

Housing Application



Applicant Information

Name:		Email:	
Date of birth:	SSN:	Phone:	
Current address:			
City:	State:	ZIP Code:	
Own Rent (Please circle)	Monthly payment or rent:	How long?	
Previous address:			
City:	State:	ZIP Code:	
Owned Rented (Please circle)	Monthly payment or rent:	How long?	

Employment or Source of Income Information

Current employer or source:			
Employer/source address:			How long?
Phone:	E-mail:	Fax:	
City:	State:	ZIP Code:	
Position:	Hourly Salary (Please circle)	Annual income:	

Emergency Contact

Name of a person not residing with you:			
Address:			
City:	State:	ZIP Code:	Phone:
Relationship:			

Co-applicant Information

Name:			
Date of birth:	SSN:	Phone:	
Current address:			
City:	State:	ZIP Code:	
Own Rent (Please circle)	Monthly payment or rent:	How long?	
Previous address:			
City:	State:	ZIP Code:	
Owned Rented (Please circle)	Monthly payment or rent:	How long?	

Co-applicant Employment or Source of Income Information

Current employer or source:			
Employer/source address:			How long?
Phone:	E-mail:	Fax:	
City:	State:	ZIP Code:	
Position:	Hourly Salary (Please circle)	Annual income:	

Marketing Data

HOW DID YOU HEAR ABOUT US?	Newspaper _____ Internet _____	Direct Mail _____
	Apartment Guide _____	Other _____
Referred By:	Drive By _____	

We are an equal housing opportunity provider. We provide housing without discrimination on the basis of race, color, religion, sex, physical or mental handicap, familial status, national origin, or other protected classes.

Proposed date of move-in?

Unit Style: _____



EQUAL HOUSING

The applicant(s) has submitted the sum of \$ _____ which is a nonrefundable payment/fee to cover cost of running all background checks and reports. _____

Applicants Initials

I hereby deposit \$ _____ with Management in connection with this rental application. If application is approved and tenancy taken, this deposit shall be applied to the initial move-in cost in accordance with the terms of the lease agreement. I understand I may cancel this application by written notice within 72 hours and receive a full refund of this deposit in accordance with the refund policy allowed in the state of Michigan. I understand that it may take up to 30 days to receive a refund if I cancel within 72 hours or if my application is denied. I/we hereby agree to the above terms and conditions. _____

Applicants Initials

I (we) certify that the information provided in this application is accurate and complete and I (we) acknowledge that inaccuracies and/or omissions may be the basis for Managements/Owners immediate cancellation of our application. If at any time during occupancy it is discovered that fraudulent information was submitted to gain approved status for occupancy Management/Owners will take steps to terminate tenancy.

Additional Information		
Number of persons in household:	# of Bedrooms Requested:	Pets:
Does your household require accessibility features?	Describe:	
Reasonable Accommodation request?	Describe:	
I authorize the verification of the information provided on this form as to my credit, criminal and employment and or income.		
Signature of applicant:		Date:
Signature of co-applicant:		Date:

Management Agent: _____

Date: _____

Time: _____ AM / PM

Monies Delivered with this application

Deposit.....\$ _____

Pet Fee / Deposit.....\$ _____

Credit/background fee.....\$ _____

Total Received.....\$ _____

☐ Approved ☐ Declined ☐ Canceled By _____ Date _____



Exhibit 3-4: The Family Summary Sheet

Member No.	Last Name of Family Member	First Name	Relationship to Head of Household	Sex	Date of Birth
Head					
2					
3					
4					
5					
6					
7					
8					
9					
10					

NAME:

UNIT #

[illegible]

HOME PHONE # _____

WORK PHONE #

EMERGENCY CONTACT NAME

EMERGENCY PHONE#

RESIDENT'S SIGNATURE

DATE _____

SPOUSE/CO-RESIDENT'S SIGNATURE

DATE _____

I am over the income limit and paying the surcharge/market rate. I do not wish to recertify at this time

SIGNATURE _____



AGENCY DISCLOSURE STATEMENT

DISCLOSURE REGARDING AGENCY RELATIONSHIPS

Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of agency relationship you have with that licensee.

Michigan law requires real estate licensees who are acting as agents of sellers (lessors/owners) or buyers (tenant/lessee) of real property to advise the potential seller (lessors/owners) or buyers (tenant/lessee) with whom they work of the nature of their agency relationship.

*** LESSOR'S/OWNER'S AGENT**

A lessor's/owner's agent acts solely on behalf of the lessor/owner of the property. An owner can authorize a lessor's/owner's agent to with subagents, tenant or lessee agents and/or transaction coordinators. A subagent is one who has agreed to work with the lessor's/owner's agent, and who, like the lessor's/owner's agent, act solely on behalf of the lessor/owner. Lessor's/owner's agents and subagents will disclose to the lessor/owner all known information about the tenant/lessee which may be used to the benefit of the lessor/owner.

TENANT'S/LESSEE'S AGENTS

A tenant's/lessee's agent, under an agency agreement with the tenant/lessee, acts solely on behalf of the tenant/lessee. Tenant's lessee's agent and subagents will disclose to the tenant/lessee known information about the lessor/owner which may be used to benefit the tenant/lessee.

DUAL AGENTS

A real estate licensee can be the agent of both the lessor/owner and the tenant/lessee in a transaction, but only with the knowledge and informed consent, in writing, of both the lessor/owner and the tenant/lessee.

In such a dual agency situation, the licensee will not be able to disclose all known information to either the lessor/owner or the tenant/lessee.

In obligations of a dual agent are subject to any specific provisions set forth in any agreement between the dual agent, the lessor/owner and the tenant/lessee.

LICENSE DISCLOSURE

I hereby disclose that the agency status I/we have with the lessor/owner and/or the tenant lessee is:

☒ Lessor/owner's Agent
☐ Tenant/lessee's Agent
☐ Dual Agent
☐ None of the above

Further, this form was provided to them before disclosure of any confidential information.

