



RENTAL HOME STABILITY PROGRAM

A Model Program developed by
Community HousingWorks (CHW)





THE



*RENTAL
HOME
STABILITY
PROGRAM*



*PREVENTS
EVICTIONS
AND*



*KEEPS
RESIDENTS
HOUSED.*

Preventing evictions helps RESIDENTS and

- Prevents human suffering
- Prevents long-term trauma for children
- Prevents future financial and credit burdens

Evictions can cause many problems

Physical

- Higher Mortality
- Respiratory Conditions
- High Blood Pressure
- Poor Self-Rated General Health
- Coronary Heart Disease
- Sexually transmitted infections
- Drug Use

Mental

- Depression
- Anxiety
- Mental Health Hospitalization
- Exposure to Violence
- Suicide

Women

- Physical Assault
- Sexual Assault
- Drug Use and Related Harms
- Pre-term Pregnancies
- Future Housing Instability

Children

- Lead Poisoning
- Academic Decline
- Food Insecurity
- Emotional Trauma
- Risk of Chronic Disease in Adulthood
- Low Birthweight
- Decreased Life Expectancy

Substandard Conditions

- Lead
- Mold
- Poor Ventilation
- Pest
- Infestations
- Crowding

Barriers to Livelihood

- Failing Credit Scores
- Downward Move
- Unemployment
- Residential Instability
- Homelessness
- Inability to access social services

Preventing evictions helps **PROPERTY OWNERS and the
COMMUNITY**

- Prevents income loss for property owner
- Prevents court related eviction costs
- Prevents unanticipated unit turnover costs
- Prevents neighborhood and housing instability
- Prevents long-term poverty and inequities
- Prevents homelessness

RENTAL HOME STABILITY PROGRAM

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| Mission

A shared point of view; the landlord must see eviction as the last resort.

| Purpose

Keep residents housed by preventing avoidable evictions. Studies show that eviction diversion programs succeed when they provide comprehensive supportive services to tenants and are designed to avoid evictions. Ultimately, eviction prevention benefits not only the household it serves but are found to reduce overall property expenses.

CHW's Eviction Prevention Program

- **History**

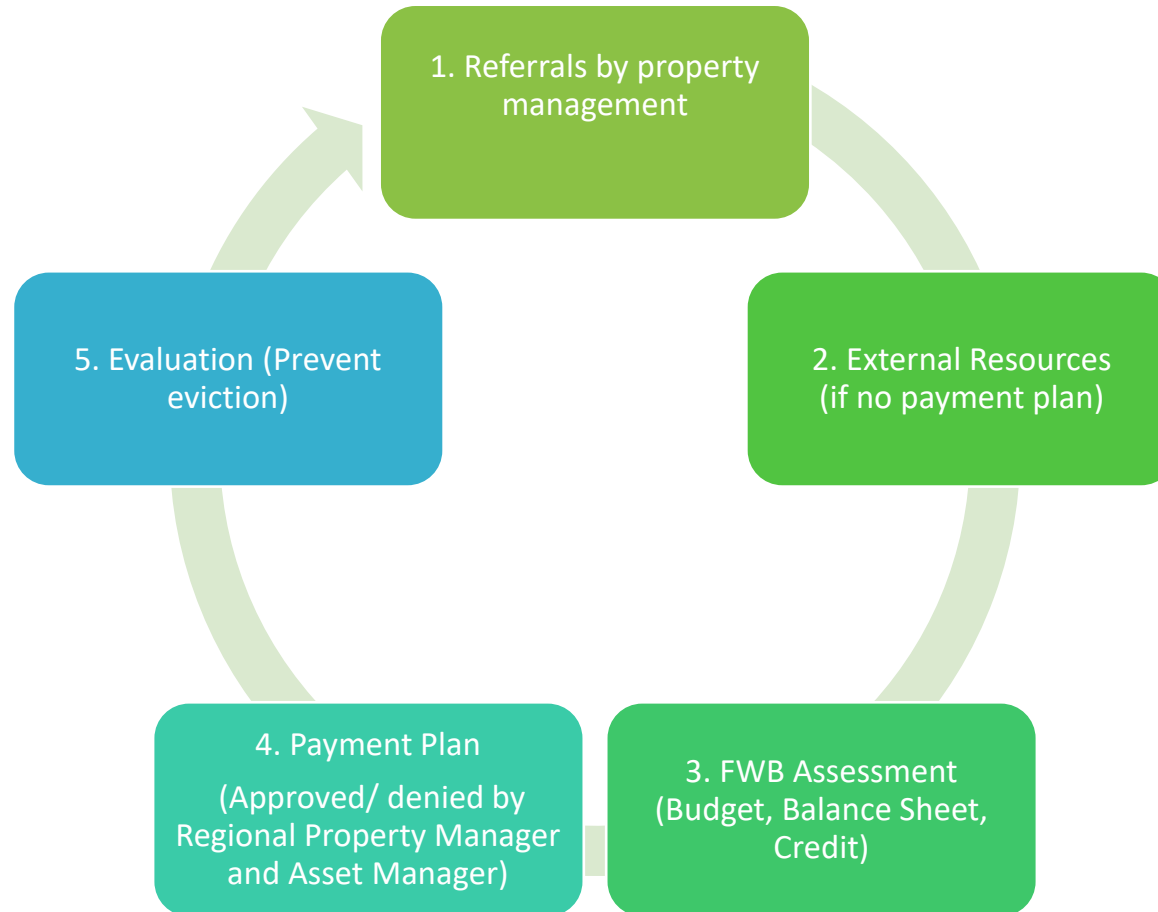
- In 2012, CHW decided to roll out their program and call it the Rental Home Stability Program (RHSP). The comprehensive program focused on working with households that were in financial crisis or at high risk of economic and home instability.
- From 2012- 2016, **123 total evictions were avoided** saving approximately **\$492,000** in operating costs savings.
- CHW hired a team of financial coaches to meet with residents to do the intake/assessments and create a viable payment arrangement through the process of creating a budget, pulling credit and providing on-going credit counseling. Cost estimates were approximately **\$208,500**.
- CHW partnered closely with their property management companies to provide training, a formalized program and even rolled out an online management software tool for tracking.

