

**TREEHOUSE APARTMENTS  
RESIDENT SELECTION PLAN**

**Property Profile**

280 W Boise Avenue  
Boise, ID 83706  
25 Units

Unit Subsidy Type: This project receives Project Based Section 8 Subsidy

Low Income Housing Tax Credits: Low Income Housing Tax Credits are assigned to this project

Elderly/Disabled Property: This project is not a designated elderly/disabled property

Accessible Units: If no in-house resident requires an accessible unit, an applicant on the Waiting List who requires an accessible unit will receive next priority for an accessible unit (for more detailed explanation, see section "Income Limits & Occupancy Standards" – sub section "Accessible Unit")

Unit transfers: For unit transfer procedures, see section "Income Limits & Occupancy Standards" – sub section "Unit Transfers"

Student Eligibility: For Student Eligibility requirements for either Project Based Section 8 or Section 42 Tax Credit (LIHTC – Low Income Housing Tax Credits) properties, (see section "Student Households")

Pet Policy: This project does not allow pets

Service/Companion Animals: For guidance on requesting a reasonable accommodation, please see section "Reasonable Accommodations"

Security Deposit: Security Deposits are required to be paid in full at time of move in

Income Limits: This property does not rent above the – Low-income limit. A copy of the income limits is located in the rental office

Preferences: There are no preferences at this property

## Introduction

Thank you for your interest in this property. This Resident Selection Plan helps to ensure applicants are selected for occupancy in accordance with Northwest Real Estate Capital Corp's (NWRECC) policies, Housing & Urban Development (HUD), State & local laws, state agencies, and Low-Income Housing Tax Credit (LIHTC) requirements. NWRECC policy is one of equal opportunity and non-discrimination and is compliant with all Civil Rights legislation, Section 504 of the Rehabilitation Act of 1973, Americans with Disabilities Act, Fair Housing Act Amendments of 1988, and the Affirmative Fair Housing Marketing Plan requirements. No applicant will be unlawfully denied housing based on race, color, religion, sex, familial status, handicap status, national origin, marital status, sexual orientation, or gender identity. Applicants must meet eligibility requirements stated in this Resident Selection Plan to gain admission to this property managed by NWRECC.

## Fraud – Is It Worth It

Any applicant who signs a form and knowingly provides false or misleading information is committing fraud and will be rejected on those grounds. Additionally, an applicant can be subject up to, but not limited to, federal, state, and local penalties. If and when an applicant becomes a resident, if management determines that the resident is in non-compliance with his/her lease because he/she knowingly provided incomplete or inaccurate information, management must follow HUD's instructions for terminating the resident's tenancy and requirements on filing a civil action against the resident to recover improper subsidy payments.

## Project Eligibility

**Applicant Responsibilities:** An applicant who wishes to become a resident or co-resident must possess the legal capacity to sign all documents (unless an accommodation request has been granted to allow a guardian's signature) and the ability to enter into a lease agreement. Failure to do so will result in rejection of the application.

**Citizenship/Immigration Status Requirements:** By law, only U.S. citizens and eligible non-citizens may benefit from federal rental assistance. Compliance with these rules ensures that only eligible families receive subsidy. These requirements apply to families submitting application to the property, families on the waiting list, and residents. Assistance in subsidized housing is restricted to the following: U.S. citizens or nationals and non-citizens who have eligible immigration status as determined by HUD. All applicants for assistance must complete an Applicant Declaration and submit proper documentation of citizenship or eligible immigration status at the time of application. Where possible, NWRECC will arrange to provide the notice in a language that is understood by the applicant if the person is not proficient in English. All family members, regardless of age, must declare their citizenship or immigration status. Non-citizens (except those age 62 and older) must submit documentation of their status and/or sign a declaration that they do not claim to have eligible status. Non-citizens age 62 and older must sign a declaration of eligible immigration status and provide a proof of age document. U.S. citizens must sign a declaration of citizenship. A mixed family—a family with one or more ineligible family members and one or more eligible family members—may receive prorated assistance, continued assistance, or a temporary deferral of termination of assistance. Applicants who hold a non-citizen student visa are ineligible for assistance, as are any non-citizen family members living with the student, or non-citizen students with a citizen spouse or citizen children.

**Process for Screening Documentation:** NWRECC uses the Department of Homeland Security (DHS) SAVE system (online processing) in order to verify required documents submitted by the applicant who is claiming eligible immigration status.

The Compliance Manager will conduct a *primary verification* of the documentation submitted by the applicant.

DHS may request from management to institute "*secondary verification*". Management must prepare and send DHS Form G-845S along with photocopies of the DHS documents submitted by the applicant to the DHS office serving the property's jurisdiction. DHS, after review, will return to management a copy of the DHS Form G-845S indicating the results of the automated and manual search.

If the documentation submitted returns a positive result, the Compliance Manager will provide the Property Manager the SAVE Verification number in order to write it on the applicant's Applicant Declaration form.

If the documentation submitted returns a negative result, management will notify the family in writing as soon as possible.

The notification will outline how the applicant will need to proceed.

**LEP:** NWRECC will take reasonable steps to provide to persons with Limited English Proficiency (LEP), when requested, a means to understand our written & verbal policies, procedures, and required documents.

**Elderly Properties:** Properties that are elderly designated must verify that the household qualifies as an elderly household. An elderly household is one in which the head of household, spouse, and/or co-head is 62 years of age or older, disabled, or handicapped.

**Disclosure of Social Security Numbers (SSN):** All applicant household members who will be receiving subsidy will be required to provide a valid social security number (SSN) with adequate documentation prior to move-in. Live-in aides and foster children are also subject to the SSN requirements. The exceptions to this rule apply to the following:

- 1) Individuals age 62 or older as of January 31, 2010, who do not have a Social Security Number, and whose initial determination of eligibility was begun before January 31, 2010 (i.e., who were already receiving federal assistance as of 01/31/2010), and those individuals who are not claiming eligible immigration status, and
- 2) Any applicant family member who is under the age of six (6), who does not yet have a SSN assigned to him/her, and was added to the household 6 months or less from the move-in date. This exemption applies only to those under six (6), without a SSN, and who were added to the household within 6 months from the date of admission. The household will be given 90 days from the move-in date to provide documentation of the SSN for the child. An additional 90-day period will be granted if failure to provide documentation is due to circumstances outside the control of the household.