Stacy M. Klabek C16P, HCCP, BCS
LICENSEE

Date

By signing below, the parties confirm that they have received and read the information in this agency disclosure statement and that this form was provided before the disclosure of any confidential information specific to the potential owner/lessor or tenant/lessee.

Incoming Resident

Date

Incoming Resident

Date



**AUTHORIZATION AND ACKNOWLEDGEMENT
BY APPLICANT**

The undersigned applicant hereby acknowledges the following:

That as part of the process for applying for membership at Southwicke Square Cooperative the applicant shall be subject to the following investigations:

1. Credit Report;
2. Inquiry of prior landlords;
3. Criminal background checks of each adult member of the household for verification of income.

That in the event the application is approved and the applicant becomes a member of the Cooperative, the applicant acknowledges that he/she will be required under the terms of the Occupancy Agreement and the Rules and Regulations to report all changes in family composition.

That in addition, incoming adult members shall be required to submit to the same background checks as the original applicant and adult members of the household at the time the member was applied and approved as a member of the Cooperative.

That this requirement shall apply even though the members income may have risen to the extent that they are no longer receiving a subsidy and are no longer required to recertify for the Department of Housing and Urban Development.

Date: _____

Member

Date: _____

Member

Date: _____

Member

Date: _____

Member





CRIMINAL HISTORY CONSENT TO RELEASE INFORMATION

DATE: _____

FULL NAME: _____ DATE OF BIRTH _____

FULL NAME: _____ DATE OF BIRTH _____

Current Address: _____

Management screens for Criminal and Sex Offender Registry. This screening contains background information that includes your personal confidential material. By signing below you agree to allow Management and its agents to access this information in order to determine your eligibility.

Have you are any member of your household been convicted of a crime? _____

If yes, when, where, and the nature of the offense: _____

Are there any felony charges or warrants pending against anyone in the household? _____

All information obtained is kept confidential and private but will remain in your tenant data file if your application is approved for housing.

Signatures allow for consent to release information up to thirteen (13) month of signature date.

Signature

Date

Signature

Date

Management Acknowledgement



DISCREPANCY NOTIFICATION AGREEMENT

By signing this agreement, the applicant or resident consent to provide the owner with letters received from HUD/REAC about discrepancies between the income reported to HUD through recertifications with the property and the federal tax return or social security data.

The property is required to verify and resolve any reported income discrepancies. The Applicant/Resident and all adult household members must provide any and all necessary forms and sign forms requested by the property to resolve any reported discrepancies. The property must also seek repayment of any excess assistance received by your household.

If the applicant or resident applicant does not provide the property with the HUD/REAC letter as requested, the property is required by HUD to terminate assistance.

Applicant/Resident

Date

Applicant/Resident

Date

Management Agent

Date

Landlord Verification

DATE: ___/___/___

To: _____

FROM: Mark Cruickshank
Property Manager
Southwicke Square Cooperative
1943 Marian Dr.
Trenton, MI 48183

RETURN THIS VERIFICATION TO THE PERSON LISTED HERE.

Subject: Verification of Information Supplied by an Applicant for Housing Assistance.

Name: _____
SSN: XXX-XX-_____
Address: _____

This person has applied for housing assistance under a program of the U.S. Department of Urban Development (HUD). HUD requires the housing owner to verify all information that is used in determining this person's eligibility or level of benefits.

We ask your cooperation in providing the following information and returning it to the person listed at the top of the page. Your prompt return of this information will help to assure timely processing of the application for assistance. Enclosed is a self-addressed, stamped envelope for this purpose. The applicant/tenant has consented to this release of information as shown below.

Name of Applicant/Tenant

___/___/___
Move-in Date

Address including unit number

How long have they lived in the complex? _____

1. Has rent been paid on time? _____

2. Amount monthly rent? \$ _____ Were utilities including in rent? _____

3. Have you had any problems with this resident? _____ If answer is yes, please note the problems, including: _____

- a) Nonpayment of Rent _____
- b) Failure to cooperate with applicable recertification procedures _____
- c) Violations of house rules _____
- d) Violations of lease _____
- e) History of disruptive behavior _____
- f) Housekeeping habits _____
- g) Termination of assistance for fraud _____
- h) Previous evictions _____
- i) Convictions involving the illegal manufacture or distribution of a controlled substance _____
- j) Conviction for the illegal use of a controlled substance _____

NAME AND TITLE OF PERSON SUPPLYING
THE INFORMATION (PRINT)

COMPLEX NAME

SIGNATURE

PHONE

DATE

=====

YOU DO NOT HAVE TO SIGN THIS FORM IF EITHER THE REQUESTING ORGANIZATION OR THE ORGANIZATION SUPPLYING THE INFORMATION IS LEFT BLANK.

RELEASE: I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is no older than 12 months. There are circumstances which would require the owner to verify information that is up to 5 years old, which would be authorized by me on a separate consent attached to a copy of this consent.

SIGNATURE

DATE

What if I disagree with the EIV information?

If you do not agree with the employment and/or income information in EIV, you must tell your property owner or manager. Your property owner or manager will contact the income source directly to obtain verification of the employment and/or income you disagree with. Once the property owner or manager receives the information from the income source, you will be notified in writing of the results.

What if I did not report income previously and it is now being reported in EIV?

If the EIV report discloses income from a prior period that you did not report, you have two options: 1) you can agree with the EIV report if it is correct, or 2) you can dispute the report if you believe it is incorrect. The property owner or manager will then conduct a written third party verification with the reporting source of income. If the source confirms his income is accurate, you will be required to repay any overpaid rental assistance as far back as five (5) years and you may be subject to penalties if it is determined that you deliberately tried to conceal your income.

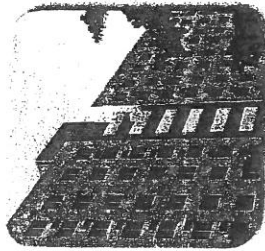
What if the information in EIV is not about me?

