



from the

Maine Real Estate Managers Association



WWW.MREMA.ORG

Winter, 2009

Toys for Tots and Teens Fundraising Update

MREMA's 16th annual Toys for Tots and Teens auction was held at the Holiday Inn West on Thursday evening, December 3rd. We were joined by Sergeant Joseph Justice, event coordinator for the Toys for Tots program, Corporal Matt Dalessandro and Lance Corporal Zack Patterson, from the US Marine Corps Reserve in Topsham.

We raised \$12,709 from the auction, sale of raffle tickets, and donations from Otis/Atwell, US Housing Consultants, Metro Media, and NNEHIF, to name a few. There were two auction items that raised \$750 each thanks to Mac-Gray Services for two Red Sox tickets and to Joe & Suzanne Joyce and James Joyce for a week in their summer home on Frye Island.

We also want to thank all of the donors and volunteers who helped make this possible, and all of you who opened your hearts to support this worthy cause.

We will be sending a check for \$12,709 to the Toys for Tots program, and from MREMA's \$3500 contribution, less expenses, we will be able to buy gifts for several group homes that we have helped over the past 15 years.

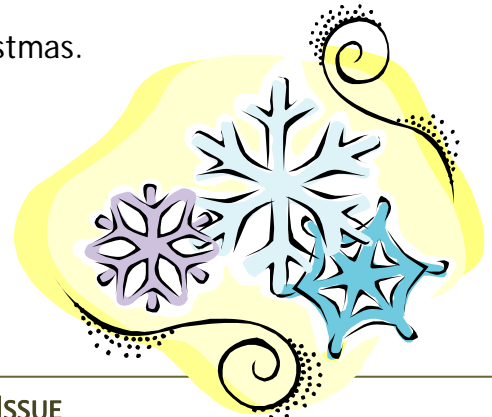
We can all be sure there will be lots of smiling faces this Christmas.

MREMA Membership News

by Cathie Whitney

MREMA's membership includes 116 member organizations. This year we added seventeen new members. At this time, we have 79 Regular Members and 37 Associate Members. *We're pleased to welcome new Regular Members Shalom House, Norridgewock Housing Corp. and S.I. Associates as well as new Associate Members Resident Screening Solutions and Veterans Administration Homeless Services.*

Membership renewal invoices will be sent out in January and payment will be due by February 15th in order to maintain active member status. If you know of anyone who would also benefit from joining MREMA, please refer them to our website www.mrema.org or send me a note at cwhitney@ccrealtymanagement.com



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We are no longer mailing the newsletter except upon request. If you have comments, ideas, or suggestions, please email WWard@midmaine.com.

From the President's Corner by Susan Michaud-Bosse

It is hard to believe that 2009 is nearly over and so are two successful events, the annual conference at Sugarloaf in October and the Toys for Tots auction in December.

We are going full speed ahead with 2010 planning including a three day training, with each day focusing on updates for the Tax Credit, COS, and Rural Development programs to be held in June, the maintenance/managers training in April, and the 25th annual conference October 18-20 at Sugarloaf.

One of the discussions we had at the December 4th quarterly meeting dealt with the required Federal and Maine Lead-based Paint Disclosures and the Renovation, Repair, and Painting (RRP) training that will be required for all maintenance personnel and contractors who do work in Pre-1978 housing. This course meets the training requirements of the Federal Environmental Protection Agency (EPA) rules for work beginning on or after April 22, 2010.

MREMA will keep you apprised of any RRP training in your area. Since only 10 people can attend at one time, and there is only one certified trainer at this time, it will be difficult for everyone to meet this deadline.

A few important links are listed below for the Maine Revised Statutes, Maine Lead-base Paint Disclosure, Federal Lead-based Paint Disclosure, and the federal law for renovations of housing, child care facilities, and schools built before 1978.

