

HCV PROPERTY OWNER GUIDE

A Step-by-Step Partnership Guide for Landlords & Property Managers with Iowa Northland Regional Housing Authority

Welcome to the Housing Choice Voucher (HCV) program! The Iowa Northland Regional Housing Authority (INRHA) strongly values its partnership with property owners. Participating landlords help expand housing opportunities for low-income families by supplying safe, decent, and affordable rental housing in our local communities. This guide outlines key administrative procedures, physical unit inspection standards, and contract obligations under federal regulations and local INRHA policies to ensure a smooth and successful tenancy.

SECTION 1: THE LEASING PROCESS & TENANCY APPROVAL

Transitioning an eligible voucher holder into an assisted lease involves a collaborative effort between the applicant family, the landlord, and INRHA. The key steps of this process are outlined below:

- **1. Tenant Screening and Selection:** The property owner is solely and fully responsible for screening and selecting prospective tenants. INRHA has no liability or responsibility for a family's suitability or behavior for tenancy. Owners are encouraged to evaluate standard rental history, credit, references, and background factors, just as they would for unassisted applicants.
- **2. Request for Tenancy Approval (RTA):** Once you select an eligible family, you and the tenant must jointly complete and sign the **Request for Tenancy Approval (RTA) - Form HUD-52517**. The family must submit the RTA along with your proposed dwelling lease and, for properties built before 1978, a Lead-Based Paint Disclosure form. INRHA processes only one RTA at a time per family.
- **3. Rent Reasonableness and Rent Burden Check:** Before tenancy is approved, INRHA evaluates the proposed rent to ensure it is reasonable. Rent reasonableness means the requested rent cannot exceed the rent of comparable unassisted units in the local market, nor can it exceed rents charged for comparable unassisted units on the same premises. If the family is a new admission and the gross rent exceeds the payment standard, the tenant's share of rent cannot exceed 40% of their monthly adjusted income.
- **4. Lease and Tenancy Addendum:** Assisted tenancies must be executed using a written lease for an initial term of at least one year. Property owners are encouraged to use their standard private market lease form. However, the federal **HUD Tenancy Addendum (Form HUD-52641-A)** must be incorporated word-for-word into the lease. In any conflict between your lease and the Tenancy Addendum, the Tenancy Addendum's terms prevail.
- **5. HAP Contract Execution:** After the unit passes inspection and the rent is approved, INRHA and the owner execute the **Housing Assistance Payments (HAP) Contract (Form HUD-52641)**. INRHA will not execute the HAP contract until the owner has provided a completed Form W-9. Direct monthly HAP payments will begin immediately upon contract execution.

Security Deposit Rule: Owners are permitted to collect security deposits in any amount that is consistent with private market practices and does not exceed deposits charged to unassisted tenants. INRHA does not provide financial assistance for tenant security deposits.

SECTION 2: HOUSING QUALITY & NSPIRE INSPECTION STANDARDS

Property owners are contractually obligated to maintain all assisted units in accordance with federal housing standards. INRHA is transitioning inspection criteria from older Housing Quality Standards (HQS) to the modernized **National Standards for the Physical Inspection of Real Estate (NSPIRE)** protocol. Units must meet NSPIRE standards to be approved for the HCV program. To confirm ongoing compliance, INRHA conducts a variety of inspections, including: **Initial Inspections** before lease-up, **Periodic Inspections** (conducted **annually** under INRHA local policy within 12 months of the last full inspection), and **Interim Inspections** requested by families or third parties due to potential deficiencies. Remote Video Inspections (RVIs) may be used at INRHA's discretion for some follow-up inspections, except for pre-1978 units where a child under six resides.

Deficiency Category	Examples of Defects	Correction Timeline	Self-Certification Allowed?
Life-Threatening	Inoperable smoke or CO alarms, gas/fuel leaks, exposed electrical conductors, water ponding near electrical systems, heating failures (temp < 64°F in cold weather), utilities out of service, no running hot water, structural failure.	Strictly 24 Hours from written or oral notice.	No. Physical reinspection or strict verification required.
Severe & Moderate	Severely cracked/damaged interior drywall, deteriorating windows/exterior doors, shut-off valve leaks, dripping faucets, or base shoe/trim defects.	30 Calendar Days (or approved extension up to 60 days).	Yes. Acceptable for owners with good standing. Requires photos, receipts, or invoices.
Low	Minor cosmetic defects that do not compromise tenant safety or unit structural habitability.	Informational Only No mandatory repair timeframe.	N/A. Unit passes inspection; items are noted for reference.

