

Procedures - Chapter 5

I. Conducting the Pre-Occupancy Briefing

The order of the information discussed in the briefing will be up to the presenter.

A. Unit Assignment
See Unit Offers.

C. Applicant Acceptance or Rejection of Unit
See Unit Offers.

D. Pre-Occupancy Briefing

The purpose of the pre-occupancy briefing is to summarize AHFC/Tenant obligations and rights as well as the AHFC lease and grievance procedure, including, but not limited to:

1. A complete review of the AHFC lease, particularly reporting requirements, tenant obligations, sundry charges, and housekeeping practices.
2. A review of features unique to their unit or building (i.e., community room use, fire alarm systems, laundry facilities, mailboxes, security systems, etc.).
3. A brief discussion of financial obligations, rental due dates, and utility payments.
4. Basic community overview.

E. Leasing Units

1. Review and complete each document with the applicant as they sign.
2. Verify utility account service if required.
3. Review income information. Finalize security deposit (see Section II) and rent proration (Section III). Collect rent and security deposit as outlined.
4. Keys will not be issued until all funds required for move-in are collected. See the cash management policy for your location.

II. Security Deposits

- A. AHFC shall require the full security deposit and the month's prorated rent at move-in. The tenant must also furnish proof that the required utilities have been placed in his/her name before moving into the unit.

References:

- Parts I and II of S8N Residential Lease Agreement;
 - 24 CFR 880.606
 - Collection Policy, Chapter 3, Section VI, Move-In
- B. To determine the amount to charge for a Security Deposit, you must look at the greater of the minimum charge for a Security Deposit or one month's Total Tenant Payment (TTP) as determined above. The minimum amount is \$50 for the Section 8 Project-based Program. For example, if a new tenant's TTP is \$35, they would be charged \$50 for the full Security Deposit. If the new tenant's TTP is \$150, we would charge them \$150.

References:

- 24 CFR 880.60
 - Section 8 New Construction and Additional Assistance Program Admissions and Occupancy Policy, Chapter 3
- C. As outlined in policy, if a new tenant cannot pay the entire security deposit up front, you may accept a two-month repayment agreement. The greater of one half of the tenant's TTP or the minimum security deposit would be the first installment. For example, if the tenant's TTP is \$200, half of that is \$100. Since this amount is greater than the minimum for both programs, the tenant's first installment would be \$100, or half of the TTP. However, if the tenant's TTP is \$95, half of this amount is \$47.50. The first installment would be the greater amount of the minimum allowable security deposit of \$50. The repayment agreement may be set up so that the first payment is due at the time of move-in and the final payment is due on the first of the month following move-in along with the applicable monthly rent payment. However, the above may be still too much of a financial hardship for some families. You may consider setting up the repayment agreement to start at the beginning of the month following move-in with the final payment due no later than the second month following move-in.
- D. To set up a repayment agreement AHFC staff and the tenant must complete form SW005. To fill out this form, you simply fill out the tenant's name, address, and reason for the repayment agreement in the spaces provided. Spaces are also provided to fill in the amount they owe, the amount they plan to pay, and when they plan to pay. See the CCS Manual to enter repayment agreement into the CCS system.

III. Tenant Rent

Tenant rent is determined using the Total Tenant Payment (TTP). The Tenant Rent is the same as the Total Tenant Payment if utilities are provided by AHFC for the tenant and they do not receive a utility allowance. Tenant Rent for properties where the tenant pays their own utilities is determined by subtracting the utility allowance from the Total Tenant Payment. For example, $TTP - \text{utility allowance} = \text{Tenant Rent}$.

IV. Prorated Tenant Rent

To determine the prorated Tenant Rent divide by 30 days, then multiply by the number of days the tenant will actually reside in the unit.

For example, if the tenant's rent is \$350 and they are moving into the unit on the 6th day of a 31-day month, you would calculate their initial prorated rent as follows:

$\$350 \text{ divided by } 30 = 11.67 \text{ (daily rent amount)}$
 $11.67 \text{ (daily rent amount) times actual number of days tenant will occupy unit starting the actual day of occupancy (26 days) } = \$291.75 \text{ prorated rent amount.}$

CCS does not perform this calculation method. Therefore, you must post a monetary adjustment for the difference between the system calculation and the correct calculation.

Note: See Chapter 10, Section II, Adjustments to HUD 52670-A Part I.