

## Basics of Renting to a Voucher Holder

### Benefits of Having a Voucher Holder as a Tenant

- Households with vouchers are like any other household, except that a portion of their rent is paid by a nonprofit or government agency.
- Regardless of what happens to tenant's income, rent will be paid
- Housing agency can add an extra layer of review and support
- For example, a housing inspection can be helpful to verify the state of the unit prior to move-in
- The housing provider's relationship with the tenant is largely the same

### Eligibility for Vouchers

- Specific eligibility requirements vary by voucher program.
- However, typically voucher holders must have low incomes in order to qualify.
- Depending on the type of voucher, there may be a lengthy wait before an applicant is offered a voucher.
- When an applicant reaches the top of the waitlist, **the housing agency will screen only for program eligibility**, namely income eligibility, criminal history within the parameters of the program, and immigration status where required.
- The housing agency does not do additional screening to assess whether the household is likely to be a good tenant; that is your responsibility as the property owner.

### Tenant Screening

- When considering an application for your unit from a voucher holder, use the same screening criteria you use for other applicants.
- Evaluate each applicant carefully and consider their ability to uphold the lease requirements.
- Remember:
  - Subjecting applicants with vouchers to additional screening criteria violates fair housing laws in Massachusetts.
  - Households with vouchers are low-income, so their credit may not be as good as other applicants, but they have the protection of the voucher. The voucher will cover the portion of the rent that they can't afford.

### Next Steps with Prospective Tenants

- **Paperwork:** Submit required paperwork to the housing agency, including:
  - Information on unit
  - Proof of ownership
  - W-9 (for tax purposes)
  - Direct deposit information (if applicable)
  - Letter of Compliance (LOC) to verify lead law compliance if the household has a child(ren) under age 6
- **Inspections:** Every rental unit in Massachusetts must be in compliance with the State Sanitary Code and meet minimum requirements for human habitation.
  - Certain programs (i.e. state) require that the housing provider schedule a state sanitary code inspection and provide confirmation of compliance from the local Board of Health prior to occupancy.
  - Other programs (i.e. federal) require a program-prescribed inspection prior to occupancy which will satisfy the minimum requirements (unless the municipality requires a certificate of occupancy for all rental units).
- Generally the rent review and market analysis is completed after the unit has been inspected/verified to be in compliance.

## Rents & Payment Standards

### Setting Contract Rent

- A housing provider may request any rent, but all rents are subject to approval by the housing agency.
- All voucher programs will review requested rent to ensure it's reasonable based on other market rents in the building and/or the neighborhood.
  - If requested rent is determined to be unreasonably high, the housing provider can submit additional comps and/or clarify amenities in the apartment.
  - A housing provider is not required to accept a lower rent offered by a housing agency, but we appreciate the housing provider's willingness to negotiate.
- Once approved and agreed to, the housing provider cannot change the rent (including an annual increase) without the housing agency's approval.
- Only the housing agency can set the tenant portion of the rent.
- Housing providers may NOT charge the tenant any rent in excess of the tenant portion, unless it is for an amenity (like parking, and equally applied to all tenants) and is outlined in the lease.

### Rent Reasonableness

- Housing agencies are responsible for ensuring that the rent charged by the owner for the unit is **reasonable when compared to similar unsubsidized units in the community**, taking into account the location, size, type, quality, amenities, facilities, management, and maintenance of each unit.
- A rent is also reasonable if it does not exceed **rents currently being charged by the same owner for comparable unassisted units**, including those in the same building.
- Housing agencies can only approve contract rent amounts that are determined to be “**rent reasonable.**”

### Payment Standards

- The payment standard is the **maximum possible amount of subsidy that a housing agency can pay for a unit.**
- This does not necessarily mean that a housing agency can approve a unit up to the full amount of the payment standard, as the housing agency cannot approve a contract rent (initially or upon a request for a contract rent increase) that is not deemed reasonable.
- Accordingly, based on the rent determined to be reasonable, **the housing agency might approve a contract rent amount that is lower than the payment standard.**
- Similarly, there are instances in which a housing agency can approve a contract rent *higher* than the payment standard, so it's important to communicate with the housing agency.

