

Flaherty & Collins
Lease/Income Certification Policy

It is the policy of Flaherty & Collins Properties (F & C) that each adult member of any household occupying a Low Income Housing Tax Credit (commonly know as: Section 42) apartment or single family home must sign their lease and income certification on the day of move-in. It is further more the policy of F & C that all information be completely filled in on the lease and income certification form and that under no circumstances should any household member be asked to sign a blank or incomplete document.

The Community Manager and/or Compliance Specialist are responsible for:

- a) Insuring that the F & C Section 42 lease and income certification form is used properly and signed on the same day the resident takes possession of the apartment home. All adult occupants of the household should sign the Lease and the Income Certification.
- b) Verifying that all income & assets of the household have been properly verified.
- c) Insuring that the information verified is correctly transferred to the lease and income certification form.

The F & C Section 42 lease provides for the following:

- ◆ The lease identifies all residents to be occupying the unit. Requiring that all adult residents must sign on the lease with joint and several liabilities.
- ◆ The lease specifically delineates which utilities are to be provided by the landlord and which are to be paid for by the resident.
- ◆ The lease prohibits assignment or subletting.
- ◆ The lease contains a disclosure regarding participation in the Section 42 program.
- ◆ The lease contains a provision stating that any misrepresentation on the application or Income Certification is a breach of lease.
- ◆ The lease contains a provision requiring annual recertification and making continued occupancy contingent on continued eligibility with the program guidelines.
- ◆ The lease contains a provision acknowledging that the Program eligibility requires that the unit never be occupied in its entirety by full-time students unless such students qualify (providing supporting documentation) for one of the student exemptions. The lease requires that the resident(s) will notify the landlord of changes in student status by any of the occupants of the household.

The Program is designed for non-transient residency. Initial lease terms must be for a minimum of six months, with the exception of SRO's. It is F & C policy that ***all lease terms should be 11 months plus the prorated portion of the month.*** (Example: For a household whose move in date is March 15th, 2004: the lease term would end the last day of February 2005) This type of lease term will allow the community to use the residents lease expiration date as the target date for the annual recertification of income.

In situation where the market conditions require a shorter lease term, a six or nine month lease is permissible, but requires prior approval from the Compliance Department and the Regional Property Manager.

Acknowledgement of Receipt

By signing below I acknowledge receipt of the above policy. In addition, I accept and fully understand the policy and agree to fully enforce the policy at any affordable housing community for which I am assigned by Flaherty & Collins Properties.

Signature / Title

Date of Signature

Signature / Title

Date of Signature

Signature / Title

Date of Signature

Signature / Title

Date of Signature

Signature / Title

Date of Signature

Signature / Title

Date of Signature