



WORKING WITH TENANTS AND HOME BUYERS IMPACTED BY COVID-19



AGENDA

Part I

- SERI and Fair Housing
- The Fair Housing Act (FHA)

Part II

- Tools for Landlords with Tenants Impacted by COVID-19

Part III

Landlord Obligations

Part IV

Fair Lending

Part V

SERI Complaint Hotline



SERI

- Local non-profit founded in 1994.
- Working with low-income and minority communities in the Southwest to help protect the environment and improve community health.
- Committed to helping eliminate fair housing biases and prejudices in the community to make our community a place where everyone can live, work, and engage.
- Education and Outreach Initiative Program funded by the U.S. Department of Housing and Urban Development (HUD).



WHAT IS THE FAIR HOUSING ACT?

- In 1968 the Fair Housing Act (FHA) was signed, making it illegal for people to discriminate in any aspect of housing based on an individual's race, color, national origin, religion, sex, familial status, and disability.
- The FHA defines these as their seven federally protected classes.

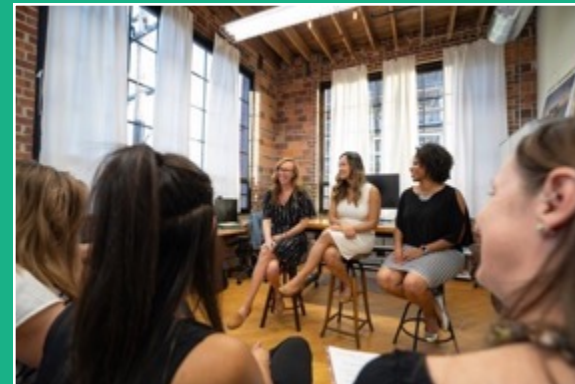


President Lyndon B. Johnson to sign the Fair Housing Act April 11, 1968.
(Photo Credit: *Smithsonian*)



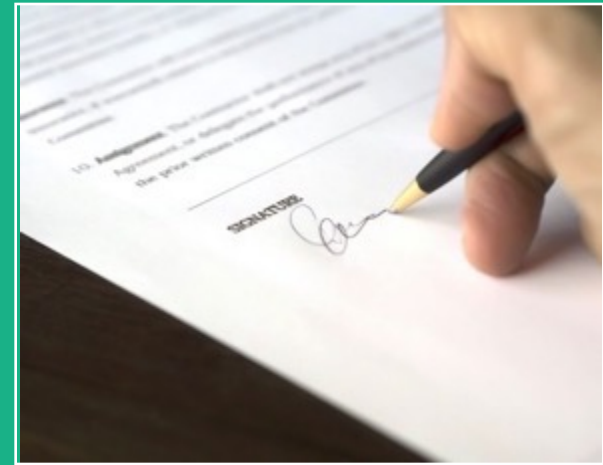
WHY FAIR HOUSING IS IMPORTANT

- Giving everyone access to housing in every neighborhood ensures that everyone has access to the resources they want and affects the rest of our lives!



WHERE THE FAIR HOUSING ACT APPLIES?

The Fair Housing Act applies to when people are renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in any other housing-related transactions.



TOOLS FOR LANDLORDS WITH TENANTS IMPACTED BY COVID-19



COMMUNICATE WITH YOUR TENANTS

- During COVID-19 identify tenants behind on rent and contact them directly about assistance.



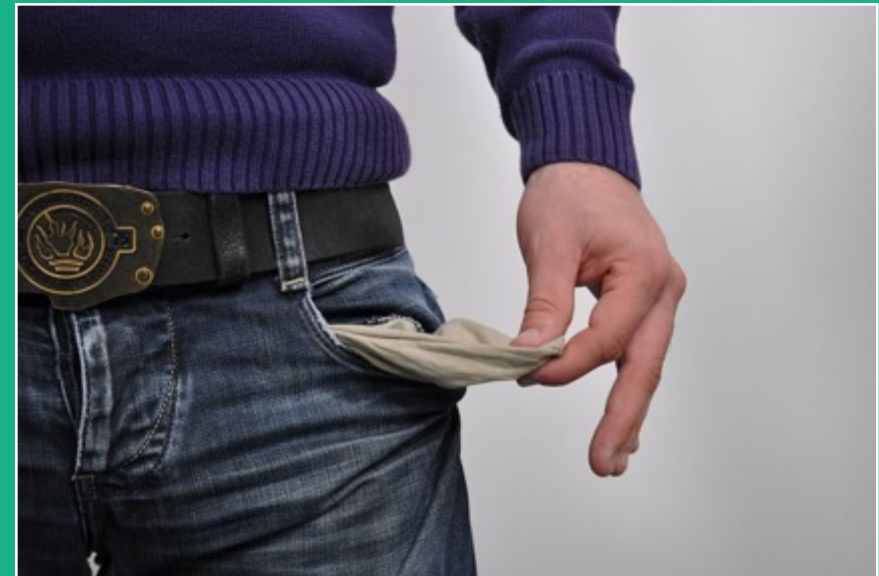
COMMUNICATE WITH YOUR TENANTS (CONT.)