Adequate documentation means a social security card issued by the Social Security Administration, an original document issued by a federal or state government agency, which contains the name and social security number of the individual along with identifying information of the individual, or other acceptable evidence listed in Appendix 3 of HUD Handbook 4350.3 REV-1. Applicants who have not provided a social security number may remain on the waiting list until they have been offered a unit and have been given 90 days to provide documentation of their social security number. However, an otherwise eligible household may not be deemed eligible until all household members have submitted valid social security numbers and acceptable documentation to verify the social security number is correct. Exception: Household members who indicate on their citizenship declaration that they are a non-eligible non-citizen are not required to provide a social security number. In most HUD programs, these applicants may move in only if another household member deemed eligible under HUD rules (see Citizenship Requirements).

When an existing household that has already moved in requests to add a new member age six or older, including a live-in aide, the documentation of their social security number must be provided before the new member is added to the household (unless the new member is not contending eligible immigration status and/or was 62 or older as of January 31, 2010 and whose initial determination of eligibility was begun before that date). If the new proposed member is under the age of six and has a social security number, the social security number must be disclosed, and verification provided at the time of processing the recertification of family composition that includes the new household member. If the new proposed member is under the age of six and does not have a social security number and who was added to the household within 6 months from the date of admission, the household will be given 90 days to provide documentation of the child's social security number. An additional 90-day period will be granted if the failure to provide documentation of the child's social security number is due to circumstances that are outside the control of the resident. Such delays might include delayed processing by the Social Security Administration, natural disaster, fire, death in family, etc. The household will be responsible for notifying the Owner in writing by the end of the first 90-day period if such delay occurs and will be required to provide evidence of the delay with this written notification. During the period of time that the household has to obtain the social security number, the child will be included as part of the household and will receive all of the benefits of the program, including the dependent deduction. If the household is unable to provide the social security number for the child by the end of the 90-day period (or the second 90-day period if an extension is granted), the household's tenancy may be terminated for material non-compliance with the lease.

Effective January 31, 2010, if a resident or any member of the resident's household has not provided his/her social security number, or has been assigned a new social security number, the resident must submit the social security number and adequate documentation necessary to verify that number at the next certification. Once this information has been provided, it will not need to be re-verified. Household members claiming non-eligible non-citizen status will be exempt from this requirement.

### **Income Limits & Occupancy Standards**

**Income eligible households** must have annual income that is less than or equal to the income limit for the family size. In addition, the family must also need subsidy assistance in order to be eligible.

**Extremely low income:** Properties with project-based Section 8 units are required to ensure that during a fiscal year at least 40% of the applicants housed each year in Section 8 units are below 30% of the area median income level. The Property Manager will monitor the number of households moved in during any given year that meets this requirement. If selecting an applicant household whose income is over 30% of the area median income will cause this percentage to fall below 40% at any time, preference will be given to the next applicant household that is under 30% of the area median income. If no household meeting this requirement has applied, the unit will be marketed. The Property Manager may offer the unit to a household whose income exceeds 30% of the area median income only if no other qualified applicants are available.

**Tax Credit Income Limits:** Tax credit programs require that a specific number of households fall below certain income levels. The Property Manager may only house applicants who meet the required income limits for each unit and waiting lists will be kept by bedroom/income limit. Therefore, if an applicant household exceeds the income limit for an available unit but would qualify under the maximum income limit allowed under the program, they will remain on the appropriate waiting list until such time a unit they qualify for becomes available.

**The Purpose of Occupancy Standards:** Occupancy standards have been established to ensure units are not overcrowded or underutilized. The number of occupants in a unit must be in accordance with the occupancy standards as set forth by NWRECC and based upon local regulations. These occupancy limits comply with Federal, State, and local fair housing and civil rights laws as well as Tenant-landlord laws, zoning restrictions, and HUD's Equal Opportunity and nondiscrimination requirements. Notwithstanding the above, NWRECC shall have the right to make reasonable accommodations for individuals with disabilities and may adjust the occupancy limits to further the goal of providing reasonable accommodations.

**Occupancy Standards:** The composition of the household must fall within the following standards for the size of unit:

<u>UNIT SIZE</u>	<u>MINIMUM</u>	<u>MAXIMUM</u>
1	1	3
2	2	5
3	3	7

**Counting Household Members to Determine Occupancy Eligibility:** All full-time members of the family, live-in aides, and all anticipated children. Anticipated children include the following: Children expected to be born, children in the process of being adopted by an adult family member, children whose custody is being obtained by an adult family member, Foster children who will reside in the unit, children who are temporarily in a foster home who will return to the family, children who are away at school and who live at home during recesses, and children in joint custody arrangements who are present in the household 50% or more of the time. Additionally, Foster adults who will reside in the unit are to be counted as well.

**Who is not Considered a Household Member When Determining Occupancy Eligibility:** This list is not exhaustive: Visitors, children who are away at school who have established residency at another address or location as evidenced by a lease agreement, permanently confined/institutionalized household members, or adult children on active military duty.

**Accessible unit:** Current households who have a verified need for and have requested the features of an accessible (e.g., barrier free) unit, will be given priority for this type of unit. If no current household requires such a unit, then applicants on the Waiting List who have a verified need for and have requested the features of an accessible unit will be given the next priority for this type of unit. Requests for modifications or accommodations to non-accessible units will be considered during the application interview process, but those households will not be given priority for selection.

