



Taking Aim at Special Claims



North Tampa Housing Development Corporation

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Session Instructor

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Topics Covered



Regular Vacancy Claims

North Tampa Housing Development Corporation



What is it and Is it Worth Hassle?

Reimbursement for Vacancy loss

Average yearly claim amount per property =
\$7470

Use the Checklist

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North Tampa Housing Development Corporation Regular Vacancy Special Claims Checklist

Project Number:
Contract Number:
Unit Number:
Tenant Name:

1. Completed and Signed form HUD-52670-A Part 2. (Limit 10 tenants per page.)
 2. Completed and Signed form HUD-52671-C. Correctly calculate the actual number of days for the claim period.
 3. A copy of the signed form HUD-50059 completed at move-in for the former tenant, which shows the amount of the security deposit required.
 4. Documentation that the appropriate security deposit was collected from the tenant: for example, a copy of the tenant's ledger card, copy of the check or a copy of the receipt(s) for security deposits.
 5. Copy of the security deposit disposition notice provided to the tenant which indicates the move-out date, amount of security deposit collected, amount of security deposit returned, and any charges withheld from the deposit for unpaid rent, tenant damages or other charges due under the lease.
 6. Documentation that verifies the date the unit was ready for occupancy (maintenance or reconditioning log)
 7. Copy of the waiting list from which the tenant was selected to fill the vacant unit.
 8. If you have no one on the waiting list or no waiting list, documentation of marketing efforts must be included, such as copies of advertising or invoices for advertising expenses that substantiate the date marketing occurred in accordance with the AFHMP.
 9. This completed checklist.
 10. Claim is not more than 180 days old (Claims must be submitted within 180 days from the date the unit became available for occupancy)
 11. TRACS move-in/move-out query. (Transfers must also be viewable in TRACS.) (Note: When unit is not re-rented to a Section 8 tenant, a form 50059 must be submitted to show move-in date. See 4350.3 Occupancy Handbook, Ch 9, p 9, 34-35 par 4c.) If you have submitted your MI or MO and it is not showing in TRACS, you may still proceed with the submission of the claim.
Comment: _____
 12. MO Inspection form. (Not required, however this information is helpful in the processing of your claim.)
- Did the tenant provide a 30 day notice of MO? Yes No
- If No, was any of the security deposit applied to Unpaid Rent or Tenant Damage? Yes No

Signature:

Date:

IMPORTANT: A Social Security number is not required for processing of the claim. If a Social Security number is provided, it must not be transmitted electronically

Revised 6/8/2009



Regular Vacancy Claim Reviews

When Reviewing Regular Vacancy Special Claims, the most common issues we find are:

1. Timeliness
2. Completeness
3. Security Deposit collection and retention
4. Waiting List documentation
5. Claim Calculation

Claim Submission Tips

- Compile your Special Claim as soon as the vacancy occurs.
- Use the Special Claim Checklist as a guide to assemble all the documents you need for your Special Claim.
- Do not include SSN #'s on any of the claim forms.
- Mail or email them to NTHDC.

Unpaid Rent and Other Fees Due Under the Lease

North Tampa Housing Development Corporation



Unpaid Rent Claim Amount

- Total claim amount for both Unpaid rent and tenant damage combined cannot exceed:
 - $CR - SD + \text{Interest} + \text{Amount paid from other sources}$.
- For LMSA, total claim is limited to the $SD +$ remainder of one month's CR.
- For PD, the limit is two months $CR - SD$



Unpaid Rent Claims

- Allows O/As to be reimbursed for any unpaid rent left by the former tenant.
- Claims must be submitted within 180 days from the date the unit became available for occupancy.
- Cannot submit Special Claim for tenants whose assistance was terminated because of their failure to comply with program requirements.



Another Checklist

1. HUD 52670-A Part 2 & HUD 52671-A
2. Copy of the signed MI 50059 for the former tenant.
3. Evidence that the SD was collected.
4. Copy of the certified letter detailing unpaid rent and disposition of the SD.
5. Documentation that the matter was turned over to a collection agency.
6. Documentation of HUD approval for all other charges.
7. Maintenance / Reconditioning Log
8. Waiting List
9. Advertising Effort if unit was not filled from the waiting list.
10. NTHDC Checklist.
11. All Certs must be available in TRACS



What CAN be Classified as Unpaid Rent?

- Unpaid monthly rent at MO.
- Damage amounts billed to tenant that was discovered prior to MO.
- Unpaid “Other Charges due Under the Lease” that were HUD approved.
 - Failure to return keys
 - Late Fees

What CANNOT be Classified as Unpaid Rent?

