

RESIDENT SELECTION CRITERIA

The Merian

General:

The Merian Apartments in San Diego is a community providing high quality affordable housing to 85 family households. The Merian will comprise of studio, one, two, and three-bedroom units for low-income households.

Management believes that all of the residents are valued individuals. Services are rendered by the staff at all levels, with an appreciation of the dignity of each individual resident and with respect for the rights of the resident as a human being.

Everyone who wishes to apply for housing or to be placed on the waiting list must complete an application package. A \$46.67 background check fee will be charged to any applicant applying to the site. Applicants must meet the selection criteria for this property known as The Merian.

Section I - Admission Policies

Eligibility for Admission:

To be eligible for admission at The Merian, an applicant must be of legal age (18 years of age or older) and qualify as a single adult or family and:

1. Whose household income does not exceed the income limits established for The Merian.
2. Households shall not be occupied or leased to any person or any household comprised of one or more persons who own real property.
3. Household shall not be occupied or leased to any person or household holding, directly or indirectly, liquid assets whose aggregate value exceeds, at the time of determination of eligibility, sixty five percent (65%) of the then current annual Area Median Income.
4. In no event will the occupants of a residential unit be considered to be eligible tenants if all occupants are full-time students.
5. Whose income is such that they can satisfactorily meet their rental obligation without subtracting from other necessary living expenses. Minimum gross income must be higher than 1 ½ times the rental amount.
6. Whose past performance in meeting financial obligations, especially rent, is satisfactory. Credit bureau reports will be analyzed according to the life conditions of the applicant, and the resulting ability to meet the debt load incurred.
7. Who has no record of the disturbance of neighbors, damage to or destruction of property, living or housekeeping habits at prior residences, which adversely affects the health, safety or welfare of other residents.
8. Who has no felony or misdemeanor conviction of criminal activity involving crimes of physical violence to person which would adversely affect the health, safety or welfare of other residents. Criminal record of a family member must not contain incidents of felony conviction.
9. Must have no evictions in the past three (3) years.

Initials ____ Initials ____ Initials ____ Initials ____



Selection of Residents:

Management will not, on account of RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN, deny to a qualified applicant the opportunity to lease a dwelling unit suitable to their needs in any property owned, managed, or controlled by the company.

In selecting residents from among eligible applicants with the appropriate size and composition for the available unit, management will take into consideration:

- the needs of individual families for low/moderate rent housing as well as;
- the statutory purpose in developing and operating a socially and financially sound housing development, which provides not only a decent home and suitable living environment but fosters economic and social diversity in the resident body as a whole.

Selection will be in such a manner as:

1. To preclude admission of applicants whose habits and practices reasonably may be expected to have a detrimental effect on the residents or the property environment.
2. To prevent over-crowding in a single unit, the occupancy guideline established dictates two persons plus one per bedroom.
3. To apply Relocation Preferences when applicable.

Reasonable Accommodation:

Reasonable accommodation allows the applicant to request modifications in order to meet essential requirements of tenancy. It does not require lowering or waiving essential requirements. The Merian, including its Property Managers are committed to the policy that everyone, management staff and resident, are responsible for working together to identify the specific accommodation that each accepts as reasonable.

Accommodations are not reasonable if they require fundamental alterations in the nature of a program or property or impose undue financial and administrative burdens on the property owner.

Credit and Occupancy Standards:

Everyone is to be given an equal opportunity to lease our apartments in strict accordance with current Fair Housing Legislation. The following is the standards of which to measure all applications for acceptability. If negative information is found in any category below, the applicant maybe subject to denial.

INCOME:

An applicant must demonstrate sufficient income to afford the apartment after deducting all other payments and expenses. Likewise, on those properties involving tax credits, income must not be above those income limits allowed by the Low-Income Housing Tax Credit and HOME Programs.

CREDIT HISTORY:

Credit history will be reviewed and found acceptable if there are two or less past due accounts and the total outstanding past due amounts do not exceed 10% of the gross annual income of the applicant. Any bankruptcy proceedings must be finalized prior to signing a lease.

RENTAL/LANDLORD HISTORY:

An applicant must be able to provide positive landlord references for the previous five years. The applicant should also be able to prove the ability to make monthly payments (rental payments preferred) on time and without demand.

CRIMINAL RECORD:

A criminal record verification will be made on all persons 18 years and older who will occupy the apartment. Cause for the application to be rejected will be;

Felony conviction(s) involving:

Initials ____ Initials ____ Initials ____ Initials ____



- Illegal drug activity of any kind,
- Child abuse, child molestation or negligence involving a child,
- Assault and /or battery or any violent act(s) against another person,
- Vandalism/Burglary/Theft.

