



OCCH
OHIO CAPITAL
CORPORATION
FOR HOUSING



Compliance Update Alert

January 26, 2012

2011 Annual Owner's Certification

The 2011 Annual Owner Certifications will be due:

- In Ohio – due to OHFA no later than March 1, 2012
- In Kentucky – due to KHC no later than March 15, 2012
- In Indiana – due to IHEDA no later than January 31, 2012
- In Pennsylvania – due to PHFA no later January 31, 2012

An Annual Owner Certification that is not submitted, or is submitted late, places a project out of compliance as of the first day of the year for the reporting period. Thus, failure to submit an owner certification for the period January 1, 2011, through December 31, 2011, by the deadline listed above will result in the project being out of compliance beginning January 1, 2011. If not corrected by submitting the required certification and report, this could result in a loss of tax credits for the entire project, for the entire 2011 tax year. Owners failing to submit the appropriate certifications and reports may also be considered not in good standing with housing finance agency programs.

In Ohio, tax credit properties should have been utilizing the OHFA Compliance Tool throughout the year to populate the required Tax Credit Summary Report that must accompany the Annual Owner's Certification. Please note that 100% LIHTC projects that have stopped completing annual recertifications must continue to update the Compliance Tool with current rent and utility allowance information for every resident.

As in years past, OHFA will require all certifications and reports to be submitted to OHFA via mail. The OHFA compliance tool for the project should also be saved to a CD, as well as printed and submitted via mail. Certifications and reports cannot be submitted via e-mail or fax.

Please do not use staples on any submitted documents. As in years past, most projects will be required to submit:

- The Tax Credit Program Owner Certification
- The OHFA Compliance Tool
- The Gap Financing Owner/Sponsor Certification (if the project has HDAP/HOME/OHTF/FAF funding)
- The GAP Financing Resident Data tab from the Tool (if the project has HDAP/HOME/OHTF/FAF funding)
- The 2011 Operating Survey - completed surveys are e-mailed to OHFA to:
 - o Deborah Leasure at dleasure@ohiohome.org

NEW FOR THIS YEAR: In addition to requesting a CD and hardcopy, OHFA is asking owners to upload each Compliance Tool to a secure web server. OHFA is asking you to take this additional step to ensure tenant data can be quickly reviewed and collated for submission to HUD as required by the Housing and Economic Recovery Act of 2008. A link to the upload page is available at:

<http://www.ohiohome.org/compliance/ownerreport.aspx>.

A password is required. The password may be obtained by e-mailing Christina Knight at cknight@ohiohome.org. Please limit password requests to one per management company/owner. Multiple files may be uploaded using the same password. Uploaded files should be named using the OHFA Tracking Number and the project name, for example **"002011 Lovely Apartments"**. A separate Compliance Tool should be uploaded for each project.

Note: a Compliance Tool and Annual Owner Certification must be submitted for any project with residents who have been income certified, even if the project has not yet placed in service.

Tax Credit Projects in the Extended Use period must submit the Extended Use Tax Credit Program Owner Certification. Any project which has completed Year-15, but is still subject to an extended use agreement will be required to submit this certification.

Forms and instructions can be downloaded from:

<http://www.ohiohome.org/compliance/ownerreport.aspx>

Please also remember that copies of completed, SIGNED Annual Owner Certifications need to be submitted to OCCH as soon as possible after submitting to your state agency.

OCCH Desk Review Reminders

OCCH will continue to conduct desk reviews of tenant files in 2012. When your property is selected for review, you will be contacted with specific instructions as to which files to send and the paperwork that is to be included. Here are a couple of reminders about areas of the desk review that tend to be overlooked:

Utility Allowance Documentation

When submitting utility allowance information please circle or highlight the sources for the utilities (i.e. gas heat, water, sewer, etc.) and include a total for each unit size. In addition to the current utility allowance, previous utility allowances covering the certifications requested should also be submitted.

Recertifications

If a Tenant that has been recertified is selected, please submit the most current recertification information along with the original move in information. If recertifications have been suspended, please forward the following items along with the original move in information:

LIHTC Units– Suspended Recertifications

- Student Status Certification (or a Sworn Income and Asset Statement--SIAS)
- Application for Continued Occupancy (or equivalent) (recommended, not required)
- Annual Inspection
- Verification of rent paid (lease amendment or letter of rent increase, etc.) (recommended, not required)

HOME Units - Self-Certifications

- SIAS
- Application for Continued Occupancy (or equivalent) (recommended, not required)
- TIC
- Clarification record explaining 3rd party verification not obtained (recommended, not required)
- Annual inspection
- Verification of rent paid (lease amendment or letter of rent increase, etc.) (recommended, not required)

- NOTE: 3rd party verifications must be obtained every 6th year for HOME units

OHFA Compliance Tool for 2012

Tax credit properties in Ohio should continue to use the 2011 version of the OHFA Compliance Tool in 2012. OHFA will be introducing an on-line reporting system sometime in 2012, but until the on-line system is fully operational, properties need to continue to use the Compliance Tool. The Compliance Tool file that was used during 2011 can be saved with a new name for 2012 and then updated throughout the year with all move-outs, move-ins, and changes in rents, utility allowances, etc. that occur in 2012.

2012 HOME Limits Issued

HUD has published the 2012 HOME income and rent limits with an effective date of February 9, 2012. The new limits can be downloaded from:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/index.cfm>

New Affirmative Fair Housing Marketing Plan (AFHMP)

HUD has issued a new version of the Affirmative Fair Housing Marketing Plan, Form HUD-935.2A effective 12/2011. The form can be downloaded from HUDClips at:

<http://www.hud.gov/offices/adm/hudclips/>

If you have questions about these issues or other compliance matters, please don't hesitate to contact anyone on the Asset Management team at 614-224-8446.

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