

RENT COLLECTION

1. Rental amount collected is applied according to your property Software setup. For HUD and USDA, the resident has the option of how the payments are to be applied. On Conventional (market) and Housing Credit properties, payments should be set up to apply rent payments last.
2. Residents that have not paid their rent by the 1st of the month should be called/contacted on the 2nd as a courtesy reminder by Property Manager/Office Staff member.
3. “Non-Payment” of rent notices will be delivered to delinquent residents on the 3rd of each month.
4. Between the 4th and the 8th, the Property Manager/Office Staff member personally contacts every Resident who is still delinquent after the expiration of the three-day period to advise them eviction will be filed if his/her rent is not received. **Personal contact is always the most effective method of collecting rent throughout the entire month.**

Frequently, Property Managers/Office Staff members are approached by delinquent residents and asked to consider personal circumstances in allowing leeway or leniency in rent payments and/or late charges. **The Property Manager/Office Staff member has NO authority to grant leeway or leniency in the rent collection policy.** Property Managers/Office Staff members are instructed to tell residents the following:

“Mr./Ms./Mrs. XXXXXX, I wish that I could help you in this situation, but please understand...My Regional Property Supervisor has instructed me that there is no leeway in the “Rent Collection Policy”. The property has a mortgage payment, utilities and other bills to pay. These are paid for from rent payments. I’m sorry, but they will just not let me deviate from the company policy...your rent will have to be paid in full by no later than the 8th of the month which must also include late charges of \$XX.”

5. On the 9th day of each month, the Property Manager scans to the Regional Property Supervisor confirmation that all delinquent residents have been contacted, the status of their delinquencies and an updated delinquency report with comments for all delinquent accounts and, copies of the non-payment notices that were issued. The Property Supervisor will request checks to cover filing fees after discussing delinquent accounts with the Property Manager.

6. The Property Manager will file for eviction on the 10th for all delinquent residents with a balance owed of \$100.00 or more or one (1) months rent, whichever is less.

Property Managers and Regional Property Supervisors have “no” discretion on the filing requirement. Court filing fees are entered into the Software. The Property Manager will scan a copy of each eviction notice filing and filing receipt to the Regional Property Supervisor immediately.

7. If the Resident offers to pay the entire outstanding delinquent balance plus the late fees, NSF fees, filing fees and servicing fees (as applicable) prior to the court date, the Property Manager may accept the full payment and cancel the court date. However, if the resident pays the prior month’s rent but still owes the current month’s rent, the Property Manager should file an eviction extension no later than the 15th of the month.
8. Never accept or deposit partial payments after a court date has been set. Resident should bring any partial payments with him/her to the court hearing.

LATE CHARGES

1. Late charges will be assessed according to the Software setup and according to the Rental Agreement (lease), which is further explained below.
2. The late charges to be set forth in each lease, as appropriate, shall be as follows:
 - HUD Leases - \$5 on the 6th, and \$1 per day thereafter, not to exceed \$30.
 - HUD 202/8 and 202 PRAC Leases: Per HUD 4350.3, Rev. 1, Change 4, paragraph 6-23, these “projects cannot charge fees for late payment of rent.
 - USDA-RD Leases - \$10 on the 11th.
 - NM & OK - Market Leases – flat fee of 10% of the full monthly rental amount on the 4th.
 - TX- Market Leases – A minimum initial fee of \$35 on the 4th; plus, a minimum of \$5 per day thereafter, subject to supervisors discretion. NOTE: State law does not cap late charges; however, TAA recommends the total maximum late fees should not exceed 10% of the monthly rent.
 - PHA Housing Choice Voucher Holder – flat fee of 10% of the resident’s portion of the rent on the 4th.

Applicable to USDA-RD and HUD only:

- Rural Development 515, HUD 515/S8 and HUD properties – When the Resident has been approved to make monthly payments on Security Deposits (RA-8r). All rent must be kept current and the payment period for the security deposit can never exceed **three (3)** consecutive months.
- HUD – If the Resident has requested an Interim Re-certification, which will result in a decrease in the Resident's share of rent, the Property Manager/Office Staff should only collect the amount of the newly estimated rent based on prompt verification of the income change. If the Resident's rent will be increasing they must continue to pay the old rent in full until the new rent is effective (30 day notice required). See HUD Handbook 4350.3 REV-1, Change 4 for effective dates of Interim Re-certifications.
- HUD and USDA-RD – Government payback balances would not be considered outstanding rent payments. Follow instructions on Repayment Agreement forms.

PAYMENT METHODS

1. **Cash is never to be accepted by site staff. Personnel accepting rent payments are NOT allowed to fill out checks or money orders for the Resident. Violation of this policy is subject to disciplinary action including possible termination of employment.**
2. Our Rental Agreements specify the manner in which rent will be paid for each program type.
3. Where Rental Agreements allow payments by personal check, in the event that the Resident's check is returned as non-sufficient funds on two (2) occasions, all future payments **must** be made by money order, or, other certified or electronic means.
4. Where Rental Agreements allow payment by personal checks or money orders, make sure the checks and money orders are legible and the amount of the check/money order is clearly written or typed by the Resident. Ensure that the apartment # is written on the check. All checks or money orders must be payable to Monarch Properties, Inc. or the Property Name.
5. ISSUING RECEIPTS - Most routine collections do not require a receipt. However, in cases where a Resident requests a receipt, the Property Manager/Office Staff member will make a copy of both sides of the check or money order. Then the Property Manager's/Office Staff member's signature and the date will be entered on the copy and given to the resident.