

## **RIVER ROUGE HOUSING COMMISSION'S RENT COLLECTION POLICY**

The River Rouge Housing Commission's (RRHC) public housing has been developed and constructed to provide decent, safe and sanitary housing for the low-income residents of River Rouge, Michigan.

The cost of operating the public housing program is dependent upon the timely receipt of monthly rents. It is important that everyone realize that this program does not provide free rent to anyone, nor can it house anyone that is chronically delinquent in the payment of rents.

The RRHC has an obligation to house the need in this area, and to maintain the most affordable rent schedule as permitted by the Department of Housing and Urban Development. Accordingly, we cannot jeopardize this obligation by allowing slow or non-payment of rents. Therefore, it is vitally important that the following "Rent Collection Policy" be read carefully to avoid costly and embarrassing situations through failure to comply with the provisions of the policy.

The RRHC defines rent as all money owed to the RRHC including, but not limited to, rent for the unit, work order charges, utility charges and excess utility charges incurred by the resident.

1. All rents are due and payable on the first day of each month.
2. No cash is ever to be accepted!
3. Resident may submit payment as late as the fifth (5<sup>th</sup>) business day of the month. If the fifth business day falls on a Saturday, Sunday or a holiday observed by the RRHC, payment may be extended to the next business day.
4. A \$25.00 late fee will be levied on all rents (partial and full) received after the fifth (5<sup>th</sup>) business day. Late fees must be paid at the time of rental payment for the month in which it was levied.
5. If the rent is not paid by the 6<sup>th</sup> of the month, the resident will be mailed a 14 day Notice to Quit for Non-Payment of Rent to pay the full balance due or vacate the premises and eviction procedures will commence pursuant to State and Local laws.
6. If resident refuses to vacate in accordance to the Notice to Quit, the appropriate legal action will be taken and the resident may be required to pay court costs and attorney fees. This is in addition to the rent due. If entire balance (amount owed) is not paid by the date indicated on Notice to Quit, court cost and legal fees will be applied to resident's account once case is filed in court. Court cost and legal fees are set at a flat rate regardless of resident's monthly rental charge.
7. If the rent and applicable court costs are not paid within ten (10) business days after the case has appeared in court, eviction proceedings will commence.
8. Payment extensions will be granted only in cases of extreme emergency, and depending on the resident's past payment history. All requests for time extensions must be in writing, stating the reason for the request and specifying the date the rent will be paid in full. This

request must be received by the Commission office prior to the first day of the month. Verbal requests will not be considered. All extensions must be approved by the Executive Director.

9. Repayment agreements can be arranged if additional time (more than 30 days) is needed to pay balance. Any repayment agreements must be completed on the Repayment Agreement form and is not valid until signed by both resident and Executive Director. No repayment agreement shall extend past six (6) months. Monthly repayment amount shall be considered reasonable and is in addition to monthly rental payments. To enter into a repayment agreement, resident will be required to pay a deposit which will typically be 25% of total amount owed at the time of agreement. Monthly rent and back rent is due on the 1<sup>st</sup> of each month and considered late if paid after the 5<sup>th</sup> of the month. If payment is not received by the 5<sup>th</sup> of the month, the repayment agreement will be considered in default and entire amount of agreement is due. Only one (1) repayment agreement will be made within a 12-month period regardless as to whether payment was made in accordance to agreement. No repayment agreement will be allowed once case has been scheduled for court.
10. Rental payments must be made by either money order or cashier's check. ABSOLUTELY no personal checks or cash will be accepted. As a means of reasonable accommodations, personal checks or third-party checks will be accepted for those residents with legal guardians. These checks will only be accepted if the third party is a known and established organization and can provide proof of legal guardianship.
11. The RRHC cannot house any resident who is consistently late with rental payments. Late rental payments will be considered a "Lease Violation". Residents who are delinquent three (3) or more times within a 12 month period will be considered in violation of their Lease and may be issued a Termination of Tenancy.
12. Any payment received will be applied first to the oldest outstanding non-rental charges on the resident's account.
13. All rent will be submitted to financial institution within 72 business hours. In extreme cases when rents cannot be submitted to financial institution within this timeframe, the rents will be placed in a secured location until deposit can be made.
14. Management must maintain a copy of all payments received, receipt stub, batch report and deposit slips.