**House Knox**

**Risk Mitigation Fund Guidelines**

**Overview of House Knox Risk Mitigation Fund**

The House Knox Risk Mitigation Fund will cover damages caused by Tenants placed in housing through the House Knox program. This damage claim coverage is designed to mitigate any risk and offset any concerns the Property Partner has about participating in House Knox and renting to homeless clients with rental barriers. Risk Mitigation Fund coverage is available for any Property Partner who has signed an MOU with House Knox.

With all tenants who are referred for housing through House Knox, Service Providers partnered with House Knox are committed to providing the support that the Tenants need to help them be successful in housing. All Property Partners must notify House Knox and/or Service Providers when concerns first arise and allow them to intervene at the earliest stages to ensure timely solutions.

The Risk Mitigation Fund extends through the term of the lease, starting with the move-in date. Property Partners must submit damage claims to HouseKnox@unitedwayknox.org, where a House Knox staff member will verify and process all damage claims submitted through the Risk Mitigation Fund.

**House Knox Risk Mitigation Fund Coverage**

* The Risk Mitigation Fund coverage will begin on the Tenant’s move-in date, as reflected in the lease / rental agreement, and will be in place for the term of the initial lease.
* Property Partners must notify the referring Service Provider and House Knox when any issues arise with any House Knox Tenants. Specifically, the Property Partner commits to notifying House Knox in the event of (1) any issues or action that may affect the continuation of the Tenant’s housing, and (2) awareness of any potential or actual damage to the rental unit. Property Partners must communicate and work with the parties as described above to resolve any issues before moving towards an eviction and/or any action that may jeopardize the Tenant’s housing *and* before submitting a damage claim.
* House Knox will oversee verification and approval of damage claims and payment of House Knox Risk Mitigation Funds to cover legitimate damage claims.
* While House Knox is responsible for distributing Risk Mitigation Funds, House Knox may not be held liable for damage claims beyond those verified and approved through the claims process.
* House Knox has limited funding for the Risk Mitigation Fund. Not all claims for reimbursement will be approved.

**Eligible Reimbursement Costs**

The Risk Mitigation fund will *only* pay for damages in excess of the security deposit for the initial term of the lease agreement. Damages may include the following:

Excessive Damage

Excessive damage is considered property damage to a single unit in which the costs to repair the unit to its previous state exceeds the security deposit amount. Requests shall not exceed $2,000 for a single unit and $3,000 for a multi-bedroom unit. Costs will only be paid as a reimbursement and shall not be issued prior to completion of work. Requests must be made within 30 days of the final move-out inspection, unless the landlord can demonstrate that reasonable steps were taken to access other funds first and that effort was unsuccessful.

Vacancy Loss

Vacancy loss is available for landlords who commit to filling the empty unit with another tenant through House Knox. If a House Knox tenant terminates a lease early with a participating landlord, the landlord shall notify House Knox in writing within 24 hours of receipt of tenant notification. If House Knox cannot place another eligible tenant in the unit by the first of the month or 14 days (whichever is longer), the landlord may request reimbursement for the actual time of vacancy loss, not to exceed 30 days. Documentation of notification to House Knox within 24 hours of receipt of tenant notification must be received prior to reimbursement.

Legal or Eviction Fees

It is expected that participating landlords report House Knox tenant issues to House Knox’s housing navigators in a timely manner and provide House Knox with an opportunity to either resolve the issue or replace the House Knox tenant with a new tenant. Despite best efforts, sometimes complications arise, and legal action may be necessary. In the event that legal or eviction fees are incurred by a participating landlord, such costs are only reimbursable upon demonstration that effort was made with House Knox to resolve the issue / avoid an eviction and House Knox was given an opportunity to place a new tenant. Legal and eviction fees will be limited to $1,000 per House Knox household.

**House Knox Risk Mitigation Fund Claims**

* Property Partners who experience damage or vacancy loss from a House Knox Tenant must submit a Risk Mitigation Fund Claim Form to House Knox within 14 days of discovering damage after Tenant has moved out.
* The Property Partner can access a Risk Mitigation Fund Claim Form by contacting Drew Holloway – hollowayd@unitedwayknox.org – directly and requesting a claim form.
* The Property Partner must first deduct any applicable payments, deposits, or fees collected from the House Knox Tenant or a Service Provider. Upon request, the Property Partner must provide proof to House Knox that they have deducted from the total claim any deposits, fees, or pre-paid rent (if applicable).

**Additional Provisions**

* If a Risk Mitigation Fund Claim Form is being submitted after the Tenant has moved out of the unit, then the Property Partner must provide House Knox with a copy of the Move-Out condition.
* When a Risk Mitigation Fund Claim form is submitted, a House Knox representative will utilize the Move-in condition report to verify physical damages and confirm claim amounts.
* House Knox must be provided pictures of the unit covered by the Risk Mitigation Fund when a claim involves actual damage to the unit. Inaccurate or falsified information will be grounds for denial of a claim. If there is no documentation, claim will be denied.
* House Knox will strive to process Risk Mitigation Fund claims and distribute funds for verified claims within 30 days of receiving the completed claim form and supporting documentation.
* All claims are subject to the availability of funds for this purpose. The Risk Mitigation Fund is funded by the United Way of Greater Knoxville.

**For questions & inquiries, contact:** Drew Holloway, (865) 582.4081, hollowayd@unitedwayknox.org