions will be completed by local, state and federal authorities and/or a professional criminal and credit checking agency. Our criminal screening criteria was developed in an effort to ensure the continuance of safe housing without having a disparate impact on applicants, based on the criminal history review.

The following items establish our screening criteria to determine whether applicants will be suitable tenants.

Conviction of any household member for **violent criminal activity** within the past **ten (10) years** will result in the rejection of the application.

Any household containing any member with **convictions** within the past **five (5) years**, due to **drug-related criminal activity** will be rejected.

Any conviction within the past **five (5) years** which involved **deliberate injury to a person or property** will result in the application being rejected.

Any conviction for the **passing of worthless checks, theft from employer, fraud (including credit card, welfare or worker's comp), identity theft, embezzlement, or forgery** within the past **three (3) years** will result in the application being rejected.

e)Any conviction for the **sale, distribution or manufacture of any controlled or illegal substance**, as well as **any conviction within the past five (5) years involving illegal use or possession of any controlled or illegal substance** will result in the application being rejected.

f)Any conviction for any **sexual offense** within the past **seven (7) years** will result in the application being rejected.

g)Any conviction which involved **bodily harm to a child** within the past **twenty (20) years** will result in the application being rejected.

h)A felony conviction within the last ten (10) years will result in the application being rejected or any parole violations for a felony conviction within the past 5 years. A pattern of felonies may result in the application denial.

i)Management will **reject** a household in which any member is currently engaged in illegal use of drugs or when the owner has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with health, safety, and right to peaceful enjoyment of the property by other residents. The screening standards will be based on behavior, not the condition of drug abuse.

j)Management will **reject** a household in which there is reasonable cause to believe that member's behavior, from abuse or pattern of abuse of alcohol, may interfere with the health, safety, and right to peaceful enjoyment by other residents. The screening standards will be based on the behavior, not the condition of alcoholism or alcohol abuse.

k)Management will **prohibit admission** of any household containing any member (including Live-in Aide) who was evicted in the last **three (3) years** from federally assisted housing for **drug-related criminal activity**, unless one of the following exceptions apply: •The applicant has successfully completed a formal, supervised drug rehabilitation program, OR • The person who was evicted for the drug-related criminal activity is no longer a household member.

Despite any changes to state laws, the use of medical marijuana is illegal under federal law. Any references to drug use above will include the use of medical marijuana. HUD, HTF, NHHFA PBV, PHA HCV requires that Management deny admission to any household with a member who they determine is, at the time of application for admission, illegally using marijuana.

If any household member engages in criminal activity (including sexual offenses) while living on site, termination of tenancy will be pursued to the extent allowed by the lease, HUD, HTF, NHHFA PBV, PHA HCV regulations, and state/local law. To avoid eviction of the household, the family will be given the opportunity to remove the member engaging in criminal activity from the household.

Management may deny admission of an applicant, if the criminal background check indicates the applicant provided false information. HUD, HTF, NHHFA PBV, PHA HCV requires Management to deny admission if the State sex offender registration record indicates the applicant provided false information. If Management denies admission of the applicant, Management will:

Notify the applicant of the proposed denial of admission.

Provide the subject of the record and the applicant with a copy of the information the action is based on.

Provide the applicant with an opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.

2) Sex Offender Registry Check

HUD, HTF, NHHFA PBV, PHA HCV requires Management to ask whether any member of the applicant household is subject to a lifetime sex offender registration requirement in any state. Applicants **must** provide a complete list of **all** states in which every household member has lived. Failure to provide accurate information to Management is grounds to deny the application.

HUD, HTF, NHHFA PBV, PHA HCV prohibits admission of any individual that is subject to a lifetime sex offender registration requirement in any state. If Management determines that a member of the applicant household is subject to a lifetime sex offender registration requirement in any state, the family will be given the opportunity to remove the ineligible household member from the applicant household

- If the family chooses not to remove this individual from their applicant family, the household's application will be denied. The written rejection notice will clearly state this as the reason the family is being denied admission. For rejected applicants, search results will be kept with the application for **three (3) years**. For admitted households, search results will be kept with the approved application, in the tenant file, for the term of **tenancy plus three (3) years**. Management verifies if any household member is subject to a state sex offender lifetime registration requirement by searching **all** states, regardless of where the property is located and where the individual has stated s/he lives or has lived.

Management verifies if any household member is subject to a state sex offender lifetime registration requirement via the **Dru Sjodin National Sex Offender** website at <http://www.nsopw.gov>, which automatically searches sex offender registries in **all** states.

If Management identifies that a household member moved in after June 25, 2001, and the tenant falsified information or failed to disclose criminal history; or that Management did not adequately check all states where the household member lived, subsidy termination will be immediately pursued.

Persons who are subject to a state lifetime sex offender registration requirement who were admitted prior to June 25, 2001 **must** not be evicted unless they commit criminal activity while living in federally assisted housing; **or** have some other lease violation, in which case Management will terminate the tenancy and pursue eviction in accordance with HUD, HTF, NHHFA PBV, PHA HCV, state, and local laws.

3) Credit Check

Applicants will not be rejected for lack of a credit history. Previous landlords may be contacted to determine if the applicant paid rent on time and/or left the property with any unpaid balances.

A professional credit checking agency will be used to provide a credit report for each applicant household. No cost will be charged to the applicant. Applicants will be rejected if any of the following credit information is verified for any member of the applicant family:

Applicant currently has any outstanding landlord or utility collections

Applicant has had **more than one (1)** previous non-payment procedures in housing court during the past **five (5)** years

Exemptions include medical collections and/or if applicant has proof of repayment of debt. Proof **must** be a statement of satisfaction from creditor, court, or other legal proof.

4) Prior Landlord Check

If any household member was a previous resident at this property, or any other Laconia Housing properties, the tenant file will be checked. If there is documentation that the tenant was repeatedly notified of rules violations, lease violations, or if the household left the property owing overpaid HUD, HTF, NHHFA PBV, PHA HCV assistance, unpaid rent or damages, the application will be rejected.

Applicant rental history will be checked by contacting the current landlord and reviewing the last **five (5) years** of rental history or the last **two (2) tenancies**, whichever is greater. Acceptable topics of discussion include but are not limited to: cooperation with recertification processes, compliance with the lease and house rules, rent payment, and housekeeping.

An applicant household will be rejected if any member of the household has left another HUD -assisted property owing overpaid HUD assistance, unpaid rent or damages.

An application will be rejected if the household has been evicted from a previous residence or has a history of lease violations within the past **five (5) years**.

Management will prohibit admission of any household containing any member (including Live-in Aide) who was evicted in the last **three (3) years** from federally assisted housing for drug-related criminal activity, unless one of the following exceptions apply:

The applicant has successfully completed a formal, supervised drug rehabilitation program, or

The person who was evicted for the drug-related criminal activity is no longer a household member.

DETERMINATION OF APPLICANT ELIGIBILITY: APPLICATION ACCEPTANCE AND REJECTION

Information needed to determine applicant eligibility will be obtained, verified, and the determination of applicant eligibility performed, in accordance with HUD, HTF, NHHFA PBV, PHA HCV and property eligibility requirements. Eligible applicants will be placed on the waiting list(s), and will be promptly issued a preliminary notice of eligibility, or a rejection notice, as appropriate. NHHFA retains waitlist for PBV units, and Laconia Housing retains waitlist for CFI.

Management complies with applicant rejection requirements set forth in the program(s) requirements. Management reserves the right to reject applicants for admission, if it is determined that the applicant or any member of the household falls within **any one or more** of the following categories:

Misrepresentation:

Willful or serious misrepresentation in the application procedure or certification process for any government assisted dwelling unit.

Records of Disturbance of Neighbors, Destruction of Property or Other Disruptive or Dangerous Behavior:

Includes documented instances of behavior or conduct which adversely affects the safety or welfare of other persons by physical violence, gross negligence or irresponsibility which damages the equipment or premises in which the family resides; or which is disturbing or dangerous to neighbors or disrupts sound family and community life.