IMPORTANT POLICY ON REPAIR SELF-CERTIFICATION: Under INRHA local policy, owners with a history of strong program compliance may submit electronic proof of repairs (such as clear, labeled photographs, video clips, or contractor receipts) to satisfy reinspection requirements for **Severe & Moderate** deficiencies. All self-certification documentation must be submitted at least **5 business days prior** to the scheduled reinspection date. However, self-certification is **strictly prohibited** for:

1. Repairs identified during **initial move-in inspections** (units must pass physical inspection first);
 2. Any **life-threatening** deficiencies (which require mandatory reinspection); and
 3. Essential **life safety systems**, including smoke alarms, carbon monoxide detectors, or fire escapes.
- For these excluded items, INRHA will always conduct an in-person, on-site reinspection.

Enforcing Compliance: If an owner fails to remedy deficiencies within the mandated timeline (24 hours for life-threatening, 30 days for others), INRHA will issue a **notice of HAP abatement**. Abatements are effective on the first of the month following the correction deadline. If the unit remains in noncompliance for **60 days** under abatement, the HAP contract will be terminated, and the tenant will receive a voucher to relocate. **Important:** Owners may not evict or penalize tenants for HAP withheld or abated by INRHA, and families continue to be responsible only for their designated family share of the rent during the abatement period.

SECTION 3: RENTS, INCREASES, & PROHIBITED PAYMENTS

All contract rents must align with private market rates. INRHA conducts a **Rent Reasonableness Determination** at initial lease-up, whenever the owner requests a rent increase, or if local Fair Market Rents decrease by 10% or more. Rents are compared to unassisted units based on size, location, age, quality, construction type, amenities, and utility structures.

Requesting a Rent Increase

After the initial one-year lease term, owners may request a rent adjustment. Under INRHA policy, owners must submit their written request for a rent increase **at least 60 days** before the proposed effective date. INRHA will evaluate the request and notify the owner in writing of its rent reasonableness determination **within 10 business days** of receipt. Rent increases are permitted only once per 12-month period and will always take effect on the first of the month following the 60-day notice period.

Strict Prohibition of Side Payments

The approved contract rent is the absolute maximum payment an owner may receive for the unit. Owners are strictly **prohibited from demanding or accepting 'side payments'** or extra rent from the family beyond the family share approved by INRHA. This includes charging extra for appliances (like a stove or refrigerator) or services that are customarily included in rent in the local area or provided to unassisted tenants on the premises at no additional cost. Demanding unauthorized payments constitutes program abuse, which can result in HAP contract termination, debarment from program participation, or referral for prosecution.

SECTION 4: LEASE TERMINATIONS, EVICTIONS, & VAWA

During the lease term, owners may terminate a tenancy only for serious or repeated lease violations (such as nonpayment of rent), federal/state law violations, or other documented good cause. Good cause does not include business or economic reasons (such as selling the property or wanting to rent at a higher rate) during the initial one-year term.

Eviction Proceedings

Owners must enforce their leases through standard state-court eviction procedures. **Important:** The owner must provide INRHA with a complete copy of any eviction notice or notice to vacate **at the same time** the tenant is notified. If eviction is finalized in court, the owner must provide INRHA with the final judgment and eviction date within **5 business days** of the court order. INRHA will continue making monthly HAP payments until the family physically vacates the unit or is physically evicted by law enforcement.

LANDLORD VAWA OBLIGATIONS & LEASE BIFURCATION: Under the Violence Against Women Act (VAWA), landlords are prohibited from denying tenancy or evicting an assisted tenant solely because they are a victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking. Property damage, noise complaints, or lease violations directly stemming from incidents of abuse cannot be used as grounds for eviction against the victim.

Lease Bifurcation: Landlords have the explicit authority under federal law to bifurcate a lease—dividing it legally to evict or remove a culpable household member who commits acts of physical violence, while preserving the tenancy, lease rights, and rental assistance of the remaining victim. All VAWA-related disclosures and information submitted to an owner by a victim must be kept strictly confidential and stored separately from the standard tenant file.