



# Housing Search Guide

A Housing Consumer Education Center Publication





## **Massachusetts Housing Consumer Education Centers (HCECs)**

Region: Berkshire County

***Berkshire Housing Development Corporation and  
Berkshire County Regional Housing Authority***  
One Fenn Street Pittsfield, MA 01201, 413-499-1630  
[www.berkshirehousing.com](http://www.berkshirehousing.com) & [www.bcrha.com](http://www.bcrha.com)

Region: Middlesex and Essex Counties

***Community Teamwork, Inc.***  
155 Merrimack Street Lowell, MA 01852, 978-459-0551  
[www.commteam.org](http://www.commteam.org)

Region: Franklin County

***Franklin County Regional Housing and Redevelopment Authority***  
42 Canal Road Turners Falls, MA 01376, 413-863-9781  
[www.fchra.org](http://www.fchra.org)

Region: Hampden and Hampshire Counties

***HAPHousing***  
322 Main Street Springfield, MA 01105, 413-233-1500  
267 High Street, Holyoke, MA 01040, 413-322-8312  
[www.haphousing.org](http://www.haphousing.org)

Region: Cape Cod and the Islands

***Housing Assistance Corporation***  
460 West Main Street Hyannis, MA 02601, 508-771-5400  
[www.haconcapecod.org](http://www.haconcapecod.org)

Region: Plymouth and Bristol Counties

***Housing Solutions for Southeastern Massachusetts***  
169 Summer Street Kingston, MA 02364, 781-422-4200  
[www.housingsolutionssema.org](http://www.housingsolutionssema.org)

Region: Greater Boston

***Metro Housing|Boston***  
1411 Tremont Street, Boston, MA 02120 617-425-6700  
[www.MetroHousingBoston.org](http://www.MetroHousingBoston.org)

Region: Worcester County, parts of Norfolk and Middlesex

***RCAP Solutions, Inc.***  
12 East Worcester Street Worcester, MA 01604, 978-630-6600  
[www.rcapsolutions.org](http://www.rcapsolutions.org)

Region: Greater Framingham and Metro West

***South Middlesex Opportunity Council, Inc.***  
7 Bishop Street Framingham, MA 01702, 508-872-0765  
[www.smoc.org](http://www.smoc.org)

## Massachusetts Housing Consumer Education Centers

### One Stop Shopping for Housing Information and Referrals

The Housing Consumer Education Centers (HCEC) offer answers to a wide range of questions about all types of housing problems for renters, those who are homeless, homebuyers, homeowners, and landlords. The HCECs offer a wide range of housing-related education and assistance, and emphasize self-reliance through knowledge and skill building enabling renters and owners to make smart choices and solve their own housing problems.

COME VISIT OUR WEBSITE AT:

**[www.masshousinginfo.org](http://www.masshousinginfo.org)**

OR CALL US AT:

1-800-224-5124

TO FIND THE CENTER NEAREST YOU

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The Regional Housing Network of Massachusetts, the network of regional non-profit agencies that offer the Housing Consumer Education Centers, would like to thank **HAPHousing**, the regional agency representing Hampden and Hampshire Counties, for providing the original Housing Search Guide which is the basis for this booklet. Thanks also go to the Massachusetts Department of Housing and Community Development, which provided the funding necessary to make this information available statewide.

This booklet is designed for families and individuals in Massachusetts who are searching for a place to live AND IS NOT INTENDED AS A LEGAL REFERENCE. It offers general information about the housing search process.

Programs may change. For this reason, to ensure you have the most up-to-date information check with your local Housing Consumer Education Center to make sure the information in this book is current.

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THE INTENT OF THIS BOOKLET IS TO EDUCATE AND INFORM TENANTS  
ABOUT HOW TO SEARCH FOR AN APARTMENT.

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# 1. Planning Your Search

There are a lot of things to consider when choosing a home. Housing search can seem like a full time job because getting exactly what you want will take time, energy, and determination. This book will take you through the various steps involved with finding the right place to live, one step at a time.

Remember, this is going to be your home. Making the right choices up front pays off in the long run. So let's start with taking a moment to consider what your housing needs really are. You may not be able to find a place that meets all of these needs in the end, but it's good to start out with a clear idea of what you're looking for.

## Wish List

Take a moment to think about what you are looking for in a place to live.

- ***Where would you like to live?***  
What state, city, town, or neighborhood: \_\_\_\_\_
- ***Describe the area or neighborhood you would like to live in.*** What is it that makes you want to live there? Is it because of the school system, for example, or because friends or relatives live nearby? Are there any similar communities nearby that would make a good "second choice?" \_\_\_\_\_  
\_\_\_\_\_
- Based on the number of people in your household, ***what size apartment do you want or need?***  

Total # of Rooms:	_____	# of Large Rooms:	_____
# of Bedrooms:	_____	# of Small Rooms:	_____
# of Baths:	_____	Storage Space:	_____
- ***Who will be living with you?*** \_\_\_\_\_
- ***Special considerations.***  

Do you need a handicap accessible unit?	Yes _____	No _____
Do you need to be near a bus route?	Yes _____	No _____
Do you need a home that is free of lead-based paint hazards? (You will if anyone living with you is less than six years of age.)	Yes _____	No _____
Do you need a yard for your children?	Yes _____	No _____

What pets do you have? \_\_\_\_\_

Do you want or need to be near a grocery store? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you want a washer and/or dryer hook-up? Washer \_\_\_\_\_ Dryer \_\_\_\_\_

Do you need a garage or off-street parking for your vehicle?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Is there anything else that you might want or need? \_\_\_\_\_

### Housing Costs: What Can You Afford?

So now let's take a look at what you can afford.

The general rule for determining affordability is to pay no more than 30% of your monthly income towards housing costs. Unfortunately, this may not always be possible if you aren't receiving a rental subsidy. Nevertheless, this exercise will provide a first pass at estimating what you can realistically afford.

- If all utilities are included in your rent, you may be able to afford to have as much as 50% of your monthly income go towards housing costs.

You can figure out what 30% of your income is with some simple math. Just take what you earn each month from employment (just what you take home after income taxes and other deductions), TAFDC, unemployment and/or social security. Then multiply that amount by 0.30.

Here are two examples.

**Example 1. If you work**, you can figure out your monthly income based on the amount you take home after all deductions have been taken out of your pay. This is also referred to as your *net* wages. (The amount that you earn *before* your employer deducts your taxes, medical insurance, etc. is called your *gross* wages.)

If you are paid by the week, you can estimate your monthly income by multiplying your weekly net pay by 4.3.

If you **bring home (net)** \$ 350/week:

Your weekly take home pay is:	\$ 350.00
Multiply it times 4.3:	<u>     X 4.3     </u>
To get your <b>monthly income</b> :	\$1,505.00

To figure 30% of your monthly income, just multiply it by 0.30.



Your monthly income:	\$1,505.00
Multiplied times 0.30:	<u>X 0.30</u>
<b>Your desired monthly rent is:</b>	<b>\$451.50</b>

In other words, you would ideally like to find yourself in a situation where you are paying approximately \$450 towards your rent each month, not counting utilities.

**Example 2.** Suppose that **you receive TAFDC** and your income is \$730.00 per month:

Your monthly income:	\$730.00
Multiplied times 0.30:	<u>X 0.30</u>
<b>Gives your desired monthly rent:</b>	<b>\$219.00</b>

As you can see from these examples, finding a home where your out-of-pocket rental costs are no more 30% of your monthly income may, at best, be very difficult. In fact, it can often be impossible without finding some way of stretching your rent money. We will talk about strategies for doing this later in this chapter and in Chapter 4.

