



April 2015

BREAKING NEWS

2015 HUD Income Limits Have Been Released

On March 6, 2015, HUD released the 2015 Income Limits. [Click here](#) to view these limits. Owners of properties participating in HUD's multifamily housing programs must utilize these limits when processing Move-Ins and Initial Certifications (when applicable) effective March 6, 2015 or later.

For those owners with properties participating in the Low Income Housing Tax Credit (LIHTC) Program, please note, a separate table of income limits is utilized for income eligibility determinations. This table is called the Multifamily Tax Subsidy Project Income Limits, available [here](#). The income limits listed on these tables must be implemented by April 19, 2015.

It is critical that owners download and incorporate the correct income limit figures into their compliance software for each of their housing programs. Owners will need to reference their vendor instructions for specific guidance regarding how to make this update in their TRACS compliance software.

Please note, if you are a PMCS Service Bureau client, PMCS will take care of updating these limits in your software for you.

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QUESTION AND ANSWER

Question:

Our property has a utility allowance. Some of our tenants do not pay any portion for their tenant rent. They receive a utility reimbursement check. Can we apply those funds to outstanding tenant balances instead of issuing the resident the utility reimbursement check?

~ Todd- Wisconsin

Answer:

No. Management is not permitted to apply a utility reimbursement check, earmarked for utility expenses, to back rent or other tenant balances. Per Section 7.13 of the MAT User Guide, management must disburse these funds to the tenants within 5 business days of receipt of the HAP payment. With both the tenant and provider's consent, the property also has the option to forward these funds directly to the utility provider.

Keep in mind, the utility reimbursement is a part of the assistance payment. The intent is for the resident to use these funds to pay their monthly utility expenses. However, once they receive the funds, it is the resident's responsibility to ensure the utility bill is paid.

WHERE WE WILL BE

Upcoming Training

Jenny DeSilva, Director of Training for PMCS, will hold EIV Training at a PennDel AHMA Meeting on May 14, 2015. She will present EIV Discrepancies: How to Dissect, Resolve, and Prevent Them.

During this interactive session, participants will learn how to read and dissect an Income Discrepancy Report and follow a methodology to analyze and resolve it. Learn when retroactive corrections to certifications are needed and when they are not.

May 14, 2015

EIV Training

Radisson Hotel Valley Forge
1160 First Avenue
King of Prussia, PA 19406

> [Learn More and Register](#)

**2015 CLASSES
NOW AVAILABLE**

Visit our website for a listing of our new [webinars and phone classes](#).

BREAKING NEWS

Updating Your House Rules

House Rules play a significant role in establishing parameters and expectations for tenants to ensure a peaceful living environment for everyone. They also establish consistent rules for what information must be relayed to management and when.

While HUD does not define the contents, House Rules are a required lease attachment of the HUD Model Lease. Comprehensive House Rules often provide solid lease documentation to owners in legal proceeding while incomplete House Rules hamper an owner's ability to defend "unwritten policies" they are attempting to enforce.

This month, we encourage you to examine your House Rules. Are the following important discussions included?

1. Do they define how many tenant repayment agreements management is willing to create for the same household?
2. Do they address unit abandonment?
3. Do they define how long guests can stay before they are considered an occupant?
4. Do they inform residents that they must request approval prior to adding household members to the unit versus telling you about the change after the fact?
5. Do they define how long residents have to report income changes? Specifically, do they define what is considered "timely notification"? Is that expectation consistently applied to everyone?

Whether your House Rules need a quick refresh or considerable expansion of topics, contact PMCS for professional expertise in revamping this fundamental document.

QUESTION AND ANSWER**Question:**

We have a lot of households that apply, but end up getting rejected based on our screening criteria. We spend a lot of money each year on screening costs for households that never end up living here. Can I charge households who fail the background check for the cost of their screening? I don't want to charge households that pass the background check and are eligible to move in, but want to recoup the costs on those who fail.

~ Hillary - Vermont

Answer:

You cannot charge any households for the cost of any background screening, unless the property is a cooperative. If the property is not a cooperative, screening costs are eligible project expenses and should be included in the property's budget.

If the property is a cooperative, owners may charge prospective members to pay application fees if such fees are permissible under state and local law. The fee must be reasonable in amount and consistently applied and must be approved by the cooperative's board of directors. If the applicant is accepted for membership, the cooperative must apply the application fee to the purchase of the membership. If the applicant is rejected by the cooperative, the cooperative must refund the entire application fee. The cooperative may only retain the application fee if the applicant backs out of a purchase agreement.

UPCOMING TRAINING**April 2015 Classes**

Calculating Income for 50059s: Mastering accurate income calculations is a crucial skill set for housing professionals. This class is geared towards leasing staff that interview tenants and perform income calculations for HUD 50059s.

Class # 04-15B: April 8, 2015, 2:00 pm – 3:30 pm EST

Verification and Tenant Interviews: This class is geared towards leasing staff that interview tenants at move in and during recertifications.

Class # 04-15G: April 21, 2015, 11:00 am – 12:30 EST

Resolving EIV Discrepancies: How to read and understand what Income Discrepancy Reports show, and the easiest way to resolve them. Learn when (and which) retroactive certs are needed. We'll use case studies to show real-life examples.

Class #04-15H: April 21, 2015, 2:00 pm – 3:30 pm