Rental Home Stability Program (RHSP) Overview

- The Rental Home Stability Program (RHSP) provides eviction prevention to our residents who are facing a financial crisis. The RHSP is a six-month financial counseling program with the primary goal of stabilizing housing and finances to avoid legal eviction. This innovative payment plan program of CHW's is unique in affordable housing and includes:
 - 1:1 eviction prevention counseling for residents
 - Individual financial assessments
 - Payment plan development
 - Linkage to financial resources



Eviction Prevention Program - Framework



Resident Success Story

The Rental home stability program really helps because it was very difficult to catch up financially after Covid. At any other apartment there would have been an eviction notice and they would not have worked with the resident to find a solution. This resident was rarely late but something unexpected happened, her mother faced some financial struggles and had to move in with her.

So she was unable to make the full rent on time. Fortunately, she didn't have to go through helping her mom financially and run the risk of being evicted. The Rental Home Stability Program offered her the resources and tools for her to handle the situation the best way she could.



Tools & Resources

- RHSP Referral Form
- RHSP Request Form
- Enrollment Form
- Budget and Balance Sheet
- Payment Plan 4 months
- Payment Plan 6 months
- RHSP Check list

Rental Housing Stability Rent Payment Plan

NAME			
ADDRESS			
PHONE		EMAIL	

I, _____, agree to pay my outstanding balance of \$ _____ according to this mutually agreed
(Resident Name)
 payment plan dated _____ by and between _____ (Property Owner Name). All monies owed
 must

be paid in accordance with the payment installments and statements of understanding as detailed below unless otherwise approved by Community HousingWorks (CHW).

DUE DATE	PAYMENT	BALANCE OWED
	\$	\$
	\$	\$
	\$	\$
	\$	\$

INITIALS	STATEMENTS OF UNDERSTANDING
	I understand this payment plan is subject to approval by CHW.
	I understand that I can have only one Rental Payment Plan in a 12-month period.
	I understand that I must pay the regular monthly rent by the 1 st of each month.
	I understand if I miss a due date and/or do not pay the agreed upon amount for each due date, I will be considered in default of my Lease Agreement and this can result in an eviction.
	I understand that if I am evicted for nonpayment, CHW still has the right to ask for the balance of the full payment.
	I understand that upon successful completion of the payment plan, I am eligible to become a member of CHW's Financial Health Club and participate in the match savings program.
	By signing this agreement, I agree to the payment terms as outlined above. Furthermore, failure to comply with one or more of these payments as outlined above constitutes a breach <u>in</u> this agreement and at this time, the entire unpaid balance will be due and payable immediately.