Violent Behavior:

Includes documented evidence of acts of violence or of any other conduct which would constitute a danger or disruption to the peaceful occupancy of neighbors.

Non-Compliance with Rental Agreement:

Includes evidence of any failure to comply with the terms of rental agreements at prior residences, such as failure to recertify as required, providing shelter to unauthorized persons, keeping unauthorized pets, or other acts in violation of rules and regulations.

Owing Prior Landlords:

Applicants who owe a balance to present or prior landlords will not be considered for admission until the account is paid in full and reasonable assurance is obtained that the contributing causes for nonpayment of rent or damages have changed sufficiently to enable the family to pay rent and other charges when due.

Ineligible Students:

Applicant households whose members include an 'ineligible student' per HUD, HTF, NHHFA PBV, PHA HCV regulation. See prior section 'General Eligibility Requirements F. Student Eligibility'.

Unsanitary or Hazardous Housekeeping:

Includes creating any health or safety hazard through acts of neglect, and/or causing or permitting any damage to, or misuse of premises and equipment; causing or permitting infestation, foul odors or other problems injurious to other persons' health, welfare or enjoyment of the premises; depositing garbage improperly; failing to reasonably and properly use all utilities, facilities, services, appliances and equipment within the dwelling unit, or failing to maintain them in a clean condition; or any other conduct or neglect which could result in health or safety problems or damage to the premises.

Criminal Activity:

The presence of a criminal record will not automatically disqualify an applicant. Management has established a policy to reject applications where the applicant or any household member has engaged in certain criminal activity. The activities that will be grounds for rejection of an application are defined in (prior section) 'Applicant Screening Process > Criminal Background Check'.

Social Security Number Documentation:

If there is missing SSN documentation for any non-exempt household member when the household reaches the top of the waiting list and a unit is available, then the household will be skipped, in order to admit the next eligible household. The skipped applicant household may keep its position on the waiting list for 90 days from the date they are first offered a unit, to allow them time to provide acceptable SSN documentation. After 90 days, if any household member has not provided SSN documentation, the household will be determined as ineligible and will be removed from the waiting list. See C Disclosure of Social Security Numbers (SSN)

Credit History:

Applicants will not be rejected for lack of a credit history. Grounds for rejection in an application are defined in Section 'Application Intake and Processing > Applicant Screening Process > Credit Check'.

All applicant rejections will be made in writing, and will include specific reason(s) for the rejection. The rejected applicant has the right to respond, in writing, within fourteen (14) calendar days, to request a meeting to dispute the rejection. Persons with disabilities have the right to request reasonable accommodations to participate in the grievance process. This meeting will be conducted by a member of the Owner or Management staff who was not involved in the initial decision to deny admission or assistance. Management will provide written determination to the applicant within five (5) days of the meeting.

Rejected applicants will be given a copy of The Notice of Occupancy Rights Under the Violence Against Women Act. Rejected applicants will be given the opportunity to assert that he or she is a victim of domestic violence, dating violence, sexual assault and/or stalking and eligible for VAWA protections.

APPLICANTS WHO REQUIRE REASONABLE ACCOMMODATIONS, INCLUDING LIVE-IN AIDES

A reasonable accommodation is a change, exception, or adjustment to a program, service, building, dwelling unit, or workplace that will allow a qualified person with a disability to fully participate in a program, take advantage of a service, live in a dwelling unit, or perform a job. Examples of reasonable accommodations include physical adaptations to units, Live-in Aides and assistance animals.

For reasonable accommodations to apply, there are several requirements. First, the applicant must have a verifiable disability (mental or physical impairment that substantially limits one or more major life activities) as defined by HUD, as applicable to the property's program type.

Next, the disability must have a direct correlation to the accommodation being requested by the applicant. And, the applicant must request a reasonable accommodation and provide verification of his/her disability and his/her need for the accommodation. Finally, for the accommodation to be reasonable it cannot result in an undue financial or

administrative burden to the property. The accommodation does not necessarily need to be exactly what is requested as long as the need is resolved.

In some situations, even with reasonable accommodations, applicants with disabilities cannot meet essential program requirements. In these situations, the applicant is not eligible and the applicant will be rejected. Examples of such situations include cases where the applicant's behavior or performance in past housing caused a direct threat to the health or safety of persons or property; past history or other information that shows the applicant's inability to comply with the terms of the property's lease; or an objective determination that the applicant would require services from Management that represent an alteration in the fundamental nature of the property's program.

If an applicant makes a request, Management will provide a reasonable accommodation if the applicant has a verifiable disability that is directly related to the request and providing the reasonable accommodation will not result in an undue financial or administrative burden to Management or to the owner.

In providing reasonable accommodations for, or performing structural modifications for otherwise qualified individuals with disabilities, Management is not required to:

Make structural alterations that require the removal or altering of a load-bearing structure,

Provide support services that are not already part of its housing programs,

Take any action that would result in a fundamental alteration in the nature of the program or service, or

Take any action that would result in an undue financial and administrative burden on the property, including structural impracticality as defined in the Uniform Federal Accessibility Standards (UFAS).

If the site is unable to make a reasonable accommodation due to a resulting financial burden, the applicant may, at his/her own expense, make the accommodation after structural approval by Management. Management may require that the tenant remove the accommodation (or have it removed) upon vacating the unit.

Live-in Aides are considered to be a reasonable accommodation. Property Management must obtain verification that the Live-in Aide is needed to provide necessary supportive services essential to the care and well-being of the individual, and that there is a disability-related need for the Live-in Aide. This verification will be obtained from the individual's physician, medical practitioner or health care provider.

The Live-in Aide cannot stay in the unit as a remaining family member, once the tenant who needs the services leaves the unit or dies. Live-in Aides who violate any of the property's House Rules will be subject to eviction. Live-in Aides must meet the same screening criteria as any other applicant, with the exception of credit checks.

WAITING LIST PREFERENCES

There is a CFI Preference

WAITING LIST MANAGEMENT

NHHFA will manage the PBV waitlist and LHA will manage the CFI waitlist

Updating the Waiting List(s):

The waiting list will be updated **as needed** to keep applicant information current, and to remove anyone who wants to be removed or no longer qualifies for admission to the property.

A letter will be sent to each applicant, asking for outdated information to be updated in writing, and asking whether the applicant wishes to remain on the waiting list or not. Confirmation **must** be returned to the property, in writing, using any forms which may be provided, within **14 calendar days** of the letter's postmark date. Upon request, assistance will

be provided to any applicant households with disabilities or limited English proficiency, to enable them to meet this deadline.

When applicants notify the property of changes in household composition, the waiting list information will be updated, and a determination will be made as to whether or not the household needs a different unit size. The household will keep its original application date and place on the waiting list in the event of this type of change.

Removal of Applicants from the Waiting List(s):

The property will not remove an applicant's name from the Waiting List unless:

- 1)** The applicant requests that his/her name be removed.
- 2)** The applicant was clearly told, in writing, of the requirement to advise the property of his/her continued interest in housing by a particular time, and failed to do so, even after being provided with reasonable accommodations in the event of handicap or disability.
- 3)** The property attempted to contact the applicant in writing, but the letter was returned by the U.S. Postal Service as undeliverable.
- 4)** The property has notified the applicant, in writing, of its intention to remove the applicant's name because the applicant no longer qualifies for assisted housing.
- 5)** The applicant refused **one (1) offer** of a unit without good cause; or applicant refused **two (2) offers** of a unit with good cause. See 'Offering a Unit' Section for definition of 'good cause'.
- 6)** The applicant accepted an offer of a unit but failed to move in on time, without notice.
- 7)** The applicant household needs a different size unit due to a household composition change, and the property has no units of that size.
- 8)** The applicant household failed to provide SSN documentation for any non-exempt household member after the expiration of the provided grace period.

applicant is removed from the waiting list, and Management later learns that the applicant was removed in error, or the applicant did not respond to information or updates because of a disability, the applicant **must** be reinstated at the original place on the waiting list.

