



The Landlord Risk Mitigation Fund (LRMF) is a formal partnership among housing providers, property owners and managers, service providers, and persons with barriers to accessing housing. The goal is to create access to housing through a 'Housing First' approach that emphasizes rapid placement and support in housing. The Fund should help persons who have housing barriers to meet screening criteria and maintain compliance with fair housing laws.

The risk mitigation fund will reimburse up to \$3,000 for physical and operational losses for up to two years after move-in. The fund could cover the following expenses:

- Damages caused by the tenant, beyond normal wear and tear to the unit, that exceeds the security deposit.
- Up to two months of rent non-payment, if the tenant does not vacate the apartment in good standing.
- Court costs and attorney fees where necessary, up to \$500, to terminate a tenancy and remove a participant for nonpayment of rent or other serious and repeated violations of the lease in accordance with state law. (Landlords seeking reimbursement must provide evidence that they took reasonable steps to avoid eviction and that a legal proceeding was necessary to avoid greater financial hardship).

What the program is **NOT**:

- A cosigner.
- A rental assistance program.
- An emergency assistance program.
- A direct financial benefit to the tenant.
- Guaranteed money for the landlord, property owner, or property manager.
- Meant to upgrade the property.

Landlord Responsibilities

- 1) Receive a copy of the Landlord Risk Mitigation Fund Certificate of Acceptance.
- 2) Sign a lease with the tenant.
- 3) Sign the Landlord Risk Mitigation Fund Partnership Agreement and return a copy to the service provider.
- 4) Provide a copy of the lease agreement and move-in inspection to the tenant before the move-in date.
- 5) Follow the terms of the lease agreement in accordance with federal, state, and local law.
- 6) If there are any concerns related to the tenant and/or his or her household, the landlord must **first contact the tenant** directly and follow procedures used for all tenants. If the landlord continues to experience conflict or concern, the landlord must contact the **tenant's service provider** as soon as possible for assistance in resolving the issue.
- 7) If the tenant defaults on the lease or damages the property in excess of the damage deposit, contact the service provider, and seek to collect from the tenant.
- 8) If necessary, contact the service provider to complete LRMF Claim Form and submit to the FM Coalition.

How the LRMF Program Benefits Landlords

- You have contact with a service provider who can mediate issues, teach needed skills, and communicate/interpret for the tenant.
- You keep your units full.
- You minimize your risk of financial loss due to unpaid rent or property damage.
- You assist a household traumatized by homelessness.
- You serve and provide cost savings to the community at large.

The FM Coalition to End Homelessness will not publish or distribute in any fashion your name or your participation in the Landlord Risk Mitigation Fund except as expressly directed by you.



**Landlord Risk Mitigation Fund
Landlord Partnership Agreement
& Release of Information**

**TO BE FILLED OUT
AT LEASE SIGNING**

For the Tenant:

I, (Head of Household) _____, hereby give
_____ (Service Provider), and the Landlord Risk Mitigation Fund Manager and
Advisory Board permission to obtain information from _____
(Landlord/Property Management Company) related to my tenancy. This information includes but is not limited to the
rental application, lease agreement, and tenant warnings, notices, violations, or evictions. I understand this information
is needed in order for my Service Provider and the Landlord Risk Mitigation Fund Advisory Committee to provide
assistance to my household.

I understand my authorization will remain effective from the date of my signature until 60 days after the date of my exit
from the Landlord Risk Mitigation Fund. I also understand I may see any shared information, and that I may revoke
authorization at any time by written communication to my Service Provider.

My authorization releases any of the entities listed above, their agents and employees, from any and all liability for
damages arising from obtaining, providing, and/or taking action based on the information covered by this consent.
Refusing to sign will result in my household being ineligible for the fund.

I have read, or it has been read to me, and understand the nature of this release and sign this consent voluntarily.

Signature of the Head of Household

Date

For the Landlord:

*By signing, I accept the roles and responsibilities outlined in the Landlord Risk Mitigation Fund program and agree to
adhere to the policies and procedures of this program.*

Signature of the Landlord

Date

For the Services Provider:

*By signing, I accept the roles and responsibilities outlined in the Landlord Risk Mitigation Fund program and agree to
adhere to the policies and procedures of this program.*

Signature of the Services Provider

Date



Landlord Risk Mitigation Fund Claim Information Sheet

As a landlord or property manager partnering in the Landlord Risk Mitigation Fund (LRMF) you are taking an active role in a solution to addressing homelessness in our community. It is the hope of all partnering in the LRMF that there never be a need for filing a claim. However, should need a for a claim arise at any point in the landlord-tenant relationship, this information sheet is provided to the landlord before agreeing to partner in the LRMF so the landlord may better understand the policy, procedure, and function of the program.

