

Landlord News

Fall 2011



For Landlords Participating in Belmont's Section 8 Rental Assistance Programs

FMR.....Demystified

Those of us who work in federally-funded housing tend to employ a good number of acronyms when describing the particulars of a program. So, we thought you might appreciate it if we took some of the mystery out of at least one of these terms, FMR, which stands for Fair Market Rent.

The FMRs, which are determined and adjusted by HUD's economists on an annual basis, are pretty important as they are used as a benchmark in many subsidized housing programs. HUD sets the FMR at the 40th percentile of area rents and considers this to be the amount needed to pay the gross rent (rent-to-owner plus cost of tenant-paid utilities) of privately owned, decent, safe rental housing of a modest (non-luxury) nature with suitable amenities. Phew !!! There's a lot to this definition and to HUD's methodology for determining FMRs. So, if you love statistics and details, you might want to check out: <http://www.huduser.org/portal/datasets/fmr.html>

More than one landlord has commented that we shouldn't refer to these rents as "fair" or "market" when they are set below the midpoint of area rents. While there are days when we may agree with that sentiment, the FMR is what it is; a standard that we are required to use in the administration of the Section 8 Programs. So, what exactly is this area's FMR and how do we use it?

FMRs for Erie and Niagara Counties, effective October 1, 2011:

0-Bdrm	1-Bdrm	2-Bdrm	3-Bdrm	4-Bdrm	5-Bdrm	6-Bdrm
\$597	\$599	\$719	\$889	\$982	\$1,129	\$1,276

Let's take the 2-Bdrm FMR and see what it actually means:

\$719 represents the 40th percentile of area rents; 40% of area rents are lower than \$719 and 60% are higher.

\$719 is considered sufficient to rent a modest unit and cover utility costs.

\$719 will not cover the cost of all rental units in the local market and certainly will not cover the cost of luxury units.

\$719 is not a rent limit but is used to establish subsidy limits.

Each year when the updated FMRs are published, Belmont (as a Section 8 administrator) must ensure that the Payment Standards used in the Section 8 Voucher Program fall within 90-110% of the FMRs (as required by federal regulation) and that they permit voucher-holders a full range of housing choices throughout the market area. Because our market area is rather broad...all of Erie & Niagara Counties... we established two sets of Payment Standards; the Regular Payment Standards (PS), which cover all of Buffalo and much of the contiguous communities, and the Exception Payment Standards (ExPS), which provide slightly more subsidy to enable families to lease units in higher cost areas.

Effective October 1, 2011, in response to new FMRs, the Payment Standards are:

	0-Bd	1-Bd	2-Bd	3-Bd	4-Bd	5-Bd	6-Bd
Regular PS	\$550	\$595	\$715	\$885	\$975	\$1,120	\$1,265
Exception PS	\$600	\$655	\$790	\$975	\$1,080	\$1,235	\$1,400

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Now, you still might wonder why you should be concerned with FMRs or even Payment Standards if they are not rent limits. Well, it's because even though you can set your rent at the amount you think the market will bear, the unit may prove to be unaffordable for the family to whom you wish to rent. The Payment Standard works like this:

- The family's Payment Standard is determined by their family size (not the size of the apartment) as well as the location of your rental unit.
- Regulations require the family to pay at least 30% of their monthly income toward rent and utilities.
- Regulations do not permit the family to pay more than 40% of their income toward rent and utilities during the first year of the lease.
- If after the maximum subsidy is applied to the rent, the family must still pay an amount that exceeds 40% of their income, we cannot approve the family to rent your unit under the section 8 program, no matter how much they may want to do so.

This is why there are times when we ask an owner to reduce the rent for the first year of a tenant's lease. It's not because we think the rent's too high but because it just isn't affordable for this particular family. If the owner agrees to reduce the rent, we can proceed and enter into a contract on behalf of the family. If the owner cannot reduce the rent, the family must look elsewhere for an apartment in order for family to be assisted under program. If the family rents the unit under no circumstance may the family pay more than what is permitted under the Section 8 Contract.

You will also hear from us if we find your rent to be unreasonable for its size, location and amenities. Since HUD requires that we conduct a rent reasonableness test on every property put forth for a Housing Assistance Payments Contract, we do our best to compare your rent to the rent for similar units in the same or nearby census tract. If we find that your property is priced significantly higher than comparable units, we will give you the opportunity to adjust your rent before notifying the client of the need to continue their housing search. The taxpaying public would probably be unwilling to support an assisted housing program that put low-income families into housing units that were substantially better than typical rental unit and FMRs and Payment Standards help us to avoid this problem.