Should no current household or applicant require the features of an accessible unit, then the next qualified applicant would be permitted to occupy the accessible unit. Each household is required to sign the HUD Apartment Acknowledgement form. By signing this form, a household who is or will be occupying an accessible unit, but does not require the features of the unit, acknowledges that when a current household or an applicant who requires the features of an accessible unit will be given a 30-day notice to transfer to the next qualifying unit when one is becoming available at his/her own cost. If the household refuses to transfer, the household would then be required to pay the HUD approved market rate for the unit on the first of the month after the 30-day notification is fulfilled.

**Assigning larger units:** A disabled applicant/resident who requires a larger unit than permitted under the established occupancy standards may request one by following the reasonable accommodation policy.

## Unit Transfers:

Applicants must be aware that transfers are permitted only under the following circumstances:

- 1) There is a verifiable medical reason / reasonable accommodation request for the unit transfer; or
- 2) The household has requested and qualifies for a VAWA Emergency Transfer; or
- 3) The household has requested and qualifies for a transfer based on imminent threat not associated with a VAWA crime; or
- 4) The household composition has changed, the household no longer falls within the established occupancy standards and an appropriately sized unit is available; or
- 5) The household was moved into a larger unit than necessary under the established occupancy standards, with the understanding they would be required to move if an appropriately sized unit became available; or
- 6) The household moved into an accessible unit because there were no qualified applicants, with the understanding that they would be required to move to another unit if a household needing the features of the accessible unit surfaced; or
- 7) An unsubsidized household needs Section 8 assistance that is only available in a different unit size, or a Section 8 household's assistance is terminated, and they need to move to a different unit type to make the Section 8 available to another household. Note: The household must fall within the occupancy standards of the new unit in order to qualify for the transfer.

When a unit transfer is based on a standard request to transfer to another unit based on number of bedrooms: If and when a household doesn't fall into one of the categories listed above, the household may apply to be placed on the appropriate Waiting List as a regular applicant household, which means the household will be placed on the Waiting List based on date & time. There may be extenuating circumstances taking into consideration for other unit transfer possibilities not mentioned. A unit transfer is conditional upon residency standing (e.g., lease & House Rules violations, housekeeping issues, damages to the unit or property, etc.)

*NOTE: Unless a household is no longer eligible for their current unit size, a transfer will not be permitted. For example: two people living in a 1 bedroom are not eligible to transfer to a 2 bedroom for occupancy reasons because the household composition does not exceed the maximum for a 1 bedroom. Exception: In an elderly property where no waiting list exists for 2 bedroom units, a 2+ person household occupying a 1 bedroom unit may be permitted to transfer to a 2 bedroom in order to free up the smaller unit for single person households.*

NWRECC will pay, within reason, moving costs for unit transfers based solely on a reasonable accommodation.

## Application

**Marketing & TTY:** This property is marketed at least once per year, if not more frequently, and using all advertising and community contacts as set forth in the Affirmative Fair Housing Marketing Plan, form HUD 935.2. TDD/TTY telecommunication is available by calling the posted TDD/TTY number, or through the telephone company relay system.

**Requesting & Submitting an Application:** All households interested in any property managed by NWRECC may request an application. Applications may be requested either in person (or through a designated individual) at the local on-site office during posted office hours, or request an application be mailed by calling the local office phone number posted on the property sign, or by email. Applications may be requested by fax if a fax is available in the office. When the office is closed and for applicant convenience, application request forms are located outside the office.

All applications are coded with an application number. The application number is used for tracking purposes and has no impact on waiting list placement. If an application is logged and not returned, the Property Manager will attempt to contact the applicant after approximately ten days to determine the status of submission of the application. If the Property Manager is unable to contact the applicant, either because insufficient contact information was provided or because of no response, the application will be logged as "not returned" on the Application Log. If the application is subsequently returned, the application will be logged again, and a new application number will be assigned. All applications must be completed & submitted either in person, by mail, or by fax. Only NWRECC applications will be accepted as it requests all necessary information to determine eligibility per NWRECC Resident Selection Plan and authorizes NWRECC to screen for credit, criminal, rental history, and student eligibility.

Only completed applications will be added to the Waiting List.



While the Property Manager generally may not fill out any part of the application for an applicant, it is NWRECC policy to assist whenever possible to accommodate any reasonable request made by individuals with or without a verifiable disability by completing an Applicant/Resident Request for Paperwork Assistance form. Applicants who do not possess the legal capacity to sign documents cannot become a resident or co-resident unless another individual, legally authorized to sign on their behalf, executes the required documents.

Once a completed application has been received, the Property Manager will date/time stamp the application and add it to the Waiting List; in addition, the Property Manager will send a Waiting List Acceptance Notification to the applicant and will verify previous landlord references and when applicable, current landlord reference. Once the applicant is near the top of the Waiting List and the landlord references have been verified and are positive, the Property Manager will enter required individual applicant data into a 3<sup>rd</sup> party applicant screening company to verify credit and criminal status. The Property Manager will cross check addresses with the application and any eviction record that appears on the credit report. If an eviction appears on the report or an address does not match between the report and application and it is within the 3 year rental period, the Property Manager will reject the application (for rejection procedures, see "Notification of Rejected Applicants" section).

### Waiting Lists

All completed applications are listed on the waiting list by the date and time logged as described above and includes the name of the head of household, preferences (if any), bedroom size(s) requested, income level, and rejected or move-in dates. NWRECC uses the Application Status Sheet in conjunction with the Waiting List to include, but not limited to: address and phone number of applicant, the status of verified landlord references and credit/criminal screenings, date contacted for an interview, and final tracking status (i.e., selection, rejection, cancellation, etc.). Applicants may appear on as many Waiting Lists as requested and for which they are eligible. Any applicant may request their current status on the Waiting List by writing or calling the office and giving their name & application number. The Waiting List is updated (purged) at least every six months to establish continued eligibility, to remove those no longer eligible, and to reclassify those with a change in status. Applicants are responsible for contacting the rental office at least every six months to verify continued interest in remaining on the Waiting List.