EIV has the capability to uncover cases of potential identity theft; someone could be using your social security number. If this is discovered, you must notify the Social Security Administration by calling them toll-free at 1-800-772-1213. Further information on identity theft is available on the Social Security Administration website at: <http://www.ssa.gov/cubs/10064.html>.

Who do I contact if my income or rental assistance is not being calculated correctly?

First, contact your property owner or manager for an explanation.

If you need further assistance, you may contact the contract administrator for the property you live in; and if it is not resolved to your satisfaction, you may contact HUD. For help locating the HUD office nearest you, which can also provide you the contract information for the contract administrator, please call the Multifamily Housing Clearinghouse at: 1-800-685-8470.



Where can I obtain more information on EIV and the income verification process?

Your property owner or manager can provide you with additional information on EIV and the income verification process. They can also refer you to the appropriate contract administrator or your local HUD office for additional information.

If you have access to a computer, you can read more about EIV and the income verification process on HUD's Multifamily EIV homepage at: www.hud.gov/offices/hsg/mfh/rhiip/eiv/eivhome.cfm.



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JULY 2009

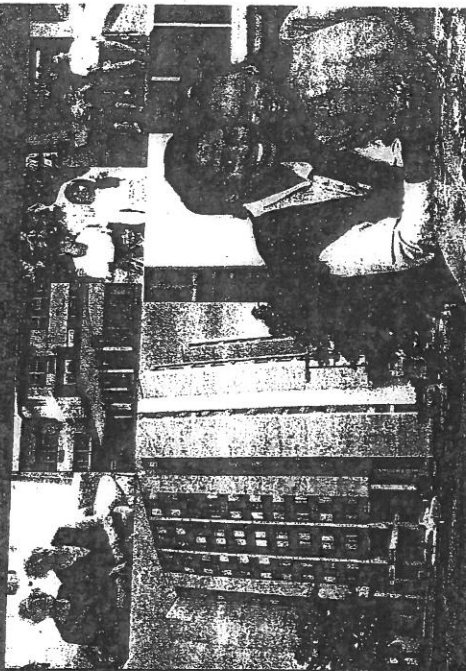


RHIP

RENTAL HOUSING INTEGRITY IMPROVEMENT PROJECT

EIV & You

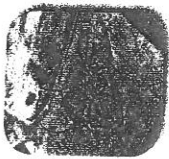
ENTERPRISE INCOME VERIFICATION



What YOU Should Know
if You are Applying for or are Receiving
Rental Assistance through the Department of
Housing and Urban Development (HUD)

What is EIV?

EIV is a web-based computer system containing employment and income information on individuals participating in HUD's rental assistance programs. This information assists HUD in making sure "the right benefits go to the right persons".



What income information is in EIV and where does it come from?

The Social Security Administration:

- Social Security (SS) benefits
- Supplemental Security Income (SSI) benefits
- Dual Entitlementment SS benefits

The Department of Health and Human Services (HSS) National Directory of New Hires (NDNH):

- Wages
- Unemployment compensation
- New Hire (W-4)

What is the information in EIV used for?

The EIV system provides the owner and/or manager of the property where you live with your income information and employment history. This information is used to meet HUD's requirement to independently verify your employment and/or income when you recertify for continued rental assistance. Getting the information from the EIV system is more accurate and less time consuming and costly to the owner or manager than contacting your income source directly for verification.

Property owners and managers are able to use the EIV system to determine if you:

- correctly reported your income

They will also be able to determine if you:

- Used a false social security number
- Failed to report or under reported the income of a spouse or other household member
- Receive rental assistance at another property

Is my consent required to get information about me from EIV?

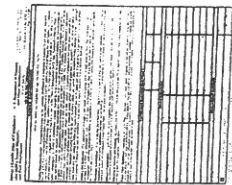
Yes. When you sign form HUD-9887, Notice and Consent for the Release of Information, and form HUD-9887-A, Applicant's/Tenant's Consent to the Release of Information, you are giving your consent for HUD and the property owner or manager to obtain information about you to verify your employment and/or income and determine your eligibility for HUD rental assistance. Your failure to sign the consent forms may result in the denial of assistance or termination of assisted housing benefits.

Who has access to the EIV information?

Only you and those parties listed on the consent form HUD-9887 that you must sign have access to the information in EIV pertaining to you.

What are my responsibilities?

As a tenant in a HUD assisted property, you must certify that information provided on an application for housing assistance and the form used to certify and recertify your assistance (form HUD-50059) is accurate and honest. This is also described in the *Tenants Rights & Responsibilities* brochure that your property owner or manager is required to give to you every year.



Penalties for providing false information

Providing false information is fraud. Penalties for those who commit fraud could include eviction, repayment of overpaid assistance received, fines up to \$10,000, imprisonment for up to 5 years, prohibition from receiving any future rental assistance and/or state and local government penalties.

Protect yourself, follow HUD reporting requirements

When completing applications and recertifications, you must include all sources of income you or any member of your household receives. Some sources include:

- Income from wages
- Welfare payments
- Unemployment benefits
- Social Security (SS) or Supplemental Security Income (SSI) benefits
- Veteran benefits
- Pensions, retirement, etc.
- Income from assets
- Monies received on behalf of a child such as:
 - Child support
 - AFDC payments
 - Social security for children, etc.

If you have any questions on whether money received should be counted as income, ask your property owner or manager.

When changes occur in your household income or family composition, immediately contact your property owner or manager to determine if this will affect your rental assistance.



Your property owner or manager is required to provide you with a copy of the fact sheet "How Your Rent Is Determined" which includes a listing of what is included or excluded from income.



APPLYING FOR HUD HOUSING ASSISTANCE?

**THINK ABOUT THIS...
IS FRAUD WORTH IT?**

Do You Realize...

If you commit fraud to obtain assisted housing from HUD, you could be:

- Evicted from your apartment or house.
- Required to repay all overpaid rental assistance you received.
- Fined up to \$10,000.
- Imprisoned for up to five years.
- Prohibited from receiving future assistance.
- Subject to State and local government penalties.

