### **Landlord Guide to Section 8**

## How does the Section 8 Program Work?

Section 8 is a federal assistance program to help low-income people pay their rent. People with Section 8 vouchers find their own housing and pay a percentage of their income for rent. Section 8 pays the landlord the rest of the rent.

### What are the steps involved in renting to a Section 8 tenant?

- A family with a current Section 8 voucher views your apartment and wants to rent it.
- You screen the tenants to make sure they are suitable.
- You agree to lease to the tenants and submit a Request for Tenancy Approval (RFTA).
- The Section 8 office checks to make sure the family can afford the rent, the rent is reasonable compared to other rents in the community, and the lease is acceptable.
- The Section 8 Department inspects the unit for compliance with Housing Quality Standards (HQS) and GHA's Acceptability Criteria Variations. The inspector will use a hand-held PDA that contains all elements of the form HUD-52580 Inspection Checklist.
- After the apartment passes inspection and utilities are on in the head of household's name, you will be contacted to get the date tenant took possession of the unit and the Section 8 office sends you a HAP Contract and Lease Addendum to sign.
- You sign the HAP Contract and Lease Addendum with Section 8, the lease with your tenant and the family moves in.
- Each month the family pays its portion of the rent and Section 8 pays the amount specified in the HAP Contract.

## How do I list my apartment with Section 8?

If you would like to rent to Section 8 tenants, you may contact the Gastonia Housing Authority to let us know you have an apartment available.

The Gastonia Housing Authority uses <u>socialserve.com</u> as the county listing agent for Section 8 properties. GHA does not maintain a list of Section 8 landlords.

You may also advertise in the local newspapers stating that you welcome Section 8 tenants.

# Does the Housing Authority screen Section 8 tenants?

The Housing Authority does not screen Section 8 tenants for you. You must do this yourself, just as you would screen non-Section 8 tenants. You should ask for Social Security number, references, current and previous landlords, credit history, employment history, criminal record, etc., and check the information carefully.

There are many services available to help you screen tenants. These services can check to see if the prospective tenant has a criminal record, has been evicted, or has bad credit. When checking references, always contact the previous landlord as well as the current landlord, because the current landlord may want the tenants to move out.

GHA will determine that the applicant meets the income limits and other Section 8 eligibility requirements. However, screening the tenant is the landlord's responsibility.

## Who pays the security deposit?

If you want a security deposit, you must collect this from the tenant. The Section 8 program has no responsibility for damages, unpaid tenant rent, or other claims you might have against the tenant.

The maximum security deposit you may collect is one month's rent. You may not collect the last month's rent.

# Do I sign a lease with the tenant?

You must sign a lease with the tenant for a minimum of one year. The lease must comply with North Carolina state law and include:

- Names of the landlord and tenant
- Address of the rental unit
- Term of the lease and how it will be renewed
- Monthly rent amount
- Which utilities are paid by the tenant
- Which appliances must be provided by the tenant
- Tenancy Addendum. You must include the Tenancy Addendum exactly as it appears on the HUD web site: <u>Tenancy Addendum</u> (requires <u>Adobe Reader</u>)

You may include any other conditions that you normally include in your leases, as long as they meet all North Carolina laws.

#### What kind of inspection is done?

Your apartment will be inspected to make sure that it meets the housing standards of the Section 8 program. The inspector will examine the exterior of the building, the plumbing and heating systems, the exits and hallways, and each room in the apartment to make sure the unit is safe, clean, and in good condition. The unit must be vacant at the time of the first inspection, and all utilities must be turned on. The inspector must have access to the unit itself, the basement, and all common areas.

The inspector uses a checklist form provided by HUD, the federal agency in charge of the Section 8 program. For each item on the list, the inspector marks if the unit passes or fails (or not sure). If repairs are needed, the inspector marks this on the form.

You can view the inspection form on the HUD web site:

Housing Choice Voucher Program Inspection Form (requires Adobe Reader)

A family will not be allowed to rent your apartment until you have made any needed repairs and the unit passes the inspection.

The apartment will be re-inspected each year. If problems are found, you must make repairs within the time allotted or your HAP will be stopped until the all repairs are made.

#### How much rent can I charge?

The rent you charge must be reasonable compared to other units of similar size in the community. The Section 8 office will compare your rent to their payment standards, which are based in part on the fair market rents in your city or town. The fair market rents are the average gross rents (rent plus utilities) being paid in your community for modest apartments of varying sizes.

### See What are "fair market rents?"

If the gross rent (rent plus utilities) for your apartment is less than or equal to the payment standard, the tenants pay 30% of their monthly income for rent and Section 8 pays the rest. If the rent is higher, the tenants must make up the difference. However, they are not allowed to pay more than 40% of their income for rent when they first rent an apartment.

If you want to increase the rent when you renew the lease, you must get approval from Section 8. The rent must remain reasonable and within the family's ability to pay, or else Section 8 will not approve it.

### How do I get paid?

Section 8 will send you a check for HAP amount each month. They will continue to do so as long as the tenant remains eligible for Section 8 and your apartment meets the Section 8 program standards.

You are responsible for collecting the tenant portion of the rent each month.

#### Can I evict a Section 8 tenant?

You may evict a Section 8 tenant in the same way you would evict a non-Section 8 tenant. You must comply with all applicable North Carolina laws.