Because income and other eligibility factors will not be verified before an applicant is placed on the Waiting List, placement on the Waiting List does not guarantee the applicant will be eligible for a unit when one becomes available. No applicant will be considered eligible until the application interview process (see Application Interview Process section) has been completed, and all necessary documents are verified and/or executed.

*Opening and Closing of the Waiting List:* This property will monitor vacancies and update the Waiting List every 6 months to ensure that there are enough applicants to fill the vacancies, and to make sure that the Waiting List does not become so long that the wait for a unit becomes excessive. Unless a waiting list has been officially closed, applications are available even if a sizeable waiting list exists.

*Closing Waiting List:* The Waiting List may be closed for one or more unit sizes when the average wait is excessive. If & when a Waiting List is closed, potential applicants will be advised that the Waiting List is closed, and management will not take additional applications. Furthermore, a notice will be published on the property's community bulletin board and a publication likely to be read by potential applicants stating the reasons for the management's refusal to accept additional applications.

*Opening Waiting List:* When management agrees to accept applications again, the notice of this action will be published on the property's community bulletin board and announced in a publication likely to be read by potential applicants.

### Application Interview Process

**The Application Interview Process:** If the landlord references and credit/criminal screenings are returned acceptable, the Property Manager will contact, at a minimum, the top two applicants on the Waiting list in chronological order as logged. This process will start with the first eligible applicant and according to any applicable preferences noted on page 1 of this Resident Selection Plan, to complete the application interview process. This process includes verifying current landlord references, verifying income, assets, allowable deductions, if a student – student status information, and any other information required under the program(s) in place at the property – if the documentation will be more than 120 days from the time it is completed to the point of move-in, then the information must be re-verified. If there is a vacancy at the property and there are no current applicants on the Waiting List, the next applicant to apply will begin the application interview process, which includes what is noted above and, previous landlord references & credit & criminal screenings.

**EIV Authorization:** Each adult household member who will be requesting residency and/or is living in a property regulated by HUD must give NWRECC and HUD the authorization to use the EIV (Enterprise Income Verification) system prior to move-in, each Interim certification, each Annual recertification, and to access monthly & quarterly reports required by HUD. Before accessing the employment or income data contained in EIV for a resident, management must make sure there is a current form HUD-9887, *Notice and Consent for the Release of Information*, signed and dated by the applicant/resident, on file. This form must be signed and dated by each adult member of a household regardless of whether he or she has income. The head of household, spouse, co-head, and each family member who is at least 18 years of age must sign and date the form at move-in and at each annual recertification. The form is valid for 15 months from the date of signature.

The HUD-9887 form authorizes HUD and management to use data obtained through computer matching with another agency for verifying the individual's income used for establishing the eligibility and level of benefits under HUD's assisted housing programs. The form also authorizes HUD and management to seek wage, new hire (W-4) and unemployment claim information from current or former employers in order to verify information obtained through computer matching.

In addition to the HUD-9887 form, management must make sure a signed and dated form HUD-9887-A, *Applicant's/Tenant's Consent to the Release of Information*, is on file. This form authorizes management to request information about the applicant/resident from a third-party source.

*EIV allows management and HUD to access certain agency databases that include the following:*

- 1) The Social Security Administration:
  - a. Social Security (SS) benefits
  - b. Supplemental security income (SSI) benefits
  - c. Dual entitlement benefits
  - d. Medicare premium information
- 2) The National Directory of New Hires (NDNH):
  - a. W-4 (new hires)
  - b. Quarterly wages for federal and non-federal employees
  - c. Quarterly unemployment compensation benefits
- 3) Information regarding multiple subsidies and dual residences

All applicants MUST disclose if they are currently receiving HUD housing assistance. We will not knowingly assist applicants who will maintain a residence in addition to the HUD assisted unit or who attempt to receive HUD assistance in two separate residences.

HUD provides us with information about an applicant's status as a HUD housing assistance recipient. When an applicant has been approved through the NWRECC application process, NWRECC will use the EIV Existing Tenant Search function to determine if the applicant or any member of the applicant household is currently receiving HUD assistance.

Nothing prohibits a HUD housing assistance recipient from applying to this property. However, the applicant must move out of the current property and/or forfeit any voucher before HUD assistance on this property will begin. Because subsidy will not be granted until after the household has moved out of the assisted property and the termination information has been sent to HUD through their electronic systems, there may be a delay in the ability for us to provide assistance.

Special consideration applies to:

- 1) Minor children where both parents share 50% custody.
- 2) Recipients of HUD assistance in another unit who are moving to establish a new household when other family/household members will remain in the original unit.

This information will be reviewed on an annual basis, at each annual certification. If any household member receives or attempts to receive assistance in another HUD assisted unit while receiving assistance at this property, the household member will be required to reimburse HUD for assistance paid in error. This is considered a material lease violation and may result in penalties up to and including eviction and pursuit of fraud charges.

*Management may, at its discretion, use the information provided by the household member along with the information obtained by EIV to document income, providing the information is consistent. Management must obtain independent third-party verification which will be used to complement EIV data when:*

- 1) The resident disputes the EIV data;
- 2) The resident is unable to provide management with acceptable and current income documentation;

- 3) There is incomplete EIV data for a resident; or
- 4) There is no EIV data for a resident.

*Investigating and Resolving Income Discrepancies:*

- 1) Management may not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based on the data in EIV.
- 2) When the employment and income data in EIV is not the same as reported by the resident, or when the resident disputes the EIV data, management must independently verify any information by obtaining third party verification directly from the employer or by having the resident request a current Award Letter from the SSA.
- 3) Management must notify the resident of the results of the third-party verification and request the resident come into the office to discuss the results.
- 4) If management determines that a resident had unreported or underreported income, he/she must go back to the point in time the unreported or underreported income started and calculate the amount the resident owes. A record of this calculation should be provided to the resident and retained in the resident's file.

