



DuPage Housing
Authority

HOUSING CHOICE VOUCHER PROGRAM

OWNER GUIDEBOOK

A helpful reference
to assist Property Owners,
Management companies
and Landlords.

Revised
March 2014

This Guidebook is designed to provide property owners, managers and landlords basic information about participation in the Housing Choice Voucher Program. Forms and materials used for this program, as well as more detailed voucher program information, is available online at www.hud.gov, on our website at www.dupagehousing.org or on the new *Owner Portal***.

If you have any questions, please call:

(Certification Specialist)

(Telephone Number)



DuPage Housing Authority
711 E. Roosevelt Road
Wheaton, IL 60187

***Owner Portal* is online access that allows property owners and their agents to manage most of their voucher tenant portfolio including inspection dates, times and results, housing assistance payments, payment abatements and holds, and contact information. Register on Owner Portal once you are a participating landlord with the program and have been issued a “v-code”.

TABLE OF CONTENTS

	<u>Page</u>
Overview of the Housing Choice Voucher Program.....	5
What is the Housing Choice Voucher Program?	5
Why Should I Participate?	5
How Does the Housing Choice Voucher Process Work?	6
I. Application and Certification Process for Subsidy Holders	8
What is the Application/Issuance Process?	8
How are Total Tenant Payments, Tenant Rents, Utility Allowances and Housing Assistance Payments Calculated?	8
How Do Participants Find Housing?	10
II. Property Owner Participation	10
How Do I Get Involved in the Housing Choice Voucher Program?.....	10
III. Tenant Selection	10
Do I Select the Tenant?	10
IV. Lease-Up Process	11
What Is the Purpose of the Request for Tenancy Approval Form?.....	11
What Is the Housing Quality Standards Inspection?.....	11
How Much Can I Charge for Rent?.....	11
How Much Can I Charge for a Security Deposit?	12
What Documents Do I Need to Sign?	12
When Do I Receive Payments?	13
V. Ongoing Activities	13
What Are Annual and Interim Reexaminations?	14
What Are Annual Inspections?	14
What Happens if a Unit Does Not Pass Inspection?.....	14
What Are Special Inspections?	15
When Can I Increase the Rent?	15

TABLE OF CONTENTS (cont'd)

VI. Terminations	15
When Can DHA Terminate Assistance?	16
When Can the Tenant Terminate Tenancy?	16
When Can the Owner Terminate Tenancy?	16
VII. Claims	16
Will I Be Reimbursed by DHA for Unpaid Rent, Damages and Vacancy Loss?	16
VIII. Summary of Rights and Responsibilities	17
What Are the Owner's Rights?	17
What Are the Owner's Responsibilities?	17
What Are the Tenant's Rights?	18
What Are the Tenant's Responsibilities?	18
What Are DHA's Rights?	18
What Are DHA's Ongoing Responsibilities?	19
IX. Other Questions You May Have	19
What Are the Main Benefits of the Program to an Owner?	19
How Does the Owner Receive the Full Contract Rent Payment?	19
Are an Owner's Rights and Responsibilities Changed by Participation in the Housing Choice Voucher Program?	20
Can an Owner's Present Tenant Stay in Place and Still Get Assistance?	20
What Kind of Housing Is Eligible?	20
What Rent Can the Owner Charge?	20
If the Owner's Expenses Increase, Can the Rent Be Adjusted?	20
Who Are the Tenants Participating in the Program?	20
How Much Rent Does the Tenant Pay?	20
How Much Paperwork Is Involved?	21

OVERVIEW OF THE HOUSING CHOICE VOUCHER PROGRAM

WHAT IS THE HOUSING CHOICE VOUCHER PROGRAM?

The DuPage Housing Authority's (DHA's) Housing Choice Voucher program is a federally funded rental assistance program which allows income eligible households to rent housing on the private market. Program participants will pay between 30% to a maximum of 40% of their adjusted income for rent and utilities; DHA will pay the remaining for rent and utilities costs in a subsidy payment in accordance with program rules.

