

Tenant Selection Policy
Alvin E. Gershen Apartments
REVISED 7/2006

Moderate Income Management Company has prepared a Tenant Selection Policy, and is in accordance with the HMFA and HUD regulations. This plan establishes a set of policies, which are consistently applied to all residents and applicants regarding the marketing, tenant selection and ongoing occupancy.

I. MARKETING AND ADVERTISING:

1. Alvin E. Gershen Apartments and Moderate Income Management Company are committed to marketing within the current HUD-approved Affirmative Marketing Plan (AFMP) which was established for the community and approved by the NJHMFA in accordance with the laws of Equal Housing Opportunity and Federal Fair Housing marketing.
2. The marketing effort will be done to assure that:
 - a. Alvin E. Gershen Apartments attracts a broad cross section of eligible applicants without regard to race, color, religion, sex, disability familial status or national origin and
 - b. Alvin E. Gershen Apartments maintains a sufficient waiting list. Eligible applicants will be chosen in accordance with the AFMP and the HUD-approved regulations.
3. Alvin E. Gershen Apartments will maintain documentation which demonstrates its compliance with all AFMP regulations in marketing the units before any applications are accepted and processed.
4. The AFMP will be reviewed at least every five years and updated as needed to assure compliance with 24CFR200.620. A copy of the Fair Housing poster will be prominently displayed in the Office of Alvin E. Gershen Apartments.

II. APPLICATIONS

A. A written application must be completed by all applicants. An application may be picked up at the rental office or an applicant may request that an application be mailed to them. Occupancy for this project will be made in accordance with paragraph III Eligibility Criteria.

1. When the marketing of units generates an application pool such that the waiting list period is more than one year Alvin E. Gershen Apartments will suspend the intake of names of preliminary applications by means of public notice to that effect, posted in the office where applicants are interviewed. The determination as to one years pool of applicants shall be the average of the past five years move outs plus an additional one hundred names.

2. When the application pool diminishes to a point where the waiting list period is less than one year, Alvin E. Gershen Apartments will re-market pursuant to the requirements of the current AFMP.
3. A permanent record, maintained in an applicant logbook in a format approved by HUD, will record all applicants who have applied to the community.
4. Moderate Income Management Company, Inc. shall be responsible for determining eligibility of applicants in accordance with 24 CFR 812 as well as HUD 4350.3 and NJHMFA guidelines.
5. All applications received will be numbered, dated and time stamped and must be updated by the applicant at least once yearly as requested in writing by the community.
6. All applicants are processed to one of three ends; applicants are admitted to a unit; applicants are rejected because they do not meet all of the eligibility criteria; or applicants remain on the waiting list until an appropriate size unit becomes available. NOTE: Being placed onto the waiting list does not guarantee a lease offering. The applicant can be subsequently rejected for failing one or more of the tenants screening criteria, and/or the eligibility criteria
7. Residents will be selected on a first-come first served basis as they appear on the logbook chronologically.

III. WAITING LIST MANAGEMENT

To ensure the applicants are appropriately and fairly selected for the next available unit it is essential for Alvin E. Gershen Apartments to maintain waiting lists with appropriate information taken from the application for tenancy. Moderate Income Management Company will monitor the vacancies in the property and the waiting list regularly to ensure that there are enough applicants to fill the vacancies. Furthermore Moderate Income Management Company will monitor the waiting it's to assure that it does not become so long that the wait for the unit becomes excessive.

1. Alvin E. Gershen Apartments has determined that the number of applicants on the waiting list shall not be less than 100 names in length.
2. Closing the List: The waiting list can be closed for one or more unit sizes when the average wait is excessive. Moderate Income Management Company has determined that the number of applicants per unit size shall be equal to the number of units in the community.
3. Alvin E. Gershen Apartments will post a notice on the bulletin board at the entrance to the community to announce that the waiting list is closed for the unit sizes stating the reason that the waiting list is being closed.
4. Re-Opening the List: When the waiting list is available to be re- opened a similar notice will be posted on the community bulletin board at the entrance to the Community. The notice will provide for the rules for applying and the order which applications will be processed in accordance with I2 above.
5. Inquiry List: If the waiting list is closed, interested persons may place their names and addresses onto an inquiry list. This list will notify persons of the

status of the waiting list only. Should the waiting list be opened through public notice, the persons with their names on the inquiry list will receive a post card indicating the procedures to be followed in order to obtain a place on the property's waiting list.