Do You Know...

You are committing fraud if you sign a form knowing that you provided false or misleading information.

The information you provide on housing assistance application and recertification forms will be checked. The local housing agency, HUD, or the Office of Inspector General will check the income and asset information you provide with other Federal, State, or local governments and with private agencies. Certifying false information is fraud.

So Be Careful!

When you fill out your application and yearly recertification for assisted housing from HUD make sure your answers to the questions are accurate and honest. You must include:

All sources of income and changes in income you or any members of your household receive, such as wages, welfare payments, social security and veterans' benefits, pensions, retirement, etc.

Any money you receive on behalf of your children, such as child support, AFDC payments, social security for children, etc.

Any increase in income, such as wages from a new job or an expected pay raise or bonus.

All assets, such as bank accounts, savings bonds, certificates of deposit, stocks, real estate, etc., that are owned by you or any member of your household.

All income from assets, such as interest from savings and checking accounts, stock dividends, etc.

Any business or asset (your home) that you sold in the last two years at less than full value.

The names of everyone, adults or children, relatives and non-relatives, who are living with you and make up your household.

(Important Notice for Hurricane Katrina and Hurricane Rita Evacuees: HUD's reporting requirements may be temporarily waived or suspended because of your circumstances. Contact the local housing agency before you complete the housing assistance application.)

Ask Questions

If you don't understand something on the application or recertification forms, always ask questions. It's better to be safe than sorry.

Watch Out for Housing Assistance Scams!

- Don't pay money to have someone fill out housing assistance application and recertification forms for you.
- Don't pay money to move up on a waiting list.
- Don't pay for anything that is not covered by your lease.
- Get a receipt for any money you pay.
- Get a written explanation if you are required to pay for anything other than rent (maintenance or utility charges).

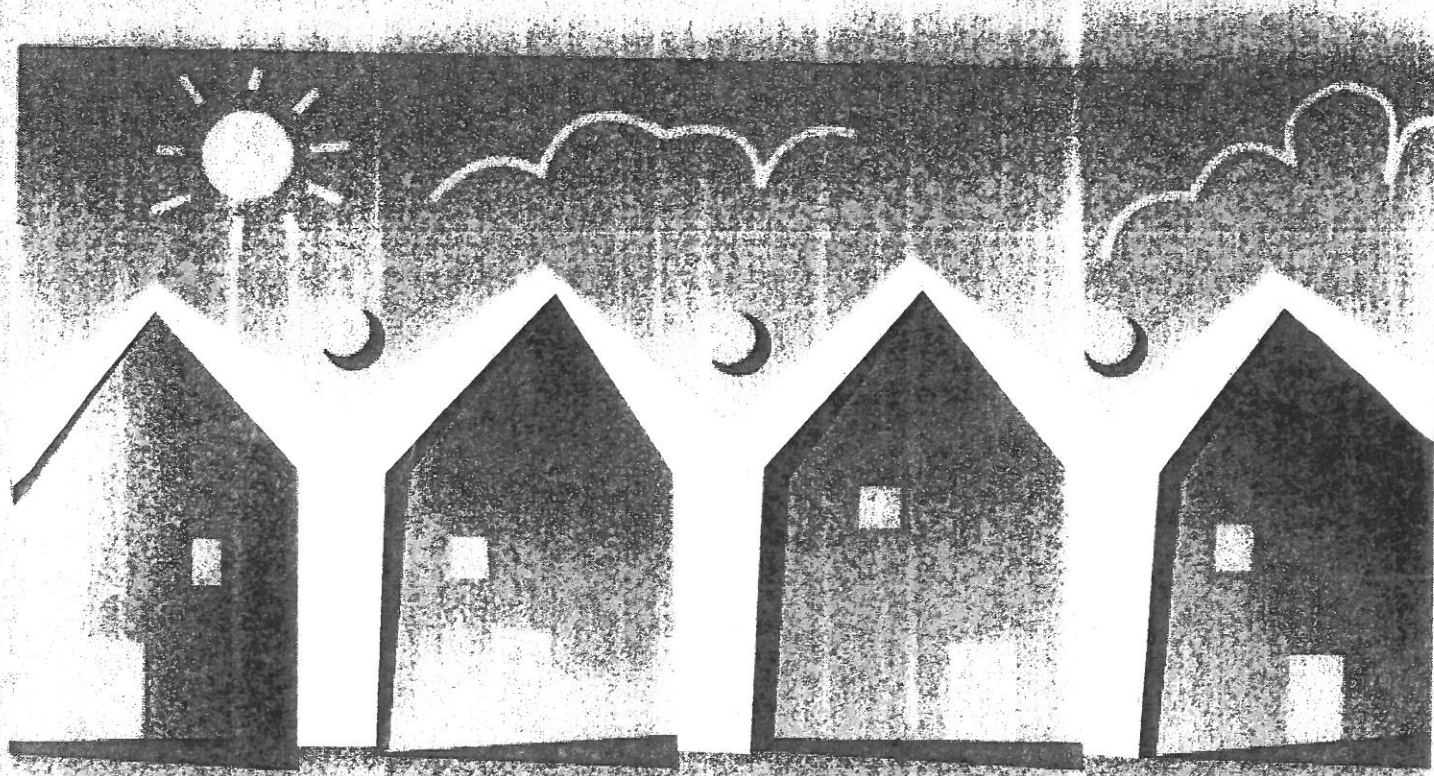
Report Fraud

If you know of anyone who provided false information on a HUD housing assistance application or recertification or if anyone tells you to provide false information, report that person to the HUD Office of Inspector General Hotline. You can call the Hotline toll-free Monday through Friday, from 10:00 a.m. to 4:30 p.m., Eastern Time, at 1-800-347-3735. You can fax information to (202) 708-4829 or e-mail it to Hotline@hudoig.gov. You can write the Hotline at:



HUD OIG Hotline, GFI
451 7th Street, SW
Washington, DC 20410

Resident Rights



& Responsibilities



Secretary of HUD

This brochure does not apply to the Public Housing Program, the Section 8 Moderate Rehabilitation Program (except for multifamily housing projects that are insured by HUD), and the Housing Choice Voucher Program (except when a voucher is used in a multifamily housing project with a HUD-insured mortgage).