**Security:** The information processed by any EIV system can include wage and income data about private individuals, as well as identifying information such as social security number, address, and employment information. All properties under management that utilize EIV follow the Enterprise Income Verification User Policy established by NWRECC. This policy describes methods to comply with HUD's required EIV safeguards and is available upon request.

### **Applicant Screening & Rejection**

An application/applicant may be rejected based on applicable eligibility factors that are stated throughout the Resident Selection Plan that the application/applicant fails to meet. The Applicant Screening & Rejection section is for the purpose of outlining specific issues that an application/applicant may be rejected for. If any member of the household is denied, the whole household is denied. The household may reapply without the household member who was denied; should the household reapply; the household must still meet the occupancy requirements. The household will be required to fill out a new application and a new application log number will be assigned. NWRECC personnel must have reason to believe that the offending household member will not live in the apartment as an unauthorized person.

NWRECC utilizes a safe & secure 3<sup>rd</sup> party screening company to process credit/criminal screenings. An approved applicant screening report will remain in the resident's file for the duration of residency.

Applicants will never be unlawfully rejected on the basis of race, color, religion, sex, national origin, familial status, source of income, marital status, or disability. Applicants may be rejected for any of the following reasons:

**Application:** The application is incomplete, or the Property Manager is unable to verify any part of the application after following NWRECC procedures. The Property Manager determines that an applicant has not fully cooperated in all aspects of the application process or has provided false or misleading information.

**Other Documents:** Any applicant who does not sign or date NWRECC verification consent forms or the Authorization for Release of Information (forms HUD-9887 and HUD-9887-A).

**Citizenship eligibility:** See Citizenship/Immigration Status Requirements section on page 2 of this Resident Selection Plan for specific information regarding rejection under these requirements.

**Social Security Disclosure:** See Disclosure of Social Security Numbers (SSN) section on page 3 of this Resident Selection Plan for specific information regarding rejection under these requirements.

**Household Income:** Applicants who exceed the Agency income limits for eligibility based upon information provided in their application, or who are determined ineligible during application processing, will be rejected. Applicants who are unable or unwilling to provide the documentation or information necessary to determine household income eligibility will be rejected. Additionally, applicants that cannot demonstrate the ability to pay resident paid utilities and/or other mandatory charges with verified income, assets or both will be rejected.

**Occupancy Standards:** Applicant households that fall below the minimum or exceed the maximum occupancy standards for the property.

**Landlord References:** NWRECC verifies three year residential history. If a landlord reference is returned that provides information that the household does not meet NWRECC or agency standards, the household will be rejected. Family landlord



reference letters are not valid references. Management will consider whether the applicant, or any other person who will be living in the unit has a history of physical violence to persons or property or has exhibited living habits at prior residences that could adversely affect the health, safety, and quiet enjoyment of other residents and/or management. In addition, rejection may occur if there is a history of eviction, damage, non-payment of rent, or violation(s) of the terms of current or previous lease agreements inclusive of failure to maintain a unit in sanitary condition. If the household has previous or current rental history listed on the application and the Property Manager is unable to verify tenancy with the landlord, the application will be rejected. If the applicant or any member of the applicant's household fails to fully and accurately disclose rental history, the application will be denied. A lack of rental history is not a reason for rejection.

**Credit & Financial Standing:** Applicants with an unsatisfactory history of collections, charge-offs, judgments, and open bankruptcy who are deemed to be a severe credit risk by our third-party screening company will be rejected. Applicants that have outstanding balances with one or more landlords will be rejected unless the debt is paid in full. If the property does not pay all utilities, applicants that have an outstanding balance with a utility company and who are unable to demonstrate that the balance was paid in full will be rejected. The inability to verify credit references may also cause the rejection of the applicant unless it is determined that credit has not been established.

If we reject an applicant based on the credit report, we will give the applicant the name of the credit-reporting agency that performed the credit check and the opportunity to correct or clear any adverse credit through the appeal process. We are unable to disclose the specifics of any information provided to us by the credit bureau.

**Rental History & Civil Court Records:** We will reject applicants with an unsatisfactory rental history that includes multiple late payments or NSF's; or write-offs or collections reported through our third-party screening company.

We will reject applicants with an unsatisfactory history of civil court filings or unlawful detainers, monetary judgments, possession, or forcible detainers that are reported through our third-party screening company.

If we reject an applicant based on the rental history reported by our third-party screening company, we will give the applicant the opportunity to provide proof that outstanding balances, write-offs, or collections have been paid in full through the appeal process.

**Criminal Background:** All properties under our management use a 3<sup>rd</sup> party screening provider to conduct criminal background check screening. Property personnel may also use data collected from other sources, including but not limited to the Rental Application and Sex & Violent Offender Registries, to reject an applicant for any of the following reasons.

*History of Evictions for Criminal Activity:* We will reject applicants if any household member was evicted from a prior residence for drug related or other criminal activity in the last three years. Appeals: If the evicted or convicted household member successfully completed an approved, supervised drug rehabilitation program at least six months prior to submitting his/her application or appeal and can demonstrate this fact by providing a certificate of completion and a police report or similar accounting of the crime, an exception may be granted by the corporate office. This will depend on the date and severity of the crime and the number of convictions on record. In the case of a prior eviction, if the circumstances leading to the eviction no longer exist, (i.e., the household member no longer resides with the applicant household or has successfully completed treatment as described above), an exception may be granted providing the applicant can provide evidence of these facts.

*Sex & Violent Offenders:* We will reject households that include individuals subject to lifetime registration requirements under a State sex or violent offender registration program, or any other violent or sexual offender registry. We may reject households that include an individual convicted of committing sexual or violent offenses, regardless of registration requirements. If the household includes an individual charged with or currently under suspicion of a sexual or violent offense that would not pass our screening requirements if the individual is convicted, we will require a police report and will review the facts that are available to make our determination. If we reject the household due to ineligibility under this section, we will give the family the opportunity to remove the ineligible member from the household through the appeal process. If the family is unwilling to remove the ineligible member, we will deny the appeal.

