

# Leasing process step-by-step

Leasing process step-by-step Section 8 Housing Choice Voucher households are in most ways just like any other tenant. They apply to a landlord for a unit, the landlord screens them for approval, they enter a lease or rental agreement, they pay a security deposit, and so on. However, because the MHA pays rental assistance on their behalf, MHA must also approve the unit and lease, be copied correspondence, such as rent increases or lease violations, and enters into a contract with the landlord on behalf of the tenant. Here is the process:

# Step 1

The household contacts the landlord and applies for unit. The landlord follows usual screening process to approve the tenant (taking into account that housing assistance will assure the ability to pay rent even if their income is low). It is the sole responsibility of the landlord to check credit and rental references for the voucher household.

## Step 2

If landlord and tenant agree to move forward renting the unit, the tenant provides a “Request for Tenancy Approval” (RFTA) to the landlord for the landlord to complete and send to the MHA. This packet provides information on the unit, the rent, the utilities each is responsible for and so on. This allows MHA to approve it as affordable for the family and schedule an inspection.

## Step 2 cont.

**Important:** HUD issues strict guidelines on affordability which must be applied on a case-by-case basis for each family and each unit. MHA cannot approve a unit if the rent exceeds the family's affordability. We may call and request a lower rent. The landlord may choose to lower the rent or may choose not to rent to that family.

## Step 2 cont.

**Important:** The family should not sign a lease or put down an un-refundable deposit until and unless the unit is approved by the MHA.

# Step 3

MHA receives RFTA for approval. Approval usually happens the same day it is received. Either the MHA approves it or we contact the landlord as noted. When approved, the inspector schedules an inspection. HUD allows MHA two weeks to perform the inspection, but we typically do it in one or two days. If the unit has some health and safety problem, the inspector will inform the landlord of the problem and what needs to be done to correct it. If the landlord promptly fixes it, the unit will pass. (Refer to material in this packet regarding Housing Quality Standards Inspections.)

## Step 3 cont.

- **Important:** The family should not sign a lease or put down an un-refundable deposit until and unless the unit passes inspection.

# Step 4

When the unit is approved, MHA calls the family and tells them to go ahead and sign a six month lease and to make an appointment at MHA to complete our process. Housing assistance will be paid effective either the date the lease is signed or the date the unit passes inspection whichever is later. As soon as the lease is signed, the tenant is allowed to take possession.

# Step 4 cont.

**Important:** processing the first check may take several weeks and will only begin after the HAP contract is signed (see below). The tenant is allowed to move in and begin tenancy during that time.

**Important:** the tenant is responsible for the security deposit. However, MHA does have a limited fund to loan a portion of the deposit in some cases.

# Step 5

The tenant meets at the MHA and completes our process. The MHA forwards the Housing Assistance Payment (HAP) contract to the landlord for signature. When the signed contract is received by MHA, the payment is processed, prorated to the effective date.

## Step 5 cont.

**Important:** the HAP contract must be executed within 60 days of the lease effective date or it is void. MHA usually sends the contract within a few days of the lease signing. It is up to the landlord to sign and return the signature page of the contract.

# Step 5 cont.

- **Important:** it can take several weeks to issue a check after the contract has been received. Currently, MHA issues checks weekly for payments approved the week prior.

# Step 6

After lease-up, the tenancy continues as normal. The tenant pays their share, based on MHA determination of income, and MHA sends our portion. Monthly HAP checks are planned to arrive on the first day of each month. If the share of rent for a given household changes, a Notice of Lease Amendment will be included with the HAP check.