The current FMRs for Erie & Niagara Counties and their corresponding Payment Standards appear to accomplish HUD's objective of providing a variety of acceptable housing choices to the greatest number of households possible. We will continue to critically analyze all future FMRs and adjust the Payment Standards accordingly. We appreciate owners' willingness to negotiate rents thereby helping us to make the most of these limited federal housing funds.

REMEMBER Mayor Byron Brown Save Our Streets Task Force Landlord Training Session:

Friday, November 4th 2011 from 8:30-5:00pm

To register contact: ndrye@city-buffalo.com

Or visit <http://www.city-buffalo.com/LandLordRegistration>

ECO-FRIENDLY COMMUNICATION

Treat the Earth well. It was not given to you by your parents. It was loaned to you by your children"~ *Kenyan Proverb*

Help us to communicate with you quicker and easier....and save the planet in the process!

Please take the time to provide your current email address to: cbellamy@belmonthousingwny.org. with the subject line of "Email Update". Please also include Name, Address and Telephone.

Please make note that this is the last mailing of the Landlord News, all further issues will be distributed via email.

Inspector's Corner



While we all hate to admit it, winter will be here before we know it, which also means the heating season will soon be upon us. Yes it's time to clean and check your heating systems to make sure they are operating properly and safely. Just in case you forgot.... Your heating system must be able to provide adequate heat either directly or indirectly to each room and must be capable of maintaining an interior temperature of 68 degrees between October 1 and May 31. Unvented gas space heaters, portable electric heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat. Please make sure your tenants know that combustible materials must not be stored near or around heating equipment.



Good night, sleep tight and ... don't let the bedbugs bite!

In recent years many cities have experienced an increase in reported

bedbug infestations—and Buffalo is no exception. Despite what their name suggests they are found in more than just your bed or bedding. They can hide in the cracks of furniture, behind picture frames, inside electric appliances, in between the pages of books and even within a clock radio.

Many people mistakenly associate bedbugs with bad housekeeping. A website about bedbugs provided by the EPA at www.epa.gov/bedbugs, states that bedbugs are not attracted to dirt and grime.

Bedbugs travel by hitching a ride on items like clothing, furniture and bedding, as well as, backpacks, briefcases and other luggage. It is recommended that people not use second hand furniture, clothing or luggage without thoroughly examining it bugs.

While bedbugs are not known to carry any diseases, victims of an infestation may have an allergic reaction to their bites resulting in itching and blisters or red bumps. In addition, the stress from an infestation may prevent a victim from sleeping well which can result in mood changes and reduced alertness.

A number of indicators might alert you to a bedbug infestation at one of your properties. One may be residents complaining of unexplained bites, although not all people react to the bites in the same way. Another is stains. Light

brown to black stains from the bedbug colony's excrement might soil mattresses, sheets and other bedding. In some cases, the bedbugs' bites may result in blood stains on pillows or sheets.

Responding quickly and efficiently to an infestation is crucial to protecting your property investment. If you have reason to believe one of your units may have a bedbug infestation, you should contact a pest management professional immediately.

The EPA website provides tips on choosing a pest control company in its Citizen's Guide to Pest Control and Pesticide Safety.

Quick facts about bedbugs:

- The adult bugs are about the size of an apple seed and will hide anywhere they can until it's time to feed—on human blood.
- They feed by inserting their stylet into a human's skin and sucking the blood into their body.
- The bug swells as it ingests the blood and, once it's full, returns to its hiding place until it needs to feed again.
- Bedbugs can lay more than 200 eggs in their lifetime.

Check you local telephone listings for a qualified exterminator near you.



Listing Your Unit

To list you vacancies on our website, go to WWW.BELMONTHOUSINGWNY.ORG. Click the landlord tab...

When listing for the first time you will need to register by clicking the "Account registration" tab... You will receive a username and temporary password. Once information is received, you will be directed to the landlord login. Once you are logged in you will list property in the account dashboard* field of "Add Property".

You may list your unit with our agency for as long as you wish, but we recommend that you update the listings every 60 days. If you rent the unit within the 60-day period, please make sure to remove the listing. To re-list your unit just update your listing with the new available date.

Our service is the fastest and easiest way to give your rental properties high-priority. We have helped hundreds

of landlords fill their vacancies all at no charge.

Compare listing your property with local newspapers.

Buffalo News

7 Day Online Only Basic listing - \$49
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The Bee

Line ad: 5 lines, approx. 25 words \$51.00 for 3 wks

Artvoice

Standard Rates: \$3.75/line. 3 line min.30 char/line.

Optional Headlines are equal to 2 copy lines. 20 character/line.

Belmont Listing \$0.00

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