Signature of Resident	Date	Signature of Resident	Date
Signature of Financial Counselor			
Signature of ConAm Manager (RPM)		Date	
Signature of Asset Manager		Date	

CHW USE ONLY		
<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	Reason for denial:

2021- 2023 RHSP Data Recap

	2021	2022	2023	Total
Referrals	55	55	168	295
Active Cases/Enrollments	0	0	112	112
Paid in Full = Eviction Prevention	28	34	42	104
Maintain Housing for six months or more	10	32	35	77
	36%	94%	83%	74%

- The Rental Home Stability Program (RHSP) has been helpful in assisting CHW residents with outstanding balances by facilitating enrollment in payment plans and preventing eviction. RHSP temporarily paused during the COVID-19 period due to the eviction moratorium.
- From 2021 to 2023, a noteworthy total of 295 referrals were made, leading to 104 households successfully completing the RHSP. Out of these, an impressive 74% (77 households) maintained their housing for six months or more.



| Program Savings

In 2016, it was estimated that by preventing legal fees, turn costs and vacancy loss through RHSP, a property could save roughly \$4,000 per household. We know that in 2023, that figure would be much higher.

Even with the costs associated with creating the RHSP, the savings overwhelmingly outweighed the expense.

Updated Stats from 2023

- **Attorney Fees**

- Range from \$1,850 - \$10,000+; the low end represents the bare minimum of placing a household in eviction with an attorney and getting the case going, costs start to increase the longer the case remains in the system without resolution or if the resident decides to contest the eviction which is often the case. The \$10,000+ represents when cases are brought in front of a jury, when this happens the attorney fees start to increase rapidly, and the case takes a very long time to settle, and possession is pushed out 12+months given the current state of the courts.

- **Turn Costs**

- This category is the largest variable, we often see higher turn costs related to turning units that were in the eviction process. Depending on the severity of the turn you could be looking at a range of between \$500 - \$5,000+.

- **Write-Offs**

- With the new Notice to Vacate being a 3-Day to Pay/30-Day Quit, by the time the case is submitted for eviction the past due rent is at least equal to 2 months' worth of rent, for uncontested evictions the write-offs just associated with rent would be in the range of \$7,500 - \$10,500 and for contested evictions the write-offs just associated with rent would be in the range of \$10,500 - \$13,500. These figures are based off a monthly affordable rent of \$1,500, in most cases rent may be higher than \$1,500 per month. If a case is taken to a jury trial, then you are looking at rent write-offs in excess of \$18,000.

- **Days Vacant**

- In markets where the demand is strong and there are long waitlists, vacancy can be minimized. Estimated vacancy loss is in the range of \$500-\$1,500 depending on market conditions for affordable communities.

- Looking at these ranges you can determine that expenses related to one unit evicted at a monthly rent of \$1,500 could cost a property between \$10,350-\$30,000+. Several properties in the market have and are currently experiencing high expenses in these categories due to evictions that are still lingering from the prior moratorium, working with households to remain housed and to get current with their financial obligation surrounding rental payments is a win-win for properties, property owners, residents, and communities at large.

Updated Average Eviction Stats from 2023

- **Average 2023 Eviction Costs (Reference Data Pulled from Affordable Managed Properties)**

- **Attorney Fees** **\$2,850**
- (Includes attorney fees, court costs & fees)
- **Turn Costs** **\$1,500**
- (Depending on the age & condition of the unit)
- **Write-Offs** **\$10,500**
- (Rent Losses averaging 7 months)
- **Days Vacant** **\$750**
- (Average 14 days vacant @ \$1,500/month)
- **Total Eviction Related Property Fees** **\$15,600**

- The above figures represent averages, in contested cases and those brought in front of a judge/jury those figures increase significantly. We are seeing on average uncontested cases take from 3-5 months including the lockout and contested cases taking from 5-7months including the lockout.

Thank you for coming!

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