

MELROSE HOUSING AUTHORITY

910 Main Street, Melrose, Massachusetts 02176-2397

Telephone (781) 665-1622

FAX (781) 665-6043

Explanation of the HCV Rent Increase Process

Notice to all Participating Section 8 Landlords:

Owners participating in the Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Voucher Program (HCV) are required to follow HUD's rules while renting to tenants who receive the housing assistance benefit. Under the HCV Program, eligible tenants have a portion of their rent paid for by the local housing authority responsible for administering the program in their area. HUD has many rules and requirements for HCV owners; including how and when they may ask for a rent increase.

HUD Regulation & MHA's Administration Plan RE: Rent Increases

Rental increases will be considered in accordance with the Section 8 Housing Assistance Payments Contract (HAP Contract), Part C: Tenancy Addendum, Section 15(d), and The Melrose Housing Authority Administrative Plan.

The owner **MUST** provide sixty (60) day advanced notice in writing to both the tenant and the Melrose Housing Authority to increase the rent. In addition, such increases can **ONLY** be requested once a year at the tenant's annual recertification date. **The MHA will not make any adjustments in total rent-to-owner on an interim basis. Only an annual assessment of the reasonable rent will be performed and granted on the HAP contract/Lease anniversary date, should the owner submit the proposed change in accordance with MHA's policy.** The amount of the rent to owner following any such agreed change may not exceed the reasonable rent for the unit as most recently determined or re-determined by MHA in accordance with HUD requirements.

Notice Contents

The rent increase notice must comply with HUD's regulations and MHA's Administration Plan. The notice must be addressed to the Head of Household as the addressee and the full property address must be listed including any assigned apartment number. The owner must also include the new rent amount, effective date of increase (Lease/HAP Contract Anniversary Date), and must be signed and dated on the notice by both

the tenant and Landlord. An agent authorized to act on the owner's behalf, such as a property manager, may sign the notice in the owner's place.

Melrose Housing Authority

Once the owner sends the written rent increase request to the tenant and a copy is sent to the MHA's Section 8 Department (via mail, hand delivered, faxed or emailed) MHA will then review your request. If the unit is in compliance with HQS (annual inspection) and the request was made no less than 60 days prior to the Lease/HAP Contract Anniversary date, MHA will then time stamp the request and issue "Rent Reasonableness" Forms by mail or e-mail.

Rent Reasonable forms are issued upon receipt of proper notice with each request and are not to be reused for future rent increases. Any forms submitted that were not issued by WHA will not be accepted and will be returned upon receipt.

The owner must comply with requests for information about the unit and rent prices in the same area during the review period on these forms. The forms must be completed, signed and returned to MHA within 5 business days. MHA will notify the landlord of its decision to approve or deny the increase request in writing a minimal of 30 days prior to the Lease Anniversary Date. If the requested amount exceeds the reasonable rent determined for the unit, MHA may be able to offer a lesser amount.

***Please note, if the subject unit has failed Housing Quality Standard (HQS) inspection and remains in violation upon receipt of your request, you will be denied. The subject unit must be in compliance with HQS more than 45 days prior to the lease anniversary date in order for the increase to be reconsidered. If the subject unit remains in fail status past that timeframe, the denial will stand, and you will not be eligible or considered to receive a rent increase until the next annual lease anniversary should you send a new request. A rent increase request will also be denied if not served within the allotted time frame to the tenant and MHA (60-days prior to lease anniversary) and/or the effective date requested is not the lease anniversary date per HAP Contract and Lease signed upon initial occupancy. There are no exceptions.**

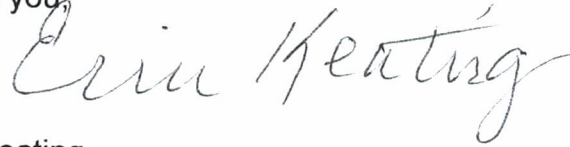
"Side" Rent

Please remember, participating owners in the Section 8 programs cannot institute rent increases without approval from MHA. It's a violation of federal law for a landlord to collect rent from the Section 8 tenant outside of the program. An owner cannot ask for a rent increase during the initial lease period with a new tenant, which is one

year. If the market values in the area go down after a rent increase is approved, MHA may review the rent to see if it meets the reasonable rent requirement.

Please refer to your original Housing Assistance Payment Contract if you are unsure of your Lease Anniversary date. If you have any questions, please contact the Section 8 Department at 781-827-4067.

Thank you,

A handwritten signature in cursive script that reads "Erin Keating". The signature is written in black ink and is positioned to the right of the "Thank you," text.

Erin Keating,

Email – erin@melroseha.com

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RENT INCREASE FORM

Owner Name _____

Owner Address _____

Tenant Name _____

Tenant Address _____

Lease Renewal Date _____ Proposed New Rent Amount _____

Each year at the time of lease renewal, owners participating in the Housing Choice Voucher Program may request an increase in their contract rent. To make the request, submit this completed form to the Melrose Housing Authority at least 60 days prior to the lease renewal/annual recertification date.

Prior to approval of any rent increase, the unit must have a "pass" rating on the most recent HQS inspection, and the rent must be determined to be reasonable to assure that rent charged for the unit is comparable with other unassisted units of similar types (24 CFR 982.507

By executing this request, the owner certifies that the unit is in decent, safe, and sanitary condition and that he/she is in compliance with the terms and conditions of the lease.

Owner/Agent's Name and Signature

Date

Phone Number

Email Address

Tenant acknowledgement: I have reviewed this form and the information is accurate. I am aware of and agree to the increase the owner has requested and that this request may result in my portion of rent.