Of course, rent is not your only expense. How much you can afford to pay in rent is affected by all your other monthly expenses. So let's take a look at your total budget.

### What are Your Expenses?

Few people actually sit down and calculate where their money goes each month, but it's a good idea to do so. Here's an example of a budget showing some of the most basic monthly expenses for a household of three living in a two-bedroom home:

Rent:	\$650.00
Heat:	\$120.00 (Average figure: varies with the season.)
Electric:	\$60.00 (Average figure: varies with the season.)
Food:	\$400.00
Phone:	\$35.00
Basic cable:	\$30.00
Internet:	\$25.00
Clothing	\$50.00 (Varies: assumes very careful shopping.)
Health related expenses:	\$20.00 (Assumes you have insurance coverage.)
Transportation:	\$80.00 (This will vary.)
Day-to-day expenses:	\$25.00
"Rainy-day" set aside:	<u>\$10.00</u>

**Total:        \$1,505.00** per month.

The first thing to notice is that the rent in the above example is nearly \$200 more than the ideal \$450-a-month rent calculated for the family of three taking home \$350 each week in Example 1 of the previous section. And unfortunately, even a rent of \$650 per month is

significantly less than what is likely to be available in many parts of the state. The next thing to notice is that this is a **very** basic budget. Even a simple activity like taking a family of three to the movies would put this household “over-budget” for the month. This is only an example, and many of these expenses may vary, but it should hopefully give you an idea of why you really need to think about **all** your expenses.

Now let’s take a look at your expenses. Consider your monthly rent – or the average rent of an apartment in the neighborhood in which you would like to live – in combination with these additional monthly expenses:

**Monthly Rent:** \_\_\_\_\_

**Other Monthly Expenses:**

<b>Utilities:*</b>	<b>Amount:</b>	<b>Living Expenses:</b>	<b>Amount:</b>
Heat:	_____	Groceries:	_____
Hot water:	_____	Restaurant expenses:	_____
Electricity:	_____	Medical Insurance	_____
Gas:	_____	Medical Expenses:	_____
Telephone:	_____	Dental Expenses:	_____
Cable:	_____	Clothing/Shoes:	_____
Internet:	_____	Day-to-Day Expenses:	_____
Water:**	_____	Car Loan:	_____
		Gas/Transportation:	_____
		Entertainment/Misc.:	_____
		Credit Cards/Loans:	_____
		“Rainy Day” Fund:	_____
<b>Total Utilities:</b>	_____	<b>Total Living Expenses:</b>	_____

Now add them all together:

**Your Monthly Rent: \$ \_\_\_\_\_**

**+ Your Total Utilities: \$ \_\_\_\_\_**

**+ Your Total Living Expenses: \$ \_\_\_\_\_**

**= Your Total Monthly Expenses: \$ \_\_\_\_\_**

*\*You need to keep utility costs in mind when looking for a place to live. New England winters can be severe. Renting an apartment that has heat and hot water included in the rent can help stretch your money. If you're going to be paying for utilities, remember to ask the property owner or manager for some estimate of what the annual utility costs are for that apartment before you move in. This is very important because some types of heat, such as electric baseboard, may be considerably more expensive than others.*

*\*\*Under Massachusetts law, a landlord can only charge you for water and sewer expenses if he or she has installed a special sub-meter and low-flow fixtures in your apartment.*

A more detailed budget form appears in the Appendix at the back of this booklet.

### **Looking at Your Rental History**

The final step is to take an honest look at your rental history, as most landlords will check references – and you probably wouldn't want to live in a property owned by a landlord who doesn't bother to do so. If you think you might have problems getting a good reference from one of your previous landlords, don't worry. We'll discuss what to do about that later in this book.

But for now, let's discuss how your rental history might look to a potential landlord. Remember that you're doing this exercise *for yourself*. It's important to be ready to answer any questions that might arise in the course of your housing search.

- Have you ever been evicted? Yes \_\_\_\_\_ No \_\_\_\_\_
- If you were, what were the reasons for your eviction? \_\_\_\_\_  
\_\_\_\_\_
- What was your side of the story? \_\_\_\_\_

- Do you have outstanding heat or electric bills, or do you have a history of having problems with paying utilities? Yes \_\_\_\_\_ No \_\_\_\_\_
- Do you have any outstanding charge or credit card balances? Yes \_\_\_\_\_ No \_\_\_\_\_  
How much (total) do you owe? \_\_\_\_\_
- Have you ever filed for bankruptcy? Yes \_\_\_\_\_ No \_\_\_\_\_  
If so, when did you do so? \_\_\_\_\_
- Have you ever been arrested for, or convicted of, any criminal activities?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, what for? \_\_\_\_\_

### Options for Stretching Your Rent Money

Now let's take a quick look at some of the ways you can make your rent money go farther. It can be difficult to find an apartment within your price range, so you may have to consider some of these alternatives.

1. **Roommates/Co-Housing:** It may sometimes be easier to share a good four-bedroom apartment at \$1,200 per month than it is to find a good two-bedroom apartment that rents for \$600 per month. However, if you plan to share an apartment with someone, be sure that you choose your roommate wisely. It's important to be able to trust your roommate because the wrong roommate can end up leaving you with full responsibility for the rent. "Would I trust this person with my money?" may be a more important question than "Do I enjoy spending time with this person?" Make sure that both your names are on the lease. Be clear about details such as how the utilities are paid and who pays them. Make sure that the lease and other documents having to do with your tenancy reflect the portion of the security deposit or last month's rent that you paid; and that they state that your share must be *returned to you* when you move out.
2. **Smaller Apartment:** A smaller apartment is not always the easiest way to live; but sometimes it's the only choice. If you have a young child, you may be able to stay in a one-bedroom. If you have two children, you may be able to live in a two-bedroom, etc. You may only need to do this temporarily until you are better able to afford the size you actually need.
3. **Home Sharing:** Home sharing is a referral and matching service linking people who have homes and people who need homes. Call your local Housing Consumer Education Center for more details. The Off-Campus

Housing Offices at local colleges or universities can sometimes also be helpful.

4. **Housing Subsidies:** Housing subsidies are direct rental assistance programs for low-income families and individuals. They are available through a housing authority or a regional non-profit housing agency. Under a housing subsidy, the good news is that a tenant's rent is based on his or her income. The bad news is that the waiting lists for subsidy programs are usually very long. We will talk more about rental subsidies in Chapter 4 (see page 21).
5. **Fuel Assistance:** A limited amount of state and/or federal monies are usually available to assist low- and moderate-income tenants and homeowners with heating costs during the winter months. Fuel assistance is usually available during the heating season through local agencies. Additional fuel assistance may also be available from private sources. The exact nature and eligibility requirements for these programs may vary from year to year. For more information, contact your local Housing Consumer Education Center.
6. **Assistance for People at Risk of Homelessness:** Temporary loss of income or unanticipated major expenses can sometimes cause you to fall behind in your rent and place you at risk of eviction. If you find yourself in this situation, help may be available. The local Rental Housing Network agency near you can provide financial assistance information and guidance on accessing any funds that may be available to help people at risk of homelessness. Contact your local Housing Consumer Education Center for further information.
7. **Home Ownership Options:** Credit requirements may be tougher than they once were, but there are still programs to help first-time homebuyers; and it can sometimes be less expensive to own than it is to rent. At the same time, it is important to remember that home ownership has drawbacks as well as advantages. If you are interested in exploring homeownership options, the first step is to take one of the homebuyer education workshops that are offered at your local Rental Housing Network agency or through one of your local banks. The workshop will help you explore the pros and cons of homeownership. Completing a homebuyer education course can also help you access affordable home financing options or qualify for down payment and closing cost assistance. Other options include:
  - a) MassHousing (also known as Massachusetts *Housing Finance Agency* or MHFA) has mortgage loans for: first-time homebuyers of modest means, purchasers of new single-family homes, and for home rehabilitation in designated areas. Go to [www.masshousing.com](http://www.masshousing.com) for more information.
  - b) The U.S. Department of Agriculture's Rural Development division (also known as *Farmers Home Administration* or FmHA) provides loans and grants to farmers, communities, businesses, and

homeowners in rural areas. To find out more about their programs, go to [www.rurdev.usda.gov](http://www.rurdev.usda.gov) or you can call them directly by looking in the white pages of a telephone book under United States Government.