If it is discovered that the applicant has given false information or has not accurately completed the application to avoid negative information being found, the application will be denied. If a lease has been entered into and such information is discovered, the lease will be voided and legal action taken to evict.

OCCUPANCY POLICY:

Occupancy shall be limited to a maximum of two persons plus one per bedroom.

- Studio units: a minimum of one person and a maximum of two people.
- 1 bedroom units: a minimum of one person and a maximum of three people.
- 2 bedroom units: a minimum of two people and a maximum of five people.
- 3 bedroom units: a minimum of four people and a maximum of seven people.

Every applicant, during the application process will receive a copy of these standards having signed one for property records.

Waiting List/Assignment of Units:

The Merian will maintain a waiting list for potentially eligible and acceptable applicants to obtain a unit. Applicants are chosen from the waiting list based on date of application and unit size becoming available.

If an applicant is chosen from the waiting list and after making all necessary screening, the applicant does not qualify for the unit, the applicant will be notified in writing within 10 days, of the reason for denial, the applicant is given an opportunity to response to the determination in writing to request a meeting within 14 days of receipt of notice. Unqualified applications, along with the denial letter, will be held in the inactive file at the property for a period of three (3) years.

SECTION II - OCCUPANCY POLICIES AND PROCEDURES

Leasing of Dwelling Units:

Each lease shall specify the unit to be occupied, the date of admission, the period of the Lease, the rent to be charged, Security Deposit, other charges under the Lease, and the terms of occupancy. It shall be explained in detail to the applicant and their family prior to execution during an orientation program conducted by the Site Manager. It shall be kept current at all times.

Execution of Lease Agreement:

The head of household and spouse, as well as all household members aged 18 or older in each family accepted as a resident, are required to execute a lease agreement prior to actual admission. One copy of the Lease will be provided for the resident and the original executed Lease will be filed in the permanent resident file established for the family.

If a resident transfers to a different dwelling within the development, the existing Lease is to be cancelled and a new Lease will be executed for the dwelling in which the family is to move.

Misrepresentation at Admission:

If it is learned that the resident made representations which resulted in he/she being classified as eligible when in fact he/she were ineligible, the resident will be disqualified even though they may currently be eligible and legal action will be taken.

Initials ____ Initials ____ Initials ____ Initials ____



Unit Transfers:

Transfers are only permitted if the resident has satisfactory rental payment habits and no lease violations. Current residents may be given preference over applicants on waiting list. They must provide a written request detailing the reason for the unit transfer. A pre-unit inspection will be completed before transferring into new unit. All damages, late payments, etc. will be charged against the original deposit. If any balance is due after deduction, then it must be pay before move-in to new unit or within thirty days. The resident is to pay a new security deposit on the new unit and \$250 transfer fee. Reassignment or transfers to other dwelling units shall be made without regard to Race, Color, Religion, Sex, Handicap, Familial Status, National Origin, with the following limitations:

1. For medical reasons, to transfer from an upper unit to a ground floor unit, the transfer will be made as soon as an appropriate unit is available. A request to transfer and proof of a medical necessity to transfer must be submitted to management.
2. In an increase in family composition necessitates a larger unit, the transfer will be made when an appropriately sized unit becomes available.
3. Transfers shall be made to correct occupancy standards.

In all instances, management shall determine what situations could be defined as a serious threat to the health, life or safety of residents. Management may also determine when a transfer could alleviate a hardship.

Unit Becomes Uninhabitable:

If a unit becomes uninhabitable, the manager will transfer the resident to an available unit of comparable size. The resident will not be moved back to the original unit when it becomes available. If no unit is available, there is no requirement that management provide housing. However, the Manager may work with the resident to help obtain emergency housing.

In the case of a resident causing the unit to become uninhabitable due to their negligence, management will do what they can to work with the resident to help secure emergency housing but is not required to move the resident to another unit on site. In these cases, the manager is to obtain the Property Supervisor's approval for the resident to remain on site.

Selecting the appropriate unit size will be done in accordance with the Federal Fair Housing Amendments Act of 1988.

Security Deposits:

Residents are required to pay, in advance, a Security Deposit in an amount equal to one month's rent.

The Security Deposit shall be refunded to the resident within 21 days of the surrender of the unit, providing the resident has provided the required written notice, and has, to the satisfaction of management, thoroughly cleaned the apartment and equipment therein as outlined in the lease. Deductions from the Security Deposit will be made for any damages and/or cleaning necessary above and beyond normal wear and tear. Such charges are detailed on the list of Resident Charges.

Annual Recertification:

The requirement for annual recertification of all residents, either receiving housing assistance or living in a tax credit unit, is a cornerstone of the occupancy rules governing our type of housing.

Timely recertification is not only a function of when the manager begins the process, it also is a matter of whether the residents respond in a timely manner to requests for information needed to process recertifications.