APPLICANT INTERVIEWS

As the applicant approaches the top of the waiting list, a full application **must** be completed, listing all members of the household. The application **must** be signed by the head of household and all additional household members 18 years of age or older. Management will interview the applicant, along with appropriate family members and/or caseworkers, and explain the regulations and policies associated with the property. The interview shall be conducted in accordance with the HUD Handbook 4350.3, HTF, NHHFA PBV, PHA HCV and topics will include, but are not limited to:

Income/asset/expense information, as well as household composition

Applicant-paid utilities

The requirement for all household members age **18+** to sign consent for release of information forms

Proof of legal residence will be collected

HUD, HTF, NHHFA PBV, PHA HCV , -required Citizenship Declaration forms will be collected for each household member

Applicant's ability and willingness to comply with the terms of the property's lease and community's policies

Statutory, HUD, HTF, NHHFA PBV, PHA HCV, state and local preferences, if any

HUD, HTF, NHHFA PBV, PHA HCV , -required SSN documentation will be collected for all household members

Violence Against Women Act

All reasonable efforts will be made to offer reasonable accommodations as requested by applicants with disabilities and/or limited English proficiency during the application process, as well as during tenancy and for all appeal processes.

VERIFICATION REQUIREMENTS

The property will obtain verifications in compliance with requirements set forth in the HUD Handbook 4350.3.

A. Types of Verification Required All information relative to the following items must be verified:

1) Eligibility for admission, such as:

- a) Income, assets, and asset income * see self cert policy for assets and income from assets at new admission.
- b) Household composition
- c) Social Security Number documentation for all non-exempt household members
- d) Need for a unit specifically adapted for vision, hearing or mobility impairments
- e) Citizenship eligibility
- f) Verification of student status and eligibility

2) Allowable deductions, for items such as:

- a) Age 62+, disability, or handicap of household head, spouse and/or co-head
- b) Full time student status
- c) Child care costs
- d) Handicap expenses
- e) Medical expenses (for elderly/disabled households only)

3) Compliance with resident selection guidelines, such as:

- a) Proof of ability to pay rent
- b) Previously demonstrated adherence to lease for previous rentals
- c) Positive prior landlord reference: rent-paying, caring for a home with safe, clean, satisfactory housekeeping habits, based on documented Management's visit to current dwelling
- d) No verified, disqualifying history of drug-related, sex offender or violent criminal activity for any household member.
- e) Absence of objectively verified behavior that would give Management reasonable cause to believe that the applicant's abuse of drugs/alcohol would interfere with the health, safety and right to peaceful enjoyment of the property by other residents or staff.

Any of the above items which result in the denial of the applicant will be documented, and appropriate verification forms/letters placed in the applicant's file.

Applicant history will be checked using the following methods:

Past performance meeting financial obligations, especially rent:

Credit checks will be completed with a professional credit checking agency, searching national databases. Criteria for admission is described in (prior section) 'Applicant Intake and Processing, B. Applicant Screening'.

Contacting the current landlord and review of last **five (5) years** rental history or last **two (2) tenancies**, whichever is greater

Otherwise-eligible households who apply for housing with outstanding balances owed to their current property, or to this property as a past tenant are ineligible.

After the applicant presents proof of payment of any such balances, s/he may re-apply and, if otherwise eligible, will be added to the waiting list based on the re-application date.

Disturbance of neighbors, destruction of property, or living or housekeeping habits that would pose a threat to other residents:

Staff will check for these potential problems with the current landlord and review of last **five (5) years** rental history or last **two (2) tenancies**, whichever is greater.

If the applicant is not currently living under a lease, the housing provider will be asked to verify the applicant's ability to comply with property lease terms as it relates to these guidelines. Any unit for which the applicant has upkeep responsibility may be physically checked.

An applicant's behavior toward the Property Manager and other staff will be considered as indicative of future behavior toward neighbors. Physical or verbal abuse or threats by an applicant toward property staff will be noted in the file.

Involvement in criminal activity on the part of any applicant household member which would adversely affect the health, safety, or welfare of other residents.

Criminal history checks of convictions with registries, local, state and federal authorities and/or a professional criminal and credit checking agency will be done.

Applicants who are listed on lifetime sex offender registries in any state **must** be rejected by HUD regulation.

A record of eviction from housing or termination from residential programs will be considered:

Property Management will check property records, Management records, and other records to determine whether the applicants have been evicted from this property, any other assisted housing, or any other property in the past.

Records of evictions from residential programs will be checked with service agencies and with any housing providers referred by the applicant.

Current residence in other HUD assisted housing:

Applicant households **must** disclose if any household member is currently receiving HUD housing assistance. Households are not permitted to receive assistance in multiple households for the same time period, or to receive assistance if more than one residence will be maintained.

HUD provides Management with information about whether each applicant receives HUD assistance, and where that residence is located.

Management will use the EIV (computerized Enterprise Income Verification) system's Existing Tenant Search report to identify all household members (including Live-in Aides and foster members) who currently reside in HUD's Public and Indian Housing, or Multifamily programs.

This report will be printed for each member of the applicant family when processing the applicant for admission, prior to offering a unit.

If any family member is currently living in another assisted unit, plans to vacate that unit will be discussed with the applicant. Move-Out/Move-In dates will be coordinated with Management at the other assisted property to avoid HUD being billed for double subsidy.

Results of discussions with the applicant and/or other site will be recorded on the Existing Tenant Search.

For applicants who move into the property, the Existing Tenant Search report(s), along with all documentation, will be kept in the tenant file with the application for the term of **tenancy plus three (3) years**. For applicants who do not move in, the report(s) and documentation will be retained, along with the application, for **three (3) years**.

Applicants living in other HUD-assisted housing may apply to this property. However, the applicant **must** move out of the current property before HUD assistance can begin at this property. Special circumstances exist:

for HUD-assisted household members in another property who are moving in order to establish a new household, when remaining family members will stay in the old unit.

If any member of the applicant household fails to accurately disclose his/her rental status, the application may be denied based on "misrepresentation of information." After move-in, if any household member receives, or tries to receive, HUD housing assistance at another property while still living at this property, the household will be required to repay HUD for all overpaid assistance.

ATTEMPTED FRAUD

Any information provided by the applicant that verification proves to be untrue may be used to disqualify the applicant for admission on the basis of attempted fraud. The property considers false information about the following to be grounds for rejecting an applicant:

Income, assets and/or expenses

Household composition

Social Security Numbers

Preferences and priorities

Eligibility for allowances

Previous residence history or criminal history

Citizenship, naturalization, and/or eligible immigration status

If, during the course of processing an application, it becomes evident that an applicant has falsified or otherwise willfully misrepresented any facts about his/her current situation, criminal history, or behavior in a manner that would affect eligibility, priorities, application selection criteria qualification, allowances or rent, the application will be rejected.

During the course of processing an application, there may be errors in name spellings, dates of birth and other such data, resulting in inaccurate criminal, credit, or other screening. In these cases, screening may be re-done. If these checks result in documentation of circumstances that would have caused an applicant to be rejected, the application will be rejected. If the applicant has already moved in, this evidence may be the cause of eviction proceedings.

Unintentional errors will not be used as a basis to reject applicants.

OFFERING A UNIT

When an apartment becomes available for occupancy, it will be offered to the applicant at the top of the waiting list for the apartment size. The non-alternating method for meeting income targeting requirements, as described in prior section labeled 'Application Intake and Processing' will be used which may cause the applicant at the top of the waiting list to be passed over in order to admit an applicant at the Extremely Low income limit.

Eligible families with disabled members needing specific handicap features of a unit will be selected first, for available units which are accessible in ways specifically adapted for their use.

Applicant households are placed on the waiting list for all unit sizes for which they qualify. The applicant will be notified when s/he nears the top of the waiting list for which a unit becomes available. The applicant may refuse the first unit

size and continue to wait for another unit of the same type with no change in waitlist position, if applicant has **good cause** for refusing the unit size offered. If the applicant refuses the first unit type without **good cause**, the applicant will be removed from that unit type waiting list. The applicant household can continue to wait for the other unit size with no change in waitlist position. The household **must** either occupy the next vacant unit offered, or be removed from the other waiting list.

