Esusu

Frequently Asked Questions

Rent Relief

Rent Relief FAQ

Overview

During a period of unexpected financial hardship, renters living in properties enrolled in Rent Reporting with Esusu have access to apply for Stable Home Fund's Rent Relief* – a forgivable, interest-free, and penalty-free loan – when they are unable to make a rental payment. Rent relief fights homelessness backwards by keeping renters in their homes during periods of financial shock.

Renters in Esusu-managed properties can apply for rent relief when in need. In partnership with Stable Home Fund, Esusu will pay up to three (3) months of rent (limit of $5k total) directly to the owner/operator. We deposit funds directly into the property's bank account via same day direct deposits. Renters make best efforts to repay the approved amount over a 12-month repayment period. Repayments are used to generate more relief keeping the fund evergreen.

FAQs

1. How will recipients of rent relief be selected?

Esusu Financial manages the recipient selection process based on the application review. Criteria for rent relief are set by Stable Home Fund, a 501(c)(3) partner. Key criteria considered includes (i) financial need; (ii) low rental payment delinquency history (3 months or less); (iii) application completion; and (iv) KYC identity verification. This population is most likely to pay back the loan, and the goal of the rent relief program is to prevent eviction rather than delay eviction.

2. What types of documentation do residents need to provide to prove financial need?

While we verify the applicant's residence (through lease upload), rent amount, delinquency, and bank account, we do not ask applicants to provide documentation pertaining to financial need (such as a loss of job notice). We want to lower the burden for accessing help and do not ask residents to prove need while they are already experiencing hardship.

3. Why is it just three months or 5k?

Our Rent Relief fund is structured in a way to help keep people in their homes and prevent evictions. We only fund 3 months (limit $5,000) of rent because this is meant to be a source of support during an unexpected time of financial hardship.

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4. Can a resident apply for more relief than their current delinquency? Can they apply if they are not yet delinquent?

Yes. Our ultimate goal is to prevent evictions, so if a resident foresees needing rental assistance for more than their current delinquency, they are able to state the reasons in their application and our team will take that into consideration.

5. What is required of renters receiving Rent Relief?

Residents must complete an application via our Rent Relief Portal either through a laptop/computer or other smart devices. As part of the application process, residents will need to go through a KYC verification by linking their bank account with our system and electronically signing a loan agreement. The linked bank account will be the same one used to repay the loan. A bank account is required to apply for rent relief.

6. Can residents apply for multiple rent relief loans? If a resident has a current loan with Esusu and applies for additional funds (total under the $5k cap), how is this handled?

Residents can apply for additional funding if:

1. The combined amount of rent relief is under the 3 months / $5k cap
2. The current loan's repayment is in good standing
3. There is a reason provided for the immediate request of additional funds. If a resident has fully repaid a prior rent relief loan, they would be eligible to re-apply should they need to in the future.

7. What happens if residents cannot repay?

Our priority is to help residents stay in their homes and get back on their feet. Esusu has multiple ways of working with renters to repay loans, from direct debits, loan restructuring and other means of payment as needed. Rent Relief follows a pay-it-forward model, and while we don't send collections we encourage repayment best we can so that more renters can benefit in time of need, and ultimately resort to write-off when needed.

8. What is expected of property managers?

Property Managers will be kept informed in the process of a resident's rent relief. They will receive notifications when a resident applies and when a payment is disbursed. Please reach out to your Esusu account representative for more information on specific actions that could be required from the Property Managers.

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9. How do properties receive funds from Rent Relief loans?

Funds are sent via ACH transfer to your property's bank account via same day electronic deposits.

10. How long does it take to process rent relief?

The timeline of rent relief varies depending on multiple factors that are outside of our team's control, including resident verification from the Property Managers (in some cases), resident verifying bank account, and resident signing contract post-approval. Our timeline for underwriting is up to 3 weeks.

11. How long does a resident have for bank verification and for signing the loan agreement?

A resident has up to 30 days for each process: bank verification details and signing the loan agreement.

12. Where do the funds for rent relief come from?

Currently, there are three primary ways by which we fund Rent Relief:

1. Foundation-donated capital
2. Esusu Founders' shares
3. Renter repayments of rent relief loans

There is no precise dollar size to our fund. Rent Relief is well-funded and will always meet demand and stay evergreen. The fund is backed by additional balance sheet capital that can be leveraged to further support the program as demand increases. Esusu encourages renters to repay the loan to help keep the fund self-sustaining and replenished for other renters to access.

13. Are landlords involved in the decision-making process?

Property Managers are not involved in the Rent Relief issuance or collections, only in the verification of whether the resident resides in the property. We intentionally keep property managers out of this process to avoid any risk from commingled processes. The Rent Relief funds have no influence on the landlord-resident relationship other than helping a resident cover an outstanding balance.

