

SELLING & PURCHASING SECTION 8 UNITS

When an Owner/Landlord decides to sell their Section 8 unit they have certain responsibilities that must be met in order for SMHA to make the necessary changes that will result from the sale.

A sale or transfer of a section 8 unit will initiate the following actions:

First:

The owner who has sold the property must provide SMHA with:

A written notice that contains:

- The previous owner's name along with their address & phone number
- The new owner's name, address & phone number
- The address of the unit(s) sold
- The name of the tenant(s)
- The effective date of the transfer

Second:

The new owner who has purchased the property must provide SMHA with:

A written notice that contains:

- The name of the new owner along with their address & phone number
- The name of the previous owner along with their address & phone number
- The name that the new owner would like to have their account set-up under (LLC, INC)
- The name that you want your monthly HAP assistance check made out to
- A copy of Proof of Ownership: *A HUD Settlement Statement, A Warranty Deed, or A Recorded Land Contract agreement are examples*
- A copy of any applicable management agreements is the new owner will not be managing the property themselves.

This information should be sent to the attention of the Section 8 Department. Once it is received the following will occur:

You will receive an Assumption of HAP Contract document and a W-9 form to be completed and signed by you. You will need to return the original signed forms to the Section 8 Department.

Upon receipt of these two documents, the new data will be entered into the system to set you up as a new landlord. You should begin receiving your monthly HAP payments on the first of the month following the effective date of the sale or transfer of the property.

You will be sent a packet that contains all of the forms that you signed along with

- a copy of the most recent rent adjustment letter
- a copy of the lease
- a copy of the HAP contract
- a copy of the Rent Increase request document

If a transfer is effective anytime during the month - it will be necessary for both the seller and the purchaser to make arrangements for any HAP money distributions as they deem acceptable.

If the tenant is in their initial lease – The new landlord must honor the lease through its initial term. They may then execute a new lease on the next annual anniversary date.