‘Good cause’ includes medical reasons, recent death of a close family member, desire to give 30-day notice to the family’s existing property, and rejection of a unit because the available unit is close to a unit with an assistance animal or pet to which someone in the applicant family is allergic, facing/recovering from hospital stay within the projected move-in period, pending sale of current residence, and inability to move due to current term on a lease in excess of two (2) months. When a unit is rejected for good cause, the applicant will keep his/her place on the waiting list, and Management will offer the available unit to the next applicant. Management will require documentation to support the ‘good cause’.

When an applicant reaches the top of the waiting list, Management will schedule a final screening appointment within **one week**. The applicant **must** come in to the office for this appointment, and **must** bring all items requested by Management. If the applicant fails to attend and/or fails to supply all items, the applicant will be removed from the waiting list. Unit will be offered to the next applicant on the list.

Although applicants other than the Head of Household are not required to provide Social Security Number documentation when the pre-application is submitted, documentation for all non-exempt household members **must** be provided before a household can be housed. If there is missing SSN documentation for any non-exempt household member when the household reaches the top of the waiting list and a unit is available, the household will be skipped, in order to admit the next eligible household.

The skipped applicant household may keep its position on the waiting list for **90 days** from the date they are first offered a unit, to allow them time to provide acceptable SSN documentation.

After **90 days**, if any household member has not provided SSN documentation, the household will be determined as ineligible and will be removed from the waiting list.

Any family placed in a unit size different than that defined in these Occupancy Standards **must** agree to transfer to an appropriate size unit when one becomes available, in accordance with the Transfer Policy and Lease Addendum. A unit offer will be made in writing to an applicant household only after all criminal, credit and landlord checks have been completed; the applicant interview has been completed; and verification documents have been received. **All** applicants on the waiting list are required to report, in writing, to the rental office any change of address, telephone numbers or other information that may affect eligibility. If an applicant cannot be reached by the rental office due to unreported changes, the applicant will be removed from the waiting list.

If an applicant household fails to meet the property’s eligibility criteria, and the application is rejected, there is an appeals process. These procedures will be provided to the applicant household as part of the rejection letter. If mail sent to the address the applicant listed as his/her current address is returned by the U.S. Postal Service, the document will be kept on file and an attempt will be made to contact the applicant via other means. If the applicant cannot be contacted within **14 business days** by alternate means, the apartment will be offered to the next applicant on the waiting list. Attempts to contact the household will be documented in the applicant file, and the applicant will be removed from the waiting list.

If the applicant is offered a unit in writing, but fails to reply by the date noted on the offer letter, the applicant will be removed from the waiting list. The apartment will be offered to the next applicant on the waiting list.

If an applicant fails to move in on the agreed-upon date without notice, the application will be rejected, the applicant’s name will be removed from the waiting list and the apartment will be offered to the next household on the waiting list.

An exception will be made in the case of a medical extenuating circumstance; in this case, the applicant will retain his/her place on the waiting list, and the unit will be offered to the next applicant on the list.

Prior to receiving the keys to the apartment on move-in day, the applicant is required to provide proof that the family has moved out of prior HUD-assisted housing (if applicable). This can consist of any of the following documents:

Copy of signed and dated move-out inspection report

Hand-written note from the prior landlord (signed and dated), on property letterhead, stating that the keys to the prior unit have been returned.

PRIORITIES FOR ACCESSIBLE OR ADAPTABLE UNITS

For units accessible to, or adaptable for, persons with mobility, visual, or hearing impairments, households containing at least one person with such an impairment will have first priority (as applicable) for a particular apartment feature.

Current residents who require accessible/adaptable apartments will be given priority over applicants requiring the same type of apartment. If a tenant is transferred as a reasonable accommodation to a household member's verified disability, the owner will pay the costs (not to include transfer of utilities) associated with the transfer, unless doing so would be an undue financial/administrative burden.

When there are no residents or applicants who need the features of existing accessible units, persons without disabilities may move into those apartments. However, they **must** agree to move to an available apartment of the appropriate bedroom size with no such design features, if an applicant or current resident requires that accessible unit.

PRIOR TO MOVE-IN

Management will explain the HUD regulations regarding the following:

Security deposits

Annual recertifications

Interim recertifications

Non-Interim Certification Transactions (*effective 1/1/2025 and thereafter under HUD's HOTMA Final Rule*)

Unit inspections (NSPIRE and Property)

Community policies

Transfer policies

Social Security Number documentation must be provided for every non-exempt household member, including Live-in Aides, foster children and foster adults.

Certain Section 8 household member(s) may be exempt from SSN documentation requirements. See prior section in this plan, General Eligibility Requirements > SSN Exceptions C.

The applicant and Management will inspect the apartment and sign the Move-In Inspection form either prior to Move-In or on Move-In day.

The applicant will pay the Security Deposit.

The applicant will pay the rent for the first month, as set forth in the Lease.

The applicant will be given a copy of the Move-In Certification, Lease, Move-In Inspection form, Community Policies/House Rules, all other required forms and notices, and a receipt for the Security Deposit and first month's rent.

Bed Bug Screening and Treatment

Management will conduct a bed bug inspection within a month after move-in.

UNIT INSPECTION

All apartments **must** undergo a move-in inspection by Management and the tenant the day of or prior to the day of move-in. A move-in inspection form will be completed, signed and dated by the tenant and Management, confirming that the unit is in decent, safe, and sanitary condition. After move-in, inspections will be completed at least annually by Management and inspections may also be conducted by HUD, and/or the property's Contract Administrator.

UNIT TRANSFER POLICIES

Unit transfer requests must be submitted to the Management Office in writing. Residents will be placed on a transfer waiting list in date received order, if they meet one of the following conditions:

Unit transfer is needed for medical reasons which are certified by doctor

Unit transfer is needed based on the need for an accessible unit, as certified by a physician or other medical professional, as a reasonable accommodation for persons with verified disabilities

Unit transfer is needed due to a change in family composition and/or family size

If a unit of appropriate size is not available, the tenant will be moved into the most appropriately sized unit.

If the tenant is occupying a unit that is larger than needed and there is no need for that larger unit, the tenant will not be required to move until there is a demand for that size of unit.

If the tenant has given a written notice to vacate, the tenant will not be required to transfer.

When it is determined that a transfer is required, the tenant may remain in the unit and pay the HUD-approved market rent; or the tenant **must** move **within 30 days** after the owner notifies the family that a unit of the required size is available within the property.

Unit transfer is needed for VAWA protections (protection from domestic violence, dating violence, sexual assault, and stalking).

To invoke Emergency Transfer rights under VAWA, the person seeking the protection **must** complete a VAWA Emergency Transfer Request form and provide to Management. Please refer to the property's Emergency Transfer Plan for additional information.

5) Resident living in an accessible unit no longer has need of the accessibility features.

B. Current residents who meet any of the qualifications above will be given priority over applicants.

1) Current residents seeking a transfer for VAWA protections will receive priority above any non-VAWA transfers, unless the available unit is an accessible unit. Then the person needing the accessible unit receives the accessible unit before the VAWA individual.

2) Residents with disabilities will be given priority for a unit which has accessible features.

C. Transfers should occur after the completion of the initial lease term (except those based on VAWA) and must meet the following criteria:

1) The resident's account must be current and their tenancy in good standing.

2) Current unit must be maintained in good condition. Damage beyond normal wear and tear are grounds for denial of transfer.

D. Security Deposits:

When a household transfers to a new apartment, Management will transfer the original security deposit collected, along with any interest earned, to the new unit. Management will not determine and collect a new security deposit based on the new TTP associated with the transfer.

Costs associated with the unit transfer:

Depending upon the circumstances of the transfer, a tenant may be obligated to pay **all** costs associated with the move. However, if a tenant is transferred as a reasonable accommodation to a household member's disability, then the property **must** pay the costs associated with the transfer, unless doing so would be an undue financial and administrative burden.