- c) Massachusetts Housing Partnership's ONE Mortgage program gives first-time buyers a conforming loan product with no PMI. Go to [www.mhp.net](http://www.mhp.net) for more information.
- d) Some banks offer special affordable mortgages for first-time buyers. Again, a homebuyer education course will provide you with information about these options.

**Explore** all your options. You can obtain information about many of these programs through local or regional housing agencies, community development corporations, banks or even a Realtor may be able to refer you to proper places.

## 2. Beginning Your Search

### Step One: Getting Your References in Shape

Having the right references is an important part of getting the home that you want. You already took a quick look at your rental history in Chapter 1. Now it's time to take a look at the various kinds of references you might have.

- In general, it is best to contact someone either in person or by phone *before* you give his or her name as a reference.
- As much as possible, it is important that you *only* use references that will make you look good. In the case of landlords, however, it is important to remember that leaving the name of a former landlord off your application because you think s/he might give you a bad reference can cause a problem. *Many prospective landlords now routinely run some sort of credit check on all prospective tenants.* This means that they will most likely end up with a list showing every address at which you have ever lived. If this is the case, they will probably suspect that you are hiding something if you fail to list one of your former landlords on your rental application; and misrepresentation on a rental application can, in itself, be a reason for rejecting a prospective tenant.
- New credit procedures mean that landlords who own fewer units now receive less information than they used to from tenant screening agencies. They may receive little more than a numerical score with limited information as to how the score was determined. They may reject you based solely on that score, even though the information on which these agencies base their recommendations is not always accurate. If you are rejected based on a credit report, the landlord to whom you applied must send you a letter giving you information on how to contact the screening agency. It is important that you follow up with the screening agency to make sure that the information they have on you is correct.
- When the time comes for you to fill out a rental application, the prospective landlord will ask for contact information on all your references. Make up a list of all the names, addresses and telephone numbers of your references ahead of time so that you will have it to take with you when you're applying for an apartment.
  1. **Landlords:** Contact every former landlord that you intend to use as a reference. This way there will be no surprises about what they say to a prospective landlord who calls for a reference. If there's a past landlord who would give you a bad reference, you need to be prepared to tell your side of the story.
  2. **Work References:** Ask your employer if you can use him or her as a reference. If your housing references are not good, or if you have never rented before and do not have a rental history, a positive work reference can sometimes be helpful.
  3. **Credit References:** Places where you have borrowed money or have a payment plan can be used as a credit reference. Many landlords check credit reports, and they're looking for more than just your credit history. Larger landlords can receive credit reports that give your present and past

addresses as well as your scores from the three major credit reporting agencies. Smaller landlords may get more limited information and a recommendation of whether to rent to you that comes directly from the credit reporting agency. They may also obtain certain criminal record information and information on evictions. It is important to remember that you must ***sign a release*** before a landlord can inquire into your credit history. (See page 13 for more information.)

4. **Personal References:** Ask your friends and/or relatives if they would be willing to act as a personal reference for you, although a personal reference should be a last resort. Most landlords don't consider personal references to be a substitute for a landlord reference.
5. **Co-signers:** If you have never rented before, is there someone who might be willing to co-sign your lease or rental agreement if you are chosen to be a tenant?

### Step Two: Where to Look

Once you have your references in place, it's time to start looking for available apartments that meet the needs of your family and your budget. Here's some ways that you can locate available apartments:

- Look in the newspapers, especially the Sunday papers, or their on-line listings such as [www.masslive.com](http://www.masslive.com).
- Check the internet, especially Craig's List ([www.craigslist.org](http://www.craigslist.org)).
- Contact Realty Offices (be sure to ask if there is a fee).
- Ask friends and family members; word of mouth is very effective.
- Inquire at Housing Authorities and Non-Profit Housing Agencies; ask if they have a bulletin board or listing service.
- A list of Section 8 moderate rehab project-based apartments may be obtained through your local Housing Consumer Education Center.
- Check out the listings on the **Go Section 8** website: [www.gosection8.com](http://www.gosection8.com)
- Check the listings at the MassAccess affordable home registry (particularly helpful if you're looking for a barrier-free apartment): <http://www.massaccesshousingregistry.org>
- Find community bulletin boards in the neighborhood where you want to live in community centers, grocery stores, Laundromats, bookstores, etc.

It's important to be aware that there are internet predators who seek to obtain personal information such as social security numbers from people who respond to bogus listings. The vast majority of apartment listings on the internet are legitimate, but you should not share your personal data until you have actually seen the apartment.

### Step Three: Contacting the Landlord

Even though your initial response to an internet listing will probably be through email, you will ultimately end up talking to someone over the telephone. That first phone call will be with someone who may end up becoming your landlord. It's important to make a good impression. Be polite and businesslike.



You may end up leaving a message on an answering machine. Many people complain that landlords do not return calls. If no one answers the phone, try calling at different times of the day. Remember that landlords may also have full time jobs. Sometimes landlords get so many calls for an apartment that your message can get lost. It's OK to leave a second message if you don't get a response to your first one. It just shows that you are seriously interested in the apartment. Remember that you must persevere if you want to succeed.

Think about how the message that you leave will sound to a prospective landlord. If you were in his or her shoes, would you be interested in renting to the person who left your message? Will there be a lot of background noise? If possible, try to limit distractions from other people when you are making calls. Turn off the radio and television when you call. If you're leaving a telephone number, be sure to speak slowly and repeat it twice so that the prospective landlord will have time to write it down without having to replay the entire message.

Is there anything you could say that would make you stand out from all of the other messages? You might, for example, say that you have good landlord references or briefly explain why you would be a good tenant. It's not, however, usually a good idea to say how desperate you are for a new apartment when you first contact a prospective landlord. Even though this may be true, saying it to someone who has never met you can make that person suspicious that there is some underlying reason why no one wants to rent to you.

#### **What to say when you call:**

1. **Tell** the landlord why you are calling: "Hello. I'm calling to ask about the apartment in Springfield that you have listed for rent. Is it still available?" *(If the landlord says no, then ask if he or she has any other apartments that may be available in the near future.)*
2. **Ask** the landlord any specifics about the apartment that were not included in the original listing (remember your wish list):
  - a) **How** much is the rent?
  - b) Are **utilities** (heat/hot water/electricity) **included**?
  - c) What **kind of heat** (gas/electric/oil/propane) is used?
  - d) Are any **appliances** (stove, refrigerator, dishwasher etc.) included?
  - e) **Where** is it located?
  - f) How much **money** do I need to move-in? First, last and security?
3. **Be professional.** This is the first impression that the landlord will make about you. Speak clearly; be polite and prepared with the questions you want to ask. Remember also that you don't have to share details of your personal life with the landlord. Be selective about what information you

give about yourself. You can say that you would prefer to speak in person with the landlord after you have had a chance to see the apartment.