General LRMF Claim Information

LRMF can indemnify two types of claims through the Risk Mitigation Fund. While the initial claim form for each of these claims is the same, the documentation required, and the cost reasonableness evaluation procedure differs. Landlords must engage the tenant and/or the service provider to address any conflict or issues as well as recoup cost or financial loss from the tenant, if possible. When all options and efforts have been exhausted, the landlord must contact the service provider to begin the process of filing a claim.

The amount eligible from the fund will be reduced by the amount that could be recovered from an insurance claim when the after-deductible benefit amounts to \$3,000 or more. The decision of whether to file a claim is up to the owner.

Physical Claims are for physical damage to a LRMF unit, caused by a LRMF tenant. It is assumed that all unit turnovers require a certain amount of repair (cleaning, painting, and some carpet replacement would not be unusual). Costs of tenant caused physical damage to a unit and/or elsewhere on the property may be covered by the Risk Mitigation Fund.

Physical claims could include the following:

- Excessive cleaning, including carpet cleaning.
- Debris removal and disposal.
- Repair of doors, walls, cabinetry.
- Other damages in excess of those arising out of normal wear and tear.
- Damage to common areas by LRMF tenant may qualify, depending on the circumstances.

Physical items NOT included are:

- Normal wear and tear.
- Normal turnover costs.

Operational Claims are claims related to lost rent revenues or excessive operating losses. LRMF is not a rent subsidy program.

Claims for excessive operational expenses could include:

- Legal costs related to evictions, up to \$500.
- Rent that is owed but not collected, not to exceed 60 days.
- Rent during a vacant turnover time when a tenant has broken the lease and that period exceeds 30 days.
- Other items such as utilities might be included, depending on the circumstances.

Claims NOT eligible for reimbursement include:

- Any increase in insurance premiums.
- Lost rent during the initial lease-up period.
- Operational costs that are considered normal business expenses for operating the rental unit.

In general, all claims are to be submitted after the termination of the tenant has occurred. The fund may also be used to prevent termination in certain circumstances when a physical claim is filed but must be approved by the advisory committee on a case-by-case basis.



Procedures for Filing a Claim:

Claims can only be filed for units covered that have been approved for coverage by the LRMF Advisory Committee. Proper documentation must be submitted with each claim. Landlords applying for reimbursement of physical repair costs must document the condition of the LRMF unit in writing at move-in. This is necessary to document the condition of the unit at the beginning of the tenancy to determine the damage caused by the LRMF tenant.

The fund administrator in the office of the FM Coalition to End Homelessness should be contacted immediately and may do an emergency inspection by a fund designee and walk the landlord through the claims process.

For all types of claims, documentation must include:

- Owner, project name, address, and unit number.
- Statement that the unit is being used as a LRMF unit.
- Claim amount requested.
- Type of claim (could be more than one for a single unit/incident).
- Reductions for reimbursement from other sources (deposits, insurance, or other programs, collected rent for period, etc.).
- Explanation of reason for a claim request.
- Certification that all costs are actual costs and not being reimbursed from other sources.

For Physical Damage Claims ONLY:

In addition to completing a claim form, claimants must attach a description (work order or contract) of the proposed repairs including quantities, materials, unit prices, and an estimate, bid or invoice for repairs (including material and labor). Photos of damage should be provided.

LRMF will use the property manager's standard move-out accounting and documentation on claims for security deposits as a way of determining when repairs are beyond normal wear and tear.

For Operational Losses ONLY:

Owners must complete a separate claim form for Operational Losses as well as provide a brief explanation of what occurred and what actions the owner and/or manager took to try to limit losses.

Owners must attach the landlords standard move-out accounting, and documentation used to make claims against security deposits.

Questions

Should you have any questions about claims or the program as a whole, please contact the Service Provider. Any questions they are not able to address can be directed to the LRMF program manager or administrator at the FM Coalition to End Homelessness.