You, as a resident (tenant), have rights and responsibilities that help make your HUD-assisted housing a better home for you and your family.

This brochure is being distributed to you because the United States Department of Housing and Urban Development, which has ultimate jurisdiction over the project in which you live, has provided some form of assistance or subsidy for this apartment building. As part of its dedication to maintaining the best possible living environment for all residents, your HUD field office encourages and supports the following:

- Management agents and property owners communicate with residents on any and all issues.
- Owners and managers give prompt consideration to all valid resident complaints and resolve them as quickly as possible.
- Residents' right to organize and participate in the decisions regarding the well-being of the project and their home.

Along with your owner/management agent, you play an important role in making your place of residence—the unit (apartment), the grounds, and other common areas—a better place to live and in creating a community you can be proud of.

This brochure briefly lists some of your most important rights and responsibilities to help you get the most out of your home.

Your Rights

As a resident of a HUD-assisted multifamily housing project, you should be aware of your rights.

Involving Your Apartment

- The right to live in decent, safe, and sanitary housing that is free from environmental hazards such as lead-based paint hazards.
- The right to have repairs performed in a timely manner, upon request, and to have a quality maintenance program run by management.
- The right to be given reasonable notice, in writing, of any nonemergency inspection or other entry into your apartment.

Involving Resident Organizations

- The right to organize as residents without obstruction, harassment, or retaliation from property owners or management.
- The right to post materials in common areas and provide leaflets informing other residents of their rights and of opportunities to involve themselves in their project.
- The right, which may be subject to a reasonable, HUD-approved fee, to use appropriate common space or meeting facilities to organize or to consider any issue affecting the condition or management of the property.
- The right to meet without the owner/manager present.
- The right to be recognized by property owners and managers as having a voice in residential community affairs.

Involving Nondiscrimination

The right to equal and fair treatment and use of your building's services and facilities, without regard to race, color, religion, gender, disability, familial status (children under 18), national origin (ethnicity or language), or in some circumstances, age.

Your Responsibilities

As a resident of a HUD-assisted multifamily housing project, you also have certain responsibilities to ensure that your building remains a suitable home for you and your neighbors. By signing your lease, you and the owner/management company have entered into a legal, enforceable contract. You and the owner/management company are responsible for complying with your lease, house rules, and local laws governing your property. If you have any questions about your lease or do not have a copy of it, contact your management agent or your local HUD field office.

to Your Property Owner or Management Agent

- Complying with the rules and guidelines that govern your lease.
- Paying the correct amount of rent on a timely basis each month.
- Providing accurate information to the owner at the certification or recertification interview to determine your total tenant payment, and consenting to the release of information by a third party to allow for verification.
- Reporting changes in the family's income.

to the Project and to Your Fellow Residents

- Conducting yourself in a manner that will not disturb your neighbors.
- Not engaging in criminal activity in the unit, common area, or grounds.
- Keeping your unit clean and not littering the grounds or common areas.
- Disposing of garbage and waste in a proper manner.
- Complying with local codes that affect the health or safety of the residence.
- Maintaining your apartment and common areas in the same general physical condition as when you moved in.
- Reporting any apparent environmental hazards to the management, such as peeling paint—which is a hazard if it is a lead-based paint—and any defects in building systems, fixtures, appliances, or other parts of the unit, the grounds, or related facilities.

Your Participation *is important*

Residents in HUD-assisted multifamily housing can play an important role in decisions that affect their project. Different HUD programs provide for specific resident rights. You have the right to know under which HUD program your building is assisted. To find out if your apartment building is covered under any of the following categories, contact your management agent.

If your building was funded under **Section 236, 221 (d)(3)/BMIR, Rent Supplement Program, Section 202 Direct Loan Program, Section 202/811 Capital Advance Programs, or is assisted under any applicable project-based Section 8 programs**, and prior HUD approval is required before the owner can prepay, you have the right to participate in or be notified of, and comment on, the following:

- An increase in the maximum permissible rent.
- Conversion of a project from project-paid utilities to tenant-paid utilities or a reduction in tenant utility allowance.
- Conversion of residential units in a multifamily housing project to a nonresidential use or to condominiums, or the transfer of the project to a cooperative housing mortgagor corporation or association.
- Partial release of mortgage security.
- Capital improvements that represent a substantial addition to the project.
- Nonrenewal of a project-based Section 8 contract.
- Any other action which could ultimately lead to involuntary temporary or permanent relocation of residents.
- Prepayment of mortgage.

Your Participation continued...

If your unit has a project-based Section 8 contract that is expiring or being terminated and will not be renewed, the assisted family may elect to remain in the same project in which the family was residing on the date of the eligibility event for the project. The family residing in an assisted unit may be eligible for an enhanced voucher. Owners must provide a 1-year notification of their intent to opt out of the Section 8 contract. Residents may use the Section 8 voucher in any building with rents in the allowable range. Eligible tenants can receive enhanced vouchers only if they remain in the same project in which they resided on the date the Section 8 contract was terminated. If an eligible tenant moves, they are eligible for a Section 8 voucher that is not enhanced. You also have the right to Relocation Counseling, where you can learn about housing options available to you.

