



NEWPORT HOTEL SENIOR HOUSING TENANT SELECTION PLAN & OCCUPANCY PROCEDURES

Newport Hotel Senior Housing will not discriminate against any person because of race, color, religion, sex, age, handicap, disability, familial status, ancestry, or national origin. Newport Hotel Senior Housing does not discriminate on the basis of handicap status in the admission or access to, or treatment or employment in, its federally assisted programs or activities.

Any person with disabling conditions or mobility impairments may request reasonable accommodations in policies, practices, or facilities. Management will consider these requests as long as such requests do not present an undue administrative or financial burden to the management, or alter the fundamental nature of the program or property.

Newport Hotel Senior Housing's housing program is identified as a Tax Credit program administered by the Pennsylvania Housing Finance Agency (PHFA), and designed to serve single persons or couples. The following tenant selection plan and occupancy procedures apply to all adult family members expected to reside in the household, and live-in attendants. Newport Hotel Senior Housing will utilize the definitions and requirements set-forth in the Pennsylvania Housing Finance Agency (PHFA) Tax Credit manual for the purposes of determining applicant eligibility.

A. APPLICATIONS

Written applications are accepted on a first-come, first served basis. The application date and time will be recorded when the completed application is received. Applications will be maintained in chronological order in the rental office. The On-Site Property Manager is responsible for the offering of units and resident selection.

B. ELIGIBILITY

To be eligible for consideration for an apartment at Newport Hotel Senior Housing you must meet the following criteria:

1. The head of household must be at least sixty-two (62) years of age or older.
2. A household's gross annual income as defined in the HUD 4350.3 REV-1 Manual must fall at or below the appropriate % of median PennHOMES Program with Tax Credit Income Limits for Perry County established by the Pennsylvania Housing Finance Agency.
3. The family must include one member that is a citizen or national of the United States or a non-citizen having eligible immigration status as defined in Section 214 of the Housing and Community Development Act of 1980 (as amended regarding Restrictions on Assistance to Noncitizens).
4. Newport Hotel Senior Housing is a non-smoking residential community. No smoking will be permitted in any of the residential units or in any of the common areas inside the building. Smoking will only be permitted outside the building in a designated smoking area. All

residents will need to sign an addendum agreeing to not smoke in their units or in any common area in Newport Hotel Senior Housing.

C. ELIGIBILITY OF FULL AND PART TIME STUDENTS

Newport Hotel Senior Housing will not provide housing to applicants in which all members of the household are full-time students (as defined in Section 151(c) (4) of the Code). The exceptions to this are as follows:

1. The full-time adult students are married and filing a joint federal tax return.
2. The full-time student is receiving assistance under Title IV of the Social Security Act.
3. The full-time student is enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar federal, state, or local laws. Note: The IRS does not consider an internship a “similar” program (for example, a medical school student doing their residency or a student in a fellowship).
4. The full-time student is a single parent living with his/her minor children (with none of the persons being dependents of a third party).

D. SCREENING CRITERIA

All persons age eighteen (18) years of age and older will be subject to the following screening criteria:

1. Previous credit history. A credit report will be obtained from a private third-party credit-reporting agency on all adult applicants. All information regarding addresses and employment will be compared with what has been provided on the application. Your application can be rejected based on the credit report for the following reasons:
 - a. Utility accounts, such as water, gas and/or electric, which are delinquent or have been turned into collection within the past two years.
 - b. One or more outstanding civil suits or judgements within the past two years.
 - c. Three or more accounts listed as collection or profit and loss accounts within the past two years.
 - d. Three or more accounts rated as 120 days or more delinquent within the past two years.

Your application cannot be rejected based on having no established credit.

In the event that your application is rejected based on the credit report you will receive a letter detailing the steps for appealing the decision. Extenuating circumstances may be presented at this time.

2. Previous landlord reference. All previous landlords for the past three years will be contacted. Your application can be rejected based on a landlord reference for the following reasons:
 - a. Non-payment of rent or unpaid landlord charges still due
 - b. History of disruptive behavior affecting peaceful possession and quiet enjoyment of the premises
 - c. Fraud
 - d. Allowing unauthorized persons to live in the unit
 - e. Criminal Activity, including drug-related criminal activity
 - f. Damaging the unit
 - g. Eviction for cause

Lack of previous landlord shall not be basis for rejection of the application.