*Current Offenders, Arrests & Pending Charges:* Applicants will be rejected if any household member is currently using, selling, distributing or in possession of an illegal drug (under State or Federal laws) or illegal drug paraphernalia. If an individual is arrested or charged with a crime and would not qualify under our policy if convicted, we will ask for the police report, record of disposition of any criminal charges and other evidence associated with the arrest or charges and will make our decision based on the preponderance of the evidence. In the event the applicant is unable or unwilling to provide the information needed, we will reject the applicant. The applicant may submit these items during the appeal period if he or she

subsequently obtains the requested information.

*Alcohol Pattern of Abuse, Drug Offenses I & II:* We will reject applicants if there is reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol or drugs may interfere with the health, safety, and right to peaceful enjoyment by other residents or staff as demonstrated by criminal history and behavior of the applicant. Appeals: An individual determined ineligible under this section as a result of alcohol or misdemeanor drug related offenses that are not related to driving (such as DUI) may provide evidence that he or she is currently enrolled and in good standing in, or has completed, a supervised alcohol or drug rehabilitation program. The applicant may demonstrate this fact by providing a letter of recommendation from the program leader or similar individual, or a certificate of completion. Note: Certain alcohol and drug related crimes (see Types listed below) might require additional time since completion of treatment and/or additional documentation before approval of a rejected applicant.

*Repeated Misdemeanor Offenses:* We will reject the applicant if any household member has three or more Misdemeanor offenses in the last twelve months that demonstrate a likelihood that the individual will interfere with the health, safety or right to peaceful enjoyment of other residents or staff or that they will otherwise violate their lease agreement. Examples include any combination of disorderly conduct, disturbing the peace, public intoxication, or violation of liquor laws, negotiating worthless checks, bounced checks, crimes against animals, resisting arrest, obstruction of justice and probation violations. Appeals: The applicant may submit evidence of the actual events, proof of any courses taken to stop the unwanted behavior, letters of reference and other relevant items. We will consider the circumstances, number of charges and actual actions of the applicant in making our determination.

*Type I Misdemeanor & Felony Offenses:* Type I Offenses are convictions that are not related to the physical or mental harm of another, but which demonstrate blatant disregard for laws and that may impact the health, safety or right to peaceful enjoyment of other residents or staff. They include but are not limited to the possession, purchase, or sale of drug paraphernalia; disorderly house (i.e., public nuisance); criminal nuisance; marijuana use, transfer, or possession; identity theft; false impersonation; fraud; forgery; unlawful entry and trespass. The following felony convictions are also included in this section: disorderly conduct, disturbing the peace, public intoxication, or violation of liquor laws, negotiating worthless checks, bounced checks, crimes against animals, resisting arrest, obstruction of justice and probation violations.

We will reject applicants with one or more Type I Misdemeanor convictions for one year following the most recent charge date or end of incarceration (if disclosed), whichever is later.

We will reject applicants with one or more Type I Felony convictions for three years following the most recent charge date or end of incarceration (if disclosed), whichever is later.

*Type II Misdemeanor & Felony Offenses:* Type II Offenses are convictions that affect the physical or mental wellbeing of another person or that demonstrate damage to property. Type II Offenses include but are not limited to reckless endangerment, simple assault & battery, possessing burglary or criminal tools, accessory to burglary, burglary, home invasion, hacking, cyberstalking, criminal mischief, vandalism, destruction of property, possession of drugs (except marijuana – see Type I), possession of drugs with intent to manufacture or distribute, harassment, DUI, indecent exposure, solicitation for sex or pandering, grand larceny, theft, and auto theft.

We will reject applicants with one or more Type II Misdemeanor convictions for three years following the most recent charge date; or one year following the end of incarceration (if disclosed); whichever is later.

We will reject applicants with one or more Type II Felony convictions for five years following the most recent charge date; or three years following the end of incarceration (if disclosed); whichever is later.

*Type III Misdemeanor & Felony Offenses:* Type III Offenses involve intent or actual harm to others and organized crime. Type III Offenses include but are not limited to child neglect, child assault, corruption of minors, violating a protective order and partner / family member assault. Also included are the sale, cultivation, or distribution of drugs (except marijuana – see Type I), the manufacture or production of drugs (except methamphetamines – see Type V), drug trafficking, distributing drugs to a minor, enlistment of a minor to distribute drugs, unlawful distribution by a registrant and obtaining drugs/prescriptions by fraud. Type III Offenses include DUI resulting in death, vehicular homicide, negligent homicide, involuntary manslaughter, manslaughter, voluntary manslaughter, gang related crimes, racketeering, and weapons related crimes including the manufacture, sale, purchase, transportation, possession, concealment, or use of firearms and promoting prison contraband.

We will reject applicants with one or more Type III Misdemeanor convictions five years following the most recent charge date; or one year following the end of incarceration (if disclosed); whichever is later.

We will reject applicants with one or more Type III Felony convictions for ten years following the most recent charge date; or three years following the end of incarceration (if disclosed); whichever is later.

**Type IV Misdemeanor & Felony Offenses:** Type IV Offenses involve intentional harmful acts or significant damage to property. Type IV Offenses include but are not limited to arson, attempted arson, unlawful burning, unlawful imprisonment, or false imprisonment (kidnapping), robbery and armed robbery.

We will reject applicants with one or more Type IV Misdemeanor convictions for five years following the most recent charge date; or one year following the end of incarceration (if disclosed); whichever is later.

We will reject applicants with one or more Type IV Felony convictions regardless of the length of time since the charge date.