### Security Deposit and First and Last Month's Rent

- The housing provider can request first, last, and security from an applicant with a voucher.  
HOWEVER:
  - The housing agency will only pay the subsidy portion of first month's rent (after move-in) and the subsidy portion of last month's rent at that time.
  - If necessary, consider requesting only the tenant's portion of the rent for first and last month's rent.
  - Some, but not all, voucher programs can assist the tenant with the security deposit payment.
  - If possible, consider collecting the security deposit over a longer period of time, such as six months.
  - <https://eohhs.ehs.state.ma.us/leadsafehomes>

## Leases & Contracts

### Relationship Between Parties

- The housing agency is NOT a party to the lease.
  - The housing agency cannot enforce or terminate the lease.
  - The housing provider should treat the tenant like any other tenant when it comes to lease violations, but keep the housing agency informed.
- The tenant is not responsible for voucher payments and the housing agency is not responsible for the tenant portion.
  - As long as the contract between the housing provider and housing agency is in place and the tenant is still a participant in the housing program.
  - A housing provider cannot evict a tenant because a housing agency has not paid its portion.
  - The most common reasons housing agencies may withhold payments or voucher payments may be low:
    - Waiting for signed contracts and/or the lease has been terminated
    - Inspection issues
    - Waiting for income verification to change the tenant's portion of the rent

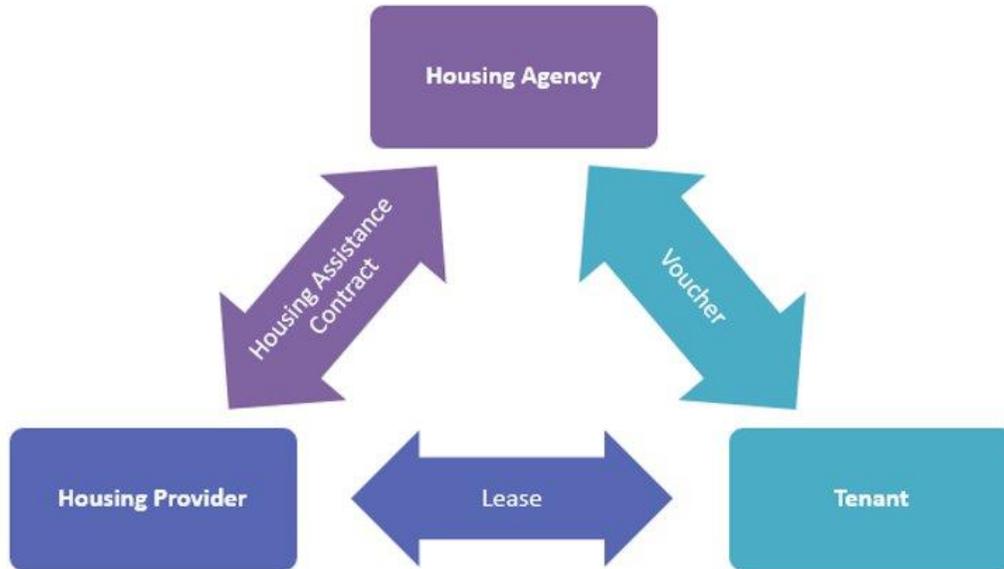
### Lease/Lease Addendums in Voucher Programs

- The lease is the governing contract between the property owner and the tenant.
  - EOHLC's programs can provide a model lease to use, or you can use your own standard lease.
- The tenancy addendum, to be attached to the lease, provides additional language regarding the voucher and program.
  - Clarifies that the tenant is responsible only for the tenant portion of the rent and the housing agency is only responsible for the subsidy payment.
  - Explains that only the housing agency can approve the rent and set the tenant portion
  - In the case of conflicting terms in the lease and the addendum, the addendum will control.
- Outlines grounds for termination
- Includes some basic tenant protections, language on domestic violence, and anti-discrimination clause