ANNUAL, INTERIM AND NON-INTERIM CERTIFICATION TRANSACTIONS

HUD, HTF, NHHFA PBV, PHA HCV regulations require an annual recertification of income, assets and expenses for rent determination. Interim recertifications depend upon certain resident changes such as changes to household members and/or changes in income, assets or expenses. This policy will be explained prior to move-in.

Tenants are required to notify Management before there is any change in household composition. The same screening criteria are used for **all** new household members, including Live-in Aides, as are required for new households (with the exception of credit checks for Live-in Aides).

Tenants are *currently* required to notify Management any time a previously unemployed adult in the household begins working, and/or if the household's income goes up \$200/month or more which will change under HUD's HOTMA Final Rule.

Under the HOTMA Final Rule, tenants are required to notify Management any time a previously unemployed adult in the household begins working, and/or if the household's income changes by ten (10) percent or more in annual income or more.

Tenant reported changes in household composition or other changes that do not have an impact on household income or that result in a change in income of less than ten (10) percent of annual adjusted income (i.e. adding/removing household member with no income, change in SSN's, Citizenship status, etc.) will be processed by Management and reported to HUD using a Non-Interim certification transaction code.

Tenants may request interim recertification due to a decrease in income, however Management will only process an interim recertification when the household's annual adjusted income changes by ten (10) percent or more, or when there is an increase/decrease in deductions which result in a ten (10) percent or more change in annual adjusted income.

REMAINING FAMILY MEMBERS

If the Head of Household leaves the unit, a current household member already on the lease and of legal contract age under state law can be designated as the new Head of Household for the unit. The remaining family member(s) can stay in the unit and pay rent based upon income/asset/expense calculations on the AR or IR 50058 certification that reflects the change in household composition.

Refer to VAWA protections defined in General Eligibility Requirements > I. The Violence Against Women Act, if the remaining household member is protected under VAWA regulations.

PETS AND ASSISTANCE ANIMALS

Only one dog or one cat may be kept as a pet in an apartment. The size of the dog is restricted to no more than **thirty five (35) pounds or less** (at maturity). Any other kinds of common pets (birds, fish, hamsters, etc.) may be kept only with special permission of the management.

Before any dog or cat is brought to live in an apartment, the tenant shall apply for and obtain approval from the Management. Common pets are limited to 1 and **must** be appropriately caged and cared for and not allowed to run free in the units or common areas. Fish tanks are limited to no more than 15 gallons.

Assistance animals are permitted as a reasonable accommodation for persons with verified disabilities, once the need has been properly verified by a physician, psychiatrist, social worker, other licensed medical professional, or outside Company employed by Owner to process reasonable accommodation requests for assistance animals.

There **must** be a direct relationship between the person's disability and his or her need for the animal. Neither a security deposit nor a pet fee is required for an assistance animal. Also, any restrictions on type and size of animal noted above are not applicable to an assistance animal. All state and local health, safety, and licensing laws apply. Refer to the Assistance Animal Agreement for responsibilities related to the assistance animal.

Management reserves the right to deny a specific assistance animal if:

There is documented proof, based on prior behavior of the animal, that it poses a direct threat to the health and safety of others that cannot be reduced or eliminated by a reasonable accommodation; **or** There is documented proof, based on prior behavior of the animal, that it would cause substantial physical damage to the property of others; **or**

It can be specifically documented that the presence of the assistance animal would pose an undue financial and administrative burden to the provider; **or** Documented evidence shows that the presence of the assistance animal would fundamentally alter the nature of this property's services.

HOTMA FINAL RULE MANDATORY AND DISCRETIONARY POLICIES

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) Final Rule was originally signed into law on July 29, 2016, and the HOTMA Final Rule, HUD Housing Notice H 2023-10 was initially released by HUD on September 29, 2023, and made numerous amendments to the United States Housing Act of 1937. Section 102 of HOTMA addresses changes to the income review and income certification of applicants and tenants in HUD Multifamily housing program properties and Section 104 of HOTMA imposes certain asset limitations on applicants and tenants in HUD Multifamily Housing program properties. The HOTMA Final must be fully implemented by Management no later than January 1, 2025 (pending January 1, 2026).

Below are the policies required under HOTMA as well as the discretionary policies adopted by Management for this property under HOTMA.

A. Asset Limitation and Real Property Rule Policies

1) Applicants / New Admission / Initial Certifications

Applicants and applicant households who apply to the property on or after January 1, 2025, (pending January 1, 2026) who have net family assets which exceed \$103,200 or who have ownership of real estate or real property that is suitable for housing or occupancy by the applicant household must be denied admission under HUD's HOTMA Final Rule.

Management will deny admission and assistance to the applicant(s) and applicant households who apply to the property on or after January 1, 2025 (pending January 1, 2026) who have net family assets that exceed \$103,200 or who have present ownership interest in, a legal right to reside in, and effective legal authority to sell real property or real estate that is considered suitable for housing and occupancy by the applicant household, unless Management determines that the applicant household is eligible for an exemption to the Real Property Rule. Any rejection or denial of assistance will be provided to the applicant household in writing and will include specific reason(s) for

the rejection as described in the "Determination of Applicant Eligibility: Application Acceptance and Rejection" Section and

set forth in the HUD 4350.3 Handbook.

Effective on and after January 1, 2025, (pending January 1, 2026) Management will enforce the \$103,200 asset limitation and/or Real Property Rule and deny assistance at Initial Certification for any existing household(s) who were residing within the property but lost their assistance due to their failure to timely comply with HUD recertification requirements, or who lost their assistance and began paying market rent due to an increase in annual household income, and who subsequently experienced a loss of income, once again requiring assistance.

Management's will accept an applicant household's self-certification of net-family assets and earned income from assets that do not exceed \$51,600 when processing a Move-in or Initial certification. Management will obtain third party verification of all applicant household assets in accordance with HUD's verification hierarchy if they believe information is fraudulent.

Mandatory Deductions: Elderly and disabled households receive a \$525 deduction, while dependent deductions remain at \$480.

2) Existing Tenants at Annual/Interim Recertification

Management has adopted a written policy of enforcement of the \$103,200 asset limitation and real property rule for existing households at Annual/Interim Recertification as described below.

b) Total Enforcement

Management has adopted a policy to Enforce the \$103,200 asset limitation and real property rule under HOTMA. This enforcement policy applies to existing households receiving assistance in subsidized units within the property who occupied their assisted unit on or prior to January 1, 2025 Pending January 1, 2026. This enforcement policy will take effect and be applied at time of the household's next Annual or Interim Recertification which ever occurs first. This means that Management will initiate termination of assistance and/or termination of tenancy/eviction proceedings for an existing assisted household residing within the property receiving assistance prior to January 1, 2025, Pending January 1, 2026, within six (6) months of the effective date of the Annual/ Interim Recertification, for non-compliance with HUD's asset limitation and real property rule under HOTMA. Management will not allow existing households residing within the property who have assets in excess of \$103,200 or who have real property suitable for occupancy by the household, to continue occupying their assisted unit and receive HUD rental assistance after six (6) months of the effective date of the Annual/Interim Recertification. Management may delay the initiation of termination of assistance and/or termination of tenancy/eviction proceedings for noncompliant households for up to, but no longer , six (6) months, unless reasonable accommodation is provided by Management to the household. Households that have their assistance terminated must agree to pay the market/contract rent in effect for the unit or vacate the unit after termination of assistance.