- Ask tenants with limited English proficiency and those with disabilities if there is anyone they would like to include in the conversation to support their understanding of the steps they can take to maintain their housing.



OFFER FLEXIBILITY TO TENANTS

- Defer or reduce payment of past due rent.
- Defer or reduce payment of future due rent until tenant's income increases.
- Apply a security deposit or last month's rent to unpaid rent (if allowed by law)



QUESTIONS TO ASK AT-RISK TENANTS



**How much was your total monthly
income before COVID-19?
How much is it now?**

**Have you applied for
unemployment or any other
assistance?**



Have you reached out to any family or friends who might be able to help you pay your rent?

Have you reached out to a bank or a credit union for a loan that you could use to pay your rent?



**How many months do you think
the repayment plan needs to be
in order to help you catch up?**



DOCUMENTATION FOR TENANT ASSISTANCE

- Making sure that you are following fair housing and disability rights laws.
- Document tenants' need for assistance.



DOCUMENTATION FOR TENANT ASSISTANCE (CONT.)

Examples of documentation:

- Healthcare professional note that tenant was unable to work due to illness (or dependent required care) .
- Termination or furlough notice.
- Pay stubs reflecting reduced hours.
- Bank statement reflecting reduced income.
- Signed letters from employer or bank.



KEY ELEMENTS OF A REPAYMENT PLAN

- Include the delinquent rent payments and future rent payments in the repayment amount.
- Apply the amount of the security deposit or last month's rent (if allowed under local or state law) to reduce the repayment amount.
- Any voluntary reductions by the landlord of past or future rent owed.



KEY ELEMENTS OF A REPAYMENT PLAN (CONT.)



- The amount of any late fees, interest, or penalties that have been added (if allowed).
- The total amount subject to repayment.
- A payment schedule, with the due date and amount of each payment, agreed to by the tenant.
- An indication of whether these payments include or exclude future rent.



KEY ELEMENTS OF A REPAYMENT PLAN (CONT.)

- An agreement by the landlord not to commence eviction based on nonpayment or submit any negative comment.
- Information to credit reporting agencies if payments are made as scheduled.



KEY ELEMENTS OF A REPAYMENT PLAN (CONT.)



The tenant's acknowledgement of the consequences of one or more late payments:

- All unpaid rent becomes due immediately.
- The landlord may initiate eviction and reclaim possession of the premises.
- The landlord may pursue other remedies to obtain unpaid funds.
- The tenant's acknowledgement of other conditions voiding the repayment plan.



KEY ELEMENTS OF A REPAYMENT PLAN (CONT.)

- A description of conditions that terminate the repayment agreement.
- An agreement by the tenant to regularly update the landlord on the tenant's financial situation.
- Space for signatures of the landlord or property manager and all tenants listed on lease.



REPAYMENT PLAN TEMPLATES

**PAYMENT PLAN AGREEMENT
(COVID-19 PANDEMIC)**



LEASE CONTRACT DATE: _____
OWNER'S NAME: _____
RESIDENTS (LIST ALL RESIDENTS): _____
DWELLING UNIT DESCRIPTION:
Unit No. _____ (City) STATE _____ (Zip code)

Dear Resident(s):

We understand COVID-19, the coronavirus, has directly affected many of our residents. Some residents have experienced a loss of wages, incurred new medical expenses or been laid off from their place of employment as a result of the COVID-19 pandemic. For those who have been directly affected by this virus, we are willing to enter into an agreement with you to provide temporary flexibility for paying rent and other sums that come due during the month of the Lease Contract term during which this Agreement is executed, during the month of the Lease Contract term following the month in which this Agreement is executed, or for the following period of time _____.