Program participants may choose to remain where they are living now or move elsewhere, providing the housing is in good condition and the owner is willing to participate in the program. Most types of rental housing is eligible for the program including single family houses, apartments, townhouses, condominiums and co-operatives. Property owners retain all normal management rights including tenant screening, rent collection, property maintenance and lease enforcement. A summary of the Housing Choice Voucher Program is provided below:

A Summary of the Housing Choice Voucher Program

- DHA selects voucher program eligible families from its waiting list or by an approved special admission to issue Housing Choice Vouchers to.
- The voucher holder searches for housing that meets program requirements.
- Property owners use their own tenant selection criteria to select tenants; **DHA does not screen participant households for suitability as tenants.**
- DHA ensures units are decent, safe and sanitary by conducting initial and annual inspections of participating units.
- Property owners may collect a full security deposit.
- Property Owners and their tenant sign a lease of at least 1 year which stipulates the terms of the tenancy.
- DHA and the owner sign a Housing Assistance Payment contract which assures payment of a subsidy payment to the owner on behalf of the tenant during the lease term.

WHY SHOULD I PARTICIPATE?

The primary benefit of the Housing Choice Voucher program is to provide housing to persons with low to moderate incomes. Other benefits are a "no cost to owner" option to choose from an informed pool of applicants seeking housing and the assurance that subsidy payments from DHA to the owner will be made on time.

HOW DOES THE HOUSING CHOICE VOUCHER PROCESS WORK?

There are eight steps involved in the Housing Choice Voucher process before a family is provided with housing assistance. The owner does not become involved until Step 4:

- Step 1.** Application
- Step 2.** Eligibility Determination/ Issuance of Voucher
- Step 3.** Housing Search
- Step 4.** Tenant Selection
- Step 5.** Request for Tenancy Approval
- Step 6.** Housing Quality Standards Inspection
- Step 7.** Rent Determination and Contract/ Lease Execution
- Step 8.** HAP Contract Payments

Step 1. Application

When accepting applications, a household applies to DHA for assistance and is placed on the waiting list if the household appears to meet basic eligibility qualifications. **(Note: DHA's waiting list is closed for new applications at this time.)**

Step 2. Eligibility Determination/ Issuance of Voucher

When DHA has Housing Choice vouchers available, it will select households from the waiting list and determine if they are eligible according to income requirements and a criminal background check. If eligible, the applicant household will be provided with a voucher and will begin their search for housing.

Step 3. Housing Search

A family may decide to stay in its current unit if the housing is in good condition, or the family may look for new housing. The household is given up to 120 days to find housing that is in decent, safe and sanitary condition and which meets rent reasonableness criteria and maximum rent levels for same or similar, unassisted units in the area.

Step 4. Tenant Selection

Once a voucher holder decides to apply for a vacancy, the household will complete any application paperwork required by the property owner. **DHA does not screen voucher holders for their suitability as tenants.** Property owners should conduct their own screening and follow the same non-discriminatory procedures they would use for any non-assisted

applicant applying to rent their property.

Step 5. Request for Tenancy Approval

If the applicant meets the property owner's screening criteria, the property owner and prospective tenant will complete and sign the Request for Tenancy Approval (RFTA) form and attach a copy of the owner's lease. The owner will also be required to complete ownership, banking and Federal tax documents included with the RFTA form. The property owner or their prospective tenant should deliver these forms to DHA for approval.

Step 6. Housing Quality Standards Inspection

Upon receipt of the RFTA form, DHA will schedule a Housing Quality Standards (HQS) inspection to ensure the housing is in decent, safe and sanitary condition.

Step 7. Rent Determination and Contract and Lease Execution

Once the unit passes inspection and the lease is approved, DHA will determine the rent with the property owner and compute the amounts the tenant and DHA will pay. The tenant will generally pay 30% of adjusted monthly income for rent and a utility allowance called the Total Tenant Payment (TTP); DHA will pay the remaining rent and utility allowance costs via a rental subsidy in the form of a Housing Assistance Payment (HAP).

Following DHA approval and assistance payment calculation, the property owner will sign a lease with their tenant and a HAP contract with DHA. DHA then executes the HAP contract.