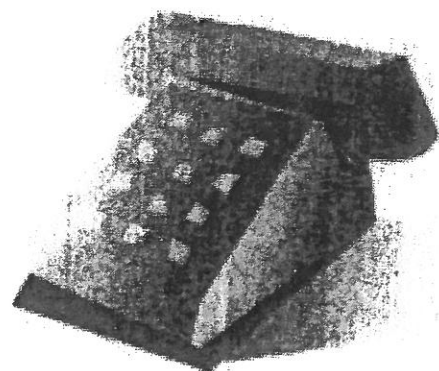
Residents of HUD-assisted housing are our partners and partners in their communities. HUD regulations give residents the right to press for improved conditions by organizing independent resident associations. These associations encourage residents to become involved in the decisions that affect their homes without harassment or retaliation by property owners or management.

—Secretary of HUD

If you live in a building that is **owned by HUD** and is being sold, you have the right to be notified of, and comment on, HUD's plans for disposing of the building.

Additional

Assistance



If you need help or more information, you may contact:

- Your property manager or management company.
- The project manager in HUD's Multifamily Hub, Multifamily Field Office, or your local Contract Administrator.
- Your local HUD Field Office - <http://www.hud.gov/local/index.cfm>
- The housing counseling agency in your community (for assistance, call the HUD Housing Counseling Service Locator at 1-800-569-4287).
- HUD's National Multifamily Housing Clearinghouse at 1-800-685-8470 to report maintenance or management concerns.
- HUD's Office of Inspector General Hot Line at 1-800-347-3735 to report fraud, waste, or mismanagement.
- Citation to the Multifamily Housing Rule—24 CFR Part 245.
- World Wide Web - <http://www.hud.gov>

If you believe that you have been discriminated against, or would like information on what constitutes housing discrimination, call 1-800-669-9777, or call your local HUD Office of Fair Housing and Equal Opportunity.

Your local government tenant/landlord affairs office, legal services office, and tenant organizations may also provide you with information on additional rights you have under local or state law.

The brochure about your rights and responsibilities as a resident of HUD assisted multifamily housing is available in languages other than English. To find out which language versions are currently in stock, contact HUD's National Multifamily Housing Clearinghouse at 1-800-685-8470.



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

Office of Multifamily Housing Programs

Washington, DC 20410-0000

Official Business

Penalty for Private Use \$300

FACT SHEET

For HUD ASSISTED RESIDENTS

Project-Based Section 8

“HOW YOUR RENT IS DETERMINED”

Office of Housing

September 2010

This Fact Sheet is a general guide to inform the Owner/Management Agents (OA) and HUD-assisted residents of the responsibilities and rights regarding income disclosure and verification.

Why Determining Income and Rent Correctly is Important

Department of Housing and Urban Development studies show that many resident families pay incorrect rent. The main causes of this problem are:

- Under-reporting of income by resident families, and
- OAs not granting exclusions and deductions to which resident families are entitled.

OAs and residents all have a responsibility in ensuring that the correct rent is paid.

OAs' Responsibilities:

- Obtain accurate income information
- Verify resident income
- Ensure residents receive the exclusions and deductions to which they are entitled
- Accurately calculate Tenant Rent
- Provide tenants a copy of lease agreement and income and rent determinations Recalculate rent when changes in family composition are reported
- Recalculate rent when resident income decreases
- Recalculate rent when resident income increases by \$200 or more per month
- Recalculate rent every 90 days when resident claims minimum rent hardship exemption
- Provide information on OA policies upon request
- Notify residents of any changes in requirements or practices for reporting income or determining rent

Residents' Responsibilities:

- Provide accurate family composition information
- Report all income
- Keep copies of papers, forms, and receipts which document income and expenses
- Report changes in family composition and income occurring between annual recertifications
- Sign consent forms for income verification
- Follow lease requirements and house rules

Income Determinations

A family's anticipated gross income determines not only eligibility for assistance, but also determines the rent a family will pay and the subsidy required. The anticipated income, subject to exclusions and deductions the family will receive during the next twelve (12) months, is used to determine the family's rent.

What is Annual Income?

Gross Income – Income Exclusions = Annual Income

What is Adjusted Income?

Annual Income – Deductions = Adjusted Income

Determining Tenant Rent

Project-Based Section 8 Rent Formula:

The rent a family will pay is the **highest** of the following amounts:

- 30% of the family's monthly *adjusted* income
 - 10% of the family's monthly income
 - Welfare rent or welfare payment from agency to assist family in paying housing costs.
- OR
- \$25.00 Minimum Rent

Income and Assets

HUD assisted residents are required to report **all** income from all sources to the Owner or Agent (OA).

Exclusions to income and deductions are part of the tenant rent process.

When determining the amount of income from assets to be included in annual income, the actual income derived from the assets is included except when the cash value of all of the assets is in excess of \$5,000, then the amount included in annual income is the higher of 2% of the total assets or the actual income derived from the assets.

Annual Income Includes:

- Full amount (before payroll deductions) of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services
- Net income from the operation of a business or profession
- Interest, dividends and other net income of any kind from real or personal property (See Assets Include/Assets Do Not Include below)
- Full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except for deferred periodic payments of supplemental security income and social security benefits, see Exclusions from Annual Income, below)
- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except for lump-sum additions to

family assets, see Exclusions from Annual Income, below Welfare assistance

- Periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from organizations or from persons not residing in the dwelling
- All regular pay, special pay and allowances of a member of the Armed Forces (except for special pay for exposure to hostile fire)
- For Section 8 programs only, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965, shall be considered income to that individual, except that financial assistance is not considered annual income for persons over the age of 23 with dependent children or if a student is living with his or her parents who are receiving section 8 assistance. For the purpose of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

Assets Include:

- Stocks, bonds, Treasury bills, certificates of deposit, money market accounts
- Individual retirement and Keogh accounts
- Retirement and pension funds
- Cash held in savings and checking accounts, safe deposit boxes, homes, etc.
- Cash value of whole life insurance policies available to the individual before death
- Equity in rental property and other capital investments
- Personal property held as an investment
- Lump sum receipts or one-time receipts
- Mortgage or deed of trust held by an applicant
- Assets disposed of for less than fair market value.