Tenants Name and Signature

Date

Phone Number

MELROSE HOUSING AUTHORITY

Rent Comparable Survey For Rent Reasonableness

Name of Tenant: _____

Address of Tenant: _____

Rent Amount Requested: _____

Please circle all appropriate selections in each category below:

1. Type of Unit

Single family	Garden (1-4 stories)
Two family	Low Rise (5-8 stories)
Three family	High Rise (9+ stories)
Duplex	
Town House	

2. Number of Bedrooms

Circle one: 1 2 3 4 5

3. Number of Bathrooms

Circle one: 1 2 3

4. Date Unit Built

- a. Prior to 1950
- b. 1950 to 1960
- c. 1960 to 1970
- d. 1970 to 1985
- e. 1985 to present

5. Unit Quality

- a. Excellent
- b. Good
- c. Fair
- d. Poor

6. Utilities (circle source and note if Owner or Tenant is responsible)

a. Heating	Natural Gas _____	L/P Gas _____	Oil _____	Electric _____
b. Cooking	Natural Gas _____	L/P Gas _____	Oil _____	Electric _____
c. Hot Water	Natural Gas _____	L/P Gas _____	Oil _____	Electric _____
d. Other Electric	_____			
e. Water Type	Well Water _____	City Water _____		
f. Sewer Type	Septic _____	Public _____		

Signature of Landlord/Agent _____

Date _____

Address of Landlord/Agent _____

Phone _____

HOUSING CHOICE VOUCHER PROGRAM

STATEMENT OF RENT REASONABLENESS/COMPARABILITY

TENANT NAME _____

PROPERTY ADDRESS _____

OWNER _____

I, Landlord, Agent, certify that the monthly rent is not higher than that charged for comparable, unassisted units at the same or similar locations

The rent(s) for other comparable market units in the building or similar locations are as follows:

Unit # _____ # of BRs _____ Rent Amt _____ Eff. Date _____ Date of Occupancy _____

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Unit # _____ # of BRs _____ Rent Amt _____ Eff. Date _____ Date of Occupancy _____

Please attach separate sheet if more than 6 units. For apartment complexes, please provide complete rent roll, to be submitted once annually and kept on file at the Authority.

If other units in the building are lower than the rent requested for reasons other than number of bedrooms, please provide an explanation

I certify that I am the legal owner or the legally designated agent for the above referenced unit, and the prospective tenant has NO ownership interest in this dwelling unit whatsoever. In addition, I certify that the Contract Rent for the unit to be rented under Section 8 DOES NOT exceed rent charges by the owner for comparable private market units.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY.

SIGNATURE OF OWNER/AGENT

DATE

EQUAL HOUSING OPPORTUNITY

SECTION 8 RENT APPROVALS – Frequently Asked Questions

Q: What is the process for rent increase requests?

A: Each year, at the time of the lease renewal, owners participating in the Housing Choice Voucher Program may request an increase in their contract rent. To make this request, submit a completed Rent Increase form to Melrose Housing Authority at least 60 days prior to the lease renewal date.

Prior to approval of any rent increase, the unit must have a "pass" rating on the most recent HQS inspection, and the rent must be determined to be reasonable to assure that rent charged for the unit is comparable with other unassisted units of similar type (24 CFR 982.507).

Q: Do I need to notify the tenant of the proposed increase?

A: Yes. As a party to the lease, the tenant must be notified of the proposed increase, and must be in agreement with any proposed contract rent increase. The tenant's agreement is indicated by having them sign the request for an increase.

Q: How much of an increase can I ask for, and will it be approved?

A: Any new rent amount that is requested and/or approved must be "reasonable" in comparison with rents of similar units in the private, unassisted (non-subsidized) rental market. Criteria guidelines include, but are not limited to; condition and rating of unit, location (neighborhood), bedroom size, amenities available, renovations. The full amount of the increase requested may or may not be approved.

Q: How will a rent increase affect the tenant?

A: If a rent increase is approved, the tenant's share may go up and may affect the tenant's ability to pay their portion.

Q: What can I do if the tenant does not accept the increase?

A: If a tenant chooses not to accept the proposed amount, you may continue the tenancy under the current lease terms, or terminate the tenancy by giving notice under the terms of the lease, or negotiate a lower amount that is acceptable to both parties. If a lower amount is negotiated, Melrose Housing Authority must be notified in writing before that amount can be implemented.

Q: When will an approved rent increase take effect?

A: The increase will not take effect until at least two full calendar months have passed since the date the request was received by MHA, and will not take effect until the lease renewal date. For example, if an increase request was received by MHA in January, and the lease renews April 1st, the increase would not take effect until April 1st. If the request for an increase is received in March, and the lease renews April 1st, the increase could not take effect until April 1st of the following year, since the request has to be submitted at least 60 days prior to the lease renewal date.

Q: Are there any special requirements in regard to inspections for rent increases?

A: Yes, rent increases will not be approved until any failed items identified by the most recent HQS inspection have been corrected.

Q: What is the difference between the Lease renewal date and the Annual Inspection date?

A: The Lease renewal date is the date the Lease agreement and Housing Assistance Payment (HAP) contract is entered into. This date will stay the same until the Lease is terminated. The Annual Inspection date is based on the last full HQS Inspection regardless if the unit passed or failed inspection. Because HUD requires a full inspection be conducted annually and/or biennially the date of the next annual or biennial inspection will change from year to year.