4. **Set up** an appointment to look at the apartment if you like what you hear.
5. Before you hang up, **write down**:
  - a) The landlord's **name, phone number** and when the **best time** is to call him or her.
  - b) The **time** of the appointment.
  - c) The **address** of the apartment.
  - d) How much **money** (first, last and security deposit) the landlord is requesting.
    - If the rent is a bit more than you can afford, it may still be worthwhile to go and take a look at it. Once the landlord has had an opportunity to meet you, he or she might be willing to negotiate a slightly reduced rent.

#### **Step Four: Meeting the Landlord and Checking Out the Neighborhood**

First impressions are extremely important, so when meeting a landlord:

1. Be on time. Being **punctual** shows that you are responsible.
2. Be **friendly**. Remember that a positive relationship with your future landlord will benefit you in the long run.
3. Be **organized**. Have the contact information for your references ready.
4. Dress **appropriately**. It may not be fair, but most people make judgments based on how you dress.
5. Find **child-care** if it is possible. You will be able to focus your full attention on looking at the apartment and talking with the landlord without being distracted or worried about looking after your children.

How does what you see compare with the ideal apartment you pictured for yourself in Chapter 1? Are there any questions that you need to ask about the apartment? If you like the apartment and the neighborhood, tell the landlord how much you like it and that you are seriously interested. Ask when the landlord expects to make a decision about renting the apartment.

**Check out the neighborhood.** The area surrounding the apartment area can tell you a lot, so check out the neighborhood.

- Go by the area at different times of the day. You may first see the unit in the morning, but you will want to know what it is like in the afternoon and evening.
- Ask people who live in the neighborhood what they think of it.

- Look for trash and filth in the streets, around the buildings or around stores. If there are parks nearby, are they taken care of or are they dirty with broken facilities?
- Does it look like the city or town takes care of the roads and sidewalks? Are buildings empty and boarded up? What about graffiti?
- Look for signs that show that the people who live there care about their community in the same way that you will.
- Is there a liquor store or bar nearby? Bars may mean noise late at night and strangers in the neighborhood while you and/or your children are trying to sleep. This does not make a peaceful neighborhood.
- Look for signs of drugs or other criminal activities. Are there groups of people hanging out in the streets, particularly school age children and young adults? Children and teenagers who are *not* in school, or who are hanging around after 9:00 PM, *may* be at risk for drug, alcohol, and/or criminal activities. It's important to pay attention to adolescent activity in a neighborhood.

### **Step Five: Filling Out the Application**

If you're interested in the apartment, fill out the application while you're there. Take your time. Bring the list of the names, addresses and phone numbers of your references that you prepared in Step One (page 9) with you so that you can complete the application form as accurately as possible. A well-organized applicant will impress a potential landlord. You will be asked to sign a release giving the landlord permission to check your references. You are not required to do so, but not doing so means that the landlord will be unable to check references and will therefore reject you as a tenant.

Although ***not permitted under Massachusetts law***, some landlords may charge an **application fee** to everyone who seeks to rent an apartment from them. The stated purpose of this fee is to cover the costs associated with processing your application. Large residential complexes that have a steady stream of applicants are more likely to charge an application fee than smaller landlords are. In most cases, the application fee will be credited towards your first month rent if you are accepted as a tenant; but the landlord will not always return it to you if you are turned down. Ask the landlord to give you a receipt and/or written explanation of what will happen to your application fee. Feel free to call your local Housing Consumer Education Center or fair housing office if you have any questions about this procedure.

Also, remember that an application fee is not the same thing as the deposit to hold an apartment that is described in Chapter 3 (page 16).

## Step Six: Follow-Up

Call the landlord back within *two days* of your appointment to check on the status of the apartment. Be courteous. Remind the landlord that you really liked the apartment, and ask if he or she has any further questions for you. Calling the landlord reinforces the fact that you are interested, responsible, and ready to move. At the same time, don't press the landlord too hard. You are interested, not desperate. The landlord would be lucky to get you as a tenant.

## Fair Housing Laws

Housing discrimination is illegal under both state and federal law. While most people know how to spot obvious forms of housing discrimination, they often fail to recognize subtler types of discrimination that are just as illegal. It's important that you remain aware of your rights when you are searching for a home. Here's a brief summary of the fair housing laws:

It is always against the law to deny anyone housing based on:

- **Race.**

In most other instances, it is also against the law to deny anyone housing based on:

- **Color.**
- **Sex.**
- **National origin.**
- **Religion.**
- **The presence of children in the household.**
- **Disability.**
- **Marital status.**
- **Age.**
- **Sexual orientation.**
- **Military or veteran status.**
- **Ancestry.**
- **Public assistance.**
- **Housing subsidies or rental assistance.**
- **The presence of lead paint if a child under six is in the household.**
- **Genetic information.**
- **Gender identity and expression.**

Common forms of discrimination can include:

***Misrepresenting the Availability of Housing:*** When a landlord, owner, or real estate agent tells you that the housing is unavailable when it has not really been rented.

***Steering:*** When a real estate agent, landlord, or owner offers you housing only in neighborhoods with people who have the same race, ethnicity, or religion as you.

***Refusal to Rent or Sell:*** When a landlord or real estate agent refuses to rent or sell to you because you are a member of one of the protected groups listed above.

***Discrimination in Terms or Conditions:*** When people in one of the protected groups listed above are given terms or rules that are different from those given to others.

***Discriminatory Advertising:*** Any written statement or any oral statement that indicates preferences or limitations for certain people

***Use of Threats, Intimidation, or Coercion:*** When someone attempts to keep you from renting or buying a house in a neighborhood by suggesting that you will not be safe or that neighbors do not want a person who is a member of one of the protected groups listed above to move into the neighborhood.

***Domestic Violence and Sexual Harassment:*** Massachusetts law provides you with certain important protections if you are a victim of domestic violence, rape, sexual assault or stalking – or if you have reason to believe that you might be at risk of being a victim. These include:

- The right to end your tenancy, even if you have a lease, by giving proper notice. (At most, you may be responsible for an additional month's rent if you do this.)
- The right to have your apartment locks changed for a reasonable fee, or to change them yourself.
- The right to not experience retaliation by your landlord – or by a potential landlord in the future - for needing to do this.
- The right to not be evicted because you got a restraining order or called the police.
- The right to not be forced by a landlord to waive these rights when signing a new lease.

In certain situations, refusing to rent to you based on an arrest record or some other unproven report of possible criminal activity – as opposed to actual conviction for a crime – may also be considered to be discriminatory.

The law can be complex in these matters, so it's important to seek appropriate guidance – and ***if you feel that you are at risk of domestic violence, rape, or sexual assault, or if you are being stalked, you should immediately seek professional help.***

It will occasionally be a realty management company that screens your application, and not the actual landlord or property manager. It's important to keep in mind that the realty management company is the landlord's agent. This means that both the realty management company *and* the landlord can be held responsible if they violate your fair housing rights. If you feel that you have been the victim of any of the tactics described above, you should immediately contact your local Housing Consumer Education Center, legal assistance office or fair housing agency; or contact the Massachusetts Commission Against Discrimination (MCAD, [www.mass.gov/mcad](http://www.mass.gov/mcad)) or the United States Department of Housing and Urban Development (HUD, [www.portal.hud.gov/hudportal/HUD/states/massachusetts/offices](http://www.portal.hud.gov/hudportal/HUD/states/massachusetts/offices)).