Assets Do Not Include:

- Necessary personal property (clothing, furniture, cars, wedding ring, vehicles specially equipped for persons with disabilities)
- Interests in Indian trust land
- Term life insurance policies
- Equity in the cooperative unit in which the family lives
- Assets that are part of an active business
- Assets that are not effectively owned by the applicant

or are held in an individual's name but:

- The assets and any income they earn accrue to the benefit of someone else who is not a member of the household, and
- that other person is responsible for income taxes incurred on income generated by the assets
- Assets that are not accessible to the applicant and provide no income to the applicant (Example: A battered spouse owns a house with her husband. Due to the domestic situation, she receives no income from the asset and cannot convert the asset to cash.)
- Assets disposed of for less than fair market value as a result of:
 - Foreclosure
 - Bankruptcy
 - Divorce or separation agreement if the applicant or resident receives important consideration not necessarily in dollars.

Exclusions from Annual Income:

- Income from the employment of children (including foster children) under the age of 18
- Payment received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone)
- Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member
- Income of a live-in aide
- Subject to the inclusion of income for the Section 8 program for students who are enrolled in an institution of higher education under Annual Income Includes, above, the full amount of student financial assistance either paid directly to the student or to the educational institution
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire
- Amounts received under training programs funded by HUD
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and

benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS)

- Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program
- Resident service stipend (not to exceed \$200 per month)
- Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs and training of a family member as resident management staff
- Temporary, non-recurring or sporadic income (including gifts)
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era
- Earnings in excess of \$480 for each full time student 18 years old or older (excluding head of household, co-head or spouse)
- Adoption assistance payments in excess of \$480 per adopted child
- Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts
- Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home

Federally Mandated Exclusions:

- Value of the allotment provided to an eligible household under the Food Stamp Act of 1977
- Payments to Volunteers under the Domestic Volunteer Services Act of 1973
- Payments received under the Alaska Native Claims Settlement Act
- Income derived from certain submarginal land of the US that is held in trust for certain Indian Tribes

- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program
- Payments received under programs funded in whole or in part under the Job Training Partnership Act
- Income derived from the disposition of funds to the Grand River Band of Ottawa Indians
- The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the US. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands
- Payments received from programs funded under Title V of the Older Americans Act of 1985
- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent-product liability litigation*
- Payments received under the Maine Indian Claims Settlement Act of 1980
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990
- Earned income tax credit (EITC) refund payments on or after January 1, 1991
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation
- Allowance, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990
- Any allowance paid under the provisions of 38U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act
- Allowances, earnings and payments to individuals participating under the Workforce Investment Act of 1998.

Deductions:

- \$480 for each dependent including full time students or persons with a disability
- \$400 for any elderly family or disabled family
- Unreimbursed medical expenses of any elderly family or disabled family that total more than 3% of Annual Income
- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for disabled family member(s) to allow family member(s) to work that total more than 3% of Annual Income
- If an elderly family has both unreimbursed medical expenses and disability assistance expenses, the family's 3% of income expenditure is applied only one time.
- Any reasonable child care expenses for children under age 13 necessary to enable a member of the family to be employed or to further his or her education.

Reference Materials

Legislation:

- Quality Housing and Work Responsibility Act of 1998, Public Law 105-276, 112 Stat. 2518 which amended the United States Housing Act of 1937, 42 USC 2437, et seq.

Regulations:

- General HUD Program Requirements; 24 CFR Part 5

Handbook:

- 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs

Notices:

"Federally Mandated Exclusions" Notice 66 FR 4669, April 20, 2001

For More Information:

Find out more about HUD's programs on HUD's Internet homepage at <http://www.hud.gov>

FACT SHEET

For HUD ASSISTED RESIDENTS

Section 236

“HOW YOUR RENT IS DETERMINED”

Office of Housing

June 2007

This Fact Sheet is a general guide to inform the Owner/Management Agents (OA) and HUD-assisted residents of the responsibilities and rights regarding income disclosure and verification.

Why Determining Income and Rent Correctly is Important

Department of Housing and Urban Development studies show that many resident families pay incorrect rent. The main causes of this problem are:

- Under-reporting of income by resident families, and
- OAs not granting exclusions and deductions to which resident families are entitled.

OAs and residents all have a responsibility in ensuring that the correct rent is paid.

OAs' Responsibilities:

- Obtain accurate income information
- Verify resident income
- Ensure residents receive the exclusions and deductions to which they are entitled
- Accurately calculate Tenant Rent
- Provide tenants a copy of lease agreement and income and rent determinations
- Recalculate rent when changes in family composition are reported
- Recalculate rent when resident income decreases

- Recalculate rent when resident income increases by \$200 or more per month
- Provide information on OA policies upon request
- Notify residents of any changes in requirements or practices for reporting income or determining rent

Residents' Responsibilities:

- Provide accurate family composition information
- Report all income
- Keep copies of papers, forms, and receipts which document income and expenses
- Report changes in family composition and income occurring between annual recertifications
- Sign consent forms for income verification
- Follow lease requirements and house rules

Income Determinations

A family's anticipated gross income determines not only eligibility, but also determines the rent a family will pay. The anticipated income, subject to exclusions and deductions the family will receive during the next twelve (12) months, is used to determine the family's rent.

What is Annual Income?

Gross Income – Income Exclusions = Annual Income

What is Adjusted Income?

Annual Income – Deductions = Adjusted Income

Determining Tenant Rent

Section 236 Rent Formulas:

All Section 236 Projects have a minimum rent (Basic Rent) and a maximum rent (Market Rent).

Section 236 with NO Utility Allowance; the higher of:

- 30% of the family's monthly adjusted income
- Basic Rent
- But not more than Market Rent

Section 236 WITH Utility Allowance; the highest of:

- 30% of the family's monthly adjusted income less the Utility Allowance
- 25% of the family's monthly adjusted income
- Basic Rent
- But not more than Market Rent

A **Utility Allowance** is approved by HUD when the cost of all or a portion of the utilities (except telephone) is not included in the unit rent and payment for the utilities is the responsibility of the family occupying the unit.