6. Removal of Name from the Waiting List: Names of applicants will removed from the waiting list when:
 - a. the applicant no longer meets the eligibility requirements for the community;
 - b. the applicant fails to respond to a written notice for an eligibility interview;
 - c. the applicant is offered and rejects two units at Alvin E. Gershen Apartments;
 - d. mail sent to the applicant is returned as undeliverable;
 - e. the unit that was originally requested by the applicant is no longer needed by the applicant and no appropriate sized unit is available.
7. Re-instatement to the waiting list: If the applicant was removed from the waiting list, but it was subsequently determined that the error was made on the part of the Owner in removing the applicant, the applicant will be re-instated at the original place on the waiting list.
8. Re-instatement will be allowed only if a reasonable period of time has elapse. After that time, the applicant who has been removed may be required to place a new application for residency.
9. When a vacancy occurs, every effort will be made to ensure that it is promptly filled.
 - First preference will be given to those families who have had a change in family composition, then,
 - finally, to those families as they appear on the waiting list in chronological order.

IV. ELIGIBILITY CRITERIA

Income Limits for the Property are established and adjusted annually by HUD. The households' annual income may not exceed the applicable income limit for this property or for the household size. (Area Income Limits are attached as attachment No. 1)

1. Rent - The applicant must agree to pay the rental amount established at the intake interview and as computed on the annual recertification or interim adjustment as approved by the NJHMFA and HUD.
2. Sole Residence - The unit must be the household's sole residence. Assistance may not be provided to households who will maintain another residence in addition to the assisted unit.
3. Household - Definition of applicable households for this property are made in paragraph *XIID*. All applicants must meet the criteria prior to the admission to the community.

4. Social Security Numbers - The applicant(s) must disclose the Social Security numbers of all household members age 6 and older. If a household member does not have a Social Security number, the applicant must sign a certification to that fact. In accordance with 24 CFR 5.215
5. Restrictions on Assistance to Non-Citizens and Ineligible Non- citizens. Assistance can only be provided for applicants and their household members if they are either United States Citizens, Nationals or have eligible immigration status. Applicants and all household members claiming to have eligible immigration status AND who are 62 years of age or older must sign a declaration attesting to such status AND provide proof of age. Applicants and all household members claiming to have eligible immigration status must provide INS documents supporting said status. When the household member is claiming eligible immigration status ALL information provided in support of eligible immigrations status must be independently verified by Alvin E. Gershen Apartments with ASVI before eligibility can be determined. This will be done in accordance with 24 CFR parts 5, subpart E.
6. All adults in the applicant family must sign an Authorization for the Release of Information (9887 & 9887A) prior to receiving assistance and annually thereafter. The denial of assistance and/or admission to applicants for refusal to sign and submit the consent forms is in accordance with 24 CFR 5.230, 5.232.
7. Eligibility of Students Enrolled in an Institute of Higher Education Applying for Assistance under Section 8 Program:
A student enrolled in an Institute of Higher Education as defined by the Higher Education Act of 1965-Amended 1998 will be deemed eligible for assistance if the student meets all other eligibility requirements, passes screening criteria and is:
 1. Living with parents/guardians or
 2. Disabled and was receiving assistance as of November 30, 2005
 3. Over 23 years of age or
 4. A veteran or
 5. Married or
 6. Has a dependent child or
 7. Can prove independence of parents including providing certification that the parents did not claim the student on the most recent tax return or
 8. Has parents who are income eligible for the Section 8 program

Any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 from private sources or an institution of higher education (as defined under the Higher Education Act of 1965) shall be considered income to that individual. There are two exceptions to their income calculation requirement. No financial assistance that an individual receives under the Higher Education Act of 1965 from private sources or an institution of higher education (as defined under the Higher Education Act of 1965) shall be considered income if the student is:

1. Living with his/her parents/guardian or
 2. A person over the age of 23 with dependent children
8. All information reported by the family including family composition is subject to verification in accordance with the HUD 4350.3.

V. TENANT SCREENING AND REJECTION

The tenant screening and rejection criterion applies to all individuals listed as head of household, spouse or co-head of household who are expected or proposed to reside in the unit. The screening process will be completed prior to any offer of a lease or addition to the household.