Step 8. HAP Contract Payments

After the HAP contracts are signed and the tenant gets possession of the unit, Housing Assistance Payments from DHA to the owner will begin.

I. APPLICATION AND CERTIFICATION PROCESS FOR SUBSIDY HOLDERS

WHAT IS THE APPLICATION/ ISSUANCE PROCESS?

All households interested in receiving a voucher must complete a preliminary application when the DHA waiting list is open. An applicant will be placed on the waiting list based on time of application and a lottery selection.

When DHA has a voucher available and the applicant reaches the top of the waiting list, the applicant will be taken off the waiting list and a more detailed application form will be completed. Information on family composition and income will be verified. If the applicant is eligible, DHA will issue a voucher to the household and compute the Total Tenant Payment.

Eligible households are issued a Housing Choice Voucher based on availability. The voucher sets forth the agreement between DHA and the participant and the rights and responsibilities of each. This agreement is the participant's guarantee that DHA will pay a portion of his/her rent (in the form of a subsidy) and a utility allowance in accordance with Housing Choice Voucher program requirements. Participants are given up to 120 days from the date of voucher issuance to find housing. After the 120 day period has ended, the voucher will expire if a participant has not located housing. Under very limited circumstances such as hospitalization or other incapacitation, participants may be given additional time to search for housing for up to 30 additional days.

HOW ARE TOTAL TENANT PAYMENTS, TENANT RENTS, UTILITY ALLOWANCES AND HOUSING ASSISTANCE PAYMENTS CALCULATED?

Total Tenant Payment (TTP) is the maximum amount the tenant household will pay for rent and a utility allowance (not including phone) with a voucher. TTP is calculated by computing the family's gross monthly income and adjusted income (less certain deductions). The voucher holder will always pay the greater of:

- 30% of monthly adjusted income;
- 10% of gross monthly income; or
- \$50.00 – the DHA minimum tenant rent requirement

If the family pays for any utilities, a set utility allowance cost of these utilities is subtracted from the TTP to compute Tenant Rent. Tenant Rent represents the amount the family will pay directly to the owner.

The utility allowance is calculated using DHA's most recent Utility Allowance

Schedule. This schedule is developed by utility companies after conducting a survey of local rates and is based on the number of bedrooms in the unit, the type of building, and the number and type of utilities the household pays for (not including phone). It is important to note that this allowance should not be confused with the utility bill!

The Housing Assistance Payment is the amount paid by DHA to the owner and cannot be computed until the amount of rent charged and the utility allowance is known. Once rent and the appropriate utility allowance are determined, the Housing Assistance Payment amount is calculated as the difference between the contract rent for the unit (rent charged by owner) less the tenant rent.

With a voucher, and after the initial lease term ends, a tenant may elect to pay more than 30% of adjusted income based on the cost of rent and the utility allowance for the unit. Because this choice is provided, the total tenant payment cannot be calculated until the rent and utility allowance for the unit are known. The tenant may never pay less than 10% of gross monthly income or \$50.

In most instances, the Housing Assistance Payment is based on DHA's established Payment Standard which identifies the maximum rent level DHA will subsidize under each bedroom size. DHA pays the difference between 30% of the family's monthly adjusted income and the appropriate Payment Standard. The tenant pays the difference between the housing assistance payment and the actual rent for the unit (see box illustrating voucher rents).

Voucher Example			
10% of Monthly Gross Income:			\$120
30% of Tenant Monthly Adjusted Income:	\$300		
40% of Tenant Monthly Adjusted Income:	\$400		
	\$970	Sample Payment Standard	
less	<u>\$300</u>	30% of Tenant Adjusted Income	
	\$670	Maximum Housing Assistance Payment	
	Contract Rent	\$850	
<u>plus</u>		<u>Utility Allowance</u>	<u>\$ 50</u>
	Gross Rent	\$900	
<u>less</u>		<u>Assistance Payments</u>	<u>\$600 to owner >> paid</u>
		by DHA	
	Total Tenant Payment	\$250 to owner; \$50 to utilities >> paid by tenant	

The Housing Assistance Payment is calculated after the total tenant payment is estimated but is never more than the appropriate payment standard less 30% of the participating household's monthly adjusted income.