*NOTE: If at any time in the past, any adult member of the applicant household previously resided at Newport Hotel Senior Housing (or any other PMI properties) that rental history will be taken into account regardless of how long ago residency may have occurred.

3. Criminal History Report. All applicants will be subject to a criminal background check. Your application can be rejected based on a criminal history report for the following reasons:
 - a. Crimes against another person within the past seven (7) years.
 - b. Crimes against property within the past five (5) years.
 - c. Drug related criminal activity involving the manufacture, sale, use, or distribution, or for possession with the intent to manufacture, sell, or distribute within the past five (5) years.
 - d. Illegal firearm offenses include possession of unregistered firearm or an illegal weapon within the past five (5) years.
 - e. Patterns of criminal behavior as evidenced by reports of repeated incidences involving the police.

Any application containing an adult member of the household currently in the process of being tried for any criminal activity will be considered suspended until the outcome of the legal proceeding.

E. APPLICATION REJECTION

Any applicant whose application is rejected based on the screening criteria established in paragraph C of this document will be mailed a letter to his or her last known address confirming the reason for rejection of the application. The applicant then has fourteen (14) days from the date of the letter to request a conference with Management to appeal the decision. Any documentation requested of the applicant at the appeal hearing must be provided within thirty (30) days of the meeting or the application will be cancelled. The Senior Property Manager (Area Manager) for PMI (managing agent) will be present at the appeal hearing in conjunction with the Newport Hotel Senior Housing Property Manager and will make the final appeal decision, unless the applicant can provide sufficient mitigating evidence to the property manger to satisfy the requirements of the Tenant Selection Plan in advance of the appeal hearing. A final letter of determination will be issued to the applicant regarding the status of the application.

F. CANCELLING AN APPLICATION

Applications can be cancelled in the following manner:

- a. An applicant can cancel an application in writing.
- b. Management can cancel an application if the applicant fails to respond within five (5) business days to written requests that have been mailed to the applicant at the applicant's last known address.
- c. Management can cancel an application if an applicant refuses the offer of an upcoming vacancy two times. After the first refusal the applicant will be contacted the second time after a six-month period.
- d. Fails to appear for scheduled move-in appointment without notification to the management.

G. LIVE-IN AIDES

A live-in aide is a person who resides in the household who:

- Is determined essential to the care and well-being
- Is not obligated for financial support of a person(s); and
- Would not be living in the unit except to provide the necessary supportive services.

The household must provide a licensed physician's certificate that the live-in aide is essential to the care or well-being of the resident.

A relative may be a live-in aide but must meet all requirements above listed.

A live-in aide qualifies for occupancy only so long as the individual needs support services and may not qualify for continued occupancy as a remaining household member.

H. OFFERING UNITS

If application information initially indicates that the criteria for eligibility have been met preliminarily, they will be placed on the waiting list in chronological order. Units will be offered in the following order:

1. Any existing residents requiring a transfer based on the guidelines set forth in paragraph I of this document.
2. If the available unit is a unit specifically designed for families having a family member with a mobility or sensory impairment, then the unit will be offered in the following order:
 - a. Current residents whose family has a member requiring the specific design features of the unit.
 - b. Qualified applicants on the waiting list who has priority status and has a family member requiring the specific design features of the unit.
 - c. Qualified applicant on the waiting list that has a family member requiring the specific design features of the unit.
 - d. If no current residents or applicants require the design feature of the unit, the unit will be assigned to the next eligible family. However, the family will sign a lease addendum that agrees the family will move to a non-designated unit if an applicant that has a family member that meets the definition of handicapped or disabled person per the 4350.3 regulation is placed on the waiting list and a non designated unit is available.
3. The Federal Government has established criteria by which applicants may be given priority status, and thus be offered housing ahead of previous applicants. Priority criteria is as follows according to the Restrictive Covenants for Newport Hotel Senior Housing:
 - 7 of the units must be rented at or below the 50% Median Income level from the PennHomes Program with Tax Credits Income Limits.
 - The total tenant paid rent for 11 of the units can not exceed the rents established for any units at 50% of median income.
 - Forty percent (40%) of the units will be rented to tenants at 50% of median income.