An applicant household and/or any additional household member who is proposed to reside in the unit will be refused occupancy if an applicant fails to meet one of more of the eligibility criteria, if the applicant submits false information about themselves or if any household member is found to have violated the community rules prior to the residency.

A. SCREENING CRITERIA:

An applicant household and/or any additional household member who is proposed to reside in the unit may be refused occupancy if:

1. Credit history from the immediate five years which is indicated by: Any credit rating reflecting a payment history of three instances of over ninety (90) days or more past due or two instance of over one hundred twenty (120) days past due.
2. Credit history from the immediate five years that is an indication of irresponsible behavior that indicates future problems for the development.
3. Landlord reference which shows the applicant to be:
 - Habitually late in payment of rent
 - A source of conflict with management and/or other residents
 - Destructive to his apartment or other public areas
 - In violation of previous lease agreements or the violation of a lease agreement where the applicant may be staying temporarily
 - Unsatisfactory in housekeeping would be indicated by one of more of the following observations or discovered through the applications process:
 - Habits, which could be detrimental to the property such as poor care of the appliances plumbing fixtures etc. NOTE: poor quality or shabby furniture are not basis for rejection.
 - Poor Health Habits

- Evidences of negligent dependent care
 - Physical Abuse of the Facility
4. Adverse Records of the following:
 - Any drug related arrests or drug related criminal activity within the past five (5) years or Eviction in the past three (3) years from federally assisted housing for drug-related criminal activities.
 5. A Household in which any member is currently engaged in illegal use of drugs or for which Alvin E. Gershen Apartments has reasonable cause to believe that a member's illegal use or pattern of illegal use of a drug may interfere with the health, safety or peaceful enjoyment of the property by the other residents.
 6. Any household member, who is subject to a state sex offender lifetime registration requirement.
 7. Any household member if there is reasonable cause to believe that members behavior from abuse or pattern of abuse of alcohol may interfere with the health safety and right to peaceful enjoyment by other residents.
 8. Any arrests for assault and or battery or violent criminal activity in the past five (5) years.
 9. If the applicant, spouse or sole member are under the age of 62 years of age.
 10. Any indication that the applicant cannot adequately sustain decent levels of habitability or control of dependence so as to adversely affect the property or other residents as described in the lease agreement
 11. A personal interview or information that indicates an unstable or potentially hazardous relationship between the household and the other residents and the staff of the Community.
 12. Refusal to occupy property unit in accordance with HUD regulations, lease and/or building rules and regulations.

B. NOTICE OF REJECTION:

1. Each rejected applicant will be promptly notified in writing of the reason(s) for rejection.
2. This notice will advise the applicant that s/he may, within 14 calendar days of the receipt of the notice request, in writing, a meeting to discuss the reasons for the rejection.
3. Should the applicant request a meeting to discuss the rejection it will be conducted by a member of the Management Staff that was not involved in the original decision to reject the applicant.
4. The applicant will be advised, in writing, of the results of this meeting within 5 Five days. Requesting a meeting to discuss the reasons for rejection will in no way prevent the applicant from exercising any legal rights s/he may have.

VI. UNIT TRANSFER AND UNIT SIZE STANDARDS

1. The decision to allow unit transfers will be at the sole discretion of management, based upon changes in family composition and/or possible ADA request.
2. These decisions will be made based upon verifications provided by the resident or the resident's health care provider.
3. Minimum/maximum bedroom distribution with respect to this community will be in accordance with HUD standards and municipal codes.

EFF 1 Persons
1BD 1-2 Persons

4. Units with one or more bedrooms will be assigned based upon the principle that two members of the same sex regardless of age may share a bedroom.
5. Units designed specifically for the handicapped will be reserved solely for families whose head; co-head or spouse qualifies for the unit.
6. Exceptions to occupancy standards are subject to prior written approval by HUD or Alvin E. Gershen Apartments.

VII. APPLICATION OF 504 -The Rehabilitation Act:

Alvin E. Gershen Apartments must operate under Section 504 of the Rehabilitation Act so that the community is readily accessible to and usable by persons with disabilities. This includes the following actions:

1. Making modification to policies and practices so that they do not discriminate against persons with disabilities.
2. Taking appropriate steps to assure effective communication with applicants, tenants and the public. Owners must use requests by persons with disabilities to determine which alterations and auxiliary aids are necessary.
3. Making public spaces and dwelling units accessible, providing that the changes do not result in an undue financial and administrative burden or require fundamental alterations in the nature of their programs.
4. Responds to reasonable accommodation requests from tenants or applicants with disabilities for adjustments to policies or physical alterations. A written ADA policy is available in writing in the management office.