### 3. Moving In

Moving can be expensive. You have to pay at least the first month's rent. On top of that, you often have to pay a last month's rent and a security deposit as well. We'll talk more about these in a moment. In addition, you'll need to think about certain other things. They can include:

- Renting a truck and other moving costs.
- Deposits for the electric company and the gas company if you don't already have an account with them.
- Installation fees for telephone and cable. (One of the advantages of a cell phone is that it travels with you.)

It's important to start budgeting for these extra expenses as soon as possible.

#### Holding the Apartment

Once they have accepted you as a tenant, some landlords may request a **deposit** to hold the apartment until you move in. This is a temporary deposit to assure the landlord that you will not back out on your promise to move into the apartment. The landlord should either apply this deposit towards your rent or security deposit or return it to you once you move in. If the landlord decides to back out, the deposit should be returned to you. Be sure to ask the landlord to give you a **written receipt** that states all of these things.

#### What Can a Landlord Ask For?

A landlord may only ask for certain monies when you move in. These include the first month's rent, the last month's rent and a security deposit. He or she may also ask you to pay the **actual** cost of replacing the lock to your apartment. This is referred to as a **key fee**. No other fees are permitted under Massachusetts law. (It's worth noting that some have questioned the legality of charging a deposit to hold the apartment based on this fact.)

**First Month's Rent.** This is just what it says. It's the rent for the first month of your tenancy.

**Last Month's Rent.** The landlord can also ask you to pre-pay the last month of your tenancy when you move in. If he or she asks for last month's rent, it **cannot be more** than what you are paying for the first month of your tenancy. The landlord must also give you a special receipt for your last month's rent and either pay you annual interest on it or allow you deduct that interest from your rent once a year.

**Security Deposit.** Finally, the landlord may ask you for a security deposit from which he or she can deduct any rent that you owe or damage that you have done to the apartment above normal wear and tear when you move out. As with the last month's rent, the security deposit may not be more than your first month's rent, and the landlord must pay you interest on an annual basis. Your landlord must also give you a receipt for your security deposit, a Statement of Condition of Premises that lists any repairs that need to be made in order to bring the apartment into compliance with the State Sanitary Code. Within 30 days, your landlord must place your security deposit in a special bank account in order to

protect it from his or her creditors. Security deposit monies cannot be mixed with your landlord's personal funds, and you must be given a written notice that tells you the name and address of the bank in which your security deposit is deposited and the account number.

Any other special deposits, such as "cleaning deposits," "pet deposits," etc., are really nothing more than security deposits with a fancy name. The **total** of any and all security deposits, pet deposits, cleaning deposits or any other kind of special deposit **cannot exceed** your first month's rent.

This is just a quick review of security deposits and last month's rents. They are described in more detail in *Making a Home for Yourself: A Resource for Tenants*, which is available from your local Housing Consumer Education Center.

### **And always get a receipt for any money that you give to the landlord!**

As mentioned above, your landlord will give you a **Statement of Condition of Premises** form that you will be asked to sign if he or she takes a security deposit. You and your property owner will use this form to describe the condition of the apartment when you move in. This is usually done with both of you present. You should list any damages to the apartment that will need to be repaired or any damages that you might be asked to pay for at the end of your tenancy. This can include things such as the condition of rugs and appliances and stains on carpeting or flooring. Once you both agree on the current condition of the apartment you *both* should sign and date the form. This is a good protective measure for both you and the property owner or manager.

If your prospective landlord does not take a security deposit and you are not participating in a rental subsidy program which requires an inspection of the apartment before you move in, be sure to inspect the apartment yourself **with the landlord present**. Be sure to check all rooms thoroughly for damage. Look for:

- a) Holes in walls
- b) Cigarette burns
- c) Broken windows and screens
- d) Leaky faucets
- e) Chipping paint. (This can be a serious concern if the paint contains lead.)
- f) Holes in carpeting, etc.

### **If You Have a Rental Subsidy**

Chapter 4 describes some of the rental subsidy programs that can help you with your rent. If you have a rental subsidy and you are about to move into an apartment, there are certain other things that you will need to do:

- ✓ Have the property owner or manager fill out a **Request for Tenancy Approval (RFTA)**.
- ✓ Bring the RFTA to your Housing Authority or Housing Agency.
- ✓ Find out **when** the apartment is due to be inspected by speaking with your Housing Representative.



- ✓ The apartment must be inspected before you move in. The agency administering the subsidy program will let you and your prospective landlord know when it will take place. Be present at the time of inspection. This way, you will immediately know the results of the inspection.
- ✓ If you have a Section 8 Housing Choice Voucher, remember that your landlord can ask you to pay a security deposit, but **not** a last month's rent.

## Leases and Rental Agreements

Most people use the word lease to refer to any written agreement between a tenant and landlord. Actually, the term refers to a particular type of tenancy.

**Lease.** A lease is a *written agreement* between a landlord and a tenant that sets both the *amount of rent* that the tenant will pay for the unit and the *amount of time* that the tenancy will last. The typical time for a lease is one year; but this can vary. If you have signed a one-year lease, you have agreed to stay in that unit and pay rent for a full year. The landlord has agreed to not raise the rent within that year and can only evict you from the unit if you do not comply with the rules of the lease during the lease period ("for cause"). Of course, there are always exceptions. For example, the lease would no longer be in effect if the tenant and landlord mutually agree to end the tenancy.

The lease should state the amount of notice that the landlord must give you if he or she wants to evict you for anything except nonpayment of rent (which is always 14 days). Notices to terminate a tenancy must always be given to the other party in writing.

If the tenant and landlord do not sign a new lease, but the tenant remains in the apartment and the landlord continues to accept rent from the tenant after the term of the lease has expired, then the tenancy continues as a tenancy at will (see below).

It is always important to *understand the lease* (or any legal document) *before you sign it* so that you won't be surprised later. Go over the lease with the landlord. If you still have questions, or if you are not comfortable asking the landlord, ask to take the lease with you so that you can discuss it with someone else. If you are a participant in a rental subsidy program, you can discuss the lease with your program representative. You can always go over the lease with an attorney but there is likely to be a cost for this.

- If you have a **rental subsidy**, you must sign a one-year lease.
- With a **conventional tenancy**, you and the landlord can agree to either a lease or a tenancy at will.

**Tenancy at Will.** A tenancy at will can be created by either a verbal agreement or by a written document called a **Rental Agreement**. The term "tenancy at will" can cover a variety of situations. Unlike a lease, *it has no ending date*.

Tenancies at will are generally month-to-month tenancies. The tenant pays the rent on a monthly basis. Although tenancies at will can also be based on oral agreements – the tenant simply lives in the apartment and the landlord accepts rent - an oral tenancy at will is almost always more prone to misinterpretation and possible misunderstanding than a tenancy at will that was created by a written Rental Agreement, and is generally not a good idea.

If either you or your landlord wish to terminate a tenancy at will, you must give the other party notice in writing. You do not have to specify a reason for doing this as one does not need “cause” to terminate a tenancy at will; but the written notice must be given to the other party at least 30 days or one full rental period (usually a month) before the day on which the rent would normally be due. The only exception to this notice requirement would be if your landlord wanted to evict you for nonpayment of rent, for which the notice period is 14 days.