Income and family composition must be re-evaluated on an annual basis. The recertification effective date could be the anniversary date of the first day of the month the resident moved in and the lease commenced OR the approved alternate date given to the property to recertify all the residents at the same time (mass recertification date).

RECERTIFICATION PROCESS:

Initials ____ Initials ____ Initials ____ Initials ____



Reminder notice:

Notification is sent to the resident in writing, 120 days before the date of the scheduled effective date, advising them of the need to schedule a recertification interview, so that the information needed to complete the annual recertification may be collected.

Second Reminder Notice:

If the resident did not respond to the first reminder notice in the recertification process, then the manager must send the second reminder notice within approximately thirty days from when the first reminder notice was sent.

Tax Credit Program notices:

These notices can inform the resident that their lease may be terminated if they do not recertify.

Visitors - Long Term:

Each development has their individual policy. However, in general visitors are considered guests for a period of two (2) days. After that period, they are unauthorized guests and the resident is in violation of the lease.

SECTION III - TERMINATION OF TENANCY

Vacating:

Residents are required to give at least thirty (30) days written notice before vacating a unit. A notice to intent to vacate may be taken by letter or in person. If the notice is given in person, the resident must come to the office to complete and sign the Notice to Vacate form. If the notice is given by letter, the form is still completed and signed.

Termination of Tenancy:

The management will terminate resident’s tenancy for:

- Non-payment of rent
- Material non-compliance with the lease - Violations
- Other Good Cause
- Notice given to vacate but did not move out. (an illegal holdover)

Termination Notices:

There are three (3) types of notices that will use:

- Pay Rent or Quit
- Perform Covenant of Lease or Quit
- Thirty/Sixty Day Notice to Quit

Pay Rent or Quit Notice:

Residents who have not paid rent by the 5th working day will be served a 3-Day Notice to Pay Rent or Quit. If residents pay their rent within the notice period, the eviction process will not commence.

Perform Covenant of Lease or Quit:

Residents who have a behavior problem which can be corrected, such as their apartment is a health or fire safety hazard will be issued a Notice to Permanently Perform Covenant or Quit. The nature of the rental agreement provision and/or house rule provision violation will be clearly stated on the notice. If resident corrects the problem within a specific time frame, the eviction process will not commence.

Thirty Day Notice to Quit:

Residents who violated the provision of the lease and/or house rules (material non-compliance and/or Good Cause) will be served a Thirty Day Notice to Quit. The nature of the rental agreement provision and/or house rule provision violation(s) will be clearly stated on the notice. If residents vacate within the notice period, the eviction process will not commence.

Manner of Service:

All manner of service will be done in accordance with the provisions of state and local laws.

Initials ____ Initials ____ Initials ____ Initials ____



SECTION IV – GRIEVANCE PROCEDURE

When rejecting an application, Management will:

- Provide written notification of the reason(s) for rejection;
- Inform the applicant they have 14 days to request in writing a meeting to discuss the rejection of the application;
- Allow the applicant to participate in an informal meeting;
- Have the meeting conducted by a member of management not initially involved with the rejection of the application;
- Consider mitigating circumstances when determining whether to allow the process of the application to continue;
- Will provide applicant a written determination of the meeting within 5 days.

If you are a person with a disability, you have the right to request reasonable accommodations to participate in the informal meeting.

If you need assistance in this process, please contact:

Holland Partner Group
 601 11th Ave, San Diego, CA 92101
 Phone: 619-839-1555

Agreement and Acknowledgement:

I/We have read and understand this Resident Selection Criteria. Any questions that I/we may have had, have been answered by Management. I/We fully understand if it is discovered that the I/we have given false information or have not accurately completed the application to avoid negative information being found, the application will be denied. If a lease has been entered into and such information is discovered, the lease will be voided and legal action taken to evict.

Signature

Date

Signature

Date

Signature

Date

Signature

Date

Penalties for Misusing this Consent: "Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government. HUD and any owner (or any employee of HUD or the owner) may be subject to penalties for unauthorized disclosures or improper uses of information collected based on the consent form. Use of the information collected based on this verification form is restricted to the purposes cited above. Any person who knowingly or willingly requests, obtains or discloses any information under false pretenses concerning an applicant or participant may be subject to a misdemeanor and fined not more than \$5,000. Any applicant or participant affected by negligent disclosure of information may bring civil action for damages and seek other relief, as may be appropriate, against the officer or employee of HUD or the owner responsible for the unauthorized disclosure or improper use. Penalty provisions for misusing the social security number are contained in the Social Security Act at **208 (a) (6), (7) and (8).** Violation of these provisions are cited as violations of 42 U.S.C. Section **408 (a) (6), (7) and (8).**"

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