**Type V Misdemeanor & Felony Offenses:** Type V Offenses include crimes that resulted or could have resulted in the intentional serious harm of another, the production or manufacture of specific illegal drugs and serious weapons related crimes. Type V Offenses include but are not limited to aggravated assault/battery, assault with intent to commit sexual abuse, assault with intent to kill, murder, attempted murder, kidnapping, abduction, sexual abuse or assault, human trafficking, child sexual abuse, sex trafficking of children and registered sex or violent offenders. Additionally, Type V Offenses include acts of terrorism; the use, dissemination, or detonation of a weapon of mass destruction and the production or manufacture of methamphetamines.

We will reject applicants with one or more Type V Felony convictions regardless of the length of time since the charge date.

**Other:** An applicant will be rejected or a resident's lease may be terminated if the individual is (1) fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of New Jersey, is a high misdemeanor; or (2) violating a condition of probation/parole imposed under Federal or State law. We reserve the right to reject any applicant for any offense not already discussed that we believe would threaten the health, safety or right to peaceful enjoyment of the premises by other residents, persons residing in the immediate vicinity of the premises, the owner, employees, contractors, subcontractors, or the management agent. When reviewing these charges and convictions, property staff, the third party service provider or the corporate office may consider relevant circumstances such as the seriousness of the offense, the effect on the community, the extent of participation by the applicant, the effect the denial of admission would have on other members of the household, the demand for housing by other families who will adhere to lease responsibilities, the extent the applicant has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending actions, the involvement of outside Agencies in the household's activities and the effect on the integrity of the Agency program.

**ADA:** Individuals who are not current drug users/alcohol abusers and have undergone or are currently participating in a supervised rehabilitation program are protected under fair housing laws providing the rehabilitation center gives a satisfactory reference, indicating the applicant is able and willing to comply with the terms of the lease. These individuals must still meet all other screening requirements, including being qualified under the criminal screening requirements discussed in this Plan.

**Exclusion of Offending Member:** Property staff or the third-party screening provider may require an applicant to exclude a household member in order to be admitted to the property (or continue to reside in the apartment) where the household member has participated in or been culpable for action or failure to act that warrants denial (or termination). If an applicant is rejected because of the criminal activity of one member, property staff or the third-party screening provider may reconsider the application if the household excludes the offending family member. Property staff or the third-party screening provider must have reason to believe that the offending household member will not live in the apartment as an unauthorized person.

Each household will be asked to disclose criminal activity and records for all household members at the time of application and prior to move-in; and will be asked information about changes in criminal activity since moving in each time they recertify. This will include whether or not any member is subject to a lifetime or other registration requirements under a state sex or violent offender registration program. Failure to respond to these questions may jeopardize approval of the application and after move-in, continued assistance and/or occupancy. Property staff may verify this information using the Dru Sjodin National Sex Offender Database and may confirm with other sources on an annual basis. We may issue a lease termination notice to any household who violates our crime free policy or who is otherwise charged with or convicted of a crime that does not meet our screening requirements as described in this Plan.

Applicants who are rejected due to their criminal record will be given the opportunity to request and dispute the accuracy and relevance of their record through the third-party screening provider.

*Active Participation in Established Programs:* Depending on the date and nature of the crime(s), we may grant an appeal for an applicant who is currently involved in an established program with a proven track record where the program administrator has indicated they will monitor the applicant's activities on a regular basis for a minimum of one year. Depending on the crime, we reserve the right to require monitoring for a longer period of time.

*Current Residents:* Property staff will pursue eviction or termination of tenancy to the extent allowed by the lease and state or local law in the following situations: 1) For admissions after June 25, 2001, if any screening reveals that a member of the household is subject to a lifetime or other sex or violent offender registration requirement, or that the household falsified information or otherwise failed to disclose his or her criminal history on their application and/or recertification forms; 2) If a member of the household, regardless of when they were admitted, commits unacceptable criminal activity while living in any property under our management. In this instance, the household will be given the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, assistance will be terminated and/or tenancy terminated to the extent allowed by regulatory requirements, the lease and state or local law. 3) If it is discovered that a lifetime sex or violent offender is erroneously admitted to the property after June 25, 2001. 4) The household violates our Crime Free Policy.

**Elderly Properties:** Applicant households who do not meet the eligibility requirements for an elderly/disabled property will be rejected unless the property has authorization (or will be seeking such authorization) to rent to ineligible households. In this situation, pending ineligible applications would be maintained on the waiting list.

### **Student Households:**

#### Section 8 Households

Students who are enrolled at an institution of higher education (full-time or part-time) must be determined if they are eligible for Section 8 assistance at move-in and during their annual recertification or initial certification (when an in-place tenant begins receiving Section 8). Section 8 assistance shall not be provided to any individual who is:

- 1) Is enrolled as either a part-time or full-time student at an institution of higher education for the purpose of obtaining a degree, certificate, or other program leading to a recognized educational credential; and
- 2) Is under the age of 24; and
- 3) Is not married; and
- 4) Is not a veteran of the United States Military; and
- 5) Does not have a dependent child; and
- 6) Is not a person with disabilities, as such term is defined in 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving Section 8 assistance as of November 30, 2005; and
- 7) Is not living with his or her parents who are receiving Section 8 assistance; and
- 8) Is not individually eligible to receive Section 8 assistance or has parents (the parents individually or jointly) who are not income eligible to receive Section 8 assistance. **NOTE:** Unless the student can demonstrate his or her independence from parents<sup>(1)</sup>, the student must be eligible to receive Section 8 assistance **and** the parents (individually or jointly) must be eligible to receive Section 8 assistance in order for the tenant to receive Section 8 assistance.

<sup>(1)</sup>For the student to be eligible independent of his or her parents, the student must meet **all** of the following criteria to be eligible to receive Section 8 assistance:

1. Be of legal contract age under state law;
2. Have established a household separate from parents or legal guardians for at least one year prior to application of occupancy, **or**, meet the U.S. Department of Education's definition of an independent student<sup>(2)</sup>;
3. Not be claimed as a dependent by parents or legal guardians pursuant to IRS regulations; and
4. Obtain a certification of the amount of financial assistance that will be provided by parents, signed by the individual providing the support. This certification is required even if no assistance will be provided.