- Two (2) units will be set aside as accessible housing to persons with disabilities and whereby the tenant’s portion of the rent may not exceed a level that would be affordable to a person with income at or below 20 percent of the area median income.
 - At least three (3) units will be rented to and affordable to, tenants whose income does not exceed 40% of area income.
4. Applicants who are not currently residing in Affordable Housing in the Borough of Newport in Perry County, will be placed ahead of applicants on the waiting list who are currently residing in Affordable Housing in the Borough of Newport.
 5. Time and date of application.

If an applicant cannot be contacted with reasonable effort or the applicant cannot move at the specified time, the next applicant will be contacted; such an occurrence would constitute a refusal to accept offered housing.

I. UNIT SIZE

Newport Hotel Senior Housing does not make determinations regarding the age, sex, and relationship of children in a unit when determining appropriate number of bedrooms. For the purpose of determining unit size the following will be included as members of the household:

1. All full-time household members
2. All children anticipated to reside in a unit such as unborn children, children who are in the process of being adopted by a full time adult family member, children whose custody is being obtained by an adult, children who are in a joint custody agreement but live in the unit fifty percent (50%) of the time, foster children who will reside in the unit, children who are temporarily absent due to placement in a foster home
3. Live in attendants
4. Children who are away at school but live with the family during recesses
5. Family member who is temporarily absent due to employment in another location
6. Family members temporarily confined to a hospital or nursing home
7. A son or daughter who goes on active military duty and leaves a spouse or dependents in the unit

| <u>BEDROOMS</u> | <u>FAMILY SIZE</u> |
|-----------------|--------------------|
| 1 | 1-2 |
| 2 | 2-4 |

We expect two adult household members who are living as a couple (i.e. husband and wife, boyfriend and girlfriend, etc to share a bedroom unless one of the persons has a handicap or disability and are requesting separate bedrooms as an accommodation to the disability). The disability as well as the need for special accommodations would be verified by an appropriate physician. Adult household members who are not a couple but are allowed to share an apartment and maintain separate bedrooms are as follows: a parent with adult children and/or grandchildren; an adult brother or sister to the head or co-head of the household as long as they are a single person (if they have girl/boy friend, a spouse, or children they would be expected to apply for their own housing)

Two adult persons who are not a couple sharing a bedroom, or do not meet the above defined familial circumstances, are considered to be room mates and we do not allow room mate situations. Each individual would be welcome to apply for their own unit but they are not permitted to share a unit with separate bedrooms.

The purpose of this policy is to prevent the following: households who would otherwise require a one bedroom unit, from taking a two bedroom unit and having two family units under one household.

Other situations that are not covered under this policy would be reviewed to determine if the occupants constitute room mates. Any determination under these guidelines will be applied consistently and fairly to all applicants with the purpose of providing low income housing to as many people as possible.

Exception: A household composition of two persons where one person is mobility impaired as verified by an appropriate physician and needs the accessibility of a downstairs bedroom and bathroom. The two persons are not required to share a bedroom in a one bedroom and would therefore be admitted to a two-bedroom unit.

J. UNIT TRANSFERS

Existing tenants will be placed on a transfer list by date and time for the following reasons:

1. An existing household has had composition changes, which has made the household over- or under-housed based on the guidelines set forth in paragraph H above.
2. A member of an existing household has a need for a unit with specific design features for mobility or sensory impairment. In this situation, third party verification of the need for such a unit is required.
3. An existing household requests a different size unit. This request will only be granted if the need for a different size unit is appropriate based on the guidelines set forth in paragraph H above.
4. One or more members of an existing household apply for their own unit and the remainder of the original composition is remaining in the current unit. In the event that one or more members of the original household moving causes the remaining household members to require a different size unit the remaining members will also be placed on the transfer list.

No transfer will be granted to tenants who owe any monies for rent, utilities, late fees, damages, etc. All payments must be made in full or suitable payment arrangements must have been established.

K. APPLICATION PROCESSING

An applicant will not be considered fully processed until all information necessary to verify the information on the application, based on HUD guidelines as established in the 4350.3, has been obtained. This information can include but is not limited to the following:

- a. Verifications of income
- b. Verifications of assets
- c. Verification of disposal of assets for less than fair market value
- d. Verification of status of being a full time student

L. TENANCY

All provisions of the Lease Agreement will be thoroughly explained prior to signing the agreement. The resident will receive a copy of this document along with any attachments to the Lease.

The tenant will be required to pay a security deposit, which will be equal to one month's rent portion. This deposit will be held in a separate interest bearing account.

