

Exhibit 5-4

Security Deposit Assistance

1. Overview

A security deposit is a fixed amount of money that is paid to the landlord to cover rent or any damage that may be caused to the property upon termination of the lease. The Alaska Uniform Residential Landlord and Tenant Act prohibits this deposit from exceeding two months' rent except for units where the rent (less utilities) is more than \$2,000 per month¹. In order to assist voucher families with leasing in a competitive market, AHFC will offer security deposit assistance.

1.A Security Deposit Payments

Security deposits are required to be held in a landlord's trust account in a bank, or savings and loan association, or with a licensed escrow agent.² The landlord cannot commingle security deposit funds with any other funds such as rent. As a result, AHFC will pay any approved deposits by check to give the landlord flexibility to hold deposits in compliance with state laws.

1.B Refunded Deposits

Security deposits paid by AHFC will be refunded to the participant in compliance with Alaska State Statutes governing the refund window. The owner and/or its agent shall forward any unused portions of the deposit to the participant. AHFC is not responsible for any damages, unpaid rent, or fees that exceed the amount of the deposit.

2. Target Populations

The security deposit assistance will be available for the following voucher programs.

- Classic Voucher
- Emergency Housing Voucher (EHV)
- Empowering Choice Housing Program (ECHP)
- Foster Youth to Independence Initiative (FYI)
- Mainstream (MS-VO)
- Mainstream 811 (MS811-VO)
- Making a Home (MAH)
- Moving Home Program (MHP)
- Moving Home Program SAM
- Non-Elderly Disabled (NED)
- Project Based Voucher (PBV)
- Step Voucher
- Veteran Affairs Supportive Housing (VASH)

Sponsor-Based voucher programs do not qualify for this program.

¹ [The Alaska Landlord & Tenant Act](#) AS 34.03.070(a).

² [The Alaska Landlord & Tenant Act](#) AS 34.03.070(c).

3. Eligibility Criteria

AHFC will administer the assistance program with the following criteria:

- AHFC will prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.
- AHFC will cap the security deposit at the payment standard unless a viable justification is approved.
- AHFC will limit participation in this program to once per household. This excludes security deposit payments funded through Cares Act, Making a Home or Returning Home programs.
- AHFC Central Office Staff will make the final determination on approvals.
- The family is responsible for any amount not covered by AHFC and will commit to pay the difference to the landlord.

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