<http://www.mainelegislature.org/legis/statutes/14/title14sec6030-B.html>

<http://www.maine.gov/dhhs/eohp/lead/documents/Lease.pdf>

<http://www.epa.gov/lead/pubs/renovaterightbrochure.pdf>

MREMA Board Members and Committee Chairs 2008-2010 Term

Susan Michaud-Bosse - President, Convention Chair (smbosse@midmaine.com)

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Sherrin Vail - Secretary (svail@avestahousing.org)

Diane MacDonald - Treasurer (macdonaldd@emeraldmanagement.biz)

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**A SPECIAL THANK YOU
TO ALL OUR TOYS FOR TOTS AND TEENS DONORS!!**

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 Harborside Hotel
 North End Market Tours
 Amtrek Downeaster
 Sugarloaf
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 Leavitt Earthworks Co.
 Hilton Garden Inn Auburn
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 Boston Celtics
 Lewiston Maniacs
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 Portland Sea Dogs
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 Fore Street Restaurant
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MaineHousing Update

by Bob Conroy, Director of Asset Management

Autumn is traditionally one of the busiest times of the year for the multifamily housing industry in Maine. There have been numerous conferences, training events and meetings that have kept many of staff on the road throughout the state. It is also one of the best times of the year for us to make connect with our housing partners at these events and work together on the issues of the day.

Affordable Housing Conference: The Affordable Housing Conference was held on October 21st at the Augusta Civic Center and was a great success. This year's Conference was well attended and the new location provided for better opportunities for vendors, presenters and participants to mingle and share information. Unfortunately, this year's Conference did coincide with the MREMA Annual Conference, something we hope to avoid in future years.

MREMA Annual Conference: The MREMA Annual Conference at Sugarloaf was enjoyed by MaineHousing staff. The MREMA planning group did a wonderful job with the conference. The location was beautiful and the workshops were valuable to all. As always, MaineHousing was pleased to participate in this event and to be given the opportunity to provide staff as workshop leaders.

New England Housing Finance Agencies' 20th Annual Conference: This year MaineHousing was honored to be the host of the 20th Annual New England HFA Conference on October 28, 29 and 30. This Conference provides Asset Management staff from the six New England states with an opportunity to discuss current issues in the housing industry, share information about new initiatives and to compare notes about trends in multifamily housing. The Conference was held at the Harasekett Inn in Freeport and was attended by 40 NEHFA members. The first Conference was hosted by Maine 1989 and a great deal has changed since then.

Group Home Occupancy Clinic: The Department of Housing and Urban Development, in collaboration with MaineHousing, will be conducting a Group Home Occupancy Clinic on November 18 at John Marvin Towers in Augusta. The Clinic focuses on the unique management and occupancy circumstances under which group homes operate using the HUD programs of 202/8, PRAC and 811. This Clinic is open only to group homes under the aforementioned HUD programs.

Project-Based Section 8 Properties Exempt from the American Recovery and Reinvestment Act (ARRA) Reporting Requirements: MaineHousing has received notification from HUD that the Office of Management and Budget (OMB) has granted an exemption for project-based Section 8 Housing Assistance Payments for the reporting requirements under ARRA. The HUD field offices will be notifying affected owners and managers of properties that were earlier identified as requiring reporting. This exemption is described in greater detail in Asset Management Notice 2009-11 Dated November 13, 2009.

MaineHousingSearch.org: MaineHousing continues its outreach to landlords and prospective tenants through the new housing registry MaineHousingSearch.org. MaineHousing staff have had several opportunities to present this new, FREE tool to a variety of housing partners and social service organizations. Each day, participation in the website grows. As of November 6, 2009, there were:

689 Available Units 9,954 Units in the System 426 Registered Landlords

Since August 1, 2009, there have been 31,042 searches conducted by 6,933 persons. Thank you to all how have participated and we welcome all who would like to register for this FREE service. For additional information go to MaineHousingSearch.org or contact Daniel Drost or Jennifer Boardman at MaineHousing.

MaineHousing Multifamily Portfolio Snapshot: Located on the MaineHousing website is data pertaining to the MaineHousing Multifamily portfolio. It includes information on operating cost averages broken out by region and reflected as a percentage of income. The Portfolio Snapshot can be viewed by going to MaineHousing.org / Housing Partners Tab / Multifamily Portfolio Snapshot.