The resident will be required to pay the first month's rent before receiving the keys to the unit. If the tenant is signing the lease on any day other than the first of the month, the rent will be prorated to reflect only the days the tenant will be legally responsible for the unit.

A file will be kept on all residents, which will contain the following permanent information:

- a. All correspondence between the resident and the Rental office
- b. Annual unit inspections
- c. Current and original Residential Lease Agreement and any amendments
- d. Original Rental Application and all attachments/addendums
- e. Credit report
- f. Landlord verifications
- g. Criminal history report
- h. Age verification for all family members
- i. Social Security number verification for all family members
- j. Photocopy of the security deposit
- k. Move in inspection/Unit inspection addendum

The following information will also be kept in the tenant file but will be updated annually with the recertification process:

- a. Regularly Scheduled Recertification Notifications (first – always, second & third if needed)
- b. Lease Addendum/Notice of Rent Change
- c. Cert/Recert Questionnaire
- d. Asset Divestiture Certification
- e. Verifications for Income, Assets, or Miscellaneous

M. RENTAL COLLECTION

Rent is due at the Newport Hotel Senior Housing Rental Office or such other place that Newport Hotel Senior Housing may from time to time request, on the first day of the month. If the Tenant does not pay the amount of rent by the close of business on the 4th (fourth) day of the month, the Tenant will be delinquent and charged a late payment charge of One Dollar (\$1.00) per day on late rental payments, beginning on the fifth (5th) day of each month. If rental is mailed, the postmark date will determine the date of payment. Newport Hotel Senior Housing, L.P. may terminate the Residential Lease Agreement with the tenant for non-payment of rent.

N. OTHER CHARGES

The management of Newport Hotel Senior Housing is responsible for normal maintenance in your apartment. If an item (including the exterior of your unit) is damaged due to other than normal wear and tear either during occupancy or upon vacating the unit, you will be charged accordingly. You will be billed on a material and time basis. The labor charge is \$25.00/hour with a minimum of one half hour billed. You will be charged for damages/repairs whenever the damage is caused by carelessness, misuse, or neglect on the part of the tenant, his/her family or visitors. The Tenant agrees that payment of all such charges shall be made within thirty (30) days of the date the charges are billed. All charges will be billed within thirty (30) days from the date the repairs/replacement were completed.

O. TERMINATION OF TENANCY

The Tenant may terminate this agreement at any time after the initial lease period with a sixty- (60) day written notice before moving from the unit. If the Tenant does not give the full sixty (60) day written notice, the Tenant shall be liable for rent up to the end of the sixty (60) days for which notice was required or to the date the unit is re-rented, whichever date comes first. If the tenant terminates this agreement before the initial one-year term on the agreement ends, the tenant forfeits the security deposit in full.

The landlord may terminate this agreement only for:

1. The Tenant's material non-compliance with the terms of the Residential Lease Agreement;
2. The Tenant's failure to carry out obligations under state Landlord and Tenant Act;
3. Drug related criminal activity engaged in on or near the premises, by any tenant, household member, or guest and any such activity engaged in on the premises by any other person under the Tenant's control;
4. Determination made by the landlord that a household member is illegally using a drug;
5. Determination made by the landlord that a pattern of illegal use of a drug that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents;
6. Criminal activity by a tenant, any member of the Tenant's household, a guest or another person under the Tenant's control:
 - (a) that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents; or
 - (b) that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises.
7. If the Tenant is fleeing to avoid prosecution, or custody or confinement after conviction for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that is the case of the State of New Jersey, is a high misdemeanor;
8. If the Tenant is violating a condition of probation or parole under Federal or State law;
9. Determination made by the landlord that a household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
10. If the landlord determines that the Tenant, any member of the Tenant's household, a guest or another person under the tenant's control has engaged in the criminal activity, regardless of whether the Tenant, any member of the Tenant's household, a guest or another person under the Tenant's control has been arrested or convicted for such activity.

Termination for “Other good cause” may only be effective as of the end of any initial or successive term of the Residential Lease Agreement.

Any termination of the Residential Lease Agreement by Newport Hotel Senior Housing, L.P. will be carried out in accordance with HUD regulations as stated in the 4350.3 handbook, state, and local law, and the terms of the Residential Lease Agreement.

P. DEFINITIONS OF DISABILITY

Please see attached Verification of Handicap or Disability Form When Eligibility For Admission is based on Disability/Handicap.