<sup>(2)</sup>The U.S. Department of Education's definition of an independent student is an individual who is:

- 24 or older by 12/31 of the award year
- An orphan, in foster care, or a ward of the court or was at any time when the individual was 13 years of age or older
- Is an emancipated minor
- Is a veteran of the Armed Forces or is currently serving on active duty other than training purposes



- Is a graduate or professional student
- Is married
- Has legal dependents
- Is a student for whom a financial aid administrator makes a documented determination of independence
- Has been verified during the school year in which the application is submitted as either an unaccompanied youth who is a homeless child or youth (defined by section 725 of the McKinney-Vento Homeless Assistance Act), or at risk of homelessness, by:
  - A local educational agency homeless liaison; or
  - Director, or designee, of a program funded under the Runaway and Homeless Youth Act; or
  - Director, or designee, of a program funded under Subtitle B of title IV of the McKinney-Vento Homeless Assistance Act; or
  - A financial aid administrator

### Tax Credit Households

Residing at an apartment community that participates in the *Section 42, Low Income Housing Tax Credit program*, households are required to adhere to additional eligibility requirements such as the “student rule”. Specifically, the Low-Income Housing Tax Credit regulation states that at no time may all the occupants of a household/unit be considered full-time students. A student is defined as any person who is considered a full-time student by the institution for five or more months in a calendar year. If after move-in the household becomes comprised of all full-time students, they are no longer eligible to live in the unit and must vacate the premises except under certain circumstances. Income eligible student households must satisfy one or more of the following conditions in order to be considered eligible residents: **A)** Members of the household are married and file or are eligible to file a joint federal tax return. A copy of the tax return must be included in the resident file or a copy of the marriage license (if applicable) or **B)** If the household consists of a single parent (with custody) and the single parent is not being claimed on the tax return of a third party, and the children are not being claimed as dependents on the tax return of a third party (other than an absent parent). The children can only be listed on the tax return as dependents of the parent they live with (in the unit) **or the absent parent** (outside of the unit). A copy of the divorce decree or tax return must be included in the resident file or **C)** Households are eligible if at least one of the students receive assistance under Title IV of the Social Security Act (e.g. AFDC or TANF) or **D)** If any one of the residents is enrolled in, and receiving assistance under, the Job Training Partnership Act (JTPA), or a similar governmental job training program or **E)** At least one student previously received Foster Care assistance under Part B or E of Title IV of the Social Security Act (for certifications completed on or after 07/31/08)

**Notification of Rejected Applicants:** All rejected applicants will be issued a rejection letter within 72-hours. Applicants will be notified of the reason for the rejection, and they have the right to appeal (and the methods for doing so) within 14 days of the rejection letter. NWRECC will respond to all rejection appeals in writing within five business days of receipt of an appeal and supporting documentation if applicable.

**Violence Against Women Act (VAWA):** The Violence Against Women Reauthorization Act of 2013 protects victims of domestic violence, dating violence, stalking, or sexual assault, as well as their immediate family members generally, from being evicted or being denied housing assistance if an incident of violence that is reported and confirmed. The VAWA also provides that an incident of actual or threatened domestic violence, dating violence, stalking, or sexual assault does not qualify as a serious or repeated violation of the lease nor does it constitute good cause for terminating the assistance, tenancy, or occupancy rights of the victim. Furthermore, criminal activity directly relating to domestic violence, dating violence or stalking is not grounds for terminating the victim's tenancy. Applicants will be provided the Notice of Occupancy Rights and Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking. These forms will also be provided with any type of termination notice. Tenancy may be denied or terminated if management can demonstrate there is an actual and imminent threat to other residents, property employees, or vendors at the property. Management may provide written request asking that documentation be submitted regarding the incident(s). The time period to submit documentation is 14 business days from date of receipt of request. Extensions to the time period may be granted for extenuating circumstances. For further detail on the Violence Against Women Act, the VAWA policy and emergency transfer plan can be located in the rental office.

### **Miscellaneous**

**Security Deposits:** Security deposits required at each property vary depending on the specific agency program(s) in place. Properties under NWRECC management do not accept installments on security deposits in HUD properties and an applicant who is unable to pay in **full** will not be accepted. Depending on other agency programs there may be exceptions to this rule.



**Pet Deposits:** Pet deposits only apply to properties established for the elderly and persons with disabilities. Assistance animals that assist persons with disabilities are considered to be auxiliary aids and are exempt from the Pet Rules and required pet deposit. Properties designated for the elderly allow pets providing the applicant/resident agrees to the Pet Rules. The pet deposit required at individual properties varies based on the program in place. For specific pet deposit requirements, please review the Pet Rules. Multi-family properties (non-elderly) do not allow pets. Allowing unauthorized pets may result in the termination of the resident's lease.

**Verification of Age:** In order for a household to be eligible for certain deductions (e.g., dependent or elderly) or for admission to an elderly property, the household must provide one of the following documents for each applicable household member prior to move-in: Birth Certificate, Baptismal Certificate, Military Discharge papers, Valid passport, Census document showing age, Naturalization certificate, Social Security Administration Benefits printout.

**Utilities:** If the utilities are not included as part of the rent, the utilities must be transferred to the household at the time of the lease and remain connected throughout tenancy.

### Reasonable Accommodations

Forms for requesting reasonable accommodations and modifications are available in the office upon request. If you are unable to make your request in writing, you may ask a third party (including the Property Manager) to complete the forms on your behalf. All such requests will be given consideration and the decision to approve or deny the request will be based on verification of the need for the accommodation by a medical professional, the reasonableness of the request, and the financial impact (if any) on the property. The 504 Coordinator may be contacted at (406) 252-3773 or at 2929 3<sup>rd</sup> Avenue N, Ste. 538, Billings, Montana 59101. A copy of the Reasonable Accommodation Policy is located in the Rental office.