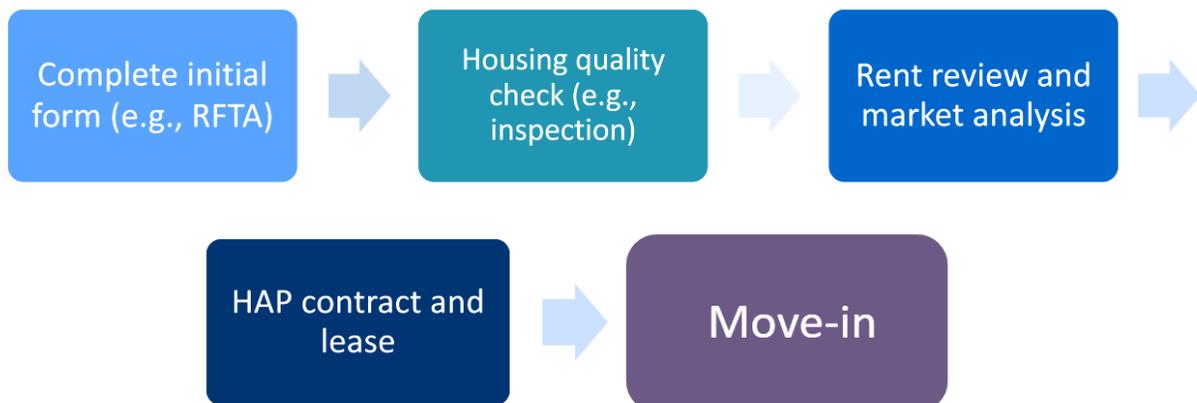
### Contract with Housing Agency

- Outlines housing provider's obligations to receive subsidy payments
  - Verification that the tenant is still in the unit, unit is in compliance with the state sanitary code, tenant has no ownership interest, etc.
  - Provide housing agency copies of any notices to tenant or of a sale
- Housing agency will make voucher payments in a timely manner.
  - As long as the housing provider is in compliance with the contract and the tenant is a participant in the voucher program
- Note that voucher payments are subject to appropriation

### Relationship Between Parties



### Typical Lease-Up Process



## Legal Responsibilities

### Fair Housing Laws

**Massachusetts landlords, real estate professionals, and other housing providers are prohibited from discriminating against applicants and tenants on the basis of certain classes protected by state and federal law** (see list of protected classes below).

- Fair housing aims to provide equal access.
- A housing provider must treat applicants and tenants equally regardless of whether they belong to a protected class.
  - For example, a housing provider cannot require a higher credit score for applicants with a housing voucher or require a minimum earned income.
- Housing providers must be willing to accept applications from anyone.
  - For example, a housing provider cannot refuse to accept an application from someone with a housing voucher or steer applicants to specific units or neighborhoods.
- Important to check internal bias to ensure everyone is being treated fairly and equally.
- Lack of knowledge or awareness is not an excuse!

### Protected Classes in Massachusetts

- Race
- Color
- National Origin
- Religion
- Ancestry
- Age
- Sex
- Gender Identity
- Sexual Orientation
- Disability
- Veteran/Military Status
- Marital Status
- **Familial Status** (Note: Households with children and/or pregnant women cannot be rejected simply because the unit is not de-lead)
- **Source of Income** (including housing vouchers)

### Lead Paint Law

- **The Massachusetts Lead Law requires the removal or covering of lead paint hazards in homes built before 1978 where any children under 6 live.**
- Housing providers must provide notice to tenants prior to occupancy – but this does not mean that a unit doesn't need to be de-lead.
- Housing providers can be held liable for lead poisoning even if the tenant signs a waiver or acknowledgement of the presence of lead paint.
- **Housing providers cannot evict or refuse to rent to anyone because of lead paint or children under the age of 6.**
- Proper de-leading protects children and housing providers!
- <https://www.mass.gov/the-massachusetts-lead-law>

### Lead Paint & Voucher Programs

- The housing agency will verify that the unit is lead safe if there are children under the age of 6 in the household.
  - Verification of de-leading/letter of lead compliance if built before 1978 (even if the unit/property has undergone extensive renovations)
  - Building permit for units built after January 1, 1978
- Housing agencies will verify lead safety documents in the Lead Safe Homes database.
  - Anyone can search the database to verify if a unit/home has been de-lead or if there have been subsequent issues.
  - <https://eohhs.ehs.state.ma.us/leadsafehomes>

## How to Advertise Your Unit to Voucher Holders

- Post the unit online:
  - [AffordableHousing.com](http://AffordableHousing.com) (formerly called GoSection.com)
  - Online apartment listings managed by housing agencies (e.g., Metro Housing| Boston, Boston Housing Authority)
  - Other apartment listing websites (e.g., Zillow, Apartments.com)
- Contact your local housing authority or Regional Administering Agency (RAA) and let them know that you have a unit available.

Region	Regional Administering Agency (RAA)	Phone Number
<b>Boston area</b>	<a href="#">Metro Housing  Boston</a>	617-859-0400
<b>North Shore/Merrimack Valley</b>	<a href="#">Community Teamwork, Inc. (CTI)</a>	978-459-0551
<b>City of Lynn</b>	<a href="#">Lynn Housing Authority &amp; Neighborhood Development (LHAND)</a>	781-581-8600
<b>Framingham area/Metrowest</b>	<a href="#">South Middlesex Opportunity Council (SMOC)</a>	508-872-0765
<b>South Shore/South Coast</b>	<a href="#">NeighborWorks Housing Solutions</a>	781-422-4251
<b>Cape Cod</b>	<a href="#">Housing Assistance Corporation (HAC)</a>	508-771-5400
<b>Worcester County</b>	<a href="#">RCAP Solutions</a>	978-630-6668
<b>Springfield area, Hampden, Hampden, and Franklin Counties</b>	<a href="#">Way Finders</a>	413-233-1500
<b>Berkshire County</b>	<a href="#">Berkshire Housing Development Corporation</a>	413-499-1630, Ext. 100