HOW DO PARTICIPANTS FIND HOUSING?

Participating households may look for private market rental housing in DuPage County or anywhere in the United States.

Participants are advised to look at internet sources like *GoSection8.com* & *Apartments.com*, bulletin boards and newspapers for available housing. A number of social services, non-profit, public and private agencies may also provide housing search assistance.

Almost any type of rental housing, including some units in certain subsidized or insured under other federal housing programs may be leased under the Housing Choice Voucher program. Units must meet Housing Quality Standards.

II. PROPERTY OWNER PARTICIPATION

HOW DO I GET INVOLVED IN THE HOUSING CHOICE VOUCHER PROGRAM?

A property owner, who is interested in renting to households participating in the Housing Choice Voucher program, is encouraged to list their unit vacancies on *GoSection8.com* and provide information on available units. This is the same tool used by DHA to determine rent comparables of unassisted units. Their listing service is at no cost to property owners. Interested owners may also want to advertise their units in newspapers and other local media outlets to encourage subsidy holders to apply.

III. TENANT SELECTION

DO I SELECT THE TENANT?

Yes! Housing Choice Voucher participants follow the owner's standard application procedures. **DHA does not screen applicants for their suitability as tenants.** DHA encourages owners to contact the prior landlords of applicant households and to follow the same screening procedures as for other applicants for housing. Upon written request, DHA provides owners with the names and addresses of current and prior landlords of voucher holders if known.

Owners should become familiar with federal, state and local fair housing laws and tenant/owner laws to ensure the screening criteria applied is not discriminatory. Federal fair housing laws states that owners/managers must not discriminate based on race, color, creed, religion, sex, national origin, age, familial status or disability. More

information on fair housing is available at www.hud.gov.

IV. LEASE-UP PROCESS

WHAT IS THE PURPOSE OF THE REQUEST FOR TENANCY APPROVAL FORM?

When a property owner agrees to rent to a Housing Choice Voucher participant, the property owner and the prospective tenant will complete the Request for Tenancy Approval (RFTA) form. The form requests information on type of unit, utilities and appliances which will be furnished, security deposit, most recently charged rent and proposed rent. The owner's lease should be attached to the RFTA form and submitted to DHA by the landlord, but can also be submitted by the prospective tenant.

Upon receipt of the RFTA, DHA will review the lease and schedule an inspection for the unit. Leases will not be approved for less than 12 months or if they include any of the prohibited lease provisions described later in this section.

WHAT IS THE HOUSING QUALITY STANDARDS INSPECTION?

A DHA inspector will inspect the unit using Housing Quality Standards to ensure the unit is decent, safe and sanitary. Program standards require that the housing has adequate living space, facilities and services, light and ventilation and does not endanger the health and safety of the tenant. The brochures, "*A Good Place to Live*" and "*Lead-based Paint*" describe what DHA will be looking for during the inspection. You can also log on to www.hud.gov to view Housing Quality Standards.

Property owners or their property managers are required to be present during this initial inspection. If the unit and lease are approved, DHA will determine the rent. If not, the inspector will provide the owner with a copy of the Housing Inspection Report itemizing deficiencies and the owner will be given the opportunity to make the repairs within a reasonable time frame. After the repairs are made, the owner must contact DHA to have the unit reinspected.

The unit must pass inspection before a HAP contract can be signed. The only exception to this rule is if the outside of the building needs work and, due to the weather, the work cannot be completed within the specified time frame. In these cases a weather related extension can be granted.

HOW MUCH CAN I CHARGE FOR RENT?

Units under the voucher program must meet rent reasonableness criteria which means the rents charged are not more than for similar, unassisted units in the same neighborhood. Under the Voucher program, rents are not limited to the Fair Market Rent levels but are restricted by rent reasonableness.

DHA will determine rent levels with owners within the FMR limits and rent reasonableness determinations. Rent determinations will cover 9 factors including the condition of the unit, amenities offered and utilities included as compared to similar units

in the same neighborhood.

HOW MUCH CAN I CHARGE FOR A SECURITY DEPOSIT?