In order to qualify for the terms of this Agreement, you must provide written documentation of your loss of job, income, or other monetary hardship to us. This may be done via any method normally permitted under the Lease Contract. The determination of the sufficiency of such documentation to qualify for this Agreement is solely within our discretion.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we (as Owner) and you (as Resident) agree to a temporary payment plan for rent and other sums due as further described below. You agree to make payments as follows:

Payment Item	Currently Due	Current Amount	Date to be Paid	Amount

You understand and agree that your failure to comply with this Agreement is a material breach by you of the Lease Contract and a default under the Default by Resident paragraph of the Lease Contract for which we may sue you for eviction and entities us to pursue any and all other legal remedies.

We will not pursue eviction for nonpayment of rent if the terms of this Agreement are met. If you do not timely comply with payment provisions set forth herein, we may in our sole discretion pursue eviction for nonpayment of rent and any other remedy under the Lease Contract and state and/or local laws. To the fullest extent authorized by applicable state and local law, we do not waive any right to commence eviction proceedings against you for any breach of this Payment Plan Agreement or any other breach of the Lease Contract or state or local law.

Our choice to enforce, not enforce or delay enforcement of the due date or amount of any payment due under this Agreement or the Lease Contract isn't a waiver under any circumstances.

Notice continued in this Agreement system. See the applicable or otherwise effects you of our order, conditions or notices under

https://www.naa.org/sites/default/files/naa-documents/final_-_naa_payment_plan_agreement.pdf



U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

**Agreement for Payment of
Delinquent Rents**

Department of Housing and Urban Development
(City or address of your Office)

Tenant(s) Name: _____
Case Number: _____
Street Address: _____
City, State, Zip Code: _____

In return for the Department of Housing and Urban Development (HUD) not initiating eviction action due to my delinquent rental payments at the above captioned property, I agree to the following terms and conditions:

- Lump Sum Payment.** No later than _____, and in order to bring my rental account current, I will submit to HUD via the following Real Estate Asset Manager (REAM), (Provide the name and complete address of REAM): _____ a cashier's check, bank check, or money order in the amount of \$ _____ (Enter NA if lump sum payment is not applicable.)
- Monthly Payments.** Beginning _____ and continuing through _____ on the first day of each month, I will submit to HUD the following Real Estate Asset Manager (REAM), (Provide the name and complete address of REAM): _____ a cashier's check, bank check, or money order in the amount of \$ _____ (one and a half months' rental payments), which will bring my account current on the later date.
- Prepayment.** If all payments, past due under the terms of the original lease, are repaid before the end of this Agreement, this Agreement will terminate and the monthly rental payments required by the original lease will begin again.
- Termination Conditions.** HUD may terminate this Agreement if:
 - I permanently leave the property.
 - I sublease the property to someone else.
 - I fail to meet any of the terms of this Agreement or the original lease.
- Termination.** This Agreement will terminate _____ months from the date of this Agreement or when the delinquency is cured, if prior to the end of this Agreement.
- Original Lease.** I understand that all rights and obligations of the original lease, except as changed by this Agreement, remain in full force and that, when this Agreement expires, the monthly rental payment due under the lease will begin again, unless HUD agrees to renew, amend, or extend this Agreement.

Recommended: _____ Tenant(s): _____
Real Estate Asset Manager (REAM) Name of Tenant(s)
By: _____ By: _____
Date: _____ Date: _____