Either type of tenancy has advantages and disadvantages. Be sure to understand the type of tenancy you will have and what your responsibilities will be in order to get the housing and tenancy that best meets your needs. A more detailed description of both leases and rental agreements can be found in *Making a Home for Yourself: A Resource Guide for Tenants*, which can be obtained through your local Housing Consumer Education Center.

### **Tenant Responsibilities**

It's important to remember that, just as your landlord has responsibilities to you, you have responsibilities to him or her. In addition to honoring the terms of your lease or rental agreement, you are responsible for such things as keeping your apartment clean, trying not to disturb the “quiet enjoyment” of your neighbors, and reporting anything that needs repair in your apartment promptly to your landlord.

### **Lead Paint**

Lead poisoning is a major health concern and can be a serious and dangerous problem. Fortunately, it is preventable. The major source of lead poisoning in young children is lead-based paint in an older home. It is important to look for chipping and peeling paint and always to ask whether lead paint is present in an apartment, and if it is, whether the apartment has a Letter of Compliance. If you have a child under the age of six in your household, the landlord must bring your apartment into compliance with the state's lead safety laws. It is illegal for a prospective landlord to refuse to rent to you because of this.

Property owners/managers of housing built before 1978 must give you a paper entitled *Tenant Lead Law Notification* and a *Tenant Certification Form* when you first move into the apartment, along with the most recent copies of any lead inspection report and/or Letter of Compliance (that shows that the apartment is in compliance with Massachusetts lead paint standards) for the apartment. This is true, regardless of whether or not someone under six lives in your household.

In addition to the state lead paint requirements, federal law also requires that any activities that disturb more than six square feet of interior paint - or 20 square feet of exterior paint - in properties built before 1978 must be performed by a certified contractor, using workers who have been trained in lead-safe work practices. The rule applies whether or not a child under six lives in the property. The only exceptions to this requirement are situations in which no lead-containing surfaces are to be disturbed. The contractor is also required to provide you with a copy of a booklet on lead-paint renovation entitled *Renovate Right*. In Massachusetts, this regulation is enforced by the state's Department of Occupational Safety (DOS).

Lead poisoning can be a very serious issue, but it can also be prevented. Be sure to get the facts. The Department of Public Health will have updated information on health risks and prevention. Also, don't be afraid to ask your child's doctor to test your child for lead poisoning. For further information, contact the Childhood Lead Poisoning Program (CLPPP) of the Massachusetts Department of Public Health ([www.ma.gov/dph/clppp](http://www.ma.gov/dph/clppp)).

### **Other Resources**

The Housing Consumer Education Centers of Massachusetts have a manual called *Making a Home for Yourself: A Guide for Tenants* that describes your rights as a tenant. It is available from them, free of charge.

For a more complete tenant's rights manual, the Massachusetts Law Reform Institute publishes a book called *Legal tactics: Tenants Rights in Massachusetts*. Chapters are downloadable through the MLRI website ([www.mlri.org/publications](http://www.mlri.org/publications)).



## 4. Rental Subsidies

There are several rental assistance programs that help low-income households secure decent rental housing by providing assistance that fills the gap between the family's ability to pay and total housing costs. Most programs are based on paying approximately 30% to 40% of your total monthly income towards shelter costs. Shelter costs are defined as the rent plus the cost of utilities.

Rental subsidy programs are administered through local or regional housing agencies. Local housing authorities usually cover the town in which they are located. Regional housing agencies may cover several towns or counties. As with most programs, there are certain very specific regulations and requirements when you receive a subsidy. Some of these requirements include: income eligibility and verification, housing quality standards verified through a housing inspection, and the lack of a record of violent or drug related criminal activities.

There are basically two kinds of subsidies, Project-Based Subsidies and Mobile Subsidies.

**Project-Based Subsidies** stay with the apartment. You can obtain a list of subsidized complexes in your area from your local housing authority or Housing Consumer Education Center. Certain project-based subsidies permit tenants who have stayed in the subsidized apartment for more than one year to convert their subsidy to a mobile subsidy that they can take with them when they move. Be sure to ask whether this is the case when you are applying for a subsidized unit.

**Mobile Subsidies** move with the tenant. Tenants who have mobile vouchers look for their own housing on the private rental market. The owner, the tenant, and the housing agency sign a written agreement outlining their respective rights and responsibilities. Program participants pay a share of the rent based on their household income, and the agency administering the program pays the balance of the rent directly to the landlord on a monthly basis.

Before the tenant moves in, the apartment is inspected to insure that it meets program standards. The purpose of the inspection is to make sure that the unit is safe and sanitary, and that the rent is reasonable. After that, it is re-inspected on a regular basis. There is no charge for the inspections, which are quick and scheduled at the tenant's convenience. The tenant must be present at the time of the inspection so that the inspector can have access to the apartment, as well as to the basement and all common areas.

If a building built before 1978 is to be occupied by a family with children under six years of age, the landlord must provide a Letter of Compliance (LOC) from a licensed deleading inspector, stating that the unit and common areas of the building are in compliance with the Massachusetts Lead Law. If the building was constructed after 1978, a copy of the original building permit is required if a child under six is to live there.

Participants in subsidy programs will receive counseling on program requirements, tenant rights and responsibilities, fair housing, housing search, and how to negotiate with their landlords. Landlords are provided with detailed information about the program and receive monthly checks directly from the agency.

Some of the questions that you might want to ask when you call a housing agency include:

- Do you own any subsidized units that I might apply for?
- Do you have a list of other subsidized units in the area?
- How do I go about applying for a subsidized unit from you?
- Do I need to come into your office to apply to you, or can you send me an application by mail or can I download it from a web site?

**Applying for a Subsidy.** A description of some of the different subsidy programs appears below. Each has its own income requirements and eligibility criteria. The one thing that virtually all the programs have in common is that they have long waiting lists. It's important to not become discouraged by how long you may have to wait for a subsidy, however. The sooner you apply, the sooner you will ultimately get your subsidy.

***As housing authorities maintain separate waiting lists, you should apply to EVERY housing authority in the area in which you want to live in order to obtain subsidized housing at the earliest possible date!***

Once you have submitted an application, the housing agency may give you an **application number** (this number may or may not represent your position on the waiting list) or some type of receipt verifying that you submitted an application. ***This is the only proof that you will have that shows you have submitted an application. Be sure that you keep it in a safe place.*** Some housing agencies may ask for your application number when you inquire about your status, so be sure to have the number with you when you call them.

**Waiting Lists.** The waiting list is different with each program. You may find that the waiting lists are anywhere from six months to five years long. Do not be discouraged, and remember it may or may not take that long.

Housing agencies generally *update their lists once or twice a year* by sending out letters to each person on the list. In the letter, they may request that you verify or update the information that they have. It is very important to respond to the mail you receive while you are on the waiting list

- *Remember that it is up to you* to notify the housing authority of any change in your household make-up, address, or other change in your situation. If you do not respond to the letter within the required time, you may be removed from the list.

### **Criminal Offender Record Information (CORI)**

HUD requires all housing agencies to check if you have a criminal background by obtaining a CORI. They are looking for a record of drug-related or violent crimes. Under some circumstances, you may still be eligible for a subsidy even if you have a conviction. For example, an individual convicted of drug-related crimes may be eligible if he or she has

successfully completed a rehabilitation program and has had no further convictions for drug related or criminal activity.

- CORI's are supposed to be handled in the strictest of confidence. Each housing agency should carefully select which of their staff will have access to these records.