Property owners are encouraged but not required to collect a full security deposit, typically equal to 1 month's rent. DHA does not make up the difference between what the family pays and the security deposit the owner would normally charge.

If the tenant was already in the unit before being provided with assistance, and the owner has collected a security deposit, the owner is not required to reimburse the tenant until the tenant vacates the unit subject to lease terms.

WHAT DOCUMENTS DO I NEED TO SIGN?

Owners need to sign a lease and any lease addendums with their tenant and the Housing Assistance Payment (HAP) contract with DHA.

Owners should submit an unsigned lease with the Request for Tenancy Approval form. The initial lease term must be for **at least one year but can be longer**. Once approved by DHA, the lease is signed by the owner and tenant.

Program rules require that owners and tenants also agree to provisions contained in HUD's Lease Addendum which sets forth some of the responsibilities the owner and tenant have under the Housing Choice Voucher program. An owner may update his/her lease to incorporate all of the lease addendum provisions, or sign HUD's lease addendum form under Part C of the HAP contract. Some lease provisions that are prohibited in the Housing Choice Voucher program are described below.

Prohibited Lease Provisions

- **Confession of Judgment.** Prior consent by tenant to any lawsuit the owner may bring against him/her in connection with the Lease and to a judgment in favor of the owner.
- **Distrain for Rent or Other Charges.** Authorization to the owner to take property of the tenant and hold it as a pledge until the tenant performs an obligation which the owner has determined the tenant has failed to perform.
- **Exculpatory Clause.** Agreement by tenant not to hold the owner or owner's agents liable for any acts or omissions whether intentional or negligent on the part of the owner or the owner's authorized representative or agents.
- **Waiver of Legal Notice by Tenant Prior to Actions for Eviction or Money Judgments.** Agreement by tenant that the owner may institute suit without any notice to the tenant that the suit has been filed.

- **Waiver of Legal Proceedings.** Authorization to the owner to evict the tenant or hold or sell the tenant's possessions whenever the owner determines that a breach or default has occurred, without notice to the tenant or any determination by a court of the rights and liabilities of the parties.
- **Waiver of Jury Trial.** Authorization to the owner's lawyer to appear in court for the tenant and to waive the tenant's right to a trial by jury.
- **Waiver of Right to Appeal Judicial Error in Legal Proceedings.** Authorization to the owner's lawyer to waive the tenant's right to appeal on the ground of judicial error in any suit or the tenant's right to file a suit in equity to prevent the execution of a judgment.
- **Tenant Chargeable with Cost of Legal Actions Regardless of Outcome.** Agreement by the tenant to pay attorney's fees or other legal costs whenever the owner decides to take action against the tenant even though the court finds in favor of the tenant. (Omission of this clause does not mean that the tenant as a party to a lawsuit may not be obligated to pay attorney's fees or other costs if he loses the suit.

After the lease and addendum are signed, the owner should submit copies of the signed documents to DHA. Upon receipt of these documents, DHA will prepare the Housing Assistance Payment (HAP) contract.

The HAP contract is the legal agreement between DHA and the owner and describes the rights and responsibilities of DHA and the owner and the effective date of the contract. The HAP contract also authorizes DHA to make subsidy payments.

WHEN DO I RECEIVE PAYMENTS?

After the contract is signed, DHA will make payments directly to the owner, for DHA's portion of the rent, on the first of the month as long as the terms of the contract are still in effect (e.g. tenant in residence, unit in HQS compliance). The tenant will be responsible for paying his/her portion of rental payments directly to the owner on the first of each month.

Owners should keep DHA informed of any changes in their mailing address.

V. ONGOING ACTIVITIES

There are a few ongoing activities which will continue throughout the household's tenancy as an assisted tenant. These include annual reviews of the income on which the tenant's rent is based, annual inspection of unit conditions and possible changes to the owner's rent. Mid-year reviews and inspections may also be required.

WHAT ARE ANNUAL AND INTERIM REEXAMINATIONS?

Participants in the Housing Choice Voucher program are expected to give DHA updated information on their household composition, income and assets every year. Participants must also notify DHA any time their household composition changes. They may report decreases in income between annual reexaminations. If they request a decrease between annual reexaminations, they must report any subsequent increase.