HUD Occupancy Handbook Changes

from Diana Huot, Senior Project Manager, Manchester Multifamily Housing Program Center

Change 3 to Handbook 4350.3.REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs, was issued on June 23, 2009. The effective date for implementation of Change 3 was on August 1, 2009.

Some of the more significant changes are:

- Updates information access to and use of the Systematic Alien Verification Entitlements (SAVE) system used for verifying the immigration status of individuals declaring eligible non-citizen status.
- Revises and expands the requirement for a live-in aide (Para. 3-6E).
- Incorporates the requirements from Housing Notice H 03-07 on treatment of deployment of military personnel to active duty (Para. 5-6C).
- Clarifies that the same requirements for treatment of federal government pension funds paid directly to an applicant's/tenant's former spouse pursuant to the terms of a court decree of divorce, annulment, or legal separation also applies to Uniformed Services pensions and other state, local government, social security or private pension funds (Para. 5-6L).
- Includes that owners may develop rules covering tenants conducting incidental business in their units and who receive incidental business income (Para. 6-9B).
- Removes the requirement that signatures on the HUD-50059-A for gross rent increases must be obtained before submitting the data to TRACS. A note has been added that tenant signatures for gross rent changes affecting the rent the household must pay or utility reimbursement must be obtained within 60 days from the date the gross rent change is implemented by the owner, as evidenced by the owner's submission of the voucher whereby the owner begins vouchering for assistance based on the new rents (Para. 9-8C).
- Clarifies that when HUD or the Contract Administrator terminates assistance payments when a new certification is not submitted to TRACS within 15 months of the previous year's recertification anniversary date, the owner must repay the assistance collected for the 3-month period from the date the annual recertification should have been effective through the end of the 15th month when assistance was terminated. Includes TRACS 202C requirements, which includes implementation of the new HUD-50059-A, Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures-Partial Certification (Para. 7-6).

The revised handbook can be accessed at: <http://www.hud.gov/adm/hudclips/handbooks/>



Use of the Enterprise Income Verification (EIV) System Will Soon Be Mandatory!

GET EIV ACCESS NOW

Use of the EIV system for Multifamily Housing Program users will become mandatory on **January 31, 2010**, the effective date of the "Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs - Final Rule" published in the Federal Register on January 27, 2009 (FR-4998-F-02).

In order to meet the deadline for using EIV and to avoid penalties relating to non-compliance with the Final Rule, owners and management agents who do not have access to EIV must act now by taking the steps outlined below.

Step 1: Determine EIV Role

When applying for initial EIV access rights, applicants must first decide what their role will be in EIV; whether they will be an EIV Coordinator (HSC) or an EIV User (HSU), as the application process is different depending on their role. An EIV Coordinator has the same functionality in EIV as an EIV User but also has the administrative functions of assigning access rights to EIV Users and recertifying their EIV Users on a biannual basis.

Step 2: Application Process for Coordinators

When applying for EIV access rights as an EIV Coordinator (HSC), an applicant must:

1. Be a WASS Coordinator and have an active WASS ID (M-ID) that was assigned to them by HUD, based on owner authorization;
2. Have a written owner authorization (letter of approval) to access EIV on the owner's behalf for their property(ies);
3. Complete and submit a hardcopy Coordinator Access Authorization Form (CAAF) to HUD's Multifamily Helpdesk by fax at 202-401-7984 or by email at MF_eiv@hud.gov. You need only fax pages 1, 2, and 5 of the CAAF. Do not fax the owner letters of approval with your request. Note, only one CAAF needs to be submitted per Coordinator. A separate CAAF should not be submitted for each property. The deadline for submission in order to have access to EIV by January 31, 2010, is December 15, 2009;
4. Complete property assignments in EIV after receiving an approval email from the Helpdesk; and
5. Complete the EIV on-line certification process by January 15, 2010.