- Legal Fees
- Collection Agency Fees
- Unpaid utility bills left by the tenant
- Cost of photographing unit to prove tenant damage
- Any fee that has not been HUD approved

NOTE: 202/8 leases do not allow for charges for late fees, returned checks or unreturned keys and therefore are not eligible claims.

Unpaid Rent Claim Reviews

When Reviewing Unpaid Rent Special Claims, the most common issues we find are:

1. Timeliness
2. Completeness
3. Security Deposit collection and retention
4. Waiting List documentation
5. Calculation and Documentation for Unpaid Rent

Unpaid Rent Submission Tips

- Ensure that the documentation you submit clearly states what the tenant is being charged for and what the exact amount is.
- Use the Special Claim Checklist as a guide to assemble all the documents you need for your Special Claim.
- Do not include SSN #'s on any of the claim forms.



Tenant Damage



Tenant Damage Claim Amount

- Total claim amount for both Unpaid rent and tenant damage combined cannot exceed:
 - $CR - SD + \text{Interest} + \text{Amount paid from other sources}$.
- For LMSA, total claim is limited to the $SD +$ remainder of one month's CR.
- For PD, the limit is two months $CR - SD$



Tenant Damage Claims

- Allows O/As to be reimbursed for any damage left by the former tenant that is beyond normal wear and tear.
- Claims must be submitted within 180 days from the date the unit became available for occupancy.
- Cannot submit Special Claim for tenants whose assistance was terminated because of their failure to comply with program requirements.

Submission Requirements

1. HUD 52670-A Part 2 & HUD 52671-A
2. Copies of the MI & MO Inspection Forms
3. Itemized List of Damages
4. Breakdown of costs to repair the damages.
5. O/A must certify that the damage is not the result of normal wear and tear.
6. Copy of the signed MI 50059 for the former tenant.
7. Evidence that the SD was collected.
8. Copy of the certified letter detailing Damage and disposition of the SD.
9. Documentation that the matter was turned over to a collection agency.
10. Documentation of HUD approval for all other charges.
11. Maintenance / Reconditioning Log
12. Waiting List



Submission Requirements

13. Advertising Effort if unit was not filled from the waiting list.
14. NTHDC Checklist.
15. All Certs must be available in TRACS

Normal Wear & Tear Vs. Tenant Damage

Normal Wear/Tear

- Fading, peeling, cracked paint.
- Carpet faded, dirty or worn thin from walking.
- Rusty metal fixtures.
- Dirty or fade blinds.
- Nail holes or cracks in the wall.
- Small chips in plaster.
- Loose grouting and tiles.
- Slightly faded wallpaper.

Tenant Damage

- Missing Fixtures
- Broken windows
- Holes, stains, burns in the carpet.
- Holes in the sheetrock.
- Doors removed from hinges.
- Drawings, markings, discoloration on the wall or wall paper.



Life Expectancy for Replaceable Items

Many major items have a predictable life span. A list of items and their life expectancy are listed below:

| | | |
|--------------------------------|----------|-----------------|
| Hot Water Heaters | 10 years | All units |
| Plush Carpeting | 5 years | Family |
| | 7 years | Elderly |
| Air Conditioning Units | 10 years | All units |
| Ranges | 20 years | All units |
| Refrigerators | 10 years | All units |
| Interior Painting - Enamel | 5 years | Family |
| | 7 years | Elderly |
| Interior Painting – Flat | 3 years | Family |
| | 5 years | Elderly |
| Tiles/Linoleum | 5 years | Family |
| | 7 years | Elderly |
| Window shades, screens, blinds | 3 years | Family, Elderly |

Tenant Damage Claim Reviews

When Reviewing Unpaid Rent Special Claims, the most common issues we find are:

1. Timeliness
2. Completeness
3. Security Deposit collection and retention
4. Waiting List documentation
5. Proration for Life Expectancy
6. Damage is not above Normal Wear and Tear.

Tenant Damage Submission Tips

- Ensure that the documentation you submit clearly states what the damage is and the exact cost to repair damage.
- Be descriptive when detailing the damage.
- Use the Special Claim Checklist as a guide to assemble all the documents you need for your Special Claim.
- Do not include SSN #'s on any of the claim forms.

Tenant Damage Submission Tips

- Ensure that the documentation you submit clearly states what the tenant is being charged and what the exact amount is.
- Use the Special Claim Checklist as a guide to assemble all the documents you need for your Special Claim.
- Do not include SSN #'s on any of the claim forms.

Application of the Security Deposit

- The Security Deposit must be applied in the following succession:
 1. Unpaid Rent
 2. Tenant Damage
 3. Regular Vacancy

Questions???