Exemption to Enforcement of the Real Property Rule

If during Annual or Interim Recertification, an existing household residing within the property declares they have present ownership interest in real estate or real property then Management must determine if real estate or real property qualifies the household for an exemption. Real Property Restrictions and Exemptions to the Real Property Restriction in the Asset Limitation include the following:

- Property for which the household is receiving assistance under 24 CFR § 982.620 (i.e., a manufactured home owned by a household who receives assistance to lease the space or lot in which it is located); Property for which the household is receiving assistance under the Homeownership Option (24 CFR Part 982); Property owned jointly by a household member and another individual who does not live with the household but who resides at the jointly owned property; Property owned by a household that includes a person who is a victim of domestic violence, dating violence, sexual assault, or stalking under VAWA (i.e., if the victim is a minor, the real property limitation does not apply to any

property owned by the victim's parent or guardian. When a household requests an exemption from the real property limitation on this basis under VAWA, Management must accept self-certification and follow the confidentiality and documentation-request requirements established at 24 CFR § 5.2007; Property that the family is offering for sale (documentary evidence of the sale process may include a sale contract with a real estate agent or a current real estate listing);

- Whether the household lacks a legal right to reside in the real property;
- Whether the household lacks effective legal authority to sell the real property;
- Whether the real property is unsuitable for occupancy by the household:

A property will be considered suitable for occupancy unless the family demonstrates that the real property meets one of the following five conditions (24 CFR § 5.618(a)(2)):

- The property is not capable of meeting the disability-related needs of all members of the family (e.g., does not meet physical accessibility requirements, family has disability-related need for additional bedrooms, family needs proximity to accessible transportation). Documentary requirements to establish disability-related needs must comply with applicable fair housing and civil rights requirements.
- The property is not sufficient for the size of the family. A PHA Owner's occupancy standards may be used for such a determination.
- The property is geographically located so that it creates a hardship for the family (e.g. the distance or commuting time between the property and the family's place of work or school, etc., (greater than 50 miles) would place a hardship on the family, as determined by the PHA Owner. Distance or commute time to school/work are illustrative, but not exhaustive, examples of geographic hardships). Through written policies, PHAs Owners may set parameters on what constitutes such a hardship, but they must consider the specific circumstances of the family, including information provided by the family, in making a determination.
- The property is not safe to reside in because of its physical condition (e.g. the property's physical condition poses a risk to the family's health and safety and the condition of the property cannot be easily remedied). Unsafe property conditions could include external circumstances or environmental factors outside the control of the family. The property may be deemed not suitable for occupancy if the alterations that would be needed to make it safe to live in are cost prohibitive.
- The family does not have the legal right to reside in the property.

If Management verifies and determines that any of the stated items above are true, then the household may qualify for an exemption, meaning the household's ownership interest in the real estate or real property will not result in the household being out of compliance and the household may be eligible to remain in the assisted unit and receive rental assistance.

If the household is unable to demonstrate they are in compliance with one or more exemptions to the real property rule, Management will begin termination of assistance/termination of tenancy/eviction proceedings, no later than six (6) months from discovery of non-compliance.

Management's policy is to accept a household's self-certification of net-family assets that do not exceed \$51,600 when processing an Annual or Interim Recertification. Households who provide self-certification of net-family assets that do

not exceed \$51,600 will have their assets fully verified every three (3) years in accordance with HUD's verification hierarchy.

B. Calculating Annual Income

Annual income includes gross amounts of all income received from all sources by each member of the household who is eighteen (18) years of age or older, the head of household, or spouse of the head of household, in addition to unearned income received by or on behalf of each dependent of the household who is under eighteen (18) years of age. Annual income does not include amounts specifically excluded by HUD (Income Exclusions). All amounts received by the head of household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual household income regardless of age, unless otherwise excluded by HUD.

1) Safe Harbor Verification

Management may accept and use the Safe Harbor method of income verification from another federal means-tested program to verify an applicant's household's gross annual income, assets or expenses (if applicable). Management may conduct traditional third-party verification of household income, assets and expenses (if applicable) based on the HUD approved hierarchy verification method.

Management will accept and use the Safe Harbor method of income verification from another federal mean-tested program to determine a resident household's annual income, including income from assets, prior to the application of any expense deductions (if applicable), based on income determinations made within the previous 12-month period, using income determinations from the following types of means-tested federal public assistance programs:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
- Medicaid (42 U.S.C. 1396 et seq.).
- The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
- The Earned Income Tax Credit (26 U.S.C. 32).
- The Low Income Housing Tax Credit (26 U.S.C. 42).
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).
- Supplemental Security Income (including award letters)(42 U.S.C. 1381 et seq.).
- Other programs administered by the Secretary.
- Dept. of Child Support Enforcement
- DHHS Income Programs
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding.
- Other federal benefit determinations made by other means-tested federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.

When Management uses the annual income determination from one of the above-listed forms of federal means-tested programs, we will accept the income information as means of a third-party verification. The documentation must state the household size for the entire household (i.e., the household members listed in the documentation must match the household's composition in the assisted unit) and must state the amount of the household's annual income. The annual income need not be broken down by household member or income type. Annual income includes income earned from

assets, therefore when using Safe Harbor to verify a household's income, Management will neither further inquire about a family's net family assets, nor about the income earned from those assets, except with respect to whether or not the household owns assets that exceed the asset limitation of \$103,200. The Safe Harbor verification may be in the form of an award letter from one of the above listed federal programs and must show that the household's income determination was made in the previous 12 months.

The Safe Harbor documentation will be considered acceptable by Management if any of the following dates fall into the 12-month period prior to the receipt of the documentation by Management:

- Income determination effective date;
- Program administrator's signature date;
- Family's signature date;
- Report effective date; or
- Other report-specific dates that verify the income determination date

The only information Management will use to determine income under Safe Harbor is the total income determination made by the federal means-test program administrator. Other federal programs may provide additional information about income inclusions and exclusions in their award letters; however, these determinations and any other information must not be considered by Management for purposes of the HOTMA Safe Harbor provision. Management is not permitted to mix and match Safe Harbor income determinations and other income verifications.

Amounts of unreimbursed reasonable attendant care expenses and child-care expenses deducted from a household's annual income, except for when a household is approved for a child-care expense hardship exemption, must still be capped by the amount earned by any household member who is enabled to work as a result of the expense. Therefore, Management is required to obtain third-party verification of the applicable employment income for the member enabled to work and cap the child-care expense deductions at that member's income.

It is anticipated that in many cases households will provide Management directly with the Safe Harbor verification for the purpose of Annual/Interim Recertification, rather than Management sending third-party verification directly to the source. If Management is unable to obtain Safe Harbor documentation or if the household disputes the other program's income

determination, then Management will calculate the household's annual income using the HUD prescribed hierarchy of verification methods.

If Management uses the Safe Harbor method to determine the household's income for an Annual or Interim Recertification, then the household is obligated to report changes in annual income that meet the reporting requirement and occur after the effective date of the applicable Annual or Interim Certification. This might mean that a certain source of income was not considered in the household's income, because the other federal program that calculated annual income does not consider the source to be income to the household (i.e., if the household begins receiving a new source of income on 2/1/2024 and Management completed an Annual Recertification effective 3/1/2024 using a Safe Harbor income determination, then the household does not need to report that change in income. If the household has a change in annual adjusted income in accordance with HUD's rules that occurs after 3/1/2024, when the Annual Reexamination was effective, then the household must report the change to Management).

2) Calculation of Income at Move-In/New Admission/ Initial Certification

When calculating a household's income, including asset income, at the time of admission to the property or program, or during Initial Certification of an existing household being placed on subsidy, if safe harbor is not used, Management must third-party verify all household income, and applicable deductions and use current household circumstances to predict and calculate the household's anticipated gross annual income for the upcoming 12-month certification period. However, a self certification of assets and earned income from assets will be accepted, if the assets and earned income are no more than \$51,600.

3) Calculation of Income at Annual Recertification

HUD's HOTMA Final Rule revised the standards for income calculation during a household's Annual Recertification. At Annual Recertification Management must first determine the household's income for the previous 12-month period and use this amount as the household's income for Annual Recertification. However, adjustments to reflect the household's current income must be taken into account by Management (i.e., change in wages, SSA COLA, etc.). Any change of income since the household's last Annual Recertification, including changes that did not require Management to process an Interim Recertification of household income, must be considered at Annual Recertification.