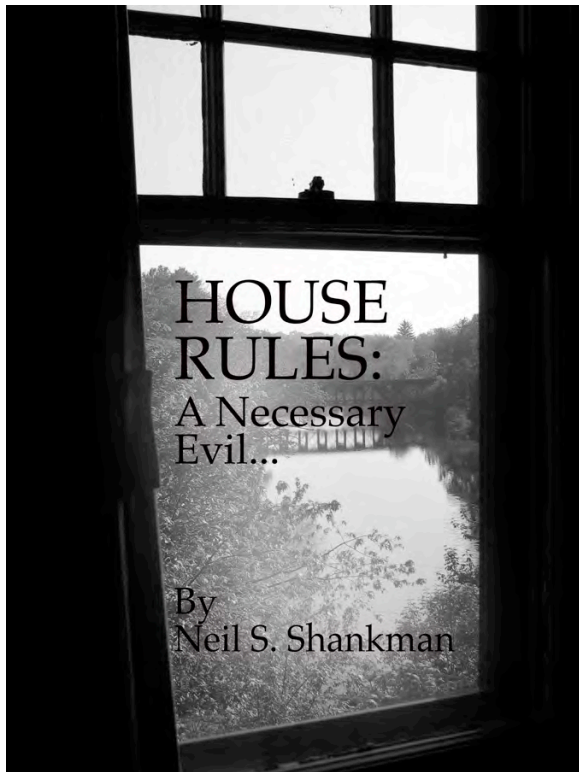
Step 3: Application Process for EIV Users

Users must have an active WASS ID (M-ID) in order to apply for access authorization rights to EIV. To apply for EIV access, Users will need to complete the User Access Authorization Form (UAAF) in hardcopy and submit it to their assigned EIV Coordinator for approval. The EIV Coordinator can approve and certify the EIV User and make the appropriate property assignments. UAAFs are **not** to be faxed to the Multifamily Helpdesk.

Detailed instructions for the application process which include how to apply for a WASS ID, upgrade to a WASS Coordinator role (necessary if applying as a Coordinator) and application forms for EIV Coordinators and EIV Users are located at:

<http://www.hud.gov/offices/hsg/mfh/rhiip/eiv/applyforeivaccess.pdf>

If you have any questions related to getting access to EIV, you may contact Kevin Garner on 202-402-2057 or Zeljko Jovanovic on 202-402-3157.



There is not a property manager in the State of Maine who is not already drowning in paperwork. Between leases, addendums and disclosures, the last thing anyone wants is another set of documents to review with prospective tenants (and current ones).

In the last newsletter, we outlined the status of MREMA's ongoing efforts to get a HUD Lease Addendum approved by MSHA. While a number of the changes that were sought were accepted, many of them were regulated to the backburner with instructions that they should be included in "rules" and that neither the lease nor the addenda could address a number of the issues that have proven to be problematic for property managers. The Lease Addendum has been circulated to all MREMA members by Cathie Whitney. If you need a copy of it, please contact her at cwhitney@ccrealtymanagement.com.

In order to address the other issues that were raised, our only option at this point is to develop a set of House Rules. Let us start from the basics. Section 6-9 of the HUD Occupancy Handbook specifically indicates that development of a set of house rules "is a good practice". It is suggested that by identifying allowable and prohibited activities in housing units and common areas, it is possible to create a structure for treating tenants equitably and for making sure that tenants treat each other with consideration. All decisions about whether to develop House Rules rests solely with the owner of the property. HUD approval is not required. However, you are specifically prohibited from developing restrictive rules that limit the freedom of tenants. All rules must be consistent with HUD requirements, must be reasonable, and must not infringe on tenants' civil rights.

The basic guideline provided by HUD is that House Rules must be related to the "safety, care and cleanliness of the building or the safety and comfort of the tenants". At the very least, rules can include restrictions on guests, locks and lost keys, access to the front door, security systems, trash disposal, littering, hallway obstructions, lobby rules, noise levels, fire safety issues, and security. You may also adopt rules regulating smoking both in individual units and in common areas.