https://www.hud.gov/sites/documents/DOC_35535.PDF

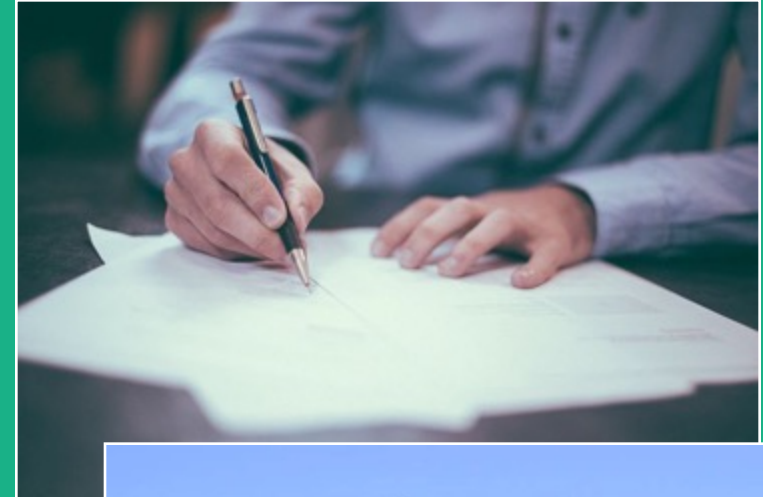


LANDLORD OBLIGATIONS



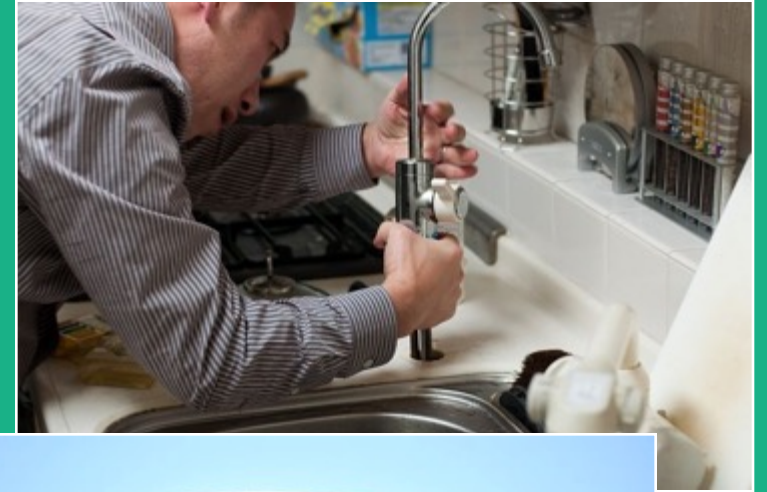
LANDLORD OBLIGATIONS

- The purpose of all nonrefundable fees or deposits shall be stated in writing by the landlord.
- On move-in, a landlord needs to give the tenant:
 - A signed copy of the lease.
 - A move-in inspection form (to check for damages).
 - Written notification that tenant may be present at the move-out inspection.



LANDLORD OBLIGATIONS (CONT.)

- Maintain in good, safe working order and condition the following things in the dwelling.
- The landlord and tenant of any dwelling unit other than a single family residence may agree that the tenant is to perform specified repairs, maintenance tasks, alterations or remodeling under certain conditions.



FAIR LENDING



WHAT IS PROHIBITED?

Discriminating against someone in a protected class in:

- Approvals and denials.
- Terms
- Advertising
- Mortgage broker services.
- Property appraisals
- Servicing
- Home loan modification assistance.
- Homeowners insurance



EXAMPLES OF LENDING DISCRIMINATION

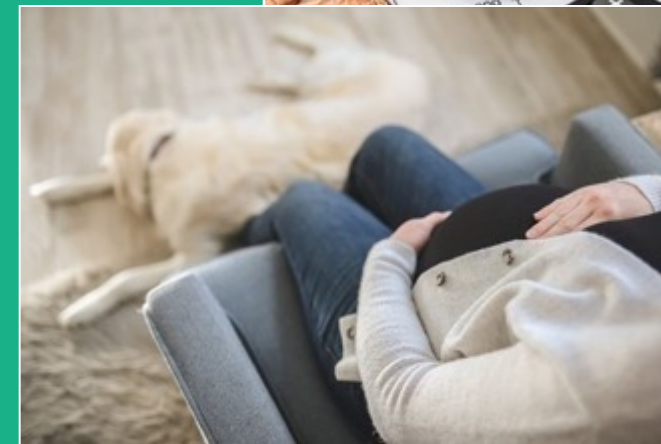


- Denying a mortgage or charging a higher interest rate because the property is located in a primarily minority neighborhood.
- Providing a different customer service experience to mortgage applicants depending on their protected class.



EXAMPLES OF LENDING DISCRIMINATION (CONT.)

- Refusing to consider a mortgage applicant's disability-related income, such as SSI or SSDI.
- Steering a borrower to a loan with less favorable terms because of their protected class.
- Targeting a minority community for fraudulent home loan modification assistance.
- Refusing to provide mortgages to women on maternity leave.



SERI COMPLAINT HOTLINE



ONLINE

seriaz.org/fair-housing



E-MAIL

hotline@seriaz.org



PHONE

520-306-0938



DIRECT MAIL

SERI
P. O. Box 65782
Tucson, AZ 85728



We will respond within 1 business day and refer your complaint to the proper agency. SERI is a AZ Friendly Relay Business.



SOUTHWEST FAIR HOUSING COUNCIL



RESOURCES AND THANK YOU

- Arizona Department of Housing - <https://housing.az.gov>
- Federal Reserve - <https://www.federalreserve.gov/default.htm>
- HUD Exchange - <http://www.hudexchange.info>
- SERI Fair Housing Program - <http://www.seriaz.org/projects/fair-housing>

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