## **Types of Subsidies**

**Section 8 Housing Choice Voucher Program (HCVP).** Section 8 mobile vouchers can be used with *any* landlord. It is illegal for a landlord to refuse to rent to you because you have a Section 8 voucher (see page 14). Section 8 mobile vouchers are administered by local housing authorities or regional nonprofits under contract with the Massachusetts Department of Housing and Community Development using funds provided by the U.S. Department of Housing & Urban Development (HUD). Rental units must meet minimum standards of health and safety, and the rent must be reasonable in comparison to rents for similar, non-assisted units in the same neighborhood or community. Rental assistance is paid directly to the landlord, based on the family's income. The family pays the difference between the actual rent charged by the landlord and the Section 8 rental assistance.

Unfortunately, the waiting list for the Section 8 Housing Choice Voucher Program is very long. It may take years before you finally receive a Section 8 voucher. Deciding not to apply because of the long wait can be a serious mistake, however. The sooner you apply, the sooner you will ultimately get your subsidy.

Because housing agencies periodically "purge" names of people that they can no longer contact from the Section 8 waiting list, it is important that you let them know your new address whenever you move.

**Massachusetts Rental Voucher Program (MRVP).** The Massachusetts Department of Housing and Community Development provides funding for the Massachusetts Rental Voucher Program. MRVP offers both tenant- and unit-based rental assistance. The tenant-based voucher, called a mobile voucher, is assigned to the participant. It is valid for any housing unit that meets program standards. Unfortunately, the waiting list for MRVP is often closed.

Unit-based MRVP rental assistance is assigned to a specific housing unit or development. The owner rents these units to program-eligible tenants. Tenants who move out of an MRVP-subsidized unit generally lose their rental assistance.

Under MRVP, a fixed amount of rental assistance is paid, based on the participating family's income, household size and geography. The participant pays the difference between the value of the voucher and the actual rent charged by the landlord. The tenant cannot pay more than 40% of his or her income for rent.

**Rental Assistance for Housing Rehabilitation.** The Section 8 Moderate Rehabilitation Program (Mod Rehab) is a HUD-funded rental assistance program that provided project-based assistance to eligible tenants living in units under contract with the program. The program was established

to provide affordable housing resources and improve the housing stock by allowing higher rental payments to property owners who completed a specified level of building rehabilitation. Contact your local Housing Consumer Education Center for details on how to apply to Mod Rehab apartments in your area.

**Rental Assistance for Special Populations.** There are also a variety of rental assistance programs targeted to the specific needs of certain populations, including survivors of domestic violence, families facing possible separation from their children due to a lack of adequate housing, persons with HIV and AIDS, persons with mental health and/or physical disabilities, persons in recovery from substance abuse, and homeless veterans with disabilities and/or psychiatric and/or substance abuse disorders. Although access to these programs is generally by closed referral from specific supportive service programs and agencies, individuals with disabilities are encouraged to call their local Housing Consumer Education Center for additional specific information.

**Short-Term Assistance.** Certain special state programs, such as the HomeBASE program, may sometimes have funds available to help you with back rent, utility bills, and assistance with move-in expenses, or even to provide short-term help with your rental payments. Program rules and eligibility requirements for these programs – as well as availability of funds - can change from year to year. Contact your local Housing Consumer Education Center for more information concerning these programs.



## 5. Credit Problems

As mentioned above, landlords will often make use of a tenant screening service when deciding whether to rent to you. The reports that landlords receive are largely – but not entirely – based on your credit report.

It is important to know what is on your credit report and be ready to address any negative information. A credit report includes a credit score which is a three digit number that ranges from 500-850. The higher, the better! It is based on your spending and bill paying habits and how much debt you have.

- EVERY financial choice you make is watched and recorded through your credit score. Everyone, from the phone company to the credit card company reports how “good” of a customer you are (if, for example, you pay the minimum balance on time, you are considered a GOOD customer).
- Your information is reported to at least one of the three major credit bureaus on a regular basis...they know what you bought, how much you spent, if you paid on time, etc.

To get a free credit report:

- [www.annualcreditreport.com](http://www.annualcreditreport.com)
- [www.tuc.com](http://www.tuc.com)
- [www.equifax.com](http://www.equifax.com)
- [www.experian.com](http://www.experian.com)

If you find out you have a low credit score, you may have a hard time renting the apartment you want. If you have a good reason (say you were out of work for a period of time and fell behind), be prepared to explain that to the landlord.

For all practical purposes, ***a credit problem can be defined as any situation that results in having businesses or bill collectors calling you constantly about paying your overdue bills.***

One of the most common, easiest and most seductive ways that people end up going into debt is using credit cards. They are easy to use, and in emergencies they can be quite useful. But there are also many pitfalls to credit cards. If you owe money to a credit card company you are almost certainly paying a high rate of interest, and can easily be liable for special charges such as the “late fees” that the credit card company charges if it receives your payment after what it considers to be the “due date” for the payment. All of this can make it difficult to catch up once you fall behind and means that you end up paying a lot more money for what you bought. Most financial advisors suggest that you only use credit cards if you can pay them off immediately. That is not always possible. If you do get stuck with credit card debt or other debt, try to follow a payment plan to ***pay off your debts as soon as possible***. Try to make more than the minimum payment every month or you will continue to fall behind.

But sometimes things happen that are out of your control, and you may find yourself unable to pay your bills. If bills pile up and you haven’t been able to make arrangements for payment, the company will probably turn over your account to a collection agency. This information will also be passed on to credit reporting agencies, and your credit will be negatively affected. Negative

credit accounts can affect your ability to rent a good apartment and can make it difficult for you to secure financing in the future, such as getting a loan.

If you find yourself “over your head,” the first thing to do is to take a hard look at your income and expenses as described in Chapter 1 (see pages 4-5). Come up with a realistic evaluation as to which expenses are truly necessary (food and shelter, for example) and which are not. Set up a budget plan, *and stick with it*.

Here are some of the approaches that people have used to deal with credit problems:

- Seek the assistance of a qualified financial advisor (see below). Do not go to any credit counseling agency that charges you for their services. Paying someone to get you out of debt only adds to your debt.
- Call your creditors. Most of them will be open to discussing how to modify your payments if they think that you are serious about it. Some may even be open to lowering your interest rate. Negotiate a *realistic* repayment plan and stick to it.
- At the beginning, put most of your effort into paying down loans and credit cards that have the highest rate of interest.
- Do **not** open any **new** credit cards.
- You may want to consider taking out a consolidation loan from a reputable source, but only if it is absolutely necessary.
- Take on a part-time job.
- Borrow from your family or friends.
- File for bankruptcy. (Although this has a negative effect on your credit score in the short run, it can sometimes be a useful strategy.)

You can't “fix” your credit overnight, but it can be done if you set realistic goals and stick with them. A good credit counselor can help make it possible. Talk to the Housing Consumer Education Center. Money Management International offers free credit counseling. They can be contacted at (866) 310-7452 or [www.MoneyManagement.org](http://www.MoneyManagement.org).

## 6. Eviction, Foreclosure and Ending a Tenancy

Eviction and the termination of a tenancy by a tenant are essentially two sides of the same coin. The notice requirements are similar for both landlord and tenant; although the tenant only needs to give the landlord proper notice (see below) before moving out, while the landlord must go to court to evict the tenant.