DHA will review and verify the information submitted and will compute a new total tenant payment, tenant rent and housing assistance payment, and notify the tenant and owner of the changes. These changes will not affect the total amount the owner receives; however the portion of the total rent that the tenant and DHA pay to the owner may be different.

WHAT ARE ANNUAL INSPECTIONS?

Inspections must be conducted on all units participating in the Housing Choice Voucher Program annually to ensure they are still decent, safe and sanitary and meet basic housing quality standards.

Generally 30-45 days prior to the anniversary of the initial lease date, DHA will schedule a time with the tenant for a housing quality inspection. If the unit passes inspection, payments will continue as before. If the tenant remains in residence in the unit, each annual HQS inspection thereafter must occur within 364 days of the last Passed inspection.

WHAT HAPPENS IF A UNIT DOES NOT PASS INSPECTION?

If a unit does not pass inspection, DHA will inform the owner and tenant of the repairs which need to be made, within a specified time period, in order for the owner to continue to receive HAP payments from DHA. If the repairs are not made within the time allotted, rent payments from DHA will be abated (stopped) until the repairs are made and DHA has reinspected and passed the unit. If they have one the tenant should continue to make their portion of the rent payments during this time period. The owner may not evict the tenant for nonpayment of DHA's subsidy portion of the rent as long as the tenant is making timely payments of his/her portion.

If HAP payments are abated, and then reinstated after the unit passes, owners should realize that DHA will not reimburse the owner for payments not made by DHA during the time the HAP payment was abated.

If the required repairs were not made within the specified time frame, and the HAP payment was abated, the owner should contact DHA for an inspection as soon as the repairs have been completed. If the repairs are not corrected within a specified period of time after abatement, DHA will terminate the HAP contract.

If the reason the unit does not pass inspection is because of a condition the tenant is responsible for (as determined by the inspector), or the tenant damaged the unit, or did not pay for utilities for which the tenant was responsible, the tenant will be given a time frame to make the necessary repairs. If the tenant does not make repairs within the specified time frame, the assistance will be terminated. During this process HAP is **not** abated to the owner.

WHAT ARE SPECIAL INSPECTIONS?

Special inspections are conducted between annual reexaminations at owner, tenant or DHA request. The owner may request an inspection if he/she believes the tenant is abusing the unit or has poor housekeeping skills and is not keeping the unit in decent, safe and sanitary condition. The tenant may request an inspection if he/she believes the unit is in poor condition and the owner is not making repairs in response to his/her complaints. DHA may schedule a Quality Control inspection to check the effectiveness of inspectors or the relative HQS program guidelines.

If repairs are needed as a result of a special inspection, the owner will be given a time frame in which to complete the repairs. If the time frame is not adhered to, rent will be abated as described above. If the tenant caused the deficiency, the tenant will be responsible for making the repairs within a specified time frame. The assistance will be terminated if the tenant does not complete the repairs within the time allotted.

WHEN CAN I INCREASE THE RENT?

Under the voucher program, the owner may not increase the rent during the first year of the lease but may propose increasing it thereafter, usually 60 days prior to the end of a lease term, with written notice to the tenant and DHA. DHA will approve the proposed rent only if all four conditions exist: (1) it meets rent reasonableness requirements, (2) the unit passed annual HQS inspection, (3) the owner is in compliance with the terms of the lease addendum and HAP contract and (4) HCV program funding has been budgeted at appropriate levels to allow for rent increases.

Owners must understand that increases in unit rents will generally be paid by the tenant, not DHA. The subsidy that DHA pays is constant, requiring that the tenant absorb rent increases. Periodically DHA may increase or decrease the subsidy payment standards, however this will not generally coincide with the timing of owner rent increase requests.

VI. TERMINATIONS

There are several different kinds of terminations, including: termination of assistance by DHA, termination of tenancy by the tenant and termination of tenancy by the owner.

WHEN CAN DHA TERMINATE ASSISTANCE?

