

## SECTION 8 LANDLORDS REFERENCE GUIDE

The Section 8 Program, a federally-funded program administered in Audrain county, by the Mexico Housing authority (MHA), assists lower-income families to live in decent, safe and sanitary housing by paying a portion of their rent directly to their landlords. (The only area not covered by MHA in Audrain County is the Vandalia, Missouri jurisdiction.) The families have the same rights and responsibilities as unassisted families. Property owners have all the rights and responsibilities of landlords renting to unassisted families. Property owners must screen and select tenants, collect the rent, maintain the property and terminate the lease.

### Who can get a Section 8 Voucher?

The program assists lower-income families currently defined as families with and income less than 50% of the median income in Audrain County. The MHA takes families from its waiting list, determines the amount of assistance they will receive, and gives them a Voucher.

### Where can the family live?

A Section 8 Voucher holder can rent almost any privately-owned unit in the United States and privately-owned rental housing in Missouri that is in compliance with HQS, including laws regarding lead paint compliance.

### How much can they pay?

The landlord must negotiate the rent with the family. The MHA will guarantee only part of the rent, so landlords should consider the amount the family can realistically afford to pay. The MHA has the final approval of the total rent that can be charged for the unit.

### How do they get the subsidy?

The family is responsible for finding a unit. If you choose to rent to a family in the program, you will sign their "Request for Tenancy Approval" form. An Inspector from the MHA will then inspect the unit. You may accompany the Inspector if you wish. If there are any problems with the unit, you will be given a report and 30 days to repair them.

When the unit has been approved, you will sign a MHA approved Lease with the family along with a "Tenancy Addendum" supplied by the MHA. You will also sign a "Housing Contract" with the MHA, which guarantees you the subsidy payment and other benefits as long as the family legally remains in the unit and the unit remains in compliance with the HQS.

### What should the family on the program do?

The family has all the rights and responsibilities of unassisted tenants, except that they are responsible for paying only their share of the rent.

### What should I do?

You have all the rights and responsibilities you have when renting to unassisted tenants. An additional responsibility you have is to allow the unit to be inspected every year.

### How will I benefit from renting to a family with a Section 8 Voucher?

The guaranteed monthly subsidy is your biggest benefit. In addition, if the family leaves the apartment in violation of the lease, you may keep the subsidy payment for the month in which the family leaves.

**What happens after I rent to the family?**

Every year the MHA will determine whether the family is still eligible for the program and whether the unit is still in compliance with HQS. A change in the family's income or size will probably result in a change in their share of the rent and subsidy payment. You may request an increase in the rent annually, in accordance with the lease, but all increases are subject to MHA approval for rent reasonableness. Under the Voucher Program, any rent increase may result in the family having to pay the increase.

If the MHA finds the family is no longer eligible for the program because their income has increased, the MHA will stop the payments because the family will be able to pay all the rent. If the unit is no longer in compliance with HQS, the landlord will be given 30 days to make repairs.

**How is the lease terminated?**

The program recommends that you use a self-extending lease that continues until the family is no longer eligible for the program, or decides to move, or you evict the tenant. If you do not have a lease that you use for your unassisted tenants, the MHA will supply you with a lease that you may use for your convenience. The initial term of a lease used for the Section 8 program must be for at least one (1) year.

**What do I do if the tenant fails to pay their portion of rent?**

The landlord will need to serve the tenant with notice to quit, just as you would with any other tenant. Send a copy of all notices served to tenant to MHA. We will follow up by sending our own letter to tenant explaining the repercussions of whatever the situation is. Tenants can actually be terminated from the Section 8 program for eviction for non-payment of rent, disconnection of utilities, serious lease violations, moving with no notice, not complying with requests by MHA for information and failure to be present for inspections and appointments, to name a few. We would appreciate any landlord notifying us of any disconnection notice that they may receive for utilities.

**How much rent should I charge?**

Landlords set the rents but they must meet reasonable rent guidelines established by HUD.

**How much rent does the MHA pay on the tenant's behalf?**

Each client receives a different amount of housing assistance depending on his or her income and number of allowances. HUD will only allow a tenant to spend 30-40% of their adjusted monthly income on rent AND utilities. Tenants cannot pay any difference if the rent exceeds these figures.

**Can a tenant move in before the unit passes inspection?**

Unless you are already living in the unit prior to receiving your voucher, no one should move into a unit until it has been approved by the MHA. NO housing assistance will be paid until a unit passes inspection and moving in too early could result in a tenant never being approved to live in that unit due to, for example, affordability or physical condition of the premises.

**Who screens the tenant?**

MHA does a background check and income verification on each applicant but we DO NOT screen tenants or check their references with the exception of prior residence under a HUD program. Screening is the landlord's responsibility. Our background criminal checks are for determining eligibility under our guidelines and those may not be the same as yours.

**What if I want to raise the rent or change the lease?**

Landlords must give the tenant and MHA 60-day written notice of any change. Rent increases will need to meet reasonable guidelines. No rent increases are allowed during the first year.

**What standards are required for a unit to pass inspection for Section 8?**

Housing Quality Standards are used for all inspections. HUD has determined the guidelines that we use.

