

So, you want to be a Section 8 Landlord?

Things you should know...

What is the Section 8 Program?

The housing choice voucher program provides assistance for low-income families, so they can afford decent, safe, and sanitary housing in the private rental market. Participants are able to choose their own housing, including houses, apartments, and manufactured homes.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Rental units must meet minimum standards of health and safety, as determined by the Public Housing Authority (PHA).

A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Tenants cannot pay side payments or any additional rent beyond what has been agreed to in the housing contract. (This does not include damages or late fees.) To do so is considered fraud and is prosecutable.

In order for a property to be accepted on the Section 8 Program, there are four steps:

1. Fill out the Request for Tenancy Approval form (RTA) and return it to the PHA
2. The property must pass HQS Inspection
 - a. Asheboro Housing Authority (AHA) will inspect the property to ensure it passes HUD's (U.S. Department of Housing and Urban Development) Housing Quality Standards (HQS). HQS is a minimum inspection that ensures participating units are decent, safe, and sanitary for the families that will be residing in them. If the unit does

not pass the initial inspection, the landlord is given up to 30 days to make the necessary repairs. For initial contracts, AHA can generally inspect a property within 14 days of the family submitting the RFTA form. Once a unit is on the program, it is inspected annually.

3. The third step is to determine whether an owner's requested rent is reasonable in comparison to similar unassisted units in the area. AHA will make the rent reasonable determination prior to the inspection.
 - a. Rent Reasonableness takes into consideration such factors as the size, condition and location of the property, as well as any amenities that are included with the unit. If the requested rent is not reasonable, the owner will be asked to lower the rent.
4. The HAP Contract must be executed
 - a. After the property passes inspection and the rent is determined reasonable, the lease between the owner and family should be executed. The lease provided by the owner must be dated to coincide with the PHA's start date. HUD requires a tenancy addendum to be attached to all landlord leases, which states program responsibilities for both parties. The HUD addendum overrides any provisions of the owner's lease that may be in conflict.
 - b. At the same time, the owner will sign a Housing Assistance Payment (HAP) contract with AHA. The HAP contract states the amount of assistance AHA will provide on behalf of the family and lists other contractual responsibilities of both the owner and AHA.

Tenant Screening

Please note that AHA does not screen families for their suitability as tenants. It remains the responsibility of an owner to screen their prospective tenants.

Can I collect a Security Deposit?

Yes, however, it is prohibited to charge in excess of amounts charged by the owner to unassisted tenants.

What is the term of the lease and contract?

After one year, the lease is renewed month-to-month. The tenant may vacate with a notice after the term of the lease expires. If the tenant remains in the unit, the tenant is recertified for eligibility and the unit is inspected for HQS annually. The landlord may request an annual adjustment rent increase which must be approved by the AHA. This request must be submitted in writing to the AHA and tenant 60 days prior to renewal.

Late Fees:

Under North Carolina State Law for Section 8 Tenants, A late fee CANNOT exceed 5% of the tenant's portion of rent.

Rights and Responsibilities as a Landlord


- Maintain your property in good condition. Complete repairs within a reasonable amount of time.
- Set reasonable rules about use of unit and common areas.
- Do not enter a unit without tenant's permission and proper notice except for emergencies or tenant requested repairs.
- Collect appropriate security deposit as directed under the program and use it only as directed by state law.
- Comply with equal opportunity requirements.
- Enforce tenant obligations under the lease.
- Expect your tenant to:
 - Pay rent on time
 - Keep unit clean
 - Avoid illegal activity
 - Permit access for repairs

- Avoid damage to property
- Refrain from disturbing others
- Allow only those occupants on the lease to reside in the unit
- Comply with terms and conditions of lease and HAP contract.
- Take action through court to evict when tenant violates the lease.

Rental Assistance Payments and Other Facts

Landlords who accept rental assistance payments need to conduct business with assisted families in the SAME way as families without rental assistance.

- Landlords need to screen applicants, get security deposits, and manage the unit in the same way as for a non-subsidized unit.
- HUD does not provide a lease. The Landlord must use the same lease as with any other renter, but it may not include language prohibited by law.
- It is up to the Landlord to fully enforce the lease.
- Landlords must not make separate agreements with renters or charge more than the approved rent.
- Landlords may request a rent increase at least 60 days prior to the end of the lease term, which must be approved by the AHA before being put into effect.
- The rental unit must meet a rent reasonableness test.
- Landlords sign a contract with the AHA.
- Landlords are responsible for regular maintenance.
- Landlords must submit a W-9 that is complete and legible to receive payment.
- Landlords will get the first rent check based on when the proper paperwork is submitted to the AHA.
- Landlords may not evict tenants because of AHA late payments.
- AHA makes every effort to pay rent on time.
- AHA processes rent checks only twice a month. Payments processed on or about the 1st and 15th.

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- AHA encourages landlords to use the Electronic Transfer of Funds (EFT) to process rental subsidy payments.
 - Families are responsible for finding a rental unit when they are issued a voucher.
 - The rental unit must pass an HQS inspection.
 - Renters are responsible for damages they cause.
 - Renters are responsible for abiding by the lease and HUD regulations.

HQS Inspections

Housing Quality Standards (HQS) are minimum standards a rental unit must meet before HUD will allow a Landlord to enter into a Housing Assistance Contract with AHA.

AHA is not trying to turn your unit down by inspecting it. This inspection protects the renter and you by helping you to provide safe and sanitary housing that is made affordable with the voucher.

Each room in the house, the heating and plumbing, and the outside structure are all inspected before the family moves in and at least annually after that. If your unit doesn't pass, you may be given the opportunity to make repairs. At later inspections, a hold can be placed on your rent check until you repair any items.

Where Should I Advertise My Property?

AHA recommends landlords list their properties with NCHousingSearch.org or by calling the AHA office. When tenants inquire about where to locate properties to rent, AHA staff directs them to this website. Landlords can advertise an unlimited number of properties through this resource at no charge. The website allows you to upload pictures and describe the property's amenities.

Emergency Repairs

The following items are considered to be emergencies, and must be corrected by the Owner or Tenant (whoever is responsible) **within 24 hours** of notice by the inspector:

- Inoperable smoke detector/Carbon monoxide detector
- Major plumbing leaks or floodings
- Natural gas leak or fumes
- No running water
- Lack of functioning toilet
- Waterlogged ceiling in eminent danger of falling
- Electrical problem that could result in shock/fire
- No heat when outside temperature is below 40 degrees F outside and inside the unit is below 59 degrees F
- Broken glass where someone could be injured
- Obstacle that prevents entrance/exit
- Lack of security for the unit

Inspection Tips

- Landlords should visit their properties periodically throughout the lease term and certainly prior to AHA's HQS inspection.
- Make any necessary repairs prior to the inspection.
- Please do not call for a re-inspection until ALL repairs are completed.