The utility allowance is not meant to pay all actual utility costs, but rather it is an allowance provided to the family to assist them in payment of their utility expenses.

Income and Assets

HUD assisted residents are required to report **all** income from all sources to the Owner or Agent (OA).

Exclusions to income and deductions are part of the tenant rent process.

When determining the amount of income from assets to be included in annual income, the actual income derived from the assets is included except when the cash value of all of the assets is in excess of \$5,000, then the amount included in annual income is the higher of 2% of the total assets or the actual income derived from the assets.

Annual Income Includes:

- Full amount (before payroll deductions) of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services
- Net income from the operation of a business or profession
- Interest, dividends and other net income of any kind from real or personal property (See Assets Include/Assets Do Not Include below)
- Full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount **except for deferred periodic payments of supplemental security income and social security benefits, see Exclusions from Annual Income, below)**
- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay ** (except for lump-sum additions to family assets, see Exclusions from Annual Income, below)**
- Welfare assistance
- Periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from organizations or from persons not residing in the dwelling
- All regular pay, special pay and allowances of a member of the Armed Forces (except for special pay for exposure to hostile fire)
- **For Section 8 programs only, any financial assistance, in excess of amounts received for tuition,

that an individual receives under the Higher Education Act of 1965, shall be considered income to that individual, except that financial assistance is not considered annual income for persons over the age of 23 with dependent children or if a student is living with his or her parents who are receiving section 8 assistance. For the purpose of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income**

Assets Include:

- Stocks, bonds, Treasury bills, certificates of deposit, money market accounts
- Individual retirement and Keogh accounts
- Retirement and pension funds
- Cash held in savings and checking accounts, safe deposit boxes, homes, etc.
- Cash value of whole life insurance policies available to the individual before death
- Equity in rental property and other capital investments
- Personal property held as an investment
- Lump sum receipts or one-time receipts
- Mortgage or deed of trust held by an applicant
- Assets disposed of for less than fair market value.

Assets Do Not Include:

- Necessary personal property (clothing, furniture, cars, wedding ring, vehicles specially equipped for persons with disabilities)
- Interests in Indian trust land
- Term life insurance policies
- Equity in the cooperative unit in which the family lives
- Assets that are part of an active business
- Assets that are not effectively owned by the applicant or are held in an individual's name but:
 - The assets and any income they earn accrue to the benefit of someone else who is not a member of the household, and
 - that other person is responsible for income taxes incurred on income generated by the assets
- Assets that are not accessible to the applicant and provide no income to the applicant (Example: A battered spouse owns a house with her husband. Due to the domestic situation, she receives no income from the asset and cannot convert the asset to cash.)
- Assets disposed of for less than fair market value as a result of:

- Foreclosure
- Bankruptcy
- Divorce or separation agreement if the applicant or resident receives important consideration not necessarily in dollars.

Exclusions from Annual Income:

Income from the employment of children (including foster children) under the age of 18

Payment received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses

Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member

Income of a live-in aide

****Subject to the inclusion of income for the Section 8 program for students who are enrolled in an institution of higher education under Annual Income Includes, above, ** the full amount of student financial assistance either paid directly to the student or to the educational institution**

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire

Amounts received under training programs funded by HUD

Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS)

Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program

Resident service stipend (not to exceed \$200 per month)

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs and training of a family member as resident management staff
Temporary, non-recurring or sporadic income (including gifts)

Reparation payments paid by a foreign government pursuant to claims filed under the laws of that

government by persons who were persecuted during the Nazi era

- Earnings in excess of \$480 for each full time student 18 years old or older (excluding head of household, co-head or spouse)
- Adoption assistance payments in excess of \$480 per adopted child
- Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts
- Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home

Federally Mandated Exclusions:

- Value of the allotment provided to an eligible household under the Food Stamp Act of 1977
- Payments to Volunteers under the Domestic Volunteer Services Act of 1973
- Payments received under the Alaska Native Claims Settlement Act
- Income derived from certain submarginal land of the US that is held in trust for certain Indian Tribes
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program
- Payments received under programs funded in whole or in part under the Job Training Partnership Act
- Income derived from the disposition of funds to the Grand River Band of Ottawa Indians
- The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the US. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs
- Payments received from programs funded under Title V of the Older Americans Act of 1985
- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent-product liability litigation*

- Payments received under the Maine Indian Claims Settlement Act of 1980
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990
- Earned income tax credit (EITC) refund payments on or after January 1, 1991
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation
- Allowance, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990
- Any allowance paid under the provisions of 38U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act
- Allowances, earnings and payments to individuals participating under the Workforce Investment Act of 1998.

Deductions:

- \$480 for each dependent including full time students or persons with a disability
- \$400 for any elderly family or disabled family
- Unreimbursed medical expenses of any elderly family or disabled family that total more than 3% of Annual Income
- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for disabled family member(s) to allow family member(s) to work that total more than 3% of Annual Income
- If an elderly family has both unreimbursed medical expenses and disability assistance expenses, the family's 3% of income expenditure is applied only one time.
- Any reasonable child care expenses for children under age 13 necessary to enable a member of the family to be employed or to further his or her education.

Reference Materials

Regulations:

- General HUD Program Requirements; 24 CFR Part 5

Handbook:

- 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs

Notices:

- "Federally Mandated Exclusions" Notice 66 FR 4669, April 20, 2001

For More Information:

Find out more about HUD's programs on HUD's Internet homepage at <http://www.hud.gov>

SOUTHWICKE SQUARE COOPERATIVE

1943 Marian Drive
Trenton, MI 48183
(734)676-6306

I have received the following forms from Southwicke Square Cooperative, Inc. on the below date.

_____ EIV & You

_____ Is Fraud Worth It

_____ Resident Rights and Responsibilities

_____ HUD Fact Sheet Section 8

_____ HUD Fact Sheet Section 236

Name: _____

Address: _____

Date: _____

Witness: _____