- a) Management will determine the household's annual income for the previous 12-month period by reviewing income reported on the most recent HUD-50058 certification; reviewing income the household certified to on the last Annual Recertification for prior-year income, and review income from the EIV Income Report pulled within 120 days of the effective date of the Annual Recertification.
- b) Management will take into consideration income reported on any Interim Recertification completed since the last Annual Recertification.
 - If an Interim Recertification was performed within the Annual Recertification cycle and there are no additional changes, Management will use annual income from the Interim Recertification to determine the household's rental assistance and annual income on the current Annual Recertification HUD-50058 using the HUD hierarchy of verification. Management may also use the verification from the Interim Recertification.
 - If an Interim Recertification was not performed and there are no reported changes to income since the last Annual Recertification, Management will use documentation of prior-year income (taking into account any change in wages, SSA COLA, etc.) to calculate annual income for rental assistance and the current Annual Recertification HUD-50058 using the HUD hierarchy of verification.

4) Calculation of Income at Interim Recertification

HUD's HOTMA Final Rule revised the standards and conditions for which Interim Recertifications must be conducted, and codified when Interim Recertifications should be processed and made effective. A household may request an Interim Recertification for a change in household income or household composition due to changes that have occurred since the last certification.

Management will conduct an Interim Recertification of household income for a change or composition within thirty (30) days of receipt of a household's request or when Management becomes aware of a change in the household's adjusted income that must be processed in accordance with HUD's HOTMA Final Rule. Management will make every attempt to process the Interim Recertification within thirty (30) days, however, processing times may vary and are dependent on the amount of time it takes Management to verify household information.

a) Decreases in Adjusted Income: A household may report to Management to request an Interim Recertification due to a decrease of household income for any amount since the last certification, however, it is Management's policy to only process an Interim Recertification when a household's income changes by ten (10) percent or more. Therefore, Management may decline to process a household's request for an Interim Recertification if it is determined by Management that the household's adjusted income will decrease by an amount that is less than ten (10) percent of the household's annual adjusted income.

1. Management will conduct an Interim Recertification of household income when a household reports it, or when Management becomes aware that a household's annual adjusted income has decreased by ten (10) percent or more in annual adjusted income.

b) Increases in Adjusted Income: Households must report, and Management must conduct an Interim Recertification of household income when it becomes aware that the household's adjusted income has increased by ten (10) percent or more in annual adjusted income.

1. Management will not consider any increases in earned income when estimating or calculating whether the household's adjusted income has increased, when the household has previously received an Interim Recertification for a reduction in income during the same certification cycle;

2. Management will not process an Interim Recertification for household income increases that result in less than a ten (10) percent increase in household annual adjusted income; and

The effective date of the Interim Recertification will depend on whether or not the change was reported in a timely manner by the household.

If the household reported the change timely (within 14 days) then Management will provide the household with a thirty (30) day advance written notice of any rent increase, and such rent increase will be effective the first day of the month beginning after the end of that thirty (30) day period. If the household's rent is anticipated to decrease, rent decreases will be effective on the first day of the month after the date of the actual change leading to the Interim Recertification of household income. This means the decrease will be applied retroactively.

If the household failed to report a change in income or composition in a timely manner, Management will implement any resulting rent increases retroactively to the first day of the month following the date of the change leading to the Interim Recertification. Any resulting rent decrease will be implemented no later than the first rent period following completion of the Interim Recertification, unless it is determined by Management that extenuating circumstances exist.

Management will not process an Interim Recertification of household income during the last three (3) months of a certification period if a household reports an increase in income of ten (10) percent or more within three (3) months of the effective date of the next Annual Recertification.

5) Non-Interim Recertification Transactions

Households that experience a change in composition (i.e., household member moves in or out, becomes deceased, etc.) or other change must report the change to Management as soon as possible once they are aware of the change, but no later than thirty (30) days of the date of the change, even if the change has no impact on the household's annual adjusted income.

Changes which do not require Management to process an Interim Recertification under HOTMA, (i.e., changes in household composition which do not affect income, changes to SSN, Citizenship, etc.) must still be reported to HUD on a Non-Interim Certification transaction. In these situations, Management will submit a separate, new Non-Interim transaction code on form HUD-50058 to report the household change. This action code will be used for the following

transaction types when a change must be reported which does not impact household income or require an Interim Recertification under HUD's HOTMA Final Rule:

- Adding or removing a hardship exemption for the child-care expense deduction;
- Updating or removing the phased-in hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing general hardship relief for the health and medical care expense deduction and/or reasonable attendant care and auxiliary apparatus expense deduction;
- Adding or removing a minimum rent hardship;
- Adding or removing a non-family household member (i.e., live-in aide, foster child, foster adult);
- Adding a household member and the increase in adjusted income does not trigger an Interim Recertification;
- Removing a household member and the increase in adjusted income does not trigger an Interim Recertification;
- Adding/updating a household member's Social Security number; and
- Updating a household member's citizenship status from eligible to ineligible or vice versa, resulting in a change to the family's rent and/or utility reimbursement, if applicable (i.e., family begins receiving prorated assistance or previously prorated assistance becomes full assistance), or updating the prorated rent calculation due to the addition or removal of family members in household with an ineligible noncitizen(s).

6) Streamlined Income Determination

Household income, assets and expense deductions (if applicable) will be verified by Management using third-party verification methods in accordance with HUD's verification hierarchy at each recertification. Assets/income from assets full third party verf. every 3 years

C. De Minimis Errors in Income Determinations and Retroactive Payments De Minimis errors are errors in the calculation of household income that result in a deviation from the correct household income amount by no more than \$30 per month in monthly adjusted income (or \$360 in annual adjusted income). Management is not considered to be out of compliance with HUD regulations solely due to de minimis errors in calculation of household income and will not be penalized for de minimis errors in calculation of household income.

If/when Management becomes aware of the existence of an income calculation error, Management will correct the household's income calculation error(s) retroactive to the effective date of the action the error occurred, regardless of the dollar amount associated with the error.

Management will take the following corrective action if the household was overcharged tenant rent, including when Management determines de minimis errors in the income determination.

1) De Minimis errors that resulted in a tenant being overcharged tenant rent will be credited to the household's ledger retroactive back to the effective date the error was made, regardless of the dollar amount associated with the error. A copy of the rent credit memo to the tenant will be retained in the tenant file for the period of tenancy plus three (3) years.

Households will not be required to repay Management any tenant rent in instances where Management miscalculated income, which results in a household being undercharged rent.

However, if the household overpaid rent because of Management error, a retroactive rent decrease may not be applied prior to the later of the of the first month following:

- 1) The date of the change leading to the Interim Recertification of household income; or
- 2) The effective date the household's most recent previous Initial, Interim or Annual Recertification

D. Hardship Exemptions and Hardship Policy

HUD's HOTMA Final Rule requires Management to establish a hardship policy that identifies circumstances for which eligible households may request a financial hardship exemption.

Financial hardship is defined as an inability of a household to meet basic living expenses such as paying for rent, utilities, or other goods or services necessary for the survival of the household and his or her spouse and/or dependents.

Financial hardship exemptions may only be requested for unreimbursed, out-of-pocket medical care expenses, attendant care and auxiliary apparatus expenses for elderly/disabled households and for unreimbursed, out-of-pocket child-care expenses for eligible households with dependent children under the age of thirteen (13) which enable a member of the household to work, or to further their education.

Management's policy is to review and approve household requests for financial hardship exemptions which include documentation of expenses for unreimbursed, out-of-pocket medical care expenses, attendant care and auxiliary apparatus expenses for elderly/disabled households and for unreimbursed, out-of-pocket child-care expenses for eligible households with dependent children under the age of thirteen (13) which enable a member of the household to work, or to further their education. Eligible households who can demonstrate to Management's satisfaction that their rent plus utilities exceed forty- five (45) percent of the household's adjusted income may receive approval from Management for a hardship exemption.

Management will not accept hardship exemption requests for new applicant households who vacated an assisted unit at another property and who move-in to this property and were receiving a hardship exemption at the other assisted unit.

Existing, in-place households who are receiving a hardship exemption and who transfer to another unit within this property will continue to qualify to receive the hardship exemption at the new unit so long as the household remains eligible for the hardship exemption.