### Avoiding Eviction

The best way to avoid eviction is to know your rights **and** your responsibilities. They are spelled out in detail in *Making a Home for Yourself: A Guide for Tenants*, which is available, free of charge from your local Housing Consumer Education Center.

### What if Your Building is Foreclosed On?

Foreclosure can happen when the owner fails to make mortgage payments; the bank or lending institution that holds the mortgage can foreclose and take over the building. The key point to remember if you get a notice saying that your building has been foreclosed upon is not to panic. In effect, the new owner becomes your new landlord, and must go through a court process to evict you. ***No one can force you to move out of your apartment without a court order.***

Give due consideration to “cash for keys” offers where the new owner offers to pay you some sum of money if you move out right away. Take a hard look at what you are being offered. You may do better by waiting and going to court. Cash for keys offers are not official programs, and you ***do not*** have to agree. Is the money being offered you enough to move (first and last month’s rent, security deposit, moving costs, utility hook-ups etc.)? Do you have a decent and affordable place to move to? If not, going through court will usually give you more time to find another place. You may have claims against the new owner, or be able to negotiate for more money.

After a foreclosure, the new owner is responsible for any repairs or utilities that would have been required of the old owner. If the old owner was responsible, then the new owner is too. If repairs are needed, notify the new owner in writing, and keep a copy for yourself. If you don’t know who the new owner is, get in touch with anyone who may have given you papers about the foreclosure. It might be a real estate agent or a lawyer for the new owner. It’s also a good idea to call your local code enforcement agency.

***Finally, be sure to pay your rent on time.*** This will preserve your right to ask the court for more time to move. If the new owner doesn’t accept your rent, ***save the money and do not spend it.*** Offer to pay your rent in a letter to the new owner, or the new owner’s agent, and keep a copy for your records. Don’t pay rent to the old landlord once there has been a foreclosure deed.

## What If You Want to Move Out?

If you want to avoid legal hassles and bad references when you end your old tenancy, it's important that you give your landlord a proper notice. The Notice that terminates (ends) your tenancy must be given in writing directly to your landlord. Failure to give proper notice can mean that your landlord will ask for additional rent after you move out or take it out of your security deposit (see page 16).

If you have a **Tenancy at Will**, or Rental Agreement (see page 19), you do not have to give a reason for why you are moving out. However, your landlord must receive this notification at least 30 days or one full rental period, whichever is greater, before the day on which the rent is normally due. This is why it is often called a **30 Day Notice**. For example, if your rent is due on the first of the month, you will need to give your landlord written notice of your intent to terminate your tenancy before the first of the previous month – except for March, for which you would need to give notice on either January 29<sup>th</sup> or 30<sup>th</sup>, because February has only 28 or 29 days.

If you have a **Lease** (see page 18), the notice period for terminating your tenancy should be clearly stated in the lease. It will be the same as the notice period given for the landlord. It may be as little as seven days or as much as two or three months. If there is no mention of a notice period in the lease, then it is customary to follow the same rules as a Tenant at Will – the greater of 30 days or one rental period before the date on which the rent is due.

Like a tenancy at will, the notice must be given to the landlord in writing. Unlike a tenant at will, a tenant with a lease is only supposed to terminate the lease for cause during the time that the lease is in effect. The reason for terminating the tenancy should be stated in the termination notice. In other words, you are only supposed to terminate the tenancy if your landlord has failed to honor some part of your agreement, such as failing to make necessary repairs or providing adequate security. (It's important to remember that, unless it has been renewed, a lease usually "expires" and ceases to be a lease after the first year of the tenancy. At that point, you would no longer need to have "cause" for terminating the tenancy.)

Although the courts do not generally consider the fact that you simply want to move to a better apartment as being cause for terminating a lease, they do tend to allow tenants more leeway than landlords and will probably limit how much your old landlord will be able to ask of you if he or she ends up taking you to court.

## Other Resources

The Housing Consumer Education Centers of Massachusetts have a manual called *Making a Home for Yourself: A Guide for Tenants* that describes your rights as a tenant. It is available from them, free of charge.

For a more complete tenant's rights manual, the Massachusetts Law Reform Institute publishes a book called *Legal tactics: Tenants Rights in Massachusetts*. It is downloadable or may be purchased through MLRI at [www.mlri.org/publications](http://www.mlri.org/publications).

# Household Budget Worksheet

Use this sheet to determine your income and expenses, and disposable income percentage

Include all expenses and income.

If you need another category, "borrow" a line that is not in use. Not all households will use all items.

Be as accurate as possible in reporting. Do not report any monies deducted from your take home pay.

Monthly Take Home Income	
Salary/Wages/Business Draw	
Salary or Wages (Spouse)	
Social Security	
Pension/Retirement	
Interest on Accounts	
Alimony / Child Support	
Real Estate rent (income)	
Investment Dividends	
Unemployment/ Food Stamps	
Other	
Total Take Home Income	

Monthly Living Expenses	
Alimony / Child Support (outgoing)	
Auto Gas and Repair	
Auto Insurance	
Cable TV/ Satellite Fees	
Charitable Contributions	
Child Care	
Children's Activities	
Clothing Maintenance (Laundry/Dry cleaning)	
Clothing Purchases	
Electric Bill	
Food (In-home / Groceries)	
Food (Out of home - Lunch, Dining)	
Gas and Oil Bill	
Health and Dental Insurance	
Homeowner/Condo fees	
Homeowners/ Renters Insurance	
Household items	
Internet Access (AOL,MSN, DSL)	
Life and Disability Insurance	
Memberships (Health club etc.)	
Personal Care (Grooming)	
Prescriptions	
Property Services (Gardener, Pool)	
Security Services (Alarm)	
Subscriptions	
Telephone (Home, Cell, Pager)	
Trash Disposal	
Tuition and School Supplies	
Water Bill	
Other Expenses	
Other Expenses	
Other Expenses	
Total Monthly Living Expenses	

Secured Debts (Monthly Payments)	
Rent	
1st Mortgage	
2nd Mortgage	
Land Lease (Trailer park, other)	
Student Loans	
Auto Loans/Leases	
Recreation (Boat, ATV, etc.)	
Past Due Taxes	
Other Debts	
Other Debts	
Other Loans	
Other Loans	
Total Secured Debt	

Unsecured Debt	
Credit Card 1	
Credit Card 2	
Credit Card 3	
Credit Card 4	
Credit Card 5	
Credit Card 6	
Credit Card 7	
Credit Card 8	
Personal Loan 1	
Personal Loan 2	
Medical Bill	
Payment	
Other	
Other	
Total unsecured Debt	

Summary	
Total Take Home (Income )	
Total Living Expenses (-)	
Total Secured Debt Payments (-)	
Total Unsecured Debt Payments (-)	
Disposable Income	
	**
Disposable Income as Percent	

A healthy budget will have 5-10% disposable income.  
If your calculations reveal a deficit (in parentheses)  
you may be in serious debt.

## **10 BASIC RULES OF MONEY MANAGEMENT**

1. Know your financial situation.
2. Set financial goals.
3. Plan for expenses.
4. Develop a realistic budget.
5. Distinguish between needs and wants.
6. Do not allow expenses to exceed income.
7. Save!!
8. Pay your bills on time.
9. Use credit wisely.
10. Keep a record of daily expenditures (see form on next page).

## **WARNING SIGNS OF A CREDIT CRISIS**

- You are at or near the limit on your credit cards.
- You fight with your partner about money.
- You charge more each month than you pay.
- You have recently been denied credit.
- You are using savings or credit for daily expenses.
- You have received a telephone call from a collector.