VIII. SECURITY DEPOSITS

The amount of the security deposit shall be made at the time of move in and is not changed when the Tenant's rent is changed.

For Section 236- The security deposit shall not exceed the monthly tenant rent.

For Section 8- New construction, the security deposit shall not exceed the total monthly payment.

For Rent Supp. RAP and Section 8/202- The security deposit may not exceed the greatest of \$50.00 or the total tenant payment.

For State housing finance agency units with agreements signed before February 29, 1981- The security deposit will be greater than the total tenant payment or \$50.00. For a unit transfer, the security deposit will be transferred to the new unit.

IX. UNIT INSPECTIONS.

Unit Inspections will be performed various times during the tenant's residency at Alvin E. Gershen Apartments.

1. An inspection will be performed at the time of move in and move out by the family and Alvin E. Gershen Apartments representative.
2. An inspection will be performed at the time of annual recertification with the resident and Owners representative.
3. Whenever an applicant inspects an apartment prior to its being occupied the inspection form will certify that he/she has examined the property and that the inspection report is correct.
4. The inspection of the apartment made at the time of move-out will be conducted by the authorized family representative and Alvin E. Gershen Apartments' representative. The documentation will demonstrate all necessary repairs, decorations and clean-up work which is required to bring the apartment back to the original condition as listed above.
5. The outgoing tenant will be notified of the condition of the unit within (30) thirty days of the date possession was returned to Alvin E. Gershen Apartments.

X. PROHIBITED CHARGES

In accordance with the regulatory agreement, no fee shall be charged for any consideration or deposit other than the first month's rental and security deposit collected. There will be no application fee, credit check fee, police check fee or home visit fee.

XI. APPROVED CHARGES

Charges for facilities and services other than those listed on the HUD-approved rent schedule will be subject to the prior written approval by HUD and the NJHMFA and in accordance with the regulatory agreement.

XII. ONGOING OCCUPANCY FUNCTIONS

A. Following the appropriate HUD guidelines, Alvin E. Gershen Apartments will examine and verify the income and family composition of all assisted tenants both initially and thereafter annually.

1. Alvin E. Gershen Apartments will initiate the certification process in accordance with the 4350.3 procedures. This is commonly referred to as the Annual Certification.

2. In accordance with the Lease agreement the resident will report changes to the Office of the Manager in a timely manner which will result in the completion of an interim adjustment.
3. Failure to report information for an interim adjustment as required by the lease may result in the loss of assistance by the Resident.
4. Alvin E. Gershen Apartments will complete all requests for interim adjustment in a timely manner.

B. The attached lease will be used in leasing the units of this property. The lease term is in conformation with HUD regulations and has been approved by the HMFA.

C. Each family will be given a welcome package which will include:

- A copy of the lease
- House rules
- The 50059 as approved
- Rights and responsibilities brochure
- Key signature forms
- Recycling information
- Welcome letter
- Crime insurance notice
- Personal insurance notice
- Truth in renting statement
- Emergency forms
- Security deposit damage list
- Fire/emergency plan
- Building registration statement

D. Evictions will be handled in accordance with the HUD regulations in 24CFR880.607 as well as the laws of the State of New Jersey. Every opportunity will be given to preserve the resident's tenancy.

XIII. DEFINITIONS

Family: Two or more persons sharing a residency.

Elderly person or elderly family: A household where the head, co- head or spouse is age 62 or older- Handicapped or disabled.

Elderly Person: One who has attained the age of 62.

Live-In Aide/Attendant: A person who lives with an elderly, handicapped or disabled person and is essential to that individuals care and well being; not obligated for the individual's support and would not be living in the unit except to provide support services. The Live-In Aide/Attendant may not qualify, as a remaining family member should the tenancy end for any reason.

Person with Disabilities: (defined by community) - But is generally a person with a physical or mental or emotional impairment that:

Is expected to be of long-continued and indefinite duration,
Substantially impedes that person's ability to live independently
and is improved by more suitable housing;

IVX. NON-DISCRIMINATION

Alvin E. Gershen Apartments will comply with all Federal, State and Local Fair Housing and Civil Rights Laws and with the Equal Opportunity requirements in HUD-administrative procedures.