Section 14 of the Model Lease for subsidized programs provides that "The Tenant agrees to obey the House Rules which are Attachment No. 3 to this Agreement." The section goes on to provide that the tenant also agrees to obey "additional rules established after the effective date of the agreement if the rules are reasonably related to safety, care and cleanliness of the building and the safety, comfort and convenience of the Tenants ... so long as the Tenant receives at least 30 days written notice prior to any new rule being enforced."

MREMA has not created model building rules, however there are a number of provisions that were previously discussed when we negotiated with MSHA. Those provisions that were not permitted to be integrated into the Lease Addendum can be used as part of your House Rules.

Depending on the type of subsidy and the applicable Federal Regulations, additional rules can address such issues as charges for late payment, lease termination (that further defines but does not overrule the terms and conditions of the lease), greater specificity regarding inappropriate behavior by tenants or their guests and any other issues that deal with safety, care and cleanliness of the building or the safety and comfort of the tenants.

SUGGESTED HOUSE RULES

Eligible Occupancy and Guest Policy

Except as listed on Tenant's application, or after written permission from the Landlord, no other individuals may reside in the unit. Tenants may have guests stay with them for no more than thirty (30) days during a calendar year, including no more than seven days consecutively.

Rental Payments

Tenant shall make all rental payments in full. Payment or receipt of a rental payment of less than the amount stated in the lease shall be deemed to be nothing more than partial payment on that month's account. Any and all partial payments accepted by the Landlord shall be applied to the rent arrearage (or any other monetary obligation under the lease) which first became due and no partial payment shall be applied to the current month's rent until all outstanding arrearages have been paid in full despite any endorsement, stipulation, or other statement on any check or money order. Under no circumstances shall the Landlord's acceptance of a partial payment constitute accord and satisfaction. The Landlord's acceptance of a partial payment will not forfeit the Landlord's right to collect the balance due on the account, despite any endorsement, stipulation, or other statement on any check or money order.

During the pendency of any action for forcible entry and detainer, including any notice of termination, the Tenant shall continue to be obligated to comply with all provisions of this Lease Agreement, including, but not limited to the obligation to pay rent and any other charges that shall become due, as long as the Tenant remains in possession of the premises. By incorporating this provision in the rules as an attachment to the Lease Agreement and agreeing to be bound by its terms, the Parties wish to clarify that they do not intend to create any type of new tenancy beyond the Lease Agreement, and they wish to clarify that until a court has ordered that possession of the premises be returned to the Landlord, and the Tenant's right of appeal has expired, the leasehold obligations remain in effect.

Keys and Locks

Tenant agrees not to install additional or different locks or gates on any doors or windows of the unit without the written permission of the Landlord. If the Landlord approves the Tenant's request to install such locks, the Tenant agrees to provide the Landlord with a key for each lock **within forty-eight (48) hours** of installation. When the Lease Agreement ends, the Tenant agrees to return all keys to the dwelling unit to the Landlord. The Landlord may charge the Tenant \$ ____ for each key not returned.

General Restrictions

Tenant may not interfere with or harass management, management personnel, or individuals hired by management to perform work on the property or grounds.

Access to Premises

The Tenant may not unreasonably withhold consent to the Landlord to enter into the dwelling unit in order to inspect the premises, make necessary or agreed repairs, decorations, alterations, supply necessary services, or show the dwelling to prospective or actual purchasers, tenants, workmen or contractors.

Except in the case of an emergency or if it is impracticable to do so, the Landlord shall give the Tenant reasonable notice of his intent to enter and shall enter only at reasonable times. Twenty-four (24) hours is presumed to be a reasonable notice in the absence of evidence to the contrary.

If the Tenant moves before the Lease Agreement ends, the Landlord may enter the unit to decorate, remodel, alter or otherwise prepare the unit for re-occupancy.

-Neil S. Shankman, Esq.



S Shankman
& Associates
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Landlord/Tenant Issues
Do you have
Questions?
We have
the *answers!*
Landlord/Tenant Law
is our specialty.

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Shankman & Associates will be conducting a full day seminar on Landlord/Tenant procedures on April 9th at the Ramanda Inn, in Lewiston. For more information or to sign-up contact Karen Cook @ 207.786.0311.