**Can I put this vacant house on the Section 8 program?**

It is not the place or unit that is on Section 8, but the person that Section 8 assists. We will gladly add your name and phone number to our referral list. We give this list to Section 8 clients who are eligible to be looking for housing.

**Can Section 8 inspect the unit just to see if it needs to pass inspection?**

No. We can only do inspection on property when a Section 8 tenant is interested in it. We ask that the landlord not schedule an inspection until they feel it will pass.

**I am having problems with this tenant. They keep playing loud music. Can MHA help?**

Please remember that this is your tenant. The tenant is a Section 8 participant and your tenant. We are paying rental assistance on their behalf. However, if you have sent any legal notice please send a copy to us, as we want to be aware of any concerns that you have. We will send a letter to them as explained previously.

**I am a landlord and my address has changed.**

Please notify us in writing as soon as possible for any changes of address, phone number or tax filing number. This will prevent any delay in payment or correspondence. It is also required that you give MHA notice before any change of ownership or partnership in the unit.

**Must a tenant give a 30-day notice to vacate?**

Yes. Unless a tenant is transferring to another unit with the same owner, a 30-day notice is required. We inform the tenants that they must give their 30-day notice, in writing, by the last business day of the month. We ask that they give us a copy of their notice signed by the landlord. If this notice will be breaking a lease the tenant must also have the landlord sign a Mutual Rescission form that we have on hand, if the landlord agrees to the lease breaking.

**What is the big deal with the lead paint issue?**

When renting pre-1978 housing HUD assumes lead-based paint is present. This becomes a problem if any children under the age of 6 years will reside in the unit. If the property being inspected is pre-1978 all deteriorated paint must be eliminated. To avoid any costly clearance testing the deteriorated paint should be taken care of BEFORE the initial Section 8 inspection.

**What do I do if I have questions or need to schedule an inspection or re-inspection?**

The landlord will need to speak to the Section 8 Manager who is dealing with the tenant. Simply state the tenant's name and the property address to which you are referring.

**How do I schedule an inspection of a unit if another tenant is still residing in the unit?**

Inspection cannot be done until the unit is vacant or occupied only by the family who is seeking Section 8 assistance.

**If this unit was just inspected 2 months ago, will you have to re-inspect again?**

Yes. Unless it has been less than 7 days, an inspection is required.

### **What can I include in my rental agreement?**

Rental agreements should state the amount of rent, when, where and to who rent is to be paid. The period of agreement should be included. (Remember, HUD requires a new lease to be effective for one year and after that month-to-month or year-to-year is the landlord's choice.) The number of tenants and their names should be listed. Responsibility of specific utility payment should be described so as to legally declare which party will be held accountable for each utility category payment. If the unit is single-family dwelling, you may want to include a statement about the tenant's responsibility for garbage removal. Also, stipulate any pet policies.

### **What are my responsibilities as an owner?**

Owners are encouraged to screen families on the basis of their tenancy histories and/or desirability as tenants in the absence of a tenant history. An owner may consider a family's background with respect to such factors as:

1. Payment of rent and utilities.
2. Caring for unit and premises.
3. Respecting the rights of others to the peaceful enjoyment of their housing.
4. Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others.
5. Compliance with other essential conditions of tenancy.

The owner is responsible for performing all of the owner's obligations under the HAP contract and Lease. The owner is responsible for:

1. Maintaining the unit in accordance with HQS, including performing routine maintenance.
2. Complying with equal opportunity housing requirements.
3. Preparing and furnishing the MHA information required under the HAP contract.
4. Enforcing tenant obligations under the lease.
5. Paying for utilities and services. (Unless paid by the family under the lease.)
6. For provisions on modifications to a dwelling unit occupied or to be occupied by a disabled person.
7. A move-in inspection is recommended and should be conducted with the tenant present. This move-in inspection signed by both the tenant and the owner may eliminate any disputes over damages at the time of move-out.

### **Does Section 8 inspect the properties every year?**

Inspections are scheduled annually for all Section 8 participants. Should there be any repairs needed, a letter will be mailed to the landlord and the tenant. Most repairs are re-inspected within 30 days, unless there is an emergency repair. If repairs are not completed within the 30-day period, abatement may begin. We also recommend landlords keep watch over their own properties and encourage you to check how the property is being cared for. (Keep in mind the landlord/tenant law of reasonable notice for any inspection or non-emergency repairs.)

### **What do I do if the tenant vacates without notice?**

Please notify the MHA immediately. Tenants will be terminated from the Section 8 Rental Assistance program for moving without notice.

### **What do I do if the tenant's boyfriend/girlfriend moves in?**

Please notify the MHA immediately. Family members listed on the lease agreement as approved by the Housing Authority are the ONLY individuals permitted to reside in the unit. Additional family members must be pre-approved by the Housing Authority. (Unless it is a birth of a child, adoption, etc.) Knowingly allowing an unauthorized person to live in the HUD assisted unit could cause the landlord serious legal repercussions and sanctions.

**How can I participate in the Section 8 Housing Choice Voucher Program?**

You may contact the Mexico Housing Authority at (573) 581-2294 ext. 231 and inform us that you have a unit available for rent and would like to participate in the MHA's Section 8 program. The MHA will then advertise your vacant unit(s) in the listing sheet given to Section 8 voucher recipients.