HUD's HOTMA Final Rule revised the definition and amounts of certain expense deductions that households may be eligible to receive under HUD's Multifamily Housing program. Changes in the calculation of certain eligible expense deductions under HUD's HOTMA Final Rule may result in an undue financial hardship for a household. For this reason, HUD has authorized hardship exemptions for eligible households who can document the need for hardship exemptions for the following:

- 1) Hardship Exemptions for Health and Medical Care Expenses and Reasonable Attendant Care and Auxiliary Apparatus Expenses

Under HUD's HOTMA Final Rule, the threshold to deduct health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses from annual income was increased from an excess of three (3) percent of household income to an excess of ten (10) percent of the household's annual income.

HOTMA regulations provide financial hardship exemptions to eligible households who can demonstrate that unreimbursed health and medical care expenses, and/or reasonable attendant care and auxiliary apparatus expenses create a financial hardship for the family. A household may benefit from this hardship exemption only if the family has eligible unreimbursed, out-of-pocket expenses that can be deducted in excess of five (5) percent of annual income.

In order to claim unreimbursed health and medical care expenses, the household must have a head, co-head, or spouse that is elderly or a person with a disability. In order to claim unreimbursed reasonable attendant care and auxiliary apparatus expenses, the household must include a person with a disability, and the expenses must enable any member of the family (including the member who is a person with a disability) to be employed.

To initiate, extend or conclude a hardship exemption, the household must request and provide verification of the hardship and if approved, Management will process and submit a Non-Interim Recertification transaction. Households may be eligible for hardship relief under one of two categories; phased-in relief or general relief, as defined below. Note: A household receiving phased-in relief may request to receive general hardship relief instead. Once a household chooses to obtain general relief, the household may no longer receive phased-in relief.

Households may be eligible for hardship relief under one of two categories; phased-in relief or general relief, as described below.

a) Phased-in relief may be provided to households affected by the HOTMA's statutory increase in the threshold to receive unreimbursed health and medical care and reasonable attendant care and auxiliary apparatus expense deductions from annual income. All households who received a deduction for unreimbursed health and medical care and/or reasonable attendant care or auxiliary apparatus expenses based on their most recent income review prior to January 1, 2025, will begin receiving the 24-month phased-in relief at their next Annual or Interim Recertification, whichever occurs first, after the date Management implements the phased-in relief.

Households who receive phased-in relief will have eligible expenses deducted that exceed five (5) percent of annual income for the first twelve (12) month phase-in period. Twelve (12) months immediately following the first five (5) percent phase-in period began, households will have eligible expenses deducted that exceed seven and a half (7.5) percent of annual income for the second twelve-month phase-in period. After the household has completed both first and second twelve-month phase-in periods, the full twenty-four (24) month phase-in at the lower thresholds will have been met, and the household will remain at the ten (10) percent threshold, unless the household requests, is qualified for, and is approved by Management for relief under the general hardship relief provision below. When an eligible household's phased-in relief begins at an Interim Recertification, Management will need to process another certification transaction one (1) year later to advance the household to the next phase-in period. The Certification transaction can be either an Interim (if triggered) or a Non-Interim Certification transaction.

b) General Relief may be provided to a household eligible for the health and medical care expense and reasonable attendant care and auxiliary apparatus expense deduction. To receive general relief, a household must demonstrate that the household's unreimbursed health and medical care expenses or unreimbursed reasonable attendant care and auxiliary apparatus expenses increased, or the household's financial hardship is a result of a change in circumstances that would not otherwise trigger an Interim Recertification. Relief is available regardless of whether the household previously received an unreimbursed health and medical care expense deduction, unreimbursed reasonable attendant care and auxiliary apparatus expense deduction, are currently receiving phased-in hardship relief, or were previously eligible for either general relief or phased-in relief. If Management determines that a household is eligible for general relief, the household will receive a deduction for the sum of the eligible expenses that exceed five (5) percent of annual income. The household's hardship relief ends when the circumstances that made the household eligible for relief are no longer applicable, or after ninety (90) days, whichever comes earlier.

2) Hardship Exemptions for Child-Care Expense Deductions

HUD Multifamily Housing program regulations allow eligible households to receive reasonable child-care expense deductions deemed necessary to enable a member of the household to be employed or to further their education. Reasonable child-care expenses deemed eligible by Management are deducted from the household's gross annual income calculation. Reasonable child-care expenses are expenses for the care of children (including foster children if the unreimbursed child-care expenses are paid from the family's annual income and not from another source, such as a stipend from the child welfare agency), under thirteen (13) years of age, when all the following statements are true:

- a) The child-care is necessary to enable a household member to be employed or to further his or her education (e.g., work, or further their education (academic or vocational)); and
- b) The expense is not reimbursed by an agency or individual outside the household.

The amount of child-care expenses deducted must not exceed the amount of employment income that is included in annual income. A household whose eligibility for the child-care expense deduction is ending may receive a hardship exemption to continue receiving a child-care expense deduction in certain circumstances when the household no longer has a member that is working, or seeking to further their education, and the deduction is necessary because the family is unable to pay their rent. When a household requests a hardship exemption to continue receiving a child-care expense deduction that is ending,

Management will recalculate the household's adjusted income and continue the child-care deduction if the household demonstrates to Management's satisfaction that the household is unable to pay for rent and utilities because of loss of the child-care expense deduction and the child-care expense is still necessary even though the household member is no longer working, or furthering their education. The hardship exemption and the resulting alternative adjusted income calculation will remain in place for a period of up to ninety (90) days.

To initiate, extend or conclude a hardship exemption, the household must request and document the need for the hardship extension to Management. If approved, Management will process and submit a Non-Interim Transaction code on form HUD-50058, unless there is an accompanying event that triggers an income change which must be recorded on an Interim Recertification.

Within thirty (30) days, households receiving a general relief hardship exemption must report to Management any change in circumstances that made the household eligible for the hardship exemption once they are no longer applicable.

a. Hardship Exemption Extensions

It is Management's policy not to extend hardship relief exemptions beyond the minimum ninety (90) day exemption period.

HUD VERIFICATION HIERARCHY

Level	Verification Technique	Ranking/Order of Acceptability
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6	Upfront Income Verification (UIV), using HUD's Enterprise Income Verification (EIV) system	Highest
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PHAs/MFH Owners must pull the EIV Income Report for each family at every Annual Reexamination, unless using Safe Harbor documentation to verify the

family's income

EIV may be used as the sole verification of Social Security income.

EIV income information may be used to calculate other types of
annual income

5 Upfront Income Verification (UIV) using non-EIV system (e.g., The Work Number, web-based state benefits systems, etc.) Highest

4 Written, third-party verification from the source, also known as “tenant-provided verification”

OR

EIV + Self-Certification

PHAs/MFH Owners can choose either option when both are available to verify income.

PHAs/MFH Owners must use written, third-party verification when the income type is not available in EIV (e.g., self-employment, Go Fund Me accounts, general public assistance, Veterans Administration benefits, etc.) High

- Written, third-party verification is used when tenant disputes EIV-reported employment and income information.
- The EIV Income Report may be used to verify and calculate income if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information from EIV.

3 Written, Third-Party Verification Form Medium

- Use if Level 5 or Level 4 verification is not available or is rejected by the PHA/MFH Owner and when the applicant or tenant is unable to provide acceptable documentation.
- May substitute Level 2 for written, third-party verification form, only completing one of the two forms of verification before moving to self-certification.

2 Oral Third-Party Verification Medium

1 Self-Certification (not third-party verification) Low

- Use as a last resort when unable to obtain any type of 3-party verification or if specifically permitted, such as to determine actual income from assets when the family certifies that net family assets do not exceed \$51,600. self cert at new admission- Full 3rd party every 3 years for assets.
- May be used as highest form of verification when the family reports zero income.

OTHER DISCLOSURES

Property employees are not permitted to accept any money connected with the application procedure, criminal or credit checks and/or apartment designation.

Full compliance with HOTMA is pending January 1, 2026. We will implement as our software allows.