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14. Who can I reach out to if I have any questions or concerns?

Please reach out to rentsupport@esusu.org.

15. How is Esusu able to offer a 0% interest loan

All this money comes from private investors, funds, and nonprofits that are coming together to end homeless in America.

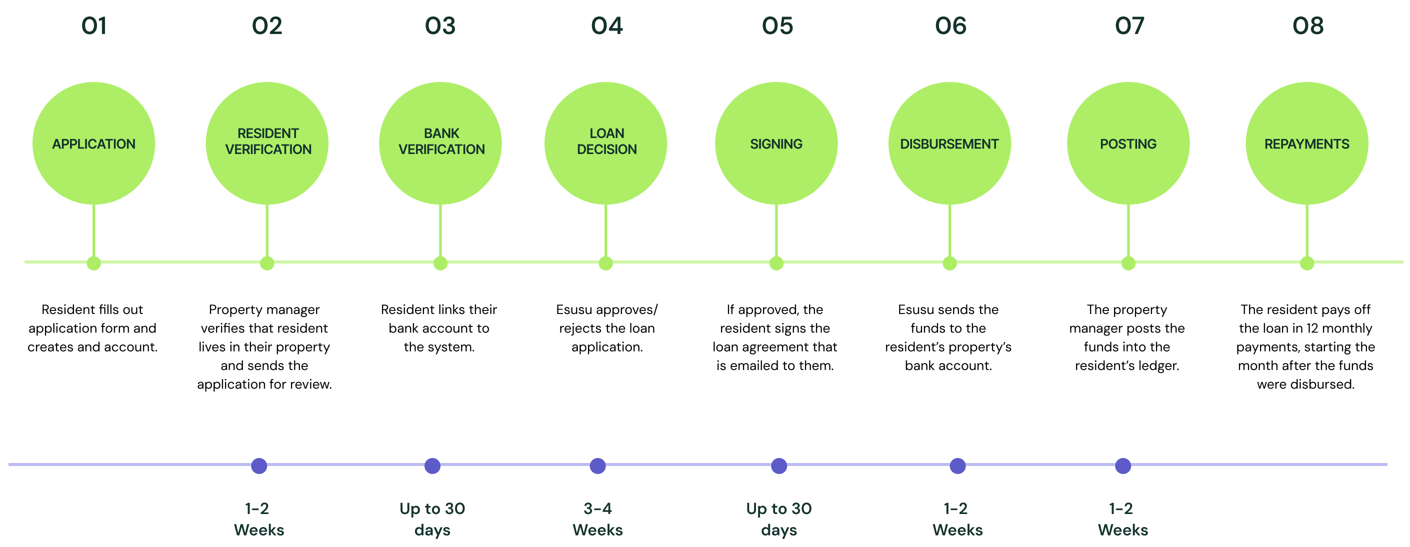
16. What is the turnaround time for approval and disbursement?

The times outlined in red are the longest case scenario. (See picture below)

Steps one and two can be shortened to 1-2 days each if your onsite team and you do your part and stay on top of your application.

Loan decisions do take up to 3-4 weeks. We have a lot of residents that apply and each application is reviewed by a real human. It can also take 1-2 weeks after being approved for funds to be disbursed.

The Resident Loan Life Cycle



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17. What is the payback cadence?

We automatically set up repayments as equal payments across 12 months. If you get approved for $2,000 your payback cadence will be $166.66 over 12 months.

18. What is the interest rate?

Esusu Rent Relief is always 0% interest, with no hidden fees. If you get approved for $2,000 you will only pay back $2,000.

19. Why does Esusu call this program rent relief instead of a 0% interest loan?

Esusu is private rent relief as an interest-free loan

20. What are the deadlines tied to the application?

You have 30 days to complete your bank verification - if not completed in 30 days, your application will be closed and you will have to reapply if interested. The same goes for the final loan agreement, you have 30 days to sign, if you fail to sign, your application will get canceled, and you will need to reapply if interested.

21. What are some reasons I would be declined?

- Income insufficient for the amount of credit requested
- Change of residence
- Unable to verify information
- History of non-payment
- Multiple active loans
- Duplicate applications
- Application incomplete

22. What is the payback cadence?

We automatically set up repayments as equal payments across 12 months. If you get approved for $2,000 your payback cadence will be $166.66 over 12 months.

23. Is rent relief guaranteed if I fit that threshold?

NO! As much as we would like to be able to approve every application, it is just not possible. There are a number of factors that go into approval and falling between 3 months and $5k is just one of them.

24. What is the balance threshold for qualifying?

You are no more than 3 months behind on rent with a limit of $5,000 on your ledger