If an owner violates the Housing Assistance Payments contract, DHA may

suspend payments and will investigate the situation to determine if the contract should be terminated. DHA will terminate HAP contracts which are under abatement at the earlier of (a) the month the family living in the unit moves, or (b) six months after the last payment was made. If a serious breach of contract occurs, DHA may debar the owner from future participation for a specified period of time.

DHA may be required to terminate the contract if a tenant is not in compliance with Housing Choice Voucher program rules. This could happen if the tenant does not recertify annually, commits fraud, engages in violent or drug-related criminal activity, or if the tenant no longer needs the subsidy (30% of the tenant's income after deductions is greater than or equal to the rent and utilities for the unit). When assistance terminates, the contract terminates. DHA will provide the owner with at least 30-days notice prior to the termination date.

WHEN CAN THE TENANT TERMINATE TENANCY?

The tenant may not terminate tenancy during the first 12 months of the lease unless the owner provides written approval for an early lease termination. Thereafter the tenant may terminate tenancy after providing the owner with appropriate notice in accordance with the lease, and providing DHA with 30-days notice.

Tenants who wish to move to another unit, but still want to remain on the program, must obtain another voucher from DHA to move. These tenants may have their household composition, income, assets and allowances reviewed again by DHA.

WHEN CAN THE OWNER TERMINATE TENANCY?

The lease (and lease addendum) and the Housing Assistance Payment contract permit termination of tenancy by the owner. Owners may terminate tenancy for serious or repeated violation of the terms and conditions of the lease, violation of federal, state or local law, criminal activity or other good cause.

An owner has the same rights for evicting voucher program assisted tenants as for private market tenants. And as with private market tenants, owners must give the tenant a notice stating the purpose for the eviction and provide a copy to DHA as well.

VII. CLAIMS

WILL I BE REIMBURSED BY DHA FOR UNPAID TENANT RENT PORTION, DAMAGES AND VACANCY LOSS?

HAP contracts do not allow claims for unpaid tenant rent portion, damages or vacancy loss. Voucher holders pay a full security deposit just as market tenants do.

VIII. SUMMARY OF RIGHTS AND RESPONSIBILITIES

WHAT ARE THE OWNER'S RIGHTS?

- Collect a security deposit.
- Enforce the lease with their tenant.
- Terminate the tenancy for:
 - Serious or repeated violation of the terms and conditions of the lease.
 - Violation of federal, state or local law.
 - Criminal activity.
 - Other good cause.
- Evict the family from the unit through court action.
- Request a rent increase from DHA as of the anniversary end date of the HAP contract, of an amount capped by rent reasonableness. Notify the tenant in writing of any requested increase after the first year term of the lease with 60-day notice to the tenant and DHA.

WHAT ARE THE OWNER'S RESPONSIBILITIES?

- Screen applicants for suitability as tenants.
- Comply with the Lease.
 - Collect the tenant's share of the rent; and
 - Make timely repairs and keep the unit in good condition.
- Comply with federal, state, and local regulations, fair housing laws, and owner-tenant laws.
- Permit inspections.

Correct any deficiencies as soon as they are discovered. DHA may abate payments or terminate the HAP contract if deficiencies are not corrected.

- Comply with the Housing Assistance Payment contract.
 - Renew the lease with the tenant and DHA prior to the lease expiration date;
 - Contact the Certification Specialist and provide DHA with written notice before initiating eviction proceedings; and

- Inform the Certification Specialist immediately of any move-outs or damages caused by Housing Choice Voucher program participants

WHAT ARE THE TENANT'S RIGHTS?

- Participate in the program if eligible under program rules and guidelines.
- Live in a decent, safe and sanitary unit.
- Not be discriminated against by the owner in the provision of services for any reason covered by federal, state or local fair housing laws.
- Terminate the lease with the owner after the first year of the lease with proper notice.

WHAT ARE THE TENANT'S RESPONSIBILITIES?

- Report changes in household composition.
- Permit inspections.
- Comply with the lease.
- Submit information on household composition, income and assets.
- Notify DHA of intent to move.
- Make timely utility payments for utilities not included in the rent.

WHAT ARE DHA'S RIGHTS?

- Be notified by the owner when the tenant has moved from the contract unit in violation of the lease.
- Inspect the unit annually, and at other times as determined necessary, after reasonable notice.
- Request any documentation and verification as determined necessary for the administration of the program.
- Receive repayment from the owner of amounts paid to an owner which are not due the owner.
- Terminate the Housing Assistance Payment contract for any breach of contract by the owner.

- Terminate the participant (tenant) from the program in accordance with the law, HUD regulations and program rules for any violation of family obligations.
- Require a participant to request a voucher prior to giving notice to move, and require a participant to give proper notice to vacate a unit.
- Require a participant to be recertified.
- Require the owner to maintain the unit in decent, safe and sanitary condition.

WHAT ARE DHA'S ONGOING RESPONSIBILITIES?

- Make timely Housing Assistance Payments.
- Reexamine program eligibility; review family income, assets, allowances, and household composition annually.
- Redetermine amounts of rent payable by the family and the amount of HAP to the owner, as a result of any adjustment.
- Conduct inspections, at least annually.
- Receive notice of lease enforcement actions.

IX. OTHER QUESTIONS YOU MAY HAVE

WHAT ARE THE MAIN BENEFITS OF THE PROGRAM TO AN OWNER?

1. Assurance of prompt payment of subsidy each month.
2. Decreased vacancy rates and delinquencies.
3. Reduced turnovers and related expenses.
4. No-cost property inspections.
5. Opportunity to upgrade property and rental structure.
6. Ready pool of motivated applicants for vacancies

HOW DOES THE OWNER RECEIVE THE FULL CONTRACT RENT PAYMENT?

The owner receives rent through the combination of Housing Assistance Payments from DHA and the rent paid directly by the tenant. Housing Assistance Payments make up the difference between the contract rent and what the tenant pays.

ARE AN OWNER'S RIGHTS AND RESPONSIBILITIES CHANGED BY PARTICIPATION IN THE HOUSING CHOICE VOUCHER PROGRAM?

The owner's rights and responsibilities are the same as those exercised in a normal tenant-owner relationship. The owner contacts the applicant's previous

landlords, selects the tenant and is responsible for managing and maintaining the unit. Tenants violating their leases are subject to corrective action by the owner through normal management, lease enforcement actions and legal processes through The DuPage County Circuit Court.

CAN AN OWNER'S PRESENT TENANT STAY IN PLACE AND STILL GET ASSISTANCE?

Yes, current residents may receive assistance if the tenant has received a voucher from DHA and the dwelling is in good condition. The rent, plus any utility allowance paid directly by the tenant, must meet rent reasonableness requirements.

WHAT KIND OF HOUSING IS ELIGIBLE?

Almost any type of rental housing from single family homes & townhomes to co-ops, condos and high-rise apartments are eligible for Housing Choice Voucher assistance.

WHAT RENT CAN THE OWNER CHARGE?

The owner's monthly rent, plus an allowance for any utilities paid directly by the tenant, must be comparable to rents for similar units in the neighborhood.

IF THE OWNER'S EXPENSES INCREASE, CAN THE RENT BE ADJUSTED?

Yes, however, the owner must submit a written request for an increase. In the voucher program, an owner may adjust the contract rent after the first year of the lease, effective at end of the lease term, with 60-days written notice. The increase is limited by rent reasonableness.

WHO ARE THE TENANTS PARTICIPATING IN THE PROGRAM?

Program participants include low to moderate income families and individuals whose incomes do not exceed established limits. The program assists a broad range of tenants, including moderate income working families, as well as the elderly and the disabled.

HOW MUCH RENT DOES THE TENANT PAY?

In the voucher program, the tenant's payment for rent and utilities may be above or below 30% of income depending upon whether the cost of the unit selected is above or below the standard established by DHA. However, the tenant may never pay less than the greater of 10% of monthly gross income or \$50.

HOW MUCH PAPERWORK IS INVOLVED?

Very little paperwork is required of owners and most of it is completed by DHA. Once the lease, addendum and HAP contract are signed, the owner will have no regular paperwork. Annual rent adjustments, lease